

THE LEGISLATIVE ASSEMBLY OF MANITOBA  
2:30 o'clock, Wednesday, March 2, 1966

Opening Prayer by Madam Speaker.

MADAM SPEAKER: Presenting Petitions.

MR. D. M. STANES (St. James): Madam Speaker, I beg to present the petition of the North-West Line Elevators Association praying for the passing of an Act to amend an Act to incorporate the North-West Line Elevators Association.

MADAM SPEAKER: Reading and Receiving Petitions.

MR. CLERK: The petition of Helen Radclyffe and Edward Frank Radclyffe praying for the passing of an Act for the relief of Helen Radclyffe and Edward Frank Radclyffe.

The Petition of The Trafalgar Savings Corporation praying for the passing of an Act to amend an Act to incorporate The Trafalgar Savings Corporation.

MADAM SPEAKER: Presenting Reports by Standing and Special Committees.  
Notices of Motions.

Introduction of Bills. The Honourable Member for Assiniboia.

MR. STEVE PATRICK (Assiniboia) introduced Bill No. 61, an Act to amend an Act to incorporate Grace Hospital.

MADAM SPEAKER: Before the Orders of the Day, I would like to attract your attention to the Gallery where there are some 14 Grade 8 students from St. Charles Academy under the direction of Miss Talpash, and some 143 Grade 8 students from Ness Junior High School under the direction of Mr. Guenther Harapirak, Mr. Hurta, Mrs. Baker and Miss Janzen. Both of these schools are situated in the constituency of the Honourable the Member for Assiniboia. On behalf of all members of this Legislative Assembly, I welcome you.

Orders of the Day.

HON. GEORGE JOHNSON (Minister of Education) (Gimli): Madam Speaker, before the Orders of the Day, I thought it was only proper to draw to the attention of the Honourable Members of the House that March 6th to 12th, that's next week, has been declared Education Week in Canada, and the combined organizations in our province in the field of education will be conducting various activities to mark this occasion. I should inform the House that the Committee of Education Week are having competitions in the following: an essay program in both French and English at the High School level, and one in English at the Junior High School level throughout our schools; a poster program at the Junior High School level; and two mural competitions, one at the Junior High level and one at the Elementary level. I am sure that all the members -- I just wish to draw this matter to the attention of the Honourable Members, and I would hope during that week, Madam Speaker, that they will have -- that possibly during the discussion of the Estimates of the Department of Education, their contribution during that week will be great. Thank you.

MR. T. P. HILLHOUSE, Q. C. (Selkirk): Madam Speaker, in view of the gold robbery which took place last night, I wonder if the Honourable the Attorney-General could advise the House whether or no he has alerted the services of Special Agent 007 in the person of M. J. Arpin, Q. C. ?

HON. STEWART E. McLEAN, Q. C. (Attorney-General) (Dauphin): No, Madam Speaker, but the appropriate authorities have.

MR. LAURENT DESJARDINS (St. Boniface): Madam Speaker, to make their work a little easier, I would like to reassure everybody that I had nothing to do with this.

MR. GILDAŞ MOLGAT (Leader of the Opposition) (Ste. Rose): Madam Speaker, before the Orders of the Day, I would like to direct a question to whoever could answer me insofar as the Provincial Secretary, with regard to Bill No. 5. This is a very voluminous bill. Would it be possible to get a schedule giving us what is new in the relationship of this bill to the present Act so that there can be a logical study of the bill by members of the House?

HON. GURNEY EVANS (Minister of Industry and Commerce) (Fort Rouge): Madam Speaker, I'll convey that request to the Provincial Secretary or the Minister of Public Utilities. I think he has a good deal of material that will help us in our study and some plans in that connection, but I will advise him of your question.

MR. ARTHUR E. WRIGHT (Seven Oaks): Madam Speaker, before the Orders of the Day I should like to direct a question to the Honourable Minister of Health. Has the Government of Manitoba since 1961 made any protest or offered any suggestions to the federal Committee on Drugs in regard to the cost or control of same?

HON. CHARLES H. WITNEY (Minister of Health) (Flin Flon): Madam Speaker, I'll take the question. . . .

MR. MOLGAT: Madam Speaker, before the Orders of the Day I would like to direct a question to the Minister of Agriculture. Has he received any communications from the group of vegetable growers who met last night protesting the Vegetable Marketing Commission and the regulations under which they must operate?

HON. GEORGE HUTTON (Minister of Agriculture) (Rockwood-Iberville): No, I have had no communication from this particular group. I have had communication from individuals.

MR. MOLGAT: A subsequent question, Madam Speaker. Is the Minister contemplating any changes in the establishment of the Commission?

MR. HUTTON: If the Honourable Leader of the Opposition is relating any changes to the grievances of this group that he refers to, I would have to hear the grievances before the government contemplated any changes.

MR. MOLGAT: Specifically, Madam Speaker, is the Minister planning on having a vote?

MR. HUTTON: No.

MADAM SPEAKER: The Honourable Member for Portage.

MR. GORDON E. JOHNSTON (Portage la Prairie): Madam Speaker, I would like to direct a question to the Honourable Minister of Education with respect to the Fannystelle School situation. Has he had a report yet from Mr. Lightly? And if so, is he willing to tell this House what action is being taken?

MR. JOHNSON: Madam Speaker, I have not -- I inquired yesterday. The report is not quite ready yet; I am expecting it soon. The object was to . . . an inquiry to discuss the matter with the Board in the first instance, and I would like to take his observation under advisement in that regard.

#### ORDERS OF THE DAY

MADAM SPEAKER: Orders of the Day. Order for a Return standing in the name of the Honourable the Leader of the Opposition.

MR. MOLGAT: Madam Speaker, I beg to move, seconded by the Honourable Member for Lakeside, that an Order of the House do issue for a Return showing: (1) The names and addresses of those receiving loans under the Canada Student Loan Plan for the years 1964-65 and 1965-66. (2) The amount of each loan in (1). (3) The names and addresses of those receiving Manitoba Government bursaries for the following courses in 1964-65 and 1965-66: (a) secondary school (b) technical education (c) teacher training (d) university (e) postgraduate (f) special opportunity. (4) The amount of each bursary in No. (3).

MADAM SPEAKER presented the motion.

MR. JOHNSON: Madam Speaker, before accepting this Return, I would be quite prepared to, of course, give all the information as listed in the amounts of loans, or break them down into how many received loans of so much, and so on. It's my understanding, and I think it would be proper - not proper, but I feel it would be advisable - I believe in the past there was a policy of giving the names of the individuals receiving bursaries, loan and so on, in different categories, and that ceased for the reason that this was thought, much like in the field of people receiving bursaries . . . , it might be better not to public their names. I wonder if the Honourable Member would be satisfied with the total amount, the numbers who received a certain amount of each loan, and break it down but for names? I would rather not give a list of the individual names of each person receiving such an award, if that would be agreeable to him.

MR. MOLGAT: Madam Speaker, I can't see really the reason why the Minister does not want to give this information. It was given in the past, because I had an Order for Return on this very same question some, I think, three years ago and I received the information from the Department at that time, which was published as an Order for Return, and I can see no reason why there should be a change in the policy. Once again, we are dealing with public monies.

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

MR. MOLGAT: The Ayes and Nays, Madam Speaker.

MADAM SPEAKER: Call in the Members. The question before the House, the Order for Return standing in the name of the Honourable the Leader of the Opposition, that an Order of the House do issue for a Return showing (1) The names and addresses of those receiving

(MADAM SPEAKER cont'd) . . . . loans under the Canada Student Loan Plan for the years 1964-65 and 1965-66. (2) The amount of each loan in (1). (3) The names and addresses of those receiving Manitoba Government bursaries for the following courses in 1964-65 and 1965-66: (a) secondary school (b) technical education (c) teacher training (d) university (e) postgraduate (f) special opportunity. (4) The amount of each bursary in (3).

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

YEAS: Messrs. Barkman, Campbell, Desjardins, Froese, Hillhouse, Hryhorczuk, Johnston, Molgat, Patrick, Shoemaker, Tanchak, Vielfaure.

NAYS: Messrs. Alexander, Baizley, Beard, Cherniack, Cowan, Evans, Groves, Hamilton, Harris, Harrison, Hutton, Jeannotte, Johnson, Klym, Lissaman, McDonald, McKellar, McLean, Martin, Moeller, Paulley, Peters, Seaborn, Shewman, Smellie, Stanes, Steinkopf, Strickland, Watt, Weir, Witney, Wright and Mrs. Morrison.

MR. CLERK: Yeas 12, nays 33.

MADAM SPEAKER: I declare the motion lost. The adjourned debate on the second reading of Bill No. 7. The Honourable the Attorney-General.

MR. McLEAN: Madam Speaker, in asking that this matter stand perhaps I might offer a word of explanation. It was suggested by the Honourable the Member for St. Boniface and I believe one other, that it would be helpful if the members had an opportunity of perusing the proposed Highway Traffic Act before we had to come to a final conclusion on this matter. I think that's not a bad suggestion and I would propose for a short period of time, with the leave of the House, to allow this to stand -- on this occasion I would ask that it stand.

MADAM SPEAKER: The adjourned debate on the proposed resolution of the Honourable the Provincial Secretary. The Honourable the Leader of the Opposition.

MR. MOLGAT: Madam Speaker, I would first like to thank the House for their indulgence in allowing this to stand for a few days in my name. I do not rise to oppose the Report of the Committee but rather to urge the committee to get on with their work more speedily than it has in the past, and to proceed with action. Now I know that we have upon our desks at the moment this very large Bill No. 5, which I have not yet had a chance to read in detail, of course, or to study, but it seems to me the committee has now been sitting for some years and that we should be making greater progress than we have in a number of fields.

