

THE LEGISLATIVE ASSEMBLY OF MANITOBA
9:30 o'clock, Wednesday, May 5th, 1965.

Opening Prayer by Madam Speaker.

MADAM SPEAKER: Presenting Petitions

Reading and Receiving Petitions

Presenting Reports by Standing and Special Committees

MR. JAMES COWAN, Q. C. (Winnipeg Centre): Madam Speaker, I beg to present the second report of the Standing Committee on private bills, standing orders, printing and library.

MR. CLERK: Your Standing Committee on private bills, standing orders, printing and library beg leave to present the following as their second report.

Your Committee has considered Bills No. 44, an Act to incorporate the Dufferin Racing Association; 104, an Act to provide for the disposition of Funds of Weather Modifications Ltd. and has agreed to report the same without amendment.

Your Committee has also considered Bills No. 78, an Act to incorporate The Manitoba Law School Foundation; 95, an Act to incorporate The Company of the Cross and has agreed to report the same with certain amendments.

Your Committee recommends that the fees paid in connection with the following bills be refunded, less cost of printing: No. 55, an Act to amend an Act to incorporate The Ice Club of Greater Winnipeg; No. 95, an Act to incorporate The Company of the Cross; all of which is respectfully submitted.

MR. COWAN: I move, seconded by the Honourable Member for Pembina, that the report of the committee be received.

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

MR. COWAN: Madam Speaker in accordance with the report of the Committee, I move, seconded by the Honourable Member for Pembina that the fees paid in connection with the following bills be refunded less the costs of printing: No. 55, an Act to amend an Act to incorporate The Ice Club of Greater Winnipeg; No. 95, an Act to incorporate The Company of the Cross.

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

MADAM SPEAKER: Notices of Motion

Introduction of Bills

HON. MAITLAND B. STEINKOPF, Q. C. (Provincial Secretary and Minister of Public Utilities (River Heights): Madam Speaker, before the Orders of the Day, I'd like to inform the Honourable Leader of the Opposition that Hydro have informed me that there was some power being imported from Ontario, yesterday, nothing from Saskatchewan.

MR. GILDAS MOLGAT (Leader of the Opposition) (Ste. Rose): to ask a further question of the Minister of Public Utilities. Is the government considering at this time adding other units to the Kelsey Power Development?

MR. STEINKOPF: Madam Speaker, I'll take that under advisement and notice.

HON. GURNEY EVANS (Minister of Industry and Commerce) (Fort Rouge): Madam Speaker, I apologize for the fact that Order No. 5 on the motion of the Honourable Member for St. George was not complete when submitted to the House the other day. My department was responsible for accumulating all of the correspondence from all of the departments. My honourable friend will understand there are a great many offices and it just happens that I completed the return and submitted it before correspondence from one section of the government had been received and I wish now to table the information which will make complete the return to the Order No. 5.

ORDERS OF THE DAY

MADAM SPEAKER: The adjourned debate on the third reading of Bill No. 119. The Honourable the Member for St. George.

MR. T. P. HILLHOUSE, Q. C. (Selkirk): Madam Speaker, I believe the honourable member adjourned the debate on this bill for me and with the leave of the House I'd like to speak on it.

MADAM SPEAKER: The Honourable Member for Selkirk.

MR. HILLHOUSE: Madam, there are several objections that I have to this bill and I'll try and enumerate them as briefly as possible. The first objection is if this bill represents the

(MR. HILLHOUSE cont'd). law as it has been so suggested by the Honourable Attorney-General, well then there's no need for the bill. The second is, that if this bill does not represent the law as it stands in Manitoba today, then my submission is that it's highly improper for this Legislature to introduce it inasmuch as there is litigation which will shortly be pending in our courts. I gave my reasons yesterday why I took that position.

Another point is this, Madam, that I consider that there's no protection being given by this bill to innocent parties as it does not preclude an insurance company from taking evasive action. Another point is that according to the lawyers who appeared before Law Amendments Committee, they were unanimous in stating that their research did not disclose any decisions on this particular point in any jurisdiction whose system of prudence was based on the English common law. It would therefore appear, Madam, from that statement made by these lawyers that this is rather a unique situation. It is the first time that it has arisen in the Province of Manitoba and to that extent, Madam, we are legislating for one case, and such legislation is bad legislation.

At the present moment if innocent parties are advised through the press and through the radio of the present state of our law, that is assuming that the statement made to the Law Amendments Committee by Mr. Charles Huband is correct, and I have no reason to believe otherwise, I think that a service could be done to these innocent parties by informing them that due to the present state of the law that they have not the protection necessary under a mortgage loss clause unless they take out insurance in their own name protecting their own interest.

Now a further objection that I have to it, Madam, is this, I think it is bad business to introduce legislation of this nature into this House to deal with one case because it gives the impression to the people outside of this House that by some means or other this House has been reached or induced to bring in legislation to deal with one case.

For these reasons therefore, Madam, I cannot support this legislation and I wish to move, seconded by the Honourable Member for Lakeside, that Bill No. 119 be not now read a third time but read six months hence.

MADAM SPEAKER presented the motion.

MR. SAUL CHERNIACK, Q. C. (St. John's): Madam Speaker, when this bill was first presented to us and I had an opportunity to read it I had to study it a bit to realize the implications behind it, and I realized that what it set out was what I understood the law to be and what I as a lawyer had advised many of my clients the law was. I had occasion to listen to Mr. Huband in the presence of some other lawyers whose opinions I respect, and listening as we did we came to the conclusion that Mr. Huband acting for the insurance companies presented a very logical argument to indicate that the law was contrary to what not I alone but other lawyers had thought it was. This distressed us, not I alone, distressed us very much, because we felt that although the circumstances were so unusual that cases of this type would, well have seldom occurred, yet the possibility that they might occur would disrupt the peace of mind of a great many mortgagees be they the poor individuals for whom Mr. Newman purported to act, or be they people in the second mortgage business, nevertheless, they would all discover if Mr. Huband was right, that the security on which they had been relying and which lawyers, many lawyers had told them they had a right to expect, was non-existent.

Now it seems to me that it is important that a situation should not occur which would disrupt the security which many people have felt that they had and which insurance companies never made any effort to indicate was not there. I suspect from what was said more recently by Mr. McLachlin, that after the insurance companies reviewed this legislation that they themselves had not faced up to the problem as to what the law really was under these circumstances which as I say are most unusual.

The way this matter came before the House is a matter for the government's conscience and not mine, but once the bill has come before us and sets out the law which I think it ought to set out and clarifies the law which obviously is in doubt, since we've had distinguished lawyers, Mr. Huband and Mr. Newman disagreeing on what the law was, I think it is only fair and proper that the Legislature do make the finding.

Now having withdrawn that all-inclusive retroactive clause, it seems to me that any case of any existing claim is not clarified by this law, and we don't even know whether any existing claim will be in court, because the fact is it isn't in court.

Now if this bill, when an accident, or if an accident would influence the insurance company in settling a claim, that's up to the insurance company and I would not feel badly about it because it is my opinion that everybody concerned in that transaction as in other transactions relied in the expectation that the law was as is set out in the bill.

(MR. CHERNIACK cont'd).....

Therefore, I'm not prepared to debate with the Honourable Member for Selkirk or anyone else as to what the law was or what the law is, because I don't pretend to know with certainty, but I do know what lawyers I've spoken to have advised their clients that the law was, and I think that it is just as well that it be clarified. I do not see that any harm is done because I do not believe that the insurance companies ever face up to this problem or set their rates on the basis of this. The fact that there are no reported cases in Canada or apparently in England, and only two in the States, would indicate that the circumstances are so unusual that premiums have not been established on the basis of anyone's concept of the law being one way or the other.

So I see no one being adversely affected by the passing of this Bill, but I think that the delay in passing it could adversely affect any number of people if a set of circumstances such as these would arise again. For that reason, I feel we should proceed with the Bill as it is amended.

MR. M. N. HRYHORCZUK, Q.C. (Ethelbert Plains): Madam Speaker, if my memory serves me right, I believe that one of the parties who made a presentation to the committee stated that the insurance companies are prepared to sit down with the proper officials of this government and come up with a solution that will be satisfactory to the insured, to the people in the companies themselves. I think that is the best solution of the lot, because after all is said and done, as has been stated here and in committee also, nobody knows what the law is. There's probably some insecurity in the few cases that are already insured and this legislation I doubt very much will help those that already hold contracts, but if the company would agree to a solution, if there was a general agreement between the interested parties, I'm quite sure that whatever the agreement would be would apply to all existing contracts as well, and I think that the suggestion that this matter be discussed by the interested parties and a solution arrived at is the best one of the lot.

MR. J. M. FROESE (Rhineland): Madam Speaker, since this matter will be coming to a vote, I thought that I should give my views on this. Apparently the bill that we have been discussing is there to protect those that have a second or probably third charge under a mortgage and where you might have arson, and that these parties might be robbed of their rightful monies that should come to them.

Apparently from the Law Amendments Committee meetings that we held and the representation that was made, so far only two cases have come to light in the U.S., but I just wonder how many other cases there have been and which probably never came to light because of the people not wanting to exercise their rights and going to court. There's always a certain hesitancy and because of that they will more readily settle with insurance companies.

As I understand it the matter is not before the courts as yet. I hope I'm right because my decision will hinge on this. If it is not before the courts as yet I intend to vote for the Bill. However, if it is, I would vote with the honourable member here who has just proposed that the bill be hoisted.

MADAM SPEAKER put the question and after a voice vote declared the motion lost.

MR. HILLHOUSE: Yeas and Nays, Madam Speaker, please.

MADAM SPEAKER: Call in the members. The question before the House is the motion of the Honourable the Member for Selkirk, that Bill No. 119 be not now read a third time but read six months hence.

A standing vote was taken, the result being as follows:

YEAS: Messrs. Barkman, Campbell, Desjardins, Guttormson, Hillhouse, Hryhorczuk, Johnston, Molgat, Patrick, Tanchak and Vielfaure.

NAYS: Messrs. Alexander, Baizley, Beard, Bilton, Bjornson, Carroll, Cherniack, Cowan, Evans, Froese, Gray, Groves, Hamilton, Harris, Harrison, Hutton, Jeannotte, Johnson, Klym, Lissaman, Lyon, McGregor, McKellar, McLean, Martin, Mills, Moeller, Paulley, Peters, Roblin, Seaborn, Smellie, Stanes, Steinkopf, Strickland, Weir, Witney, Wright and Mrs. Morrison.

MR. CLERK: Yeas. 11; Nays. 39.

MADAM SPEAKER: I declare the motion lost. The adjourned debate on the third reading of Bill No. 119.

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

MADAM SPEAKER: The adjourned debate on the second reading of Bill No. 110. The Honourable the Member for Lakeside.

MR. DOUGLAS L. CAMPBELL (Lakeside): Madam Speaker, the members of the House will probably be pleased to hear that I haven't much to add to what I've already said with regard to this legislation, and consequently I don't expect to take very much of the time of the House. I may however repeat some of the things that I said before because I think that the objections that I raised at the committee stage are really the fundamental suggestions that I have to this matter.