The importance of the subject I don't think can be overestimated when we look at what is happening throughout Canada and in the United States. The present record in Manitoba may be somewhat encouraging from the standpoint of the fatalities that have occurred in the past year as compared to the year before, but the over-all record in Canada and the United States is most discouraging. When one considers that, for example in 1965 across Canada it is estimated that some 5,000 people died in auto accidents as compared to 4,600 the year before; when you consider that 147,000 were injured as compared to some 139,000 the year before; when you consider that some \$133 million worth of property damage was done in those accidents as compared to 117,000 the year before; it's obvious that we're faced with a pressing and an urgent problem, one that we cannot simply shelve and allow to discuss over a long period. We must take action wherever action is needed very quickly.

In Manitoba, it is true that our fatalities in 1965 dropped from 192 to 178. On the other hand our injuries went up. There were 4,898 injuries in '65 as compared to 4,569 in '64. I have no figures for the property damage because I don't believe that they are kept on that sort of a basis provincially, but certainly the over-all picture is one of increase. It is estimated that if the present trends continue in auto accidents, that in the period between 1966, the year we are in now, and 1970 some 26,000 Canadians will die in automobile accidents. This is half the number who died in World War II. And over a million Canadians it is estimated will be injured in auto accidents in that same period. I give these figures to re-emphasize, Madam Speaker, the importance of the work of this committee and the absolute necessity of urgent action.

Insofar as the present recommendations of the committee, insofar as they go it seems to me that they can receive the general acceptance of the House. I wonder why the committee says in No. 4 that they recommend the concentrated type of program promoting safety, and yet in No. 9 they recommend against a provincial Highway Safety Council and oppose the formation of such a provincial Council. Now I am not one who believes in having overlapping bodies at all levels doing the same type of work, but I think it is important that in any of the work the government does, wherever possible we bring in to the work of the government volunteer groups who can go far beyond the reaches of government agencies, and

(MR. MOLGAT cont'd) where we can get volunteers who are prepared to work on something like the provincial Safety Council I think we should make full use of these people, because they can do a lot of things, in many cases more effectively, in most cases more economically, that it can be done by a straight government operation. And if the government is talking in No. 4 about a program of advertising, for example, I think we'd get more value out of it if it was done in conjunction with a group of volunteers who are concerned about this problem and who are working throughout the Province of Manitoba but I give that simply as a passing comment in this regard.

I want to turn rather, Madam Speaker, to the areas that have not been studied by the committee to date. It seems to me that our study at this point has been largely from a provincial internal standpoint, and I don't think that we will accomplish in highway safety what needs to be accomplished unless we look at it from a national standpoint. It is fine within the province to take the necessary steps, but there are many things that need to be done across the country, because it is obvious that with modern transportation methods, modern cars and roads, much more of the traffic is inter-provincial, as well as international in our case across the line. Wherever we can, if we can standardize such things as signs, laws, enforcement, highway design, all of this will lead to, I think, more safety on our highways, because it will simplify things for the driver; it will mean that he will know wherever he is what the rules are; there'd be no opportunity of misunderstanding signs or traffic laws and so on. These I think are the places where the committee should now address itself. The instructions given to the committee, its terms of reference, are certainly broad enough to permit this. The committee was given very broad terms of reference in general terms; in addition to that the committee was then given some specific items to which it should address itself.

It seems to me at this time that the House would be well advised, if not to give this in forms of specific instructions, at least to voice a recommendation to the committee that it should address itself now to these matters of future provincial concern. I have pointed out these in signs, law enforcement and so on. There is another area where I think we must take immediate steps on a national basis and that is in the question of the actual safety construction of automobiles themselves. Unless there is something done from a Canadian standpoint, I think we're faced with the danger that various jurisdictions, various provinces, will set up their own safety regulations for automobiles. Some will specify safety belts, others won't. Some will specify certain types of turn signals and so on. We can end up with a hodge-podge of legislation across Canada that will not accomplish from a national standpoint what needs to be done on what is essentially a national problem.

This is becoming more and more evident outside of Canada. Very recently in the United Kingdom the question came up about a specific part in a vehicle. The auto manufacturer had been warned by the government some two years prior, apparently had taken no specific steps, and very recently an investigation has been started by the Transport Ministry into this specific case where there was a possibility of a faulty part. It went on for two years with no action being taken.

Across to the south of us, the American Government set up a Senate Sub-committee to study this whole question of auto construction.

Distinguished Senators like Senator Robert Kennedy and Senator Ribicoff were most active in the work of that committee, and I think that the reports from that committee indicate the necessity for strong public action. There is a natural tendency on the part of manufacturers to produce simply what may sell best, what may look best in automobiles, not necessarily what may be the safest.

For a province to operate on its own in this field I think would be a mistake, but we have a committee set up here now and I think our committee should take the first steps in this regard. There have been some discussions, it is true, in Ottawa; some discussions in the House of Commons. There have been recommendations there and certain recommendations have been accepted. The Federal Government now apparently is setting up a safety code for the automobiles which it is going to purchase, and this is a forward step to the extent that if manufacturers will accept this as general safety factors then it will be an assist. It doesn't necessarily mean that the manufacturers will accept that for their broad manufacturing. They may only do it for the autos of the government itself.

The question was asked in the House in Ottawa of the Minister responsible whether -- the question was as follows: "Has the Government given consideration to introducing legislation making it compulsory to equip automobiles being sold in Canada with all safety devices currently proven practical and efficient?" The answer of the Minister, the Minister of

(MR. MOLGAT cont'd) . . . . Industry Mr. Drury was: "It should be emphasized that the provincial governments have the responsibility of drafting and enforcing regulations pertaining to the operational standards of motor vehicles." I gather from this that the Federal Government is saying that they are interested in the subject, but if action is to be taken that it must be taken at the provincial level. And yet, Madam Speaker, if it is going to be done in an intelligent way in Canada it must be done across the country. It would be foolish, in my opinion, for provinces to go off on their own and set up each separate standards.

So what is the solution then? Well, I think that we should call here in Manitoba for a national conference on this matter. I think that we have to ask all of the other provinces of Canada and the Federal Government to sit down with us and study this whole question of the safety of the automobiles themselves and then set up a national code. The fact that the Auto Agreement, which has been signed between Canada and the United States, is now in effect will likely mean that more and more automobiles used in Canada will be built in Canada. We will be in a position to enforce the regulations that much more, to work with Canadian manufacturers and get this matter settled satisfactorily.

Certainly in the United States this is now a matter of major concern. I have here the book, Madam Speaker, "Unsafe At Any Speed." This is a book that has just come out. It's on the designed-in dangers of the American automobile, by Mr. Ralph Nader. I might say that I tried to get it in our own library here and it is not available. I would suggest that it might be a very good text for the members of our committee to have. Mr. Nader, who wrote this book, is an attorney who is an advisor to the Senate subcommittee investigating automobile hazards. He's been a consultant to government agencies, to legislative committees and to universities, and he has specialized in this question of auto safety. I'm not in the position to judge whether his facts are right or wrong, but certainly there is sufficient concern in the United States to have called the Senate subcommittee to study this.

I think it's very important then for our committee now to start looking at these other subjects and to take on as a specific item of concern under its general recommendations this whole matter of the national code, of the national conference, and of setting up some rules or standards that can apply across Canada. I think the committee could get substantial help from what has been done elsewhere, and I'm pleased to be able to say that the author of this book, Mr. Nader, is anxious to appear before the committee that is presently established here in Manitoba. Mr. Nader has been invited by the Greater Winnipeg Safety Council to address their annual meeting, and in his letter to the Safety Council he says as follows, in addition to accepting to appear before them. He says, "The increasingly articulate concern in Canada over deficiencies in auto safety is well-known. I've been observing the intensification of this concern for the past year since the National Film Board's every second day and the CBC reporting on the subject. Consequently, I want very much to meet with the provincial legislative committee and discuss the important issues with concrete proposals." -- (Interjection) -- Is that a question? Because if it's a question of the cost I think there would be no cost insofar as the province of Manitoba is concerned. He will be coming here in any case and would be prepared to appear before our committee. So, Madam Speaker, I would recommend to the Minister, if it can be done under our present terms of reference, fine, but I would recommend to him that this be a specific concern then of the committee, that it meet with Mr. Nader, that it act, or that it prepare a draft of what the committee feels should be the national code, what needs to be done from the standpoint of safety, of enforcement, of signs, and all the rest of these matters in highway safety, and that once this is done here in Manitoba, once they've heard Mr. Nader, that we call for a national conference and make Manitoba the leader in getting this done on a national basis.

MR. JAMES COWAN, Q.C. (Winnipeg Centre): Madam Speaker, the importance of preventing highway accidents has been set out by the Leader of the Opposition, and it is an important question. We've had quite a lot of publicity lately about the construction of automobiles. However, there is one cause of highway accidents that hasn't been given a great deal of publicity and that is the question of drivers going to sleep while they go along the highway. I have been amazed recently, in speaking to acquaintances who drive cars. I've asked them if they ever went to sleep while they were driving, and most of them say they went to sleep once. Now, they were the lucky ones -- they didn't get into an accident. But there are others who went to sleep once and weren't able to tell that tale to anyone, and we know that. I think -- well, I know one of the leading Liberal politicians in this province coming in from the St. James Air Show one year just a little while ago, he fell asleep, right in the City of St. James, and damaged

(MR. MOLGAT cont'd). . . his car to the extent of \$700 or \$800.00. Luckily no one was injured. I know of another politician in this House that makes sure when he's driving in the afternoon that he doesn't have any lunch, because he finds that if he does he tends to go to sleep while driving. I know that in the United Kingdom the government builds highways, their newer highways with turns to try and prevent people from going to sleep.