First and foremost, I'd like it to be understood that I'm certainly not against pensions as a program and practice for businesses, organizations and governments, because I think that where people are engaged in full-time work and permanent work that it's advisable and proper that there should be pensions. But this is the distinction that I draw, because I think that there's an attempt here, and has been in other Legislative Assemblies, to extend to people who are not full-time or permanent employees the benefits of the pension system that in my opinion should be reserved for full-time and permanent employees. We just are not in that category. This is one of the longest sessions of the Legislative Assembly that I have known, and yet I think we are just now completing 50 days of sitting and it looks as though we'll be very few more days now. So by no stretch of imagination can the legislative members be called full-time employees.

Now I know of course that a legislator's duties extend throughout the year and that he has many other things to do in addition to the work that he does in here, but on the other hand I also know that the most of the members of the House, the private members, carry on their other businesses or professions, with some let and hindrance of course because of their serving here, but the most of them, practically all of them carry on those other businesses completely. That's different with the Cabinet Ministers of course, but the Cabinet Ministers are paid these times what I think is a very handsome salary for the full-time work that they put in here.

As I pointed out the other day, it's full-time work or should be, but it's not permanent work, and I certainly do not expect to see the present Cabinet Ministers occupying their positions very much longer. In fact I would suggest that their life expectancy is short indeed as far as this present government is concerned, and I would venture the opinion that passing this legislation would hasten that desirable result. Just to indicate how temporary is the position of the Cabinet Ministers, Madam Speaker, you will notice that less than half of the present Cabinet members were Cabinet members of the first administration of this government - less than half of them - and that shows the turnover. Is my honourable friend wanting to make a comment -- the First Minister?

HON. DUFF ROBLIN (Premier) (Wolseley): speaking to you, Sir.

MR. CAMPBELL: You were speaking though? -- (Interjection) -- Yes, I take it that my honourable friend seems a bit touchy this early in the morning. -- (Interjection) -- Yes, yes, I guess that's the trouble.

And of the ones who were not Cabinet Ministers in the first administration of this government, the vast majority of them were not even in the House at that time - only a couple I believe were in the House in those days - which points out the fact that it is a temporary position for the Minister as well as the private member.

As far as salary is concerned, I still maintain that both the private members and the Cabinet Ministers are very well paid in this House, and to establish a pension based on that salary for the private members and based on the additional salary of the Cabinet Ministers is in my opinion a great mistake, because I think that it places all the members of this House in a very invidious position of taking an action that is undoubtedly within their legislative competence but which simply can't be divorced in the public mind from the fact that personal considerations must enter into the discussion of this program.

Madam Speaker, I do not intend to comment on the bill itself in any detail. Quite frankly I haven't even studied it very carefully, but on the little study that I've had and what I have read in the papers and what I have seen of the reports on it, I would think it is self-evident that it is tailored specifically to fit this present government situation, particularly with respect to the front bench, and I think that that also is a very invidious position for the government to place itself in.

As I have said before, the members are well paid in my opinion, and the Cabinet Ministers are well paid. If a pension should be considered at all, and I'm certainly against the principle for part-time service and temporary service, but if one should be intended at all then I think it should be based on the regular indemnity rather than on the indemnity and the salary,

(MR. CAMPBELL cont'd.) because it seems to me that the salary is paid, and a good salary for the work that is being performed. My recollection is, and I have not taken the time to check the Act in this connection, but my recollection is that that is the situation so far as the Federal Parliament is concerned.

I am sure, Madam Speaker, that in the arguments that will be used to show the benefit and propriety of a pension for the MLAs and Cabinet Ministers and Madam Speaker and the Leader of the Opposition, provided they occupy their positions a certain length of time, that one of the arguments will be that it will encourage better people to run for office. I always find that an odd argument to be used by we folk who are already here. It seems to me that it seems kind of funny for us to be saying, after standing for office and getting elected, that if situations were different that they'd have better folks than us in here. Well that may apply to some of the members, but by and large I think the most of us seek this position; nobody forces us to come in here.

The other thing that I would say about a pension, if the feeling is that there should be one in Manitoba, then I would say that it should be introduced by a Legislature and then put into effect only under the coming into office of a new Legislature, and should not apply, should have no retroactive effect whatever, and then the electorate would know that they were electing people who were going to be pensioned as well as paid indemnities and salary, and the public would be taken into the confidence of the government. I think this is one of the things that is eroding the confidence that the public has in its legislators these times, that they don't take the public sufficiently into their confidence, and particularly before an election.

Now if, and I am not advocating that the system be introduced either, first because I think that the principle is wrong of giving pensions to part-time and temporary employees, secondly, I think that we should not have the type of program that is envisaged here even if we put in a pension; and thirdly, I think that we should, to relieve ourselves of the invidious position that we're placed in in dealing with such things as salaries and pensions and the like, that any action that is taken should be put in by one Legislature but to come into effect only after another Legislature is formed and to have no retroactive effect; then the public would know exactly what they were doing.

Of all the weak arguments that I hear in support of a pension for we folk, the weakest of all in my opinion is that other provinces have it. Just because other provinces have done some of these things is in my opinion no reason in the world for us to do it. We should do only what is thought to be right ourselves. Some folks will say to me that I have often talked about uniformity here and advocated uniformity, but I've never advocated uniformity in a case where I disagree with the principle.

So, Madam Speaker, I am unalterably opposed to the bill that is presented. I am opposed to the principle in general, but if one were going to be done which I do not advocate, then I say it should be done by one House and not come into effect until the next House and not be retroactive, then everybody would start on an even footing. If I have any other principle to advocate, it would be that if one were put into effect that it should be applied to the indemnity part of the payment only and not to the salary.

MR. MORRIS A. GRAY (Inkster): Madam Speaker, I don't know whether retiring from public life before the next election if I am eligible for the pension or not, but I want to say something in favour of it. It should be done very very much longer, and I think something has been suggested but at that time the powers-that-be had the same opinion as the opposition now, from one of the opposition.

In the first place, I don't think that any member in this House makes either money or even a living out of the indemnity of the Legislature, and thank goodness that we still have people in this world that are willing to sacrifice their time and their financial situation and their future to prevent them from occupying one of the old folks homes which, as good as they are, are degrading. The reason they are there is because they have not tried to protect themselves financially but were willing to help out the community either in public life or in communal life. Now what is going on now? There's no expense, only \$20,000 expense I understand of the government, because each and every one is contributing. I understand if I wanted to be on the pension list I've got to pay back about \$1,600 or \$1,800 for the indemnity I received for 25 years. -- (Interjection) -- Pardon?

A MEMBER: You'd have to pay back about \$4,800.

MR. GRAY: Well it's eight years. Now I don't know. Of course this is a technical thing, whether I've got to pay \$4,800. I understand I've got to pay more but that's immaterial. But

(MR. GRAY cont'd.) on the other hand if a person comes in, if one is elected to the Legislature and he is good, he is usually re-elected for years, then he gets older and loses a period where he could make himself financially independent at the old age. Of course public life is a disease. People fight for it. People spend more money to get elected than they get out of here.

But why should the Federal Government now - and they don't do very much more work if you read the Hansard - you'll never find them down there, there's always about 60 for and 30 against. Now where are the other members there? They are paid a very high indemnity and they're getting transportation. We get transportation too, but where should we go - to Brandon or Selkirk? We have nowhere to go, but they could go all over Canada. Even Ontario could go from Toronto to Winnipeg for 90 cents, so I don't see any particular objection to it. It's not a present. I take it that every member here in this House, and I'm speaking now about this House, is losing money, is sacrificing -- he comes here; has to stay at a hotel - those from the rural districts; he has to lose his vacation; on his farm he's had to hire somebody - and the Honourable Member from Lakeside knows about it because he has a very nice farm and it's very nice outside - the weather is nice to cope with the farm but he's still here until the House closes, and he's one of the contributors to extend the time.

I think this is a late proposition but an excellent one for the future. We could then train young people to come in here, or encourage them, and if they are good they'll stay here longer. We'll have a good class of candidates and I feel that this bill should be supported by everyone, and if I personally could not benefit by it - I don't know, I don't know the difference about it - then I'm very glad to see that when people come in here and lose the opportunity in their young days to reserve a higher pension or a security for their old age, they at least know that there's no starvation here.

Now what are we doing? First of all I'm quoting the bill. The minimum is eight years, those who are eight years, so we are not gambling on those who come in tomorrow; and if we are gambling, let the constituency worry about it; but at least the suggestion is not to take in anyone until he has served for eight years in this House, so what are we actually worrying about? A contribution of \$20,000 by the Province enabling them to keep young, good educated public-spirited citizens here in a budget of 150 and \$185 million.

I'm sorry that I cannot agree with the Honourable Member of Lakeside and I think probably I am right, because a lot of things which our group suggested the last 25 years have not been accepted until just recently, and when I say recently; not the last day or two but the last few years. I don't see any objection at all.

MR. COWAN: Madam Speaker, I'm opposed to this bill also. I think that when we were elected as members of this Legislature we knew that there was no pension to be received here and we were elected, not for the money but for an opportunity to be of public service, and I am afraid that if the financial reward is increased to a very great extent, as I think it would be by this bill, that we may be having people running for this Legislature not because of being able to be of public service but because of the financial reward that may be obtained.

I think too that we should not be looking for full financial benefits for every hour we spend on public service because there are many citizens who give a great deal of their time in the public service of the people in this province through various organizations, through churches, through hospital boards and auxiliaries, through veterans' organization, educational organizations, and in Winnipeg through the Central Volunteer Bureau where between 500 and 600 volunteer people volunteer for various jobs in helping people in the community, helping the Indian and Metis to adjust to life in Winnipeg, driving senior citizens and disabled people, helping mental patients to adjust to life in the city, helping people with educational problems doing tutoring at home, and actually about 5,500 women are active in canvassing for the Red Cross and the Community Chest Fund. So many others give very much of their time to public service and we should be willing to give our share.

Because we have on the whole in this House - and I believe this - a very able group of members, that if we were out of our job as a member tomorrow that we would be able to find other jobs and we would be able to look after ourselves without the necessity of a pension, and many of this group in this House would likely perhaps have a fair income. We know former MLAs in this House who are judges, such as Mr. Justice Rhodes Smith, Justice Ivan Schultz, Judge Solomon and Judge Thompson. We know others that are MPs - I think of the former member Mr. Orlikow, former Member for St. John's; Mr. Churchill, a former army representative in this House; and others are receiving quite good incomes from the taxpayers and

(MR. COWAN cont'd.) there is certainly no need for the taxpayers to help many of these people. Others become senators, and it is quite likely that a number of this House will be

Now it might be that one or two members of this House through some unforeseen circumstances might have difficulty earning a living and I suggest that those are the people that we should be concerned with, and this bill isn't concerned with those people too much because if for instance one has been a member of this House for the last eight sessions and ceases to be a member now, the pension that that person will receive is \$51.00 a month and that is not of much help to a person who needs any help. That is not of much help we'll say if one of our members going home at night, perhaps tired after a long session, rolls over in his car and perhaps we'll say is paralyzed for life.

Now I think the members of this House would like to see that man and his wife and his children live in dignity for the rest of their lives. After all, he has given public service and he was badly injured in the course of his duties as a member of this Legislature and \$51.00 a month would certainly not be of very much help to that man. I would like to see a pension for that man that would be worthwhile, a pension for that man that would enable him to live in dignity and his wife and his children for the rest of their lives. This is the type of pension that is provided by the Mother of Parliament for the members of the House of Commons in the United Kingdom, and it is a pension which they have had greater experience of than parliaments in this country. In the United Kingdom they have had this type of pension since 1939; the first provincial pensions came into effect in Canada only in 1954.

I would like to see a bill before this House that would provide a pension, we'll say for a married member who became disabled or who retired and who needed assistance that would bring his income up, we'll say to \$3,600 a year with a maximum payment by the treasury of about \$3,000 a year for a married person; and if he was a single person, perhaps \$2,000 a year that would bring his income up to \$2,400 a year with additional payments for children under 18 of about \$900.00 a year. This would enable a disabled person or a person who needed help to live in dignity, and if these figures aren't quite right and maybe should be increased a little, well then they could be increased to some extent, but at least that person would be able to live decently - that disabled member or the person who needed help would be able to live decently for the rest of his life and would not simply have a pension of \$51.00 a month if he ceased to be a member after the present session and after having served eight sessions.

I think we should contribute to that pension fund, but the contribution should of course be at a smaller rate, perhaps one percent of the indemnity, perhaps two percent of the indemnity; and I think too that the Cabinet Ministers should be in the same position as the other members of the House with regard to the pension that would be payable, because I think that they are better able to look after themselves so that there's less need for them to have a higher pension. In the United Kingdom there's no difference as to the pension available so far as former Cabinet Ministers and former MLAs are concerned.

The United Kingdom Act provides for deductions from MPs salaries of 12 pounds - I'll translate these to dollars on the basis of \$3.00 being one pound - on the basis of \$36.00 per annum, and if some members don't take their indemnity, as is the case in the United Kingdom, then the treasury puts up the \$36.00 per annum for them. Up until 1957 this pension was entirely made up of contributions from members. There were no contributions from the taxpayers into this pension fund until after 1957.

In the United Kingdom the maximum payment to members is only \$750.00 a year to bring up the income of the member to \$975.00 a year; and if there's a payment to a widow or a widower, then the payment is a maximum of \$450.00 a year to bring up the maximum income of the recipient to \$675.00 a year. There is also provision for payment for children - \$150.00 for the first child per year and \$90.00 for the second, and provision for extra grants in cases of special hardship.

The fund is administered by seven trustees - one full-time government employee and the other six members of the Commons who must keep the records confidential excepting that they give an annual report to the House on the financial position of the fund. The pension is payable to those who have attained the age of 60 years or are incapable by reason of mental or bodily infirmity of earning their living.

Now I would like to say a few more matters about the bill before us. Under this present bill if a member was elected when he is 21, or perhaps like the Honourable Member for Brokenhead elected when he was 22, after he becomes 30 years of age, after he has served eight

(MR. COWAN cont'd.) sessions, he becomes entitled to a pension for the rest of his life of \$51.00 a month. I think he's a healthy looking man and should live about another 50 years and he will get back over that period of time every two years the amount that he contributed, and that is quite a large sum over a period of 50 years. At the same time, another honourable member who might be about 75 years of age, he would have to contribute the same amount and he would only receive a pension for a comparatively short time, perhaps ten years, perhaps fifteen years, and so we find that some will get a great deal more benefit out of the pension fund than others.

I have looked at the legislation in seven other provinces in Canada - and I haven't been able to find a legislation for Alberta - but we find that in Newfoundland and New Brunswick the retirement age is 60 years, whereas in Nova Scotia it is 60 years or when totally disabled. In Saskatchewan, B. C. and Ontario, the retirement age is 55 years, excepting that in certain cases a pension may be taken at an earlier date in Ontario. Quebec is the only one of these seven provinces that is similar to ours, in that the pension will start just as soon as the person ceases to be a member so long as he has served for eight years.

I think it is reasonable to ask the taxpayers of this province to only pay us pensions after we are 60 years of age or after we are disabled as in Nova Scotia. Surely the taxpayers shouldn't be expected to start paying some of the young men in this House pensions at this time. We have young men who can surely look after themselves until they are 60, and this is evidently the opinion in the other provinces excepting for Quebec. I must say I didn't look at the federal legislation.

There is one other aspect that we find in all of these seven provinces and that is this, that in the event of a death of a member after he has served the qualifying number of sessions or years, his widow becomes entitled to half of his allowance. This is true in all of these provinces excepting that in Quebec it is optional. In Quebec they can pay an extra 1-1/2 per cent of their indemnity and then the widow would get half of the allowance of the member. I think that is something too that we should have in our bill because after all I don't think we would want to see a widow of an MLA in need, and that might be the case in some of the circumstances. In two provinces, Nova Scotia and Saskatchewan, they provide for allowances to children in respect of former MLAs. It also is of interest that in Newfoundland the amount payable to Cabinet Ministers is limited to an additional \$3,000, and in Ontario it is limited to half the salary.

So, Madam Speaker, I would hope that this bill might be completed, and within the alternative I would hope and I think that it is a good idea that we have a pension scheme similar to the one in England where pensions are payable to those when they become 60 or when they become disabled, where there is an allowance payable to the widow and to children under -- well in England it is 16 and that seems kind of low -- and that we would pay a decent allowance so that we would ensure that all members of this House would be able to live in a dignified manner and not only have \$51.00 per month as would be the case with a man who ceased to be a member at this time and who had only served the last eight sessions.

MR. LAURENT DESJARDINS (St. Boniface): Madam Speaker, I was quite interested in some of the remarks of the Honourable Minister that has just spoken. I feel that I'm inclined to think somewhat along like him. I had thought that maybe some day there'd be some kind of a reasonable pension here, but I always felt that the two questions that should be asked were first of all, is it the right time to bring a pension; and what kind of pension - is this the right kind of pension?

I wanted to make sure and I studied the bill quite closely. I took notes and so on and I felt - well this is impossible, for instance I was figuring on a Cabinet Minister, what he could derive by this. I thought that I'd made a mistake. It didn't seem reasonable, so I looked at my notes again and checked and double-checked about five or six times, and I still think I must be making a mistake somewhere because it doesn't seem realistic.

Now I made some little cards that maybe can help me follow and help the other members follow. I took an example as I say of a Cabinet Minister, and of course I didn't go into details of trying to find out in a certain year - I was thinking of the consideration of let's say somebody that was named a Cabinet Minister after '62, and then I thought of the years that it's possible to be a Cabinet Minister. I agree with the Member from Lakeside that I don't think that this government will stay in office too long, not after the session like we've had but -- (Interjection) -- Yes, I want to bet, I'd like to bet.

Now, Madam Speaker, I think that this is possible. I know that one of the members here

(MR. DESJARDINS cont'd.) . . . has been on the government side for 36 years I think. So first of all we take the Minister's salary, and if there's a mistake maybe the Honourable Minister can correct me. The Minister's salary is \$12,500, his indemnity is \$3,200, for a total of \$15,700. Now he pays six percent of this or \$942.00 a year, therefore on his total salary of \$15,700 he receives three percent - this is what he gets back in pension - or \$471.00, that we might call a unit, and out of this the maximum his pension can go up is to \$10,990 or 70 percent of this Minister's salary.

Going back to this basic or this unit of 471, let's take somebody that's in there for eight years. Well he's collected eight times that or \$3,768 - \$314.00 pension after eight years for the rest of his life; or you get fifteen years, \$7,065 or \$588.00 pension. If he's there 23 years, it's \$10,833 or \$902.75, and the maximum, a little less than 24 years, he gets \$915.83, close to a thousand dollars a month pension.

Now the Honourable Member from Inkster mentioned that this would only cost \$20,000 to the government. What is he talking about? He says that this is not a present. I would like to see anybody prove that this is something that the members will earn. Talking about an old folks home, you can buy an old folks home with this, two or three old folks homes. I don't agree that every member here is losing money. I know that this is not the fact.

Now let's take a Minister that's been elected at the age of 30 years old and there are some prospects. They will be there eight years, they will be 38 years old and they'll get for the rest of their life \$314.00; or they can stay fifteen years, they'll be 45 and they will get \$588.00 for the rest of their lives; or as I said for 23 years they'll get \$902.00, and the maximum \$915.00; and it takes two years only, exactly two years no matter how you figure out, two years to recapture the money that you put in.

So this Minister that was elected when he was 30, he resigns or probably gets kicked out when he's 38, it'll take him two years to get back what he paid in, especially now we've got two years to pay back. We haven't paid any interest on that, but we'll probably get this money back before we're -- it's possible that some could get their money back before they've finished paying it practically, and then for the rest of their lives, \$314.00 a month from age 40. My goodness, I think that this is certainly going some.

In fact we can say, let's take this Minister who has been fifteen sessions - it's a full session, it's not even a year - so out of that I'm sure that you'll have, and there'll probably be an inclination to do this, to repay the members for all their generous work, I think that it's not far-fetched to say that they can average 15 sessions in 13 years.

Now you have the same Minister in 13 years, he's 43 and he gets \$588.00 a month for the rest of his life. If he lives till he is 75, he has 32 years that he collects this and he gets \$226,000.80 -- \$226,000.80. Well is this reasonable? Does that make sense - \$226,000.80? -- Not 80 cents that's \$80.00, excuse me -- and he has paid in this do you know what, Madam Speaker - \$14,130 - and in this instance without interest, without anything, so he gets a clear profit of \$211,950 - \$212,000. And this man has lost money, has lost money. All he received is \$15,700, plus \$1,600 that is tax deductible, for \$17,300. These Ministers are getting \$17,300 a year and they're working - they're working so hard that they are going to get \$226,000 after that.

Well, Madam Speaker, besides that he gets a car, car expenses, general expenses, and all the connections they can make will probably help them out later on, and then all the free-loading that there is because they are invited all over the place, and they want \$226,000 and the government has got the nerve to bring this at this Session. It's unbelievable.

Of course they should -- I wrote it very small here -- there's supposed to be the satisfaction of working for your fellow man. These are members that come in this House, they're responsible, reasonable, respectable people, but it might be a young lawyer just out of law school; it could be a man holding a small business - a funeral director maybe; a storekeeper; a farmer; a manager of a small business working for somebody else; it might even be somebody that's unemployed can get in here for a \$17,500 salary for 13 years, free car, all kinds of praises, and then he wants \$226,000. There could be only two elections, the people could elect this man twice and that's it, not for this amount but for the eight years, or eight sessions.

Now I might be wrong on this but I'd like to see it somewhere, this young Minister is elected at 30, can leave at 38 with a good pension -- what is that again -- with a pension of \$314.00, then he can go and run federally and get another pension and then maybe the Canadian Pension Plan.

(MR. DESJARDINS cont'd.)