We don't have very many statistics telling us how many drivers went to sleep and as a result caused an accident. Most of them, of course, can't tell the tale. But here are statistics put out by the Travellers Insurance Company showing that in 1959 in the United States 43.1% of the deaths were caused by exceeding the speed limit, 15.9% by being on the wrong side of the road, 11.2% did not have the right-of-way, 12.1% drove off the roadway, and 11.9% were due to reckless driving; or a total of 94.2% were due to those reasons, and it is quite likely that many of them were due to the driver falling asleep, especially these dealing with those that drove off the roadway, those that were on the wrong side of the road. And we know ourselves that in most cases most accidents take place on highways which are straight and when the weather conditions are good, and the reason is -- I think that many of the members here will testify that they have gone to sleep once and they realize that if they had been meeting another car coming from the other direction at that particular instant, that there would likely have been a serious accident. And I would hope that one of the things that we might do in Manitoba is to try and emphasize upon people the necessity of staying awake when they are driving their cars, that if they are feeling sleepy, to stop. In the Army, they stop every two hours when they are in a convoy - stop for ten minutes every two hours in order to give the drivers an opportunity to get out and stretch and to prevent them from falling asleep. I think it is important. I think that we should be putting up billboards, perhaps ads in newspapers, other places, warning people to stop driving if they are tired and in a way stop many deaths and accidents on our Manitoba highways.

HON. MAITLAND B. STEINKOPF, Q. C. (Provincial Secretary and Minister of Public Utilities) (River Heights): Madam Speaker, in closing the debate on this resolution, I'd like to compliment all those who have spoken and to say how gratified I am that everyone takes the matter of highway safety as seriously as they do. There's little fault that anyone can find with anything that has been said so far, but there are some comments that I would like to make. The Honourable Leader of the Opposition gave us a fairly complete resume of what he thought the work of the committee should be, and in general may I say that not only do I agree with him but I think that the committee would unanimously agree with the suggestions that he has made.

He suggested, amongst other things, that safety isn't a matter for a locality or a province; it is something that is of national concern and should be approached on a national basis. In this the committee concurs completely, and he will be pleased to know that our Premier at the Conference of Federal and Provincial Premiers held in Ottawa last summer had as one of his major points the suggestion that a national conference be called immediately on matters to do with safety and highway traffic, and that this problem could only be dealt with intelligently on a national basis. There has been a considerable amount of follow-up on this approach and I hope that very soon the Minister in charge in Ottawa will be calling a conference of all of those interested in the subject in the various provinces.

It's rather odd that the same situation applies to the other committee that I was interested in - the Committee on Consumer Credit - and we also believed that in the field of consumer credit it is a subject that required a lot of national thought and national regulations; and this next week-end the Ministers from Nova Scotia, Alberta, Ontario and Manitoba are going to meet in Toronto to get the ball rolling, so that a conference will be called on a national basis by Ottawa and I think the same thing will be happening in highway traffic within the next three or four weeks.

On the matter of co-opting and using volunteers, again not only do I personally agree but I think that our committee would almost unanimously agree on that point too. Maybe the Leader of the Opposition will recall that shortly after the committee was established about two years ago, we took it upon ourselves in the Department to co-opt the advice and brains of the 50 most knowledgeable people in the safety and automotive field in the province, and they worked many long hours and came up with some very excellent suggestions which now form the basis of the new Highway Traffic Act that is before you. However, for getting all of these people to do the work - I was very careful to notice that the Honourable Leader of the Opposition suggested too that it can be done more economically; this didn't cost the taxpayers any money - all the

(MR. STEINKOPF cont'd) thanks that we got from the other side of the House at that time was the suggestion that I be held in contempt for having had the advice of these volunteers in helping to give us the information on safety which can really only be obtained from those most knowledgeable in that field.

The committee, although not too productive when it comes to putting before the House a very wordy and lengthy report, did its work well, and in the two short years that it has been operating has been able to produce in fairly concise and good fashion a complete revision of The Highway Traffic Act. This in itself is a monumental task and we'll have more to say about that as the Act goes through the various stages in the House.

But there were many many other matters that came before the committee on which decisions were made, and studies. Such things as training in the schools for school children in driver education. The problem of whether breathalizers should be used. The complete story on vehicle inspection is available now and will be available for those that have the problem of planning the vehicle inspection program for Manitoba: The matter of 15-mile-an-hour speed zones in school areas; such things as helmets and safety precautions for motorcycles; and any number of detailed matters that have to do with safety were discussed and worked on and decisions made by the committee.

The suggestion that Mr. Nader be invited to address or speak with the Safety Committee is a good one, although there is brewing a first-class argument between those who think along the lines of Mr. Nader and those who believe that safety is not all in the construction of the car. A good part of it has to do with the intelligence and mobility of the person who is driving the vehicle. However, I am sure when the Committee reconvenes that we will be only too happy to hear Mr. Nader. I have already heard from Mr. Howard Loewen, the President of the Greater Winnipeg Safety Council, telling me that Mr. Nader had been invited by his group to address them and that he would be available to talk to the Safety Committee when it would be opportune for the committee to hear him.

Generally speaking, the business of safety is one that becomes more popular to those who like to make speeches because no one can basically disagree with the effort on safety, but it's amazing, when you sit down and start talking turkey with the people who have to pay the shots and get the ideas, how quickly they shy away from the actual business of doing something concrete. The Honourable Leader of the Opposition also made mention of an apparent conflict in the recommendations: (1) that a broad educational policy should be adopted to educate the public in the rules of the road in matters of safety; and at the same time, voting or suggesting that we do not set up a Safety Advisory Council in Manitoba.

Neither of these decisions were made lightly, and I might say that the committee was unanimous on both points. On the latter, experts were brought in, or came here, and appeared before the committee and put before us the reasons why we should have an Advisory Council. I must say that they did themselves a poor service because the committee, after listening to the presentations, were without hesitation able to make a decision that this kind of a council as now, being practiced in other areas, was not for us. But they felt that the matter of education is something that must go on, and not only for the young drivers, probably less for them than for those that are at the 40, 50, 60-year old age, because many of the young drivers are now getting their education before they drive, and in this process are being taught to be good drivers and careful drivers.

However, there is a segment of the driving public that have had no education at all, and like people who dance, each one thinks that he is the world's best driver, and they haven't really studied the rules of the road nor do they understand them, nor psychologically do they understand them, and if the law says that they can go 15 miles an hour through a school zone, they feel that they can go 15 miles an hour even though they probably should be stopped or they should be going two or three miles an hour. But if the law says it's 15 miles an hour no matter what happens, no matter how many children are crossing the road, or running around, that gives them a carte blanche right to go 15 miles an hour. So I'm very happy that the general tone of the debate was in favour of the recommendations and the safety, because the next stage is to discuss and go through the Highway Traffic Act in a manner that it can be put into effect as soon as possible, and then the many safety features that are threaded throughout that Act can be publicized and can be put in a fashion that everyone in the province will know about them, and will get on with the business of driving safely and taking all the care that is required in this day and age of pretty fast and dangerous motor vehicles.

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

(MR. EVANS: Madam Speaker, I beg to move, seconded by the Honourable Minister of Agriculture and Conservation, 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 for Winnipeg Centre in the Chair.

#### COMMITTEE OF SUPPLY

MR. CHAIRMAN: Resolution Number 7 - passed.

MR. MOLGAT: Mr. Chairman, I believe last night when the Committee rose, I was speaking on the matter of the report of the Government to the Poverty Conference, and I detected considerable resistance from the Minister to the comments that I was making regarding the submission that the Government of Manitoba had made to the Conference. I don't know exactly what were the grounds for his objection because I gather, from the statements that have been made, that this was the official Manitoba submission, and if it is, well then, I think the statements in it are certainly statements that need to be discussed in this House. If the Minister doesn't believe -- if he's going to tell me that these statements are not correct, well then my question of the Minister is, why would the Government of Manitoba propose this to the Federal Government? Surely the Government of Manitoba is not putting on a discussion paper at a federal conference which doesn't have the approval of the government of the province, and behind which the government of the province will not stand. So I would like to hear from him, what is the conclusion we must draw? The only conclusion I can see is that the statement is accurate and that it reflects an alarming condition for agriculture in the Province of Manitoba. Not everywhere, it is true. There are many areas where the situation of agriculture is better than in others, but certainly, if between two-fifths and a half of the farmers are in poverty, then there is a dire problem, and for the government to say this after eight years in office, and be speaking in the very nebulous terms that the Minister was speaking of last night, doesn't indicate to me that either they have done their job in the past eight years or that they recognize themselves how serious the problem is.

The Minister spoke at great length about ARDA, Mr. Chairman, and as I was pointing out last night, the intention of ARDA is certainly to help rural poverty. In the introduction of this report it clearly states: "designed to help rural people adjust to the social, economic and technological changes which have affected their livelihood." Then it goes on to say that, with the new Act that came in increasing the amount of money, that "It makes provision for a special fund for rural economic development, specifically, to support comprehensive rural development programs in certain rural areas which are subject to general low income and are in special need of development. Generally the new ARDA agreement places greater emphasis on the alleviation of poverty in rural areas, by means of broad and many-sided programs of resource development, land use adjustment and farm consolidation, community development, and rehabilitation of people," all of which is very desirable, Mr. Chairman, and I think that the goals are properly stated.

But I cannot see how the Minister may acclaim that the expenditure of almost a million dollars on the development of the Birds Hill Park fits into any of these categories. The people who live in the Birds Hill area were certainly not subject to poverty. They were sitting on some of the very expensive real estate surrounding the City of Winnipeg. The Minister can say it is desirable to make a park with it; I'm not discussing that. What I'm discussing is that it is not an ARDA project. It does not fit into any scheme that I can see here of rural economic development or the alleviation of poverty in rural areas or any of these matters at all. It was not an agricultural area. It is true some people were temporarily farming there, but most of the people who had property there were sitting there in the expectation (and it was being realized) of having it developed into a residential area. This is what was happening to the Birds Hill, and to say that it fits into a program of rural development in my opinion is simply playing with words, but really using funds that were designed for other purposes and that are drastically needed in other parts of the province, because the program as I see it now has been mainly addressed insofar as the re-development with the exception of other specifics such as certain drains and certain water control works, the rest of it has been in the Interlake area which is undoubtedly an area of particular concern to us.

But it's not the only one. There's also the west shore of Lake Manitoba. There's a good deal of the region north of the Riding Mountain, east or between the area of Lake



(MR. MOLGAT cont'd) . . . Winnipegosis and the Duck Mountain, the area of south-east Manitoba. There are a number of others where specific programs are needed. And many of these programs, Mr. Chairman, I think could be started by this government without ARDA in many cases; by the government itself if it would take the time and trouble to study the particular problems of the area and to get to work on them, and one of the real problems in much of this area is the fact that the marginal land there is not designed for agriculture in the sense of wheat growing or grain growing. It is range country, but too frequently that range country is not sufficiently productive. It is covered by scrub poplar and willow and it does not have at the present moment the carrying capacity that is necessary if we are going to raise the income of the people in the area.

Now some attempts have been made to alleviate some of this by setting up community pastures. Maybe community pastures have their place and certainly in certain areas they have done some effective work. I have my doubts, however, whether the community pasture program in Manitoba is fulfilling exactly the job that needs to be done. I know specifically that one of the very large pastures - I think the largest one in Manitoba - is not containing the number of cattle for which it is designed. A good deal of the problem is that the carrying capacity isn't there. Now the Minister can say, well, that's not our problem. True, it's not the provincial problem, but I think we'd be better off if this land was being used by individuals rather than sitting in a community pasture largely unused. And we are still then faced with very large other areas where there is no action being taken.

The Minister speaks about the program of joint action with local groups to clear land, and to the extent that it has been used I think it is a good program, but I think we have to go further than that, Mr. Chairman. The government is prepared to spend money right now, or to lend money, to someone who wants to go into agriculture. It's prepared to lend money to someone, to clear land, if they have land that they own. I think there's a good deal of the land that the government owns right now and refuses to sell - a policy with which I don't agree but we'll discuss that under Mines & Natural Resources - that a good deal of the land that the government controls Crown land, where the government itself should take the steps to make the land more productive. And this could be done under a program whereby the government would offer to the lessee to put up the cost of clearing the land to make it more productive, and naturally then increase the lease charges to the owner or to the person who is using it. If this was done on a planned program it is quite obvious that the extra income would be there to raise the productivity of the area. I can see the situation, Mr. Chairman, in my own constituency where unless something is done in the very near future we are going to have a real problem in what has been a reasonably successful ranching area. Because with the pressure that there is for land today, with the livestock situation as it is, the ranchers are not finding it a paying proposition to continue in a cow calf operation. Unless they can really increase their herds - and this means increasing the carrying capacity of the land that they have - unless there are positive steps taken by the government to put them in a position that they can do this, many of these people are simply going to either keep on barely existing or will drop out altogether of the cow calf operation, and I think we would be faced in the Province of Manitoba then with the inability of replenishing our feeder supplies.

I can see this growing right now. It was accepted in the past that someone who had a herd of, say, a hundred head of cows, it was considered to have a reasonably sized herd here in the Province of Manitoba. But on the present prices and the costs that are facing this rancher he simply cannot make a go with that sort of a herd. If he is fortunate, with a hundred head he will produce some one hundred calves. On the market as it has been in the past few years, this barely puts him in a position of covering his costs. So the government has to take much more active steps in these marginal areas which are the ones where, in my opinion, this poverty mainly exists, and it can't sit back and simply wait for ARDA, whether ARDA will apply or not. The responsibility falls first and foremost right on the government of this province. For the Minister to admit to us now after eight years that this is the situation in the Province of Manitoba, I say it's simply not good enough.

MR. HUTTON: Mr. Chairman, I would like to say a few words in reply to the Honourable the Leader of the Opposition. This is the reason why sometimes we like to have meetings in camera, because there are people who will pick up statistics, figures, and bandy them about for their own use. The men who were studying these papers knew what the criteria were that were being used. They were rough indicators; they were not specific statistics. The paper The Profile of Poverty states on Page 5 that over two-fifths of the operators of farms in Canada

(MR. HUTTON cont'd)... are statistics in the records of national poverty, and that in Manitoba the proportion is slightly higher. It is important to note that these statistics are based on 1961 census figures which define a farm - note this - define a farm as one acre of land and which sold \$50.00 worth of produce in that year. One acre of land, \$50.00 worth of produce. In order to qualify for the records of national poverty, the farm sold less than \$3,750 worth of farm produce. Note this: "These statistics therefore include not only those operators who are attempting to make their own living on the farm and from the farm, and these are the people who are not enjoying a reasonable standard of living, it also includes: (1) People who are merely using their farm as a rural residence and were employed full-time off the farm. (2) Those who are operating their farm but who were also employed off the farm part of the time in towns or cities or in fishing, forestry or other types of employment. (3) People who are essentially retired on their farm." In short, the national poverty definition which the Ottawa people have been using and which is outlined above, is a gross statistic which can only be used as a broad indicator. If we are going to use it as a specific then it needs a good deal of refinement.

I'd like to also call to your attention the fact that there was a study carried out by the Economics Division of the Canada Department of Agriculture in 1961. It was a study of 12 townships in the Interlake and it indicated that half of the farmers in the area studied received as much income from off the farm as they did from the farm itself. It is interesting also to draw comparisons relative to the national definition of farm poverty among the various provinces. The following is a percentage of farms in the different provinces that sold \$3,750 worth of produce or less according to the 1961 census. In Newfoundland 56% fell into that category; in Prince Edward Island 57% fell into that category; in Nova Scotia 57%; in New Brunswick 58%; in Quebec almost 61% - 60.9%; in Ontario 39.5%; in Manitoba 47.7%; in Saskatchewan 43.4%; in Alberta 41.3%; in British Columbia 41%; in Canada an average 46.2%.

When you take the definition of \$3,750 and call it a par, a farm that produces that little, 25,000 farms in Manitoba fall into that category. Now they're not all impoverished. You or I could own a parcel of land. If we produce more than \$50.00 on it, we could have an income of \$20,000 on the side and we'd be called a farmer and we'd fall into this national statistic of poverty. So this is the reason why it's dangerous to start bandying about these terms which were written on a paper which was submitted to a conference of staff members and people who knew what they were talking about and knew the nature of the statistics they were using, and I think it doesn't help the situation to use these figures loosely.

Now I want to make something clear: I'm not in any respect denying that we have poverty in Manitoba or in Canada. We have. I think we're not going to be able to do very much about it unless we admit that we do have it and we are prepared to take the steps that need to be taken. I don't think the fact that the Government of Canada, for that matter, or that the Government of Manitoba for that matter, at this time is prepared to go further than we ever have before, that it indicates that we have been indifferent or that we have not been working on this in the past. It's just that we recognize that we need new initiatives today; new initiatives that have been developed, yes; developed through struggling and wrestling with the problem over the last eight years. But that is no indication that the programming that we have done in the past was lost, or that it was non-existent or non-beneficial. Certainly it helped, and all you have to do is look at the records of increased production in Manitoba in the last eight years to know that they helped.

There's been some concern expressed here about our ability to keep in touch with the people in my Department. I had the results of the last survey made by the CBC and the indications from that are that this past year between 44% and 55% of the farmers in Manitoba had been in contact with their ag rep in the Department of Agriculture. By comparison, in Saskatchewan 35%, but there's a reason for that. Saskatchewan is a lot bigger area, the farms are bigger, there are distances involved. But Manitoba relatively speaking has done a pretty good job; nothing to be able to assume that we shouldn't be doing better.

I'd like to underline something else that's been said here, that we've misappropriated ARDA funds. Well, let's have a look at what use Manitoba has made of several ARDA assistance compared with other provinces in Canada. Let's look at Newfoundland. They used 65 - between the years 1962 and 1965 they used 65% of their allotment. Prince Edward Island used 23%; Nova Scotia used 31%; New Brunswick used 21%; Quebec used 110%; Ontario used 24%; Manitoba used 105% of their allotment; Saskatchewan 110%; Alberta 45%; British Columbia 60%. We have used the ARDA funds, and of those funds of something in the excess of, in the case of

(MR. HUTTON cont'd)...Manitoba, \$3,500,000 of funds from Canada that were available to us, yes we spent some \$450,000 in that development in Birds Hill, but why talk about Birds Hill? Why not talk about the over \$3 million that were spent in other projects, and the great majority of it went into drainage. By far the great majority.

I think we also want to keep in mind that even under the present allotment to Manitoba under the new agreement which is \$1.8 million a year. Do you realize what \$1.8 million represents in terms of the overall budget that you were looking at for this year, for this coming year? Less than one percent. Less than one percent. If ARDA were the only program of development that we had for Manitoba, well we might as well go home for all the good it would be. The real value in ARDA is that it adds momentum to development programs, existing development programs, and enables us to undertake new programs because we have that much more money to spend.

The utilization of community pastures -- I expect that we can make better use of our community pastures. Their management is largely or to some extent determined by PFRA in the Federal Department of Agriculture. But the fact is that the PFRA have adopted a new policy, that rather than build more new pastures, they're going to increase the carrying capacity in the existing ones. Quite substantial work has been done in the last two or three years in clearing brush in community pastures and in working them up and seeding them to tame grass. Now, looking at the acres that we have in community pastures and looking at the amount of work that has been done to date, it may seem rather insignificant, but nevertheless, they have changed their policy and we will be working to increase the carrying capacity of these pastures, because it is cheaper and better economics to increase the carrying capacity on an acre of land than it is to go out and fence, and provide everything -- and the accoutrements to a modern community pasture.

Pasture improvement programs. Well, a little over a year ago we introduced a new program to help people increase the carrying capacity of their pastures. We have one program in western Manitoba - that of Spring. We have another program in the Interlake. It has been sweetened up, in fact the amount of assistance has been doubled. And as a matter of fact, the government departments -- the responsible people in the departments are looking at ways and means of increasing the carrying capacity on the Crown held lands. In the last two or three years we've changed the basis of leasing so that the tenant has security of tenure. We have given them assurance that he has certain proprietary rights so that he can recover any investment that he makes in this Crown land. We've moved an awfully long ways in the last two or three years encouraging and helping in the development of these lands.