Well the Canadian Pension Plan - the Honourable the First Minister in this House told us what he thought of it and this is what he said, and this is the article of the Free Press of March 4th, "Talking about this cruel tax on heat," he says, "if you are disturbed about this, wait until the Canada Pension Plan comes in," he said. Well I say if you are disturbed about the Canada Pension Plan, wait till this thing comes in -- wait till this thing comes in. "Manitoba's worry was the effects of the compulsory levy on its ability to raise money for needs of an equal or higher priority such as education and medical insurance." Education and medical insurance priorities. We've worried about priority and this is a priority. Of course my friend tells us it only cost the government \$20,000.

"Even if our plea goes unanswered, as I fear it will, we must reconcile ourselves to the plan we have," he said. "the welfare aspect has been completely down-graded and lost sight of. The plan will not do social justice" -- social justice. This is social justice - \$226,000, a salary of 17.5 and everything else - and this is social justice as we see it in Manitoba probably." Mr. Roblin quoted statistics to show the richer you are the less it costs you." Well what about this -- what about this?

Now we have had some legislation here where we needed the majority of all the members before we brought in legislation. Well this is certainly something that we should have. I can't understand anybody bringing in such a legislation as my honourable friend. This is tailor-made for the members on the front bench. Is it so obvious to them also that they are going to be turned out of office and they want to feather their bed before they leave. Is that it? Can they be that callous, Madam Speaker? Can they be that selfish? What about their responsibilities in this House? This is just laughing at the electors. I have never seen anything so callous as this since I have been in this House.

If we would have had a fair pension and brought it in following the announced program of my honourable friend, bringing it in in the list of priorities -- I'm not going to say that I'm against pension altogether, but I'm certainly against a pension at this time when to raise to pay ourselves this \$226,000 and the salaries we're going to put a tax on heat, on poor people that'll have to pay heat to pay this, and this is priority?

We are told well what do you do, what will you reduce the taxes? One of my answers was always, well first of all you reduce the tax and spend less. They say where are you going to raise it then? We even had a ridiculous motion that this was all right because it wasn't a sales tax. Well if we needed this before that, now we'll have a sales tax then to pay for this, or where are we going to get this money.

We've heard so much of priorities. Can we think for a minute - can we believe that this government is responsible and is honest when they are talking about priorities and come and bring in these kind of things? The Honourable Minister that brought this is in the name of the government spoke two minutes, then he said this is all we have to say. These things should be explained before we go into this. This is ridiculous to do things like that. You don't play around with feelings of the people just because you are elected.

HON. GEORGE HUTTON (Minister of Agriculture) (Rockwood-Iberville): Would the Honourable Member permit a question?

MR. DESJARDINS: Yes, I'll permit a question, Madam Speaker.

MR. HUTTON: Since he is so opposed to this, will he assure the House that if this legislation is implemented that he doesn't intend to use it.

MR. DESJARDINS: That, Madam Speaker, as the First Minister said a while ago, is my business. We are not talking about this. He can check after. He's not going to turn around and start talking about one individual when I'm talking about the people of Manitoba. If he wants to check, he can do it. He can do it. He can check. I can tell him this, that my conscience won't bother me in what I do, not like his. I'll be able to sleep nights. This is to show how cynical they are. In other words, I should keep my mouth shut if I want it and forget about the people of Manitoba. Put on another tax, another tax on heat.

This question shows the kind of people we have, the kind of sincerity we have. It's all right if I take it, in other words like I mentioned, you scratch my back and I'll scratch yours. That's all right and let's all together, nobody speak on this and everything is fine, the people of Manitoba won't know what's going on. If I hadn't brought these things in what would they say? "Oh, it's a pension." Would they know that it's this kind of pension for that kind of work? I don't mind his question at all. He will probably be very pleased when he finds out what I do, if it comes. I hope it doesn't, and he's talking about it as if it is already in.

Well this is the thing that we should insist, that we have all the members of this House

(MR. DESJARDINS cont'd.) . . . on this, and I think if we do that the government should be ready to go to the people. If they think this is honest; if this is what they feel, like my honourable friend the Minister of Agriculture, I think that we should go to the people; and I think further than that, I beg if this goes out of this House, I beg that the Lieutenant-Governor veto this. It's been done before and I think that this -- we were talking about a cruel tax; this is a heck of a lot more cruel.

The people don't know where to turn in this province of ours. We're chasing young people away because they are over-taxed. We worry, we make a big thing, all kinds of committees to give people a little bit of help, certain under-privileged people, but there's no trouble with this at all. This has never been discussed and we wait until practically the last day of the Session to bring this in - the last day. This is it. We bring it in the very last day. We've got all kinds of things to do -- don't tell me the government didn't know they were going to do this. This is probably the first thing they talked about, to take care of themselves, and now we bring it in the last day because it's going to go fast and nobody will say anything.

Well I don't think that it's right and I'm not going to stand in this House and let the government try to do this to the people of Manitoba. I certainly will vote against this and, as I say, I demand that we go to the people on a thing like this, because this is callous; this is not responsible; this is not reasonable. They talked about a pension, and we talked about a pension before, as I said, all right you can think about a pension, there are certain people -- but this is tailor-made for the Cabinet for one thing. I don't know who proposed this. This is way out of line for the work that's being done, and especially as I repeat again with the priorities that we are talking about, and all the fancy words that we hear, like the First Minister when he spoke in this House on the debate on the Throne Speech and tells us about the pension plan.

Well I think there's something for the people there, not just for ourselves. We're voting a pension to ourselves and we're paying in two years -- in two years we'll get every single cent that we put in. And this we can start -- we have two years to pay it, we have two years to pay it as I understand. Now if there's an election next year or something, or if a member resigns before the election that's it, he qualifies for this. You just pay it and the next day you'll get it back - that money - and then he's going to get for the rest of his life at least \$314.00 a month.

Well, Madam Speaker, I wanted to say - I wanted to admit that up to a point I believe in some kind of a pension, or I believe at least that we can talk about a pension, but not a thing like this, and I deplore the fact that the government, or the Minister that introduced this tried to just say, well this is all we think about and so on and this is all we have to say - in two words - bring this in the dying days of the Session and try to hoodwink the people of Manitoba. I certainly think that we should go to the government and have an election on this. The government should stand on this.

MR. RUSSELL PAULLEY (Leader of the New Democratic Party) (Radisson): Madam Speaker, I'm in somewhat of a predicament, following as I do the bombastic member for St. Boniface on this question. It is not my purpose to defend the Cabinet or what the results might be insofar as the Cabinet is concerned or indeed any member in the House if this suggestion of pensions for members is adopted.

We have heard in this debate this morning, Madam Speaker, from a number of members whose livelihood generally speaking is not affected in the pursuit of public service. I am sure that the honourable member who has just taken his place, the Member for St. Boniface, his business carries on just about the same whether he is here or whether he is away. I'm sure that almost to the same degree the same situation prevails as far as the Member for Winnipeg Centre is concerned. I suspect greatly that when the Leader, the former Premier, the Honourable Member for Lakeside is fulfilling his duties here in the House that his general income, if indeed there is general income, carries on just the same. I think, Madam Speaker, that I would be safe in saying that almost everyone, with the exception of a few members in my group, that their business - and I'm not talking of the Cabinet Ministers in this because they're full-time - but almost every other individual member in this Assembly are in professions or some line for which their wages or their salaries in general continue.

Now at the risk of appearing as though I'm preaching for a call, I want to put up some part of the other side of the story too, and I hope that I'm not misunderstood. The Honourable Member for Winnipeg Centre spoke about devoted service to the public and the volunteer. I don't want to try and suggest to this Assembly that I am any different than anybody else as

(MR. PAULLEY cont'd.) far as public service is concerned, and I'm not going to attempt to use myself as an example in this debate, but I do think that the members of this Assembly appreciate the number of hours that has been necessary for me to put in in endeavouring to fulfill the position that I hold, but I'm not concerned with myself.

As far as I am concerned, I want to use a former leader of the CCF Party in Manitoba as an example of real loss insofar as pension is concerned and wages are concerned in order to fulfill what he thought, and correctly thought, was his responsibility to his fellow-man here in the Province of Manitoba. He has passed away now. Madam Speaker, and I want to refer to Ed Hanford who very ably represented the constituency of St. Boniface for a considerable number of years, and as the record shows was a very able member of this Assembly.

He worked for the Canadian National Railway. Every minute that he was absent from work was without wages. As leader of his party, he was called not only to fulfill his duties in this Assembly but to absent himself from work on many other occasions in order to fulfill the obligations that accompanied the position that he held. And, Madam Speaker, not only was there the loss of wages, but loss of pension rights as well, for there was no opportunity to make contributions insofar as public service was concerned in the CNR until two years ago - it might be three years ago now - but at that particular time, no pension rights, and every time that he lost time from the railway reduced the total years of service on which his pension was based.

I refer to another former member of this House, the man that I have the honour to succeed in this Assembly, Mr. George Olive, also was in the self-same position, Madam Speaker. I understand that he lost about 35 or \$50.00 a month off of the pension that he would have got had he not lost time in order to devote his capabilities in service to this province.

It might well be said, Madam Speaker, it might well be said, well isn't this just a contribution that anyone who enters into public life should be called upon to make - the sacrifice? Maybe that's right. Maybe, Madam Speaker, that no member of this Assembly other than the full-time Cabinet should receive any indemnity at all if we're going to carry that premise to its logical conclusion, but I don't think the public would accept this. I don't think that the public would object to a reasonable return for service, and I'm not going to argue whether this is reasonable or not, I'm talking of the principle of the bill. If the details are not acceptable to a majority of the members of this House, Madam Speaker, surely those details can be changed, as is our right, when the bill goes to law amendments.

But I thought, Madam Speaker, I would just like to say a word or two about the other side of the story. In my group at the present time, the Honourable Member for Seven Oaks and myself are railroad workers. We receive no compensation at all while we are here. We can now make a contribution to our pension scheme - 11 percent - because we have to pick up the 5-1/2 percent of company pension. So if we want to retain our pension's continuity, or full value for counting years, it will cost the Honourable Member for Seven Oaks and myself an additional 11 percent of our salaries, not based on our salary here but on our salaries at the CNR.

I understand the situation is the same in respect of my colleagues, the Honourable Member for Logan and the Honourable Member for Elmwood. Their service rights are affected by their service to their community through loss of seniority, because on the way that they operate as I understand, absenteeism such as this nature may allow someone who is junior to them taking a higher position on the seniority list than them, and it will affect their pension and possibly their employment as well.

So I say, Madam Speaker, with all due respect to others who have taken part in this debate, I say there is another side of the story as well. I do not know how long I'm going to be a member of this Assembly. It could well be, because of some attitudes that I've taken this year, that this Legislature may be my last, who knows? -- (Interjection) -- No, I am not -- and I can't repeat what the honourable member said.

But we don't know this, Madam Speaker. But I want to make a confession, and I hope the press does not publish this because I'm only giving it to you in confidence, when we're dealing with the question of pensions, that I have already lost a full year of pension rights with the CNR because of my service in this House, which represents one and a half percent per annum of my annual salary for every year that I live after the age 65. So I say, Madam Speaker, that there's another side to this story as well.