But I must underline again that you can't take and divorce ARDA from the over-all development program of this province. It's added momentum. I announced a program here last night for a manpower mobility program in the Interlake. The thing that will really make that program are the programs in the department of education which must complement it. We can't have a useful and a fruitful manpower mobility program unless we do have complementary programming in the department of education and for that matter in the department of labour. I think that there is a great danger in trying to focus in on a narrow area a development programming that we can attribute specifically to ARDA funds.

Well, I really believe that's all I should take time to say at the present time because I'm supposed to contribute to getting these estimates through the House.

.....continued on next page

MR. MOLGAT: Mr. Chairman, I would like to pursue a couple of questions with the Minister. I'm not quite clear now what we must make then of the presentation that Manitoba made to the Poverty Conference. Do I gather from the Minister that the situation is not as bad as this report indicates; that the statistics are not as this statement is? I gather from the explanation that he made to us that this is what he was saying. Then my question is, if that is so, why would Manitoba put forward this statement to a conference in Ottawa? Surely we're not going down to Ottawa and presenting to them statements which are not fact; and if we are, then I can't think of a better way to destroy anything that we might expect from Ottawa in the future. So either the statement is accurate or it isn't. I gather from what the Minister is saying now that he doesn't think the situation is as bad as it is. Well then why would we present it?

The other one then is on the specific of the Birds Hill community pasture or the Birds Hill Park. Does the Minister feel that this is under the terms as the ARDA catalogue outlines and the specific reason for setting up ARDA, does he feel that the Birds Hill Park development fits into the ARDA program? The other questions I have will come under specific items under the estimates.

MR. HUTTON: Mr. Chairman, the statistic that we used is Ottawa's figure. We weren't pulling the wool over their eyes when we used it because the men that the men from Manitoba were talking to understood the nature of that statistic and understood it was going to indicate the dimension of the problem not to specifically outline it. Any poverty is serious; any poverty is serious. We don't have to have 40 percent of the farmers impoverished before we have a serious problem. This was an indicator to the people at that conference and they understood it quite clearly; but a lot of other people not understanding the criteria that go into compiling that statistic, can misunderstand, because they are not apprised of the way in which that statistic is arrived at.

MR. MOLGAT: It is correct then that, is it 47 percent - the figure that the Minister gave us, of the farmers of Manitoba under this definition are in poverty. Is that correct?

MR. HUTTON: Forty - I think it's 46 percent - 46 percent of the people designated as farmers, that is under the designation that they own an acre of land, or the definition that they own an acre of land and they sell about \$50. worth of product, under this definition of a farm, then 46 percent of our farms sell less -- not have less income, but sell less than \$3,750 worth of product.

MR. MOLGAT: What about the Birds Hill Park, Mr. Chairman? I didn't get an answer from the Minister.

MR. HUTTON: Yes, I think that it is a legitimate program. I want to say this at this time - that there has been a change in philosophy adopted by the Government of Canada with respect to ARDA. Originally the emphasis on ARDA was in adjustments in land use, in adjustments in the use of natural resources, but there has been a shift in emphasis to adjustment in human resources. Now I'm not sure that I agree that ARDA should be used in this way because it is becoming clear from things that are happening down at Ottawa that the Government of Canada is shifting all the programs that are useful and helpful in tackling the human resource problem into this new department of manpower. Now where this is going to leave ARDA as an implement or a tool to work with human resources is beyond me, and I think maybe the original concept that it should be used in effecting natural resource adjustments was probably right and probably we should have a manpower department specifically to work with the adjustments and development in our manpower field.

MR. MOLGAT: Mr. Chairman, that doesn't answer my question so far as the Birds Hill Park. Under what item of ARDA -- under what concept of ARDA does the Minister feel that this fits in?

MR. HUTTON: Land acquisition for recreation.

MR. MOLGAT: This is not the reason for which ARDA was established. It was established to help rural people adjust to the social and technological changes which have affected their livelihood; and then the second purpose is to assist rural development programs in certain rural areas which are subject to generally low income. Now I submit that the Birds Hill area is under no circumstances one that was a low income area. It was in fact, an area of tremendous capital gain for the people who had property there; an area that could yield to those people unlimited opportunities insofar as selling the land for other purposes. There were people eager to buy the land. It wasn't the situation that there was poverty in the area; it was very much the reverse. How it fits into ARDA, I simply cannot see.

MR. HUTTON: Mr. Chairman, would the Honourable Leader of the Opposition tell me who the Minister was of the Government of Canada who authorized that publication?

MR. MOLGAT: Who published this?

MR. HUTTON: Yes, under whose authority.

MR. MOLGAT: ..... It's published by the Honourable Maurice Sauve.

MR. HUTTON: Yes, and he was the fellow who started the great war on poverty with ARDA.

MR. MOLGAT: Mr. Chairman, there goes my honourable friend now having no reply himself, he says it's Ottawa's fault. It's this government that submits to Ottawa the request for ARDA, it's not ARDA that comes into Manitoba and says we think that area should be developed. Can the Minister tell me honestly that the Federal Government comes into Manitoba and suggests that the Birds Hill Park should be developed as an ARDA program Is the Minister telling me at this moment that it was Mr. Sauve who decided that we should spend \$900,000 of ARDA funds on Birds Hill? Don't let him kid the troops. The facts are it's this Minister, sitting right in front of us now, whose estimates we're considering, who is the man who made that recommendation. Don't hide behind Ottawa. Is this a legitimate poverty program?

MR. HUTTON: Mr. Chairman, I didn't try to blame the Honourable Maurice Sauve for the -- no I attribute that statement of the goals of ARDA to the Honourable Maurice Sauve. But that wasn't the original concept of ARDA. That is a concept that developed in the take-over of Mr. Sauve of the authority for this program. It was the intention to effect changes, yes, and to use it to develop new opportunities for people; but the idea of specifically aiming at the target of poverty was not in the original concept of ARDA. There are those of us who don't agree with Mr. Sauve in his concept, because sometimes you get more effects, or you are more effective in attacking the problem of poverty when you spend the money outside of that particular area than if you just put it down the poverty hole. In other words, sometimes it's better in the long run, you get more effective use of your monies to use those monies in developing your resource where it's going to pay off, than to put monies into something which in the snort run may alleviate poverty but in the long run is not a good investment.

Now the original concept of ARDA was that it will be used in a twofold manner -- one was to effect a proper land and resource use of utilization; and the other side was to help people in development programs. And it was under that concept that we felt justified in using ARDA funds for a project like the Birds Hill Park. I will agree with you that under this new concept, under this new concept that is espoused by Mr. Sauve, you only spend ARDA funds in the immediate area of poverty. But I don't agree with Mr. Sauve. Because if I do then I have to admit that the Interlake area is a poverty area. And I'm not prepared to admit that and neither are the people who live there. They're too proud to take the money under those circumstances. They'll tell Mr. Sauve to go jump in the Atlantic Ocean if those are the conditions that he is going to hand out money on. I get plenty of letters underlining this and I have to apologize every once in awhile for somebody who gets carried away. Maybe within this department, maybe in the department of Canada. You don't have to go around with an 'X' on your forehead in my opinion to deserve to get some help. This seems to be the case when you take the approach that ARDA funds can't be spent anywhere except where there is extreme poverty. I won't buy it.

MR. MOLGAT: Mr. Chairman, I want to go back to Birds Hill, though. I'm very interested in what the Minister says but the Birds Hill program, according to this -- I still ask the Minister under what specific program it fits -- according to this statement, the approval of it came in October, 1964. Now, does it fit in under the new concept, or the old concept? Presumably, if it was approved in '64, it's under the new concept, and according to the Minister the new concept is poverty. Well then how does Birds Hill fit into poverty?

MR. HUTTON: Land acquisition for recreation.

MR. NELSON SHOEMAKER (Gladstone): Mr. Chairman, before we get off the Minister's salary, I would like to get something straight -- (Interjection) -- No. Not necessarily. Mr. Chairman, it doesn't touch on ARDA, so if my honourable -- the Honourable Member for Lakeside wants to talk specifically on ARDA.

MR. DOUGLAS L. CAMPBELL (Lakeside): Mr. Chairman, I would like to follow up this particular discussion that has been in progress, because I would like the Honourable Minister to point out to us from the brief that was submitted by the government to the Conference on Poverty, wherein that brief it is indicated that the figures deal with 1961 statistics.

MR. HUTTON: I don't know whether it does indicate in the brief, I haven't read it in the last day or two, but I do know the basis for the statistics.

MR. CAMPBELL: Mr. Chairman, my honourable friend makes part of the explanation about this brief and why it should be read and interpreted only by people who understand the statistics and know what's being talked about. The brief is written in the present tense so far as the statistics are concerned - all the way through. And if it's written in the present tense and was intended to use 1961 statistics then it should have said so; because here is a paragraph that my honourable friend, the leader of this group read on another occasion, on page 5. "There are a total of some 480,000 farms in Canada. Over two-fifths of the operators are statistics in the records of national poverty. In Manitoba the proportion is slightly higher." There's nothing about what happened awhile ago. This is now when they're talking about it. "This percentage of poverty has been achieved in spite of the fact that many of the hard-core poverty cases, mentally retarded or disturbed widows, deserted mothers and others, originate on the farm but drift toward the towns and appear not as a farm statistic, but as records in the neighbouring towns and cities." This was written as being in the present tense, but my honourable friend says that the people of the Interlake are too proud to want to be designated as a poverty area. Then who designated them that way? This brief designated them that way, and far from being confined to the people who are acquainted with these statistics, this brief was emblazoned over the papers, not only the farm papers, but the daily newspapers of all of Canada, I presume. Certainly over this province. Certainly in Saskatchewan. This brief that contains these statistics, and I'd like the Honourable the Minister to tell us if his department authorized this brief to be presented at that time. I don't think I need to tell my honourable friend that I haven't any great enthusiasm for the conference, or for the gentleman that was heading it at that time. None. I think I don't need to put in a disclaimer at all with regard to that. I think that there's a tremendous amount of nonsense talked at conferences such as this and that this one perhaps was a highlight even among those.