The Honourable Member for Winnipeg Centre may turn around to me and say, well now look you're the chap that we had in mind, or I had in mind when I was speaking about the

(MR. PAULLEY cont'd.) sufferance pension or the means test pension in order that I might carry out my years, be they long or short, in dignity after service to my fellow man. I say to my honourable friend, I don't agree that this is the approach. It may be, Madam Speaker, that all of the suggestions contained in this bill are not acceptable; it may be that amendments should be made; maybe the Honourable Member for St. Boniface and others who have spoken in respect of the Cabinet Ministers are right when they say that there should be some other level than the full salary. I'm not going to argue this.

But I do wish, Madam Speaker, to draw two points, and I certainly am not preaching for a Cabinet Minister when I say this, but I want to use the Honourable Minister of Education as an illustration - without prior consultation. It's true, Madam Speaker, that he is as a Cabinet Minister getting \$12,500 a year plus his indemnity, but it's equally true, Madam Speaker, I think, that the average salary in the Province of Manitoba for a medical practitioner according to the latest statistics from the Bureau of Statistics is somewhere in the neighbourhood of \$30,000. Can I not use the example of the Honourable the Minister of Mines and Natural Resources, the Minister of Public Utilities, the Attorney-General, or maybe others in this House who are lawyers, whom as far as I know are not conducting businesses as well as being in full-time jobs receiving \$17,000, and if I recall correctly the average for lawyers was somewhere in excess of \$20,000 per year.

I think, Madam Speaker, in order to be fair and reasonable we should hear the other side of the story as well - and this is a statement or a phrase that's being used in this House, we were only using it the other day in relation I believe to the resolution dealing with the Department of Education - let's hear the other side of the story.

Now, Madam Speaker, I don't want to prolong this any longer. I want it understood by all members, and I appeal to all of you not to relate what I have said to me personally, but I want to say and try to draw to your attention that there are people who are endeavouring to serve their community and who, as the result of it, do not obtain all of the gains to the same degree that at first glance it appears by virtue of this bill.

MR. W. G. MARTIN (St. Matthews): Madam Speaker, I feel that perhaps I should say a few words this morning. I had not thought of doing that when the debate started, but something has been said that most of those men who were not Cabinet Ministers are carrying on their general work or profession and so forth. Well I want to assure the members of the House that I'm one of the very few who is not just in that category and that belong to the illustrious company of the retired in more senses than one.

But speaking as a senior member on the question of pensions for the members of the Legislature, I wouldn't like it to be thought that I was adopting a "sour grapes" policy because I'm not one of the younger men. I feel that perhaps I wouldn't be justified in taking a stand as a senior member of the Legislature in opposing some form of pension to young men who are entering upon the duties and responsibilities as well as the privileges and opportunities of public service, and who have perhaps years of service and public life ahead of them and not without sacrifice.

One thing that is upon my mind is just this. Thinking in terms of the Cabinet Ministers, if I just consulted my own opinions and so forth perhaps I would have said it might just as been well to have left this for the Cabinet Ministers, but in the like of stipends and salaries received by executive officers in industry and finance and in the professions, I've felt, and I think most of us feel, that the members of the Cabinet of the Government of the Province of Manitoba are very seriously underpaid. There are people occupying executive positions within the bounds of our city who don't have to assume one-tenth of the responsibility assumed by the men who are heading up the various departments of our government and their stipend is very much more than that of the Cabinet Minister even when you add on to his \$12,500 the \$4,800 indemnity.

Perhaps one thought has not been expressed, though it must be in our mind, that the private member at Ottawa gets \$18,000 a year. Someone says, well of course now he's got a full-time job. But whatever he's doing, he is carrying on his work and not always on the job when the votes that you see taking place in the House and the members present, but he is carrying on his job without the executive responsibility that rests upon the members of the government at Ottawa.

Another thing is this, I think that while there would be public reaction to this, and not only will the members of the Legislature be sitting down and taking a sharp pencil and doing some simple arithmetic and so forth and percentages, the public are thinking this thing through

(MR. MARTIN Cont'd.) as it appeared in the paper last night, and I guarantee in many many homes throughout Manitoba, and beyond, the question arose last night as to the propriety of the members of the Legislature in legislating for a pension.

But I think there's one thing that they should know and I think it's very important, that this is on a voluntary basis. You don't have to go into this thing unless you wish. Then I think another important thing is that it's a very modest return in the light of the contributions that the members have to pay into the fund back over the last eight sessions. If they took that amount of money, if we took that amount of money that we would have to pay into the fund and we invested it in some substantial bond or stock, in the light of what the Minister of Commerce and Industry says is going to be our great fortune by the time we reach 1970, in the light of that there'll be a real possibility of our money being doubled and trebled, so that we're not standing from that standpoint to gain very much.

I would have preferred to have seen instead of a pension a retirement allowance based upon years of service. It's a highly controversial question. I come back to where I began in the beginning, and that is that I feel that we've got to do something by way of giving support to some scheme or other which will be in the nature of a bonus or a pension for those who serve and serve willingly and sacrificially in the cause of the government; and from the standpoint of the very first statement I made, I am prepared to support the legislation.

MADAM SPEAKER: Are you ready for the question?

MR. HILLHOUSE: Madam, I wish to move, seconded by the Honourable Member for Lakeside, that the debate be adjourned.

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

MR. ROBLIN presented Bill No. 135, an Act to establish the Manitoba Arts Council, for second reading.

MADAM SPEAKER presented the motion.

MR. ROBLIN: Madam Speaker, I think I gave most of the information about this bill at the time of the committee stage when we were discussing its financial implications. As members probably know, there has been a Manitoba Arts Council in existence as an unincorporated body for eight or nine years acting as a co-ordinating link between the various art groups, and after discussion with these various art groups and with the Arts Council itself, it has been recommended that we proceed to give them formal status as this bill provides.

There are some 12 people to be appointed to the Manitoba Arts Council and it will be generally representative throughout the province. The Council will have as its aims and objects the making of grants to assist and co-operate with and enlist the aid of organizations whose objects are similar to the objects of the Council and to co-operate with the Canada Council; to provide to appropriate organizations or otherwise for grants, scholarships or loan assistance in Manitoba for study and research in the arts; and to make awards and assistance in Manitoba for outstanding accomplishment in the arts.

When this bill comes into effect, it would be the intention of the government to make a lump sum grant to this Arts Council which would have the responsibility as I said at the former stage of distributing the funds among the various cultural groups with whom it is associated. There may be questions on the bill. I'd be glad to try and answer them if I can, but basically I think these are the main points that the House ought to consider.

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

MR. ROBLIN: Madam Speaker, I beg to move, seconded by the Honourable Minister of Agriculture, that Madam 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.

MADAM 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 from Winnipeg Centre in the Chair.

COMMITTEE OF SUPPLY

MR. CHAIRMAN: Resolution No. 106 -- passed

MR. MOLGAT: Are we not going to have a statement from the Minister?

MR. CHAIRMAN: Resolution No. 106 that you passed was the resolution with regard to salary increases.

MR. MOLGAT: The Resolution No. 106 that we passed was which?

MR. CHAIRMAN: With regard to salary increases.

MR. MOLGAT: Oh, that's the over-all -- Pardon me. I'm sorry, I didn't have my book open. I thought we were going into the Minister's Salary.

On the matter of the salary increases then, I wonder if I could ask a question on this one. Is this going to be done by a standard increase in all categories? Are all the employees going to get the same, or is there going to be a variation between different categories in the Civil Service?

MR. STEINKOPF: Mr. Chairman, I didn't hear the question. I'm sorry I wasn't paying attention. Was it directed to us?

MR. MOLGAT: I didn't have my book open either when the Chairman called the item and I thought we were dealing with the first item in the Minister of Agriculture's salary, so what we're dealing with is salary increases for the civil service, Page 33 in the estimates. My question simply was, we are putting a million dollars here for an increase. Is this a straight percentage increase across the board or is there going to be any variation in the categories within the Civil Service.

MR. STEINKOPF: Mr. Chairman, this million dollars is to cover the one increment raise that everyone received on April 1st of this year. Changes in classifications had been anticipated in each one of the estimates and increases that we have done. There's no provision in the million dollars for that.

MR. HRYHORCZUK: Mr. Chairman, if part of it covers the annual increments, how is it that there was no increments last year? There's nothing on the left hand page. They're paid increments every year.

MR. STEINKOPF: It doesn't cover the annual increments. There's an extra increment this year.

MR. HRYHORCZUK: salaries, it's not increments.

MR. MOLGAT: My question on the increase straight across the board - was it just that everyone jumped one increment or was it a percentage increase?

MR. STEINKOPF: Everyone jumped one increment with the exception of those that had a reclassification during the preceding 12 months or had received a special increment within the last 12 months, but it was a general one increment increase across the board.

MR. J. M. FROESE (Rhineland): Mr. Chairman, did this also apply to the various boards that are - members that are receiving the remuneration, or is this just to the civil service in general?

MR. STEINKOPF: This is the Civil Service in general.

MR. NELSON SHOEMAKER (Gladstone): Mr. Chairman, when we were dealing with the welfare estimates yesterday, I asked a question as to how would the Civil Service be affected with the introduction of the new Federal Pension Plan, and I said at that time that there were a great number of civil servants in the province that wanted to know how their provincial pension would be affected. I know perhaps this isn't the right item under which to discuss that, but if it can be explained in two or three sentences, I would like to know.

MR. STEINKOPF: I don't know.

MR. SHOEMAKER: You don't know how it would be affected.

MR. CHAIRMAN: 1 -- passed; 2 -- passed; Resolution No. 106 -- passed. Resolution No. 32. The Honourable the Minister of Agriculture.

MR. HUTTON: Mr. Chairman, I am going to try and make my side of the presentation of the estimates of the Department of Agriculture and Conservation as brief as possible. Some of the members here who have maybe a particular interest in this department also have an interest out beyond the walls of this Chamber, and they may be experiencing some conflict between their allegiance at this the fifth day of May.

I would like to at the outset to once again pay tribute to the staff of the department, to their loyalty, not just to me and the government but to the people of Manitoba, their dedication, their enthusiasm, their ingenuity, and in particular I would like to mention the three people who retired from the service of the department after serving the people of Manitoba for very many years.

The first of these is D. C. Foster who was the Director of Extension, who started his career as an agricultural representative and then served as poultry specialist. As a matter of fact he started his career with the department out in our part of the country as the Ag Rep at Teulon many years ago. He culminated 35 years service to the people of Manitoba and made a very unique and outstanding contribution. Mr. Frossais, the Chief Supervisor of the Credit Unions in the Co-operative and Credit Union Service Branch has retired. This man

(MR. HUTTON cont'd.) completed 23 years of service to the people of Manitoba, and Mr. Louis Bourgeault who retired from the Water Control and Conservation Branch had served as resident engineer at Garson for many years. He served in the Department of Public Works and in the Department of Agriculture and Conservation for some thirty years.

There was one other, one or two other people I would like to mention individually. One is Mr. Killick who is seated up in the gallery here today. He experienced an illness this winter which caused us some anxiety. He, as you know, was the Director of the Dairy Branch for many years and recognized for his outstanding service and his knowledge in this area. This past year we reorganized the Dairy Branch and the Livestock Branch into one single branch called the Animal Industry Branch, and although Mr. Killick was scheduled for retirement, in spite of his illness we are keeping him on to complete the reorganization of these two branches into one. You will notice in the estimates in the salary item under the Animal Industry Branch in 3 (a) that we are actually providing less salary this year than last, and this is because of the reorganization and the elimination of one of the assistant director positions.