But one of the main contributors was the Manitoba Government brief. And the Manitoba Government brief got into the papers, and if the people of the Interlake feel the way my honourable friend says they do I certainly don't blame them. I don't blame them a particle, because the statements made in here are something that when they get out to the public certainly will give my friend something to answer for.

I look at Page 2 of this brief, when they're talking about the two categories, that they divide into the two categories of avoidable poverty and hard-core or unavoidable poverty. And so that I can't be accused of taking it out of text, I have to take the time to read it. "Avoidable poverty and the hard-core unavoidable poverty. The latter which includes persons such as the weak, the blind and the mentally and physically retarded, are essentially a social problem, and in most cases social policy can be called upon to make their situation more tolerable; but the former, possessed of minimum physical strength and mental attributes, primarily require improvement of their capacity to offer a skill for sale in the commercial market, and assurance through public policy of a demand for that skill, though not necessarily at their present geographic location." In other words, this brief is suggesting that the people who belong in the "avoidable poverty" class possess a minimum physical strength and mental attribute. Well the people have a right to feel the way my honourable friend says that they have a right to feel. Somebody, somebody, should explain that statement.

Page 3 of the brief, near the middle of the page -- and incidentally it's not \$3,700 or \$3,750 that's been talked about here, the figure that my honourable friend has been using if I heard him correctly -- the figure that's talked about here is \$3,000, and I must say - because it's interesting I suppose - that I agree with one sentence in the brief. I do agree with one. It says that "the cost of necessities varies by areas and so even this measure is not precise." That one I would say is correct. But the next one. Look at this: "To be poor is to be old and obsolete at 55 years of age, with little hope and no prospect of correcting the poverty that has become endemic." Are they suggesting there that everybody is old and obsolete at 55? Well people who read it could well be pardoned if they took that inference. "To be poor is to fear - this is the next sentence. "To be poor is to fear for the future of the children, because there is little hope and no prospect of finding the resources to give them education and training adequate to the demands of the second half of the 20th Century." And because the Interlake has been mentioned particularly in this brief, and because the papers emblazoned that part of this province as the one that was under consideration, this can't help but be applied to the people of the Interlake.

(MR. CAMPBELL cont'd.)

And then the general statistics of the farm people generally. Mr. Chairman, how many people in their - while they've been weeping the crocodile tears over the farm people leaving the farms, the younger people particularly - how many of them have paused to recognize the fact that we could not have had anything like the industrial progress in this province, and in other provinces of Canada, if the workers hadn't been reinforced by these people that come off the farms. How many people recognize the fact that they're the best people that industry gets, bar none, these people that come from the farms and have learned how to work and have learned how to take responsibility and have some skills that they acquire naturally on the farms. They've been responsible, in major degrees, for the industrial progress that's been made in this province and other provinces. If it hadn't been for the life stream of help coming to the industry of Canada from the farms of Canada -- and Manitoba doesn't take second place to any other part in that regard -- we wouldn't have had the industrial progress that we have had in this country. And so, does this sentence stand up "That they have no hope, no prospect of finding resources?" The young people find the resources for themselves. They see that they can't get along and get the same level of remuneration for what they're doing on the farms there. And what do they do? They go out and they get jobs, and this is what corrects an area like this. It doesn't need that Poverty Conference down in Ottawa to tell them what to do. And if Tom Kent or some of his cohorts -- yes, or the Federal Government, either one, or the Provincial Government -- if they're going to waste their time with stuff of this kind, then they had better get a new program. Both of them. What nonsense. These people, coming from the farms not only show that they've got an opportunity to get along, but they're people who in depleting the numbers on the farm, because of economic conditions there, reinforce the whole structure of the economy, and do it better than any people that they can get from any other source. This has been the history of what's been happening.

I could talk more than my 40 minutes on this particular document. I don't very often take the time to say what I think about this sort of thing, but it isn't that I don't feel it pretty deeply. And when I run into a brief like this, that got prominent, prominent attention, all over Canada, I just wonder at the department that will allow that being done. You know, if you look at Page 5, you will find that it isn't only two-fifths of the people on the farms, according to this brief, that are in trouble, it's a lot more. Because, what they say - and this is talking about Canada - over two-fifths. That means more than two-fifths. More than two fifths of the operators of these farms are in the records of national poverty. More than two-fifths to start with. But then in the next sentence, "In Manitoba, the proportion is slightly higher." So there's more than two-fifths to start with, and then Manitoba is slightly higher, so there's more than that again. That's getting mighty close to one-half. Not two-fifths, when you put two pluses on there it's getting pretty close.

But on the next page, on the next page -- and this shows you how well the statistics in this brief are prepared -- on the next page you find this statement, "The larger proportion of the people on farms in Manitoba results in a larger proportion of the 'deprived', " - That's a fine word too - "residing on farms. In this province, Manitoba, close to 30 percent of the poor are on farms." And the page just before, just before, has it figured out to almost 50 percent. Now how does my honourable friend, or anybody else, get an agreement between those two. I confess, Mr. Chairman, that my blood pressure goes up a bit as I consider this brief.

I want to read from page 7, and of course it's a quote, it's a quote from a United States author, but it appears in this brief and it got some prominence in the papers. Listen to this, "Those poor are where they are because in Harrington's words, 'they make the mistake of being born to the wrong parents, in the wrong section of the country, in the wrong industry or in the wrong racial or ethnic group. Once that mistake has been made they could have been paragons of real immorality but most of them would never even have had a chance to get out of the other America'." What nonsense! Whether it's said here or in the United States, it doesn't make the least bit of difference, what nonsense. Of course they've got the opportunity to get out - and they get out. I'm not saying that I'm not just as sorry as anybody else in the Province of Manitoba for the fact agriculture is not in better shape. I wish it were in such good shape that all the young people would want to stay on all the farms. I think it's a great life. But when they find that for one reason and another, a combination of reasons, that the remuneration they can get in other areas and the chance of advancement and the chance to get the opportunity and to have opportunities of advancement and to raise their standard of living and to give their children a future are better in other ways, what do they do? They get out. And this is what

(MR. CAMPBELL cont'd.) . . . will happen.

Well, I'm going to close this because there are several pages more that I'd like to deal with and I -- maybe I've said enough to indicate that I don't think a great deal of either the brief or of the way it was presented or the publicity that was given to it. I'd like to know from my honourable friend, who did prepare that brief. Who presented it at the Poverty Conference? I'd be interested to know.

My honourable friend has said that so far as the ARDA program in general is concerned, that it's changed, and that now they've switched from adjustments in land and natural resource use to adjustment in human resources. Well, knowing what I know of some of the people down there, if it's tied up to this poverty group down there, why, I could believe anything of it. And I'm certainly not trying to defend them. But I point out to my honourable friend that the qualifications for ARDA support that were read by the leader of this group a short time ago are the ones that appear since Maurice Sauve was the Minister -- and they still are there. They're still to help rural people adjust to the social economic and technological changes which have affected their livelihood. It's still to help rural people. And where in the name of common sense are you helping rural people with your Birds Hill development? All you did was help a few rural people there, real rural people, to get out of the area. You just helped them out, that's all.

And then a little later, it says, "rural development agreement." I'm not going to go over the same grounds that the honourable friend mentioned, but this is since Sauve was the Minister in the East. But I'll go to what my honourable friend will regard as a better authority I'm sure -- when the Honourable Alvin Hamilton was Minister. That would be better, wouldn't it? Sure. This is March 1961 and what they said about ARDA. Tells about how this Act was introduced on December 15th, 1960. And this is significant, Mr. Chairman. The resolution at least was introduced in 1960, and I join with some others who have asked the question: sure this has been going now since 1960; it's been talked about in this House since 1961 -- what concretely has been done? Lots of study. I'll admit that. Lots of study. Lots of money expended. Some drainage work and other programs that were going to go on anyway, because my honourable friend himself has said, and quite correctly, that frequently the ARDA program has simply been reinforcing policies that already were in effect. I admit some of those. But what that is new. What . . . . . difference has been shown? What concrete project has been completed or even well under way. Sure, they've spent a lot of money on Birds Hill, you bet. After moving the people out there, many of whom didn't want to go, the engineers are in there and they can lay out nice winding roads and they can spend a lot of money. You can show where a lot of money has been spent. No question of that. And eventually there will be a park there. I still maintain they didn't need all of that land, but there'll be no question there'll be a park there.

But, where did it come in the terms of ARDA either as at presently constituted or before, because here's what the resolution said, according to this publication of March 1961, "alternative uses of land that are presently classified as marginal or of low productivity." Well, there was low productivity out there as far as agriculture was concerned taking the area as a whole, but it certainly couldn't be called a rural area in the farm sense. It was a residential area. That's what people were already making it and that's what they intended to make of it -- residential.

Development of income and employment opportunities for rural agriculture areas; development and conservation of the water and soil resources of Canada. Those were the reasons that are given in this document. There's a lot of further explanation. This was the basis as I understood it. This is still the basis. Here's one that I've marked: Rural development. The Agriculture Rehabilitation and Development Act -- ARDA, also envisages the development of new income opportunities for people in rural areas.

Birds Hill. It will be available to rural people of course, but it's primarily for this great metropolitan area, everybody, everybody agrees with that, primarily for this area. That's nothing against it, but you certainly can't maintain that it was for the local people. So I say to my honourable friend, can he tell us where that kind of a program fits into the ARDA program, either as formerly envisaged or as now? But what I really got up to talk about -- and I may have more to say on it later if my honourable friend wishes -- is do you take responsibility for this document? If you don't, who does? I'd like to know.

MR. HUTTON: Mr. Chairman, the Honourable Member for Lakeside doesn't like to look at the face of poverty. He didn't like to look at in 1958 either. He didn't want to look at it in



(MR. HUTTON cont'd.) . . . . education; he didn't want to look at it in the field of social services; he didn't want to look at it in the field of agriculture probably then; and he doesn't like it when it's spelled out to him. Whether he likes it or not, that is the face of poverty; that's the profile of poverty. And it hasn't changed any since 1958. It's just as ugly as it was then; there isn't quite as much of it today as there was then.

There's some quotations on page 1 and 2 of this document -- it isn't a document; it isn't a brief, it's a working paper, and it was developed I suppose, to promote people to think and to look at a very nasty, disagreeable thing to look at. So as I said earlier, you're not going to cure a patient unless you're first willing to admit that he's sick, cause you won't even bother to try and diagnose the problem. What was it George Bernard Shaw said 'He deplored the silly levity with which we tolerate poverty as if it were either a wholesome tonic for lazy people or else a virtue to be embraced as St. Francis embraced it. If a man is indolent, let him be poor; if he is addicted to the fine arts or pure science instead of the trade and finance, let him be poor; if he chooses to spend his urban 18 shillings a week or his agricultural 13 shillings a week on beer and his family instead of saving it up for his old age, let him be poor. Let nothing be done for the undeserving, let him be poor. Serve him right. And also somewhat inconsistently, inconsistently blessed are the poor.' Now, what does this 'let him be poor mean'? It means, let him be weak; let him be ignorant; let him become a nucleus of disease; let him be a standing exhibition, an example of ugliness and dirt. These words were written of another time. Let him have rickety children; let his habitation turn our cities into poisonous . . . . . of slums; let the undeserving become even less undeserving.

Well, what was the situation in the north, amongst the native people of this province, before this government came into office, and before the modern northern health services were provided to those people? What were the opportunities for an awful lot of youngsters in rural Manitoba, where they didn't have a high school and lived too far away to get a chance of education; and what were the situations of a lot of people who were unfortunate to find themselves, for either physical or mental reasons, unable to make a living. It seems to me it was this government that introduced the philosophy that we gave people what they needed. We gave them what they needed. No, the face of poverty isn't very pretty -- but you'd better look at it, if you're going to do anything about it. There is one small reference in the text of this speech, or this working paper, to the Interlake. We weren't there to consider the problem of poverty in the Interlake; we were there to consider -- the staff went down to consider the problem of poverty in Canada where ever it existed, in the cities, in the towns, in the rural areas. The face of poverty is just about the same where ever you look upon it.

Now, there are lots of people in rural areas who have small incomes but they wouldn't qualify as being impoverished under the terms as poverty is described here. To be poor is to be old and obsolete at 55 years of age, with little hope or no prospect of correcting the poverty that has become endemic. Yes, to be 55 years of age and to be impoverished - or to be poor and have no hope, that's to be impoverished. 'To be poor is to fear for the future of the children because there is little hope and no prospect of finding the resources to give them education or training adequate to the demands of the second half of the 20th Century.' Well if you have children and you have no hope and no prospects of being able to help them isn't that being impoverished? And how many of those youngsters have we got up at Cranberry Portage now? How many of those youngsters or their counterparts growing up ten years ago had any hope. Do you know how much hope they had? Out of over 3,000 school children in the area served by that school, I think it was last year, there were three graduates in Grade XII.

You know Tom Kent isn't as wrong as you think he is. No this paper was not written to be published. As I understand it a very ingenious and resourceful reporter at this conference slipped in and apparently everybody thought that he was one of the chaps who had come to make a contribution to the conference. He just sat in and he listened to the story and he thought he really got his hooks into something and it ended up on the front page of the nations papers. Well, in one respect I'm sorry it happened. But after the speech made by the Honourable Member for Lakeside I'm not so sure I'm sorry, because there are too many people in this world who don't want to look at it. You know turn your back on it and it won't be there. I think there's a great deal more to be concerned about this kind of an attitude than there is to be concerned about the fact that the Government of Manitoba used assistance from Canada under the ARDA plan to put a recreation area on the doorstep of Greater Winnipeg. To make sure that the youngsters who couldn't afford to get to Falcon Lake or even up to Winnipeg Beach, would have a recreation area where they could go on a Sunday or a Saturday or in the evening. And

(MR. HUTTON cont'd.) . . . if they didn't, if their Dads and Moms didn't have an automobile they could get there on a bus; or maybe if they didn't have the carfare - if they were lucky enough to have a bicycle or could borrow one they could get out there.

I think that there is a great deal of merit in this in terms of programming for people, because as I have said before the purposes of ARDA are not just to solve the problems of the past and the present, but the purposes of ARDA are to lay a firm foundation for the future in terms of the men and women and the children growing up in this great Metropolitan centre. I'm not going to blush because we spent \$450,000 worth of Canadian taxpayers money in providing for such a recreation area in this area.

MR. CAMPBELL: Mr. Chairman, if my honourable friend takes the view that he just now states with regard to the face of poverty and how terrible it is to look on; and if he also supports the findings of this brief, then he certainly shouldn't object in any way at all to the position that the Honourable Maurice Sauve is taking with regard to turning the direction of ARDA to the poverty program, because apparently what he's saying is that that should be done; so instead of disagreeing with Honourable Maurice Sauve he agrees with him. A little while ago he was disagreeing with him, Mr. Chairman, but now he is agreeing with him, and I would think he should under those circumstances.

But, I want to say to my honourable friend that when he characterizes me as being afraid to look at the face of poverty and having taken the position this isn't the first time that I've heard this - all through the years before 1958 - that's the banner year in the history of the Province of Manitoba - but all through the years before that there was nothing being done and we turned our backs on poverty, and everything else, and said if we don't look at it it'll go away, according to my honourable friend.

But the difference is, that in 1958 and since my honourable friend himself and his First Minister have said that the things that they were doing for the economy of the farmer, to put the farmers economy in better shape, was something that was going to raise the standard of living, they were doing these things, they were doing the things that were going to get rid of the cost-price squeeze. I know what the other departments have been doing and I'm not critical of their effort at this moment. What I'm saying is that the Honourable the First Minister and the Honourable Minister of Agriculture said that those dark days were ended, a new day had dawned in the Province of Manitoba, and they were going to put the farmer from then on in a position that they weren't going to be here. And now they defend the brief, they defend the brief that was, whether by accident or design, was emblazoned over the front pages of the papers of this country, a brief that said that pretty nearly half the people in Manitoba are in poverty. I certainly do not subscribe to that and I don't join my honourable friend, or Maurice Sauve either, if they take that position.

. . . . . continued on next page

MR. J. M. FROESE (Rhineland): Mr. Chairman, in following up on this report, or the Profile of Poverty, on Page 8 I notice a sentence here and I quote, "The poor of Canada have got that way partly because of the unequal geographic distribution of the resources of our country, but chiefly because of the shape which national policy has in the past assumed." I take it that the government claims this as what they are subscribing to, and if they do, certainly I can understand why they won't be satisfied with the report and the Canadian Government setting wheat prices and letting it rest at that without taking any action. This certainly would support that, but I don't subscribe to the statement because I think we as a provincial government can set policy and can do things about this.

Certainly we find various provinces that have natural resources and have developed them much more than we have, and as a result, the poor in that province have better standards to live by, whereas we here in Manitoba, what are we doing with our natural resources? We do not even get sufficient revenue from them to pay the cost of operating our department, let alone getting a surplus and helping the people that are in want. I think this is where we're very sadly lacking and that we're not developing our natural resources the way we should. We are certainly not getting the revenue from them that we should, because look at the resources that we have up north. What are we doing, and what have we done up to date with them? We find provinces such as Saskatchewan that is really going all out now in their potash development. We find the Province of British Columbia is going forward with their forestry development and also the other minerals, and likewise in Alberta with the oil industry there - tremendous developments. Yet what are we doing in Manitoba? What is being done here? Practically nothing. You don't hear about anything, so let's get on the job and let's do something about it and not sit smugly back and be satisfied and blame the Federal Government for these things if they don't come out properly.

Last night I pointed out some matters pertaining to the Manitoba farm outlook in the way of crops and I referred to durum wheat, to rye and flax, and when the Minister got up he more or less minimized the importance of what I had said, the importance, it seemed to me at least, of the crops concerned that I raised. Well, certainly in my opinion these are not minor crops in any way because flax is one of our biggest crops in southern Manitoba. I have here a copy of the summary of the special survey of flax producers. This is for the Provinces of Manitoba, Saskatchewan and Alberta, and the survey was carried out by the companies such as Alberta Pool, United Grain Growers, Manitoba Pool Elevators, and Searle Grain Company Limited, and this involves some 215 growers.

According to their report on Page 1, we find the statistics of the total flax acreage in Canada and also of the individual prairie provinces. We find for instance that Alberta in 1963 had 303,000 acres of flax. In that same year Saskatchewan had 506,000, and we in Manitoba had 820,000, so that flax is one of our bigger crops and we as a province have the largest acreage of flax in western Canada. This crop is largely grown in south central and southeastern Manitoba. This is the area that has the largest acreage in flax.

They also point out the number of producers that they surveyed in these various provinces: Alberta with 61, Saskatchewan with 60, Manitoba with 92, a total of 213 that gave them replies. They also give the various yields throughout the area and over the various years, with an average yield - 15 year average of 10.9 bushels per acre in Alberta, 8.7 bushels in Saskatchewan and 8.6 in Manitoba. So this flax crop is by no way just a small matter for the Province of Manitoba and the importance it plays in the economy of our province.