Another man left our staff this year, and I'd like to mention him at this time, and that is Luther Burbank Kristjanson who was the Assistant Deputy Minister. He brought a great deal to the work of the department. You may know that he took leave of absence two or three years ago to serve with the Harvard Economic Planning Board in Iran and this past year he got a further call on a permanent basis and Burbank felt that that was where he should make his contribution to mankind and he is over there in Iran. We are a little bit poorer for having lost him but we do so knowing that he is making a very important contribution to people who may not be as fortunate as we are in terms of resources, etc.

The highlights in the past year were I suppose the fact that we had one of the biggest gross returns to farming, the biggest, a gross return to farming in the history of the province. We implemented two marketing programs to try to improve the marketing machinery for table potatoes and for hogs. The potato commission began its operations on the fourth of January; the hog marketing commission began its operations on the 25th of February. I know you'll be interested to know that our latest information is that last week the marketing commission sold 63 percent of the hogs marketed in Manitoba; and I think it's of particular interest to know that they have been promoting the on-truck sales or in transit sales of hogs which eliminates the handling of these animals at the terminal, and that today 35 percent of the hogs handled by the commission were sold on the truck and most of these in transit. It appears that they are developing a most efficient system of marketing which not only will realize the best competitive price but which will keep the losses to a minimum in shrink etc. that is always a factor in any marketing scheme.

During the past year as you will recall we appointed a Director of Veterinary Services in the Department and Dr. Jack McGowan has been very active in effecting the veterinary services available to our farmers in working with the veterinarians across Manitoba, in revising, revamping the services available at the lab at the University campus. I think it's of particular interest to note the change in emphasis that has taken place. From October 1, 1964 till March 31, 1965 there have been quite a substantial increase in the number of entire carcasses of large animals that have been submitted for autopsy and diagnosis. There were 220 swine, 56 cattle, 31 sheep and 4 horses. Approximately two-thirds of the work load at the lab is animals today as compared to approximately 15 percent a year ago, so I think this indicates a very significant increase in the service that the lab is giving to the animal industry in this province.

During the year we have been working out and consulting with the municipalities in respect to the implementation of the provincial waterways policy. This policy became effective as of the first of May 1965. The waterways for which the province will be responsible have been designated and the remainder will remain the responsibility of the municipalities.

The ARDA program has moved steadily ahead. There was a land-use study carried out in the Interlake area which has been completed to the preliminary stage. We had a number of community development corporations established in the Interlake last fall. The Minister of Mines and Resources and the Minister of Education, the Premier, myself, together with members of our staff toured the Interlake, spent time in consultation with the local committees and found a real interest and a working interest in projects or direction that would increase the productivity and the services available to the people in that area. We implemented the bush clearing program in the Interlake. You will recall that a year ago we provided funds for clearing some 20,000 acres. We didn't achieve the 20,000 but we did clear 10,000 acres under

(MR. HUTTON cont'd.) this program which involved 150 farmers and the cost of the clearing ranged from about \$3.30 to \$7.00 per acre.

As you know, Manitoba has been pressing the cause of reinsurance with Ottawa. We had the co-operation of the Government of Saskatchewan and their crop insurance corporation and we were successful in selling the Federal Government on the idea of crop insurance, reinsurance for crop insurance. The legislation was enacted by the Parliament of Canada. An agreement has been reached with the Government of Canada and on the basis of that agreement we have expanded the crop insurance test areas to the extent that was physically possible in the short time available to us. This year 18 municipalities, additional municipalities were added. I just have the data here on the success of the program this year. The program this year offered insurance to 17,400 farmers and sold it to 8,400, so 47.8 percent of all farmers in the area are taking advantage of the program. This year we offered insurance to some 5,250 more farmers than last year. Our estimated liability in the current year is some \$18 million as compared with, I believe it was something just under 14 million a year ago.

These are the highlights I would say in the department, the major changes that have taken place and are contemplated in these estimates. I think that's all I have to say, Mr. Chairman.

MR. ALBERT VIELFAURE (La Verendrye): Mr. Chairman, first I would like to thank the Minister for his statement and join him in paying tribute to the three people who have retired this year, Mr. D. C. Foster, Mr. Frossais and Mr. Bourgeault. I do not - I guess I'm too young to really remember these people as far back as they have been in the department; however, I must say that of all the comments I have heard through the years I would join the Minister in wishing him well in their retirement. I have known Mr. Frossais personally years ago when he was the school teacher at the little red house where I used to go to school, working for the big salary of \$45.00 a month at that time and after when he was promoted, when he took over the inspection of the credit unions, like others, has shown a great deal of devotion to his work and I certainly want to pay him tribute, pay all three men tribute today.

Also Mr. Killick who has always been a name that has been synonymous with the milk producing industry, I would like to wish him well in his new department. As far back as I can remember the advice of Mr. Killick has always been sought by people in the milk industry. I would also like to pay tribute to all other civil servants in the Department of Agriculture for their devotion to duty and their concern about the welfare of the farmers in this province.

I think if we look back on the last year, farmers have had a rather difficult year facing a cost-price squeeze which has been increasing over the years. Certainly the fact that the prices of cattle, hogs and poultry, eggs, have gone down and the fact that the cost-price of the commodities used by the farmers and the increase in taxes such as the 3 cents on gas, the 5 percent on utilities and the 25 percent on licenses, plus the heat tax have all contributed to make things more difficult for the farmers in this province. One segment of the industry which, of whom many I represent, the egg producers in this province have had a very difficult year. In my end of the country you will find some of the best egg producers in this province, and even over the west, operating what I would call family farms and being very efficient and modern producers and these people have had to face a real bad year in their operations. Many of them have been selling their eggs at less than cost price. Now I am told that the prices for eggs has been between 5 cents and 7 cents lower in Manitoba compared to the Ontario market and that the transportation costs have been around the 2 cent mark, so I would like the Honourable Minister to tell us what plans are being made to remedy this situation. I know that it is not easy and we can't blame the Minister for the price levels of all commodities but certainly it is the responsibility of the Minister to see that something is done along that line.

Another segment of our society which I think has not been getting the full benefits of the programs of the Minister of Agriculture are our small farmers. And here I mean farmers who live on small farms with a few heads of cattle and cultivating small amounts of land, have been -- I would not like to say that they have not been receiving the assistance from the department, this would be a gross misstatement, but it seems to me that the different programs lack the co-ordination and the liaison which would help and make these programs much more beneficial as such. Quite often you will see that these small farmers receive the attention of the different departments and the department is helping them in promoting different programs, but in my estimation, these are not co-ordinated to the extent that they give the help to the small farmer that he should derive from these programs. For example, especially in the outlying districts which are alongside the forestries or the unorganized districts, you will find that these

(MR. VIELFAURE cont'd). people are being helped to the extent that programs are suggested to them such as the seeding of special grains for example, special feed, and these people are approached and it is suggested to them that this would be the right thing for them to do under the circumstances. Well this as such I think is valuable but then it seems to me that there is no continuity and also not the liaison that there should be between the suggesting of different programs. A little later on you will find that these same people are being suggested to the growing of small fruits for example or the raising of sheep or the testing of land and if they do live alongside the forestry or the unorganized district, quite often you will find that the Department of Mines and Natural Resources will be conducting enquiries which would lead these people to believe that the department wants to take over their land where they're situated on or by refusing them to sell quarters of land which are adjoining to their properties, give these people the impression that they want to be removed from that particular area. So then it makes these farmers, puts them in a position where they are at a loss whether to decide whether they should stay on the farm, whether they should try and continue with these programs and so on. Quite often you will find at the same time some people from the ARDA department will be conducting surveys, and although I'm not suggesting that they do tell these people they want to remove them from these farms the questions that are asked, the meetings that are held, lead these people to believe that the area where they live will automatically be taken over for some other purposes.

So I would certainly suggest that the Department of Agriculture take the initiative in trying to co-ordinate all these programs and follow them up because quite often too you will find that many of these programs which are suggested are good in themselves but until they've had the practical application, the results cannot be determined, because no matter how good a program is, experience shows that when it is applied at the small farm level it sometimes doesn't give the result that it was intended for. So I would certainly suggest that at the agricultural level for example that all programs of all departments - and I would even include the co-operation of the Mines and Natural Resources and the ARDA people - that all programs should be channelled through that level of administration. I think this would put these people in a position to study the results of these programs, of these promotions better and relay back the information of the practical results back to the people that have initiated the program and also by having the co-operation of the Mines and Natural Resources Department that it would be determined whether suggesting such endeavours is in line with their future policy. Because certainly I know of many cases where people are wondering very much whether they are wanted to stay there and whether the different departments are not working one against the other.

And also I think it would be very practical to inform these people of the standards that will be wanted of their products within the next few years because there again if they are wanted to stay there, if they are wanting to stay in the line of production they are in, they should know a little ahead of time whether the expenditures for the new buildings or increasing of stock or changing of stock are worthwhile because it is a well known fact today that most of the agricultural products are being demanded in new standards because of our modern way of marketing, for example, milk and cream being shipped by the smaller farmers will have to meet different standards. I think it would be very important that these farmers know ahead of time what standards will be demanded from them so that they can decide whether it is worth to spend the kind of money that is needed in order to meet these standards. So these are some of the general comments I wanted to make at this time and I will certainly have more questions to raise as we get to the items.

MR. HRYHORCZUK: Mr. Chairman, at the outset I want to endorse what has just been said by my honourable colleague and what I have to add to the debate today probably could be called a plea for the family farmer. There does seem to be a trend toward, if not removing, at least encouraging the family farmer to give up his farm. Now I think we must decide first whether this is the proper step to take. I happened to grow up in an area that is almost completely operated on the basis of what is commonly known as a family farm. A family farm is nothing more than where a father together with his family operates a farm. He very seldom hires any outside labour, outside of probably seasonally during threshing, combining, or haying, he may have an additional bit of help. But generally all the work on that farm is done by the family itself.

Now the first thing I think we should consider is the number of people that are going to be affected by any move to eradicate or encourage, or let us say that the family farm is a thing of the past and have to forget about it. But is it? Now there are approximately 40,000 farmers

(MR. HRYHORCZUK cont'd), in the Province of Manitoba and I think a fair estimate would be that about 75 percent of these are family farms, which would mean about 30,000 farmers. Insofar as numbers of people are concerned, if you figure four persons to a family you have 120,000 people that are affected by this. But they are not the only ones that are going to be affected. As these farmers move off the land, there will be many businesses that'll have to close because they're dependent upon these people for their livelihood. But that isn't the only effect it'll have, those are not the only results. The farmers are very heavy spenders and whether he makes a thousand, two thousand or three thousand dollars a year, every nickel of that money is spent and somebody derives a benefit from it. That money supplies employment right throughout the whole economy of the country, and are we sure, are we sure that the family farmer is one that is so far below the standard of living that we would think he should have that it is in his interests to leave the farm?

I think, Mr. Chairman, it all depends on what you call the standard of living, at what level you set it and what values you give to things in life. Now as far as the family farmer is concerned he's a lover of the soil. It's bred in him through centuries and there is many a farmer - and I can speak this with a great amount of certainty Mr. Chairman, because I have that in my own blood. I would rather be on the farm with a reasonable living than be in the city with everything that the city has to offer. I love that way of live. I really feel, Mr. Chairman, that there's no finer way of life even if you have to do without the luxuries that some other job would give you. Very few of these people would like to get a job where they work from 8 to 5 o'clock and take their lunch pail with them. They'd never exchange it for their way of life even if it meant that they would have a few more end tables, another suit of clothes or a few sweet tidbits extra during the day or anything of that nature. They value the way of life. And there's one other very important point, Mr. Chairman, that we mustn't overlook. I, together with many others would prefer to raise my children in the atmosphere of rural life to that of the atmosphere in the city life, or a large town for that matter. I think the rural areas - with all due respect and not throwing any reflection on anybody - it's the circumstances produce a better citizen than the city does on the average. You haven't that amount of delinquency you have very little delinquency in the rural areas. It's the exception; whereas in the city this problem is becoming greater all the time. It's not a matter of not wanting the children to have something better; it's just the opposite. Because if the child has the proper upbringing in the right circumstances his future is more or less assured because he'll be prepared to undertake anything because he understands self-discipline and he understands that the world doesn't owe him everything, that he's got to fight for what he gets and the child like that stands in a better competitive position than one that is raised where he feels that everything is coming to him and he doesn't have to exercise any self-discipline or self-reliance. I do believe that the rural areas have produced and will continue to produce these same farmers that we feel that are unable to get along at the standard of living that we think they should have are going to continue to produce thousands of our professional people.

I'm not so sure, Mr. Chairman, that the attitude or the trend towards encouraging, whatever you want to call it, the family farmer to get off his farm, is the right one. In fact I'm satisfied within myself, Mr. Chairman, that it is the wrong one because I think the family farm with encouragement and assistance - and I'm not talking about the kind of assistance such as a dole or a subsidy or anything of that kind - I'm thinking of the kind of help that will help him to help themselves. And we can do. Our resources here in the Province of Manitoba in that regard may be limited, but they're not as limited as we are inclined to think they are. For example, we have a policy now insofar as disposition of crown lands are concerned. The over-all policy is sensible, but there must be exceptions to this policy and so far I haven't seen any, I agree with the honourable member that just finished speaking that farmers who desire to stay on the land are quite prepared to get along with a lower standard of living than we consider he should have. After all is said and done surely the time hasn't come when we're going to impose our standards on every soul in the country. I think it's wrong. I don't think that is the principle to follow. I'm quite sure that there are many who are living at what we call a high standard of living who would today if he had a choice and a possibility would trade his place in life with the one that has a lower standard of living, because there are certain values that cannot be bought. There are certain things that you can't buy for money, that have a great deal more worth than what money can buy.

So I say that where a farmer is making a reasonable living and is sending his children to school and is making every attempt to give them an education - I'll say this, Mr. Chairman,

(MR. HRYHORCZUK cont'd).that the vast majority of them are just doing that - that we should as a government do something for him to help himself. We're doing it for everybody else. We see what is happening with industry, for example our automobile industry just got a great big assist to establish here on Canadian soil and produce our cars here. Labour has myriads of legislation to assist it. I'm not asking for anything as grandiose as all that for the family farmer, but I do think that there are things that this government can do and should do for them; and instead of taking the attitude that the sooner we get them off these lands the better, we take the attitude that the longer we can keep them there the better for them and their families.

Now what can we do for these people? I don't believe, Mr. Chairman, that the good Lord gave us a square foot of land on this earth that can't be used to our benefit and I don't care whether that land is sandy, stony or anything else. It may take a little more effort but I do believe that it can provide whatever the tiller of that soil requires within reason. No what can we do for them? I would say in the first instance as I've said before, we should provide free soil tests for them so that they would know just exactly, or within reason, what will these soils produce. Many of these farmers farm in the way of the past. They think they should have a little bit of grain. They think they should have a little bit of this and a little bit of that, without knowing whether that soil will produce something much more beneficially. There is no question at all, Mr. Chairman, that a lot of our sandy soil can be made to produce an income as good as the best of our soils. We've seen this in legumes. We've seen areas here in the Province of Manitoba which were depressed areas come out sitting pretty when they went into the alfalfa seed. We know of farmers in these so-called depressed areas who have made wonderfully well in growing clover seed. There is such thing, Mr. Chairman, as contract seeding where the farmer is supplied with the seed and sells the produce to the contractor. We're not even trying to do any of these things.

Why couldn't we tell these farmers that on this particular soil we advise you that it will grow a certain type of a seed, a certain type of a plant, and we'll assist you to establish yourself in the growth of those plants; and if that particular soil requires some type of assistance to produce, advise them free as to what type of fertilizer to use on these soils. That is the kind of help that will not only help them stay on the farm but will do away with what we consider a headache today. There are other things that are making - outside of the cost-price squeeze - there are such things as provincial taxes and licence fees and so forth that in themselves they are probably very small but when you have a margin of profit which isn't big to start with, it doesn't take very long before you cut it considerably percentagewise. All these things should be considered. And, Mr. Chairman, before we definitely decide that the family farmer is better off if he left the farm we should give this a great deal more consideration than we have given it. Firstly, because with the numbers of people it is going to affect, and affect adversely; and secondly, because I am not too sure, and many more are not too sure, that the family farm could not give a reasonable decent standard of living plus all the advantages there are there - and there are plenty - with just a little bit of assistance along the lines that I have suggested.

MR. CHAIRMAN: 1 (a)--pass, (b) . . .

MR. FROESE: Mr. Chairman, first of all I would also like to congratulate those of the staff that have retired from the department. Some of these are close friends of mine and I wish to particularly refer to Mr. Frossais with whom I've had dealings over the years and whose given an outstanding service to the people in this province in serving the department and the Credit Union Services Branch as chief supervisor. No doubt that he will continue serving the people in a private way, and as I understand he's already taken on such a service just recently so that we can expect, even though he is retired, expect his advice in this field of operations. I would also like to congratulate his successor Mr. Jack Roife who has taken on the new duties. I hope that we will be able to see continued service in this respect and also the high quality of service that we've had in the past from this particular department.

I was interested in what the Minister had to say although his remarks were very brief this morning. I would have liked to have heard him expand on some of the matters that come under his jurisdiction much more than what we did hear. Last year when we discussed the estimates of his department, I mentioned the fact whether we couldn't have uniform rates as far as the supply of water to our towns and municipalities. I would like to know from him whether any studies have been made, whether any considerations have been given to this matter during the course of a year, because I notice from the report that the rates vary quite

(MR. FROESE cont'd) extensively in the different locations. I have here the report of the Water Supply Board and I notice for instance that the Rhineland operating unit has a rate of 198 per thousand gallons', the Hartney operating unit has a rate of \$1.03 per thousand gallons. We have the Erickson operating unit at \$1.40 per thousand; the Cartwright at \$1.75 per thousand; Holland at \$1.68 per thousand and Deloraine at \$2.12. Then we also note that there's other areas that are contemplating moats or having areas established and offers for sale are out but the rates for those areas are not given. Mr. Chairman, even if we didn't average them out completely, but if at least we would subsidize those that are above the average rate, this would at least give them some chance in the way of competing for industries and so on.

Just two years ago I think it was when this House passed a bill in connection with an industry at the Town of Morden, in the Town of Morden, the cannery operation there, giving them a rate of 16 cents compared to the - just the rates that I've mentioned here a few minutes ago - and this place is - the Town of Morden is having a very definite advantage over surrounding areas in this connection. I know even the Town of Winkler that has a cannery as well certainly doesn't enjoy that rate if they take the rate from the town system. In former years they took the water from the CPR well but if this is changed they will definitely have to operate at a much higher cost.

Another matter that I would like to have him expand on and which will probably come forward during the consideration of his estimates, that has to do with The Potato Marketing Commission. I feel that through the regular regulations that have been passed by this government that we're giving certain people too much right and taking the rights away of other people. I happened to attend a convention held by the - I am not sure of the exact title of the - it has to do with the growers anyway, and --(Interjection) -- Pardon? V. J., that's it - and I heard the chairman of the new commission speak at that meeting. I really felt out of place because I felt the chairman was taking too much of an adamant attitude when he said that you have to follow the policies that they would lay down, or else, and this meant that they could send them to jail and so on.

Mr. Chairman, with the regulations that have been passed it will be impossible for new growers to come in under this commission and grow potatoes because they have to have a certain allotment from which they will be able to sell on a percentage basis. For instance, if a new grower comes in, he might be able to dispose of ten percent of his crop if the commission decides they'll allow him that much. What is he going to do with the other 90 percent. Certainly he cannot embark on a proposition of this type when he knows from the very beginning that he's beat, that he cannot make a go of it. Secondly, when those growers that have been established and who will receive an allotment from the commission, should they retire, in most cases I would take it that their heirs or probably others that are already growers would take on those additional contracts and the opportunities wouldn't be there for new growers even when the old ones retired, to come in; that this could be a closed shop and that you would have, in a very short time you would just have a few very large growers and the small market gardener would be out completely; and also new growers would be unable to come. So that we're having a closed shop here and I feel this will not work out to the good of Manitoba in the long run. We were speaking especially in the Industry and Commerce Department of how we're trying to get development in this province and that we would like to see development expanded. Well here we're working just the other way around, and we're closing down instead of expanding, and I for one fail to see how you can have one department go one way and another department go another way. This is wrong in my opinion. I certainly would like to see some explanation given on this whole matter and I will have some further matters to bring up under this item.

The mention of ARDA, or ARDA was mentioned here and a booklet was laid on our table. I haven't had the time to look into it and peruse it, but in connection with ARDA, my views are that we should probably help a section of the farming community that is probably not way down at the bottom, but a section of the community that at least has a good chance of survival and that has a chance of improving itself. I'm not too sure and I'm not sold on the ARDA plan as such as yet, and I'm just wondering whether we are not just sinking good money after bad and that not too much will come out of it. If I am wrong in this connection I would certainly like to hear more about this program.

The Minister mentioned that some 10,000 acres have been cleared. No doubt the people who get the clearing done will appreciate this and I wouldn't want to deny it to them either. After all this is - considerable monies that are being spent in this connection are federal monies.

(MR. FROESE cont'd).....

Under ARDA we are receiving assistance to promote the work on some of our waterways, and Hespeler I think is one of them. I would like to know from the Minister how we are proceeding on that, how much work is going to be done on that particular project this year. I feel that this should be speeded up. Considerable money was spent on it last year, but then there was the matter of building bridges and building new tracks for the CPR over this floodway. This work I think has been completed now, particularly the one mile section just west of Rosenfeld was completed last year and I think this has done wonders for that particular floodway. From all reports that I've received this spring, it has really done a job and that it will take away the flood waters at a much faster rate. Apparently here was a ridge within the floodway and the water would seem to back up every year. Now this back-up doesn't take place and the water can flow much more freely. I hope that the Minister really speeds up the program on this particular floodway because there's a lot of harm being done further up in the west end every year.