We find also that our farmers have grown flax for many years. There's a question here that was put to them: For how many years have you grown flax? The average year given here by the Alberta people was 12 years; the Saskatchewan farmers, 14 years; in Manitoba, 15.6; so they had the longest experience in growing flax. We go on a little further and we find that the answers to the question: Do you seed some flax every year? The answer in Alberta was yes, 93.4%; Saskatchewan, 68.3% - not as many of the farmers out there grew flax every year; in Manitoba, 95%; so that the largest number of the growers grew flax every year continually. A further question on the same sheet asked the question: What proportion of your total acreage is seeded to flax? The average in Alberta was 19.5%; in Saskatchewan, 17.9%; and Manitoba, 24.4%; the largest average as well. So this cannot be taken so lightly when the outlook doesn't look too good for flax, and it is a serious matter.

I would like to point out a few more things and general comments that were made in this same report by farmers in the Province of Manitoba. Here is a quotation that came from a farmer from Dand: "I would say that at the present time wheat requires more research than

(MR. FROESE cont'd).....flax." A farmer at Altamont: "Flax produces more on second crop land than does wheat or other cereals." Another one from Elm Creek: "During the last couple of late springs, flax has been the only worthwhile crop we have had to harvest. On the average, cash return is about the same as wheat." Another one from Dufresne: "We grow flax chiefly because we live in a district of heavy gumbo and must seed in such a way as to fight nature. No crop is certain. This year, had it not been for peas and flax, we would have been in trouble. Wheat and oats were a total loss." Another one from Waskada: "I grow flax because I have not had too much luck in getting malting for barley and it - barley - takes more moisture than other crops." Someone from Souris: "This area is probably better suited for growing flax than some on account of good drainage." Another one from Deloraine: "I find flax a better late crop than barley." Another one from Dunrea: "Flax is better adapted to grassland, broken late in the season." And here is one from my home area, from Winkler: "Flax is good insurance. A year that is unfavourable to other cereals may be a good year for flax." Arborg: "With the introduction of the new herbicides, flax will give a better cash return on stubble fields than wheat or other cereals." So these people - the farmers - speak out for flax as a good rotation crop, as a good means of a cash crop.

Here are one or two other quotations that I would like to read from this survey. Under the heading of "Manitoba," here is one from Myrtle. "I can at least sell it when I decide. As long as it is not marketed under the Canadian Wheat Board, we will do all right growing flax." Another one from Sanford: "I find that marketing flax early is the only way to obtain enough money to cover operations. I do not find any advantage in waiting or holding on storage if quota is open for deliveries." These are some quotations and some pointers that I thought I should mention, especially after what was, in my opinion, a minimizing of the importance of the flax crop in Manitoba.

I made a number of requests from the Minister last night when I spoke, however, he did not care to elaborate or answer any of them and I thought I should probably repeat one or two of the questions that I put up to him. I asked him how the Potato Marketing Board had operated during the past year, because when the department's report was written, it was written as of March 31, and therefore the Commission had only been in operation for a few months, so I think we as members are entitled to hear a little more of how it has functioned during the year and what are the results. I also asked the question of the contributions that we've made in past years to the - I think it was the Gardeners' Co-op - and also the other co-operatives that are handling these products, the vegetable or potato products.

Then I asked him the question in connection with the Premier's program of \$5,000 per farm income. I certainly would like to hear more. What are the details? What is the program? What is he speaking of when he mentions the \$5,000 program for farmers?

Then, Mr. Chairman, I find that the Potato Marketing Board or Commission that was set up a year ago is now defunct, or has been taken over by a new Manitoba Vegetable Marketing Commission which was set up very recently. I would like to know from the Minister who are the members serving on this Board. I note from the Regulation 95/65 that there is a large number of vegetables included that the Board will now handle. Under this regulation in 1 (d), and I quote: "Vegetable means any class, variety, grade or size of beets, cabbages, carrots, onions, parsnips, potatoes and turnips grown within the Province of Manitoba for seed, or any use other than those contracted for and used for manufacturing." All these different vegetables now come under the new Marketing Commission.

Then in Regulation 5, and I quote again: "Except as otherwise provided in this regulation, all vegetables produced in Manitoba shall be controlled, regulated and marketed by the Commission on behalf of the producers of such vegetables." And (2), "Except as otherwise exempted by this regulation, every vegetable producer in Manitoba wishing to market, manufacture or otherwise dispose of vegetables, shall register with the Commission." So there will be no free trade. Everything will have to go through the Commission. Then in Regulation 5, Subsection (6), we find that onions are excepted, and I would like to know from the Minister just why this is so.

We continue, and under Regulation 13, it says, "This regulation does not apply to -- and (a) and (b), and under (c) - I'd like to quote (c) because this is where I have a question - (c) "Producers in an area designated from time to time by the Commission and approved by the Manitoba Board." I would like to know from the Minister what part of the province comes under this designated area at the present time and whether he can explain to us. Then under (d), "A producer who, in the opinion of the Commission, is not necessary to control." Does this apply

(MR. FROESE cont'd).....to very small growers, or what producers are meant under this Regulation, this subsection of Regulation 13?

Then also, under the Potato Marketing Board that is now defunct, I understand, I would like to know from the Minister how many pools were established last year for delivering of potatoes? What was the return on these various pools? Was there a large difference from the early deliveries to the later deliveries? I think this is of importance and these are things that we should know something about, because once we regulate all the flow of potatoes and now of vegetables, we should have some knowledge of what is going on and what is happening in this province. After all, this is now a closed shop. Potatoes was a closed shop for the last year and this will now also apply to vegetables, so we definitely are entitled to hear from the Minister on this.

Will we be able to get separate reports from such Commissions as the Hog Commission? We have reports from the Hydro, Telephone and the Water Supply Commission. Do we get reports from the Hog Commission, the Potato Commission or the new Vegetable Growers' Commission? I think we are entitled to reports on these. When we delegate such wide powers to these bodies, we should hear from them and know what is going on in this province. These are a few of the matter that I thought I would like to bring to the Minister's attention at this particular time.

MR. SHOEMAKER: Mr. Chairman, yesterday afternoon the Honourable Member for Souris-Lansdowne, who I note is beside me at the moment, made - he hasn't joined our ranks, I don't think, yet - but he made an interesting announcement in the House. Speaking on the coloured gas resolution, he said that Dr. J. C. Gilson of the University of Manitoba had been retained by the government to conduct an independent study of this matter under the following terms of reference, and he sets them all out.

Now this is the first that I heard of it and I am wondering if the terms of reference have been enlarged to include a whole group of other items in this whole Profile of Poverty that we talk about. Perhaps the Minister could enlighten us on this particular subject matter. Perhaps the Minister, as well, was out to the university this morning and heard our distinguished Dr. Gilson give this paper that was prepared for presentation to the Farm Conference Week, University of Manitoba, March 2, 1966, and he gave it today, but it contains some very very interesting information touching on the whole poverty of the farmer, and I think that it is of so much value that I should read part of it. On page --(Interjection)-- well, it's pointing up.

Mr. Chairman, if you will recall that for about ten days while we were discussing the Throne Speech, our amendment to the Throne Speech debate - and certainly reiterated by the NDP - said, "Manitoba was lagging behind every other province and lagging behind the national average in every sector of our economy." At that stage of the game everyone opposite said that we didn't know what we were talking about, everything was fine and dandy, until last evening just about five minutes to adjournment time, the leader of our group introduced this paper, this working paper, and then today my honourable friend changes his tune completely and accuses us of not facing up to the poverty that is in our midst. Well I'm glad that he has agreed with the amendment to the Throne Speech anyway. I don't think that he voted with us at that particular time, but at least he has agreed that so far as our farmers are concerned, they are not all "knee-deep in clover," and this is exactly what Dr. Gilson said today at the university, that they're not all "knee-deep in clover."

Mr. Chairman, I would like to get one little question straightened out in my mind so that from now on we will know what we are talking about in respect to one item anyway. On January 25, 1966, the Honourable the First Minister and the Honourable the Minister of Agriculture attending the Farm Outlook Conference at Brandon received a great deal of publicity over a couple of statements that they made there. The press reported that Roblin urges \$5,000 farm production. He says that Canada is falling behind world competitors, and quoting here, "A national farm policy which would aim at achieving immediately a minimum annual gross production of the value of \$5,000 for every Canadian farmer was urged Monday by Premier Duff Roblin."

The Honourable Member for Lakeside said, on commenting on this particular article, that at least he had topped Joe Green by \$500 -- (Interjection) -- Harry Hays by \$500 - sorry. Now Dr. Gilson in speaking at the university to this Farm Conference this morning at the university says, in respect to this \$4,500 income, that it's net, and I'm going to read it. This is Page 19 of Dr. Gilson's paper this morning. "The Federal Minister of Agriculture announced recently that the goal of commercial farm policy in Canada should be to provide farmers with a minimum net farm income of \$4,500 if they are to achieve parity of income with comparable

(MR. SHOEMAKER cont'd). . . . urban occupations. This is a commendable objective and one which we should attempt to achieve as soon as possible.

"But what would be the capital requirement of such income goal?" Dr. Gilson asked this question. "I raised this question recently with a group of persons (farmers and agricultural economists from Saskatchewan). Their answer was that a farmer would require a capital investment ranging anywhere from \$80, 000 to \$100, 000 if he is seeking a net farm income of \$5, 000. They pointed out further that the net farm income figure represents a return to both capital and labour, and if a return of 5 percent was allowed on the capital (a reasonable figure when one considers the current rate of interest on government bonds), there was very little return left for the labour involved.

"At first, I was somewhat surprised by their answer until I began to analyze our farm records in Manitoba." And then he says the data on Charts 10, 11 and 12 indicate the relationship between the capital investment and net farm income, and then he goes on to report, as I did - or I would imagine that Dr. Gilson has used this farm business summary of our elite farmers to point up what he has said further on. He says, "In the Carman area of Manitoba" - and certainly this isn't a depressed area surely - "In the Carman area of Manitoba it would appear that it would require a capital investment of around \$65, 000 to yield a net farm income of \$5, 000, and if a 5 percent return was permitted on the capital investment, the return to labour would amount to approximately \$1, 750. It will be noted of course that some of the farmers