We had a flood, a flash flood taking place again this year at Coulee, and Horndeen would have been flooded had they not diked a road or two just west of the town and they cut through the dike so that the water could re-enter the channel and if it hadn't been for this Horndeen would have been in a real bad spot again. So I think here we have a problem that should be looked after, that the water doesn't get out of the channel at Plum Coulee and that we try and retain it within the channel, because if it continues to get out then we should make provision further east for bridges along the CPR track, because this track doesn't have the necessary bridges so that the water can get back into the channel. This is a real problem and this is something that the government should look after. I am a little short this morning because I left my notes at the hotel that I had prepared and I will have further matters to bring up this afternoon.

MR. CHAIRMAN: 1 (a) passed. (b)...

MR. ARTHUR WRIGHT (Seven Oaks): Mr. Chairman, I'd like to say a few words on the Minister's salary. First of all, I'd like to pay the respect of our group to the many public servants in this department. I think they have done a tremendous job. When the Minister mentioned D. C. Foster, I first met this gentleman in Teulon in the depression, and it was as a result of my having to spend three years in the Interlake area in the depression that I knew of the great work that he did there. Because these were tough times, Mr. Chairman. These were the times when people were living off the small cream cheque. They were cutting the red root slough hay and selling it in the dry years to the States, and cutting cordwood at 90 cents a cord in those days. So a person like Mr. Foster in that area who did his very best to keep up the morale of the people, I don't think will ever be forgotten.

Mr. Chairman, sometimes we hear some comment about the various bulletins that emanate from the various departments of government, and I for one have always had a very soft spot in my heart for the many bulletins that I used to write for, being an amateur. I used to write to the Extension Service and after two or three years out there and following the guidance of these instructions I was considered to be a bit of an expert. So I think that it does serve a very useful purpose in keeping people, especially in the isolated parts of the province, fully informed as to what is going on. In the Interlake area with its lack of subsoil and with its many sloughs and ridges, it's an extremely poor area -- as I said before, many people had to subsist mainly on the cream cheque -- and I was very happy when I saw the area given over to one of experiment and planning. Because when I first went there, Mr. Chairman, I remember the many many dozens of dilapidated farms on which farm buildings were falling down, remnants of the old soldiers' settlement schemes where they put people out there in the early days on farms that were -- it was completely impossible to make a living. And today of course with the need for efficiency in farm management, this area I think will lend itself mainly to ranching along the lines of study that's been given to it.

We hear much today, Mr. Chairman, of water conservation and I imagine that this will be one of the main problems facing the Department of Agriculture now and in the near future too to an even greater extent. I remember the flash flood of 1916 in Winnipeg, and after that the City of Winnipeg put the city protection ditch to the westward of Winnipeg and it then tied into the Grassmere Drain which was dug by relief labour in the days of the depression -- and I see in the report that the Grassmere Drain is to be rebuilt, or re-designed. I'm just wondering though -- I know that it's being done to take care of the area that is given to flooding around the Stonewall area because we saw water rushing across the highway there the last few years --

(MR. WRIGHT cont'd). . . . whether or not though it will not tend to have too fast a runoff or whether some control is contemplated for the runoff, that is so that it will not runoff too rapidly. I suppose the engineers have it in hand but I would be interested in hearing some comment on it.

I would also like to hear the Minister, Mr. Chairman, tell us of the progress that's being made in Manitoba in regard to the installation of sewer and water facilities on our farms, because in the report I see while only 8.6 percent of farm homes in Manitoba - I believe the figures were taken from the Hydro report - only 8.6 percent of the farms have installed sewer systems whereas 32.9 percent have pressure water systems. I'm just wondering how much encouragement, especially financial encouragement, and what sort of co-operative programs are going on to encourage the greater use of sewer systems.

I was always dismayed, Mr. Chairman, as a result of my limited experience in the Interlake area to know why people didn't learn to dehorn their cattle, and when I came into this House and found out there was a Horned Cattle Fund, that farmers were being penalized \$2.00 per head for sending cattle to market with horns, I was at a loss to understand this because it's so simple. Even I in those early days, a real amateur, through the extension service was able to successfully dehorn every calf that we had. I'm just wondering whether or not we have used this fund to promote and publicize the operation or whether we just simply accept the money. I know the reserves have gone into worthwhile causes like research but I still wonder why we don't see more in regard to publicity of dehorning cattle because I understand great damage is done in shipping them this way.

The Honourable Member who spoke previously mentioned the credit unions, and he's not in his seat now Mr. Chairman, but I would like to pay my respect to the Honourable Member for Rhineland who is the President of the Winkler Credit Union. I understand and I have picked up one of their brochures, that they started in 1940 with \$50 capital and now they have assets reaching \$5 million.

The Honourable Member for Rhineland has done an outstanding job there and while we might not agree with him in his political philosophy I think we should pay tribute to him in the hard work that he has done on behalf of the credit union movement, because I think credit unions are serving a wonderful function in the province.

We were happy to see last year where you did appoint an official provincial veterinarian and I know from what I hear that this is paying great dividends.

I would also be interested to know how the floodway is coming along, whether the area through the gravel pits has been let for contract -- just a brief progress report on it from the Minister. I'm told by people who know of the fine work that's being done in agricultural research. Today you have to be efficient to remain in business and agriculture is no different than any other industry and while we do hope to see the family farm continue, it is becoming much more evident that the need is there to reach greater efficiency, even on the family farm.

I think, Mr. Chairman, that I will reserve questions for the different items but I thought that I would like to ask the Minister at this stage to perhaps give a few answers to the few questions I've asked.

MR. GORDON E. JOHNSTON (Portage la Prairie): Mr. Chairman, I rise to bring a matter before the House on the Minister's salary and it is the methods and tactics that some of the Minister's land-buying agents have been using in the area of the Portage Diversion. I've had people come to me and tell me some of the statements that have been made to them by the land-buying agents of this department and say quite frankly, Mr. Chairman, some of the things that were said to these farmers when it came to negotiating for their land was amazing, were m zing. As a matter of fact I think that if these gentlemen had been in private business and acted this way, they might have been called before the Tallin Commission for some of the things that they said. I'm sure that these men didn't say, or make these statements on their own. They were instructed to go out and say and do certain things in order to perhaps hurry things along, perhaps to facilitate the business of the department. I can understand that. But this is no excuse for some of the things that were said to these people. And I have some examples here.

This one I'll pose as a question, that one of the people who settled, have settled and sold their land to the government, the government lawyer told these people that if more money were going to be paid for other farmers then these people would be readjusted and given more money. I'm wondering when the Minister rises if he can say this is a correct statement. That after a deal has been closed or is in the process of being closed, the government lawyer tells

(MR. JOHNSTON cont'd). these people that if someone else receives more money they will have an opportunity for a readjustment of price, upward this is.

Now coming back to the actual two gentlemen who were going out negotiating with the farmers. One of the statements they made was that if the people in question would settle and would hold their money that land prices would be cheaper a year later. Now, Mr. Chairman, no one has the right to give that kind of advice; no one has the right to give people advice when they're dealing with their life savings or the selling of their property, to give advice like that in order to talk these people into making a sale. Another thing that was said, and this person had some dairy cattle, was that it would be easy to sell his milk quota, that if he wanted to sell his cattle he could easily get \$300 or \$400 per head from American buyers. They were told that farms were easy to obtain in the Portage area and that Portage soils were overestimated. They were told that if they were forcing the gentlemen to put the case to arbitration that they would receive less, or the possibility is that they would receive less. This is pressure, this is putting pressure on that is very unfair, and for a government or a Minister to instruct gentlemen to say these things is amazing to say the least.

Another example, they told the farmer that his water supply was no problem that in his new farm he could dig dugouts and have just as good a water supply. In one case when the land buyers came into the yard, on the very first visit, they had the nerve to ask the farmer to settle that afternoon with a price and when the person checked the land agent on this, then he tried to laugh it off, but he had actually asked him to sign off that first day without a price. When one of these farmers said, well I'd be willing to take the same price that the government will be paying for the Bain farm - this is the Bain farm at the water tower - this gentleman, the land agent, got very indignant about that remark and said there would be no speculating on that piece of land and they would pay a standard price, the same as the other farmers were getting.

There's another case and another farmer. This man was ill. After one or two meetings with the land agents, the wife of this farmer asked the agents to stay away from her husband, that he was not feeling well, and hold things in abeyance for a while. But the agents kept coming around when they would see this farmer in his yard - he lived in town by the way, and he would drive out when the weather was good - and they kept coming around after, this after his wife had asked them not to, that he was not feeling well. This went on for some time. In the latter part of October the agent told this lady that 75 percent of the deals had been signed. When asked he said that the 75 percent included us and I told him to revise his figures - that's what the lady said. In November the same agent phoned the husband at home and the wife answered the phone and she said that she was taking her husband to hospital within the hour and to leave them alone. He phoned a half an hour later at the lady's office just as she was going to the hospital. He was told again that it was a serious matter and to please leave them alone. The same agent phoned the next morning at 8:30 after being told all this. The lady had not slept well because of the events that had taken place. The actions in this regard were still proceeded with, there was no attention paid to the request of this lady and I think the Minister knows the final outcome of that particular one. The gentleman in question passed away about three or four months later.

The other matter I would like to mention is the matter of the Bain farm at the water tower commonly known as the farm, the Bain Farm, not to be confused with the Delta property. It is my understanding that this land consists of approximately 219 acres. 123 acres are arable land - this is not to be considered for vegetable crops, although it could grow potatoes; 40 acres approximately are swamp and have water in them all year round in the low parts; and about 56 acres of bush and sand. Now as has been established we know that this department paid \$75,000 for this piece of land. This works out to about \$340.00 per acre. The justification was trying to be made by the Minister of Mines and Natural Resources when he said this was desirable housing development land. Well, if any of the gentlemen of this House have seen the piece of property undoubtedly you could put some houses on it but it would hardly be called desirable housing development land with a swamp down one side of it and cutting across it. It is also next door to a small Indian village and this may not make it so desirable, although some people probably wouldn't be too concerned about that, but I know for a fact that this land was turned down at \$35,000 as not being a reasonable buy. I have a letter here that was read earlier in the Session where Octave Enterprises had put this land in the hands of a Portage agent and asked him to try and get a price of \$65,000.00. We all know now that the government paid \$75,000 for it, but the asking price as of September 20, 1963 was \$65,000.00.

(MR. JOHNSTON cont'd).....I would be very interested to hear what the Minister has to say about these two items.

MR. ROBLIN: Committee rise.

MR. CHAIRMAN: Call in the Speaker.

IN SESSION

MR. CHAIRMAN: Madam Speaker, the Committee has adopted certain resolutions and requests leave to sit again.

MR. COWAN: Madam Speaker, I move, seconded by the Honourable Member for St. Vital that the report of the Committee be received.

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

MR. ROBLIN: Madam Speaker, I beg to move, seconded by the Honourable Minister of Agriculture and Conservation that the House do now adjourn.

MADAM SPEAKER presented the motion and after a voice vote declared the motion carried and the House adjourned until 2:30 Wednesday afternoon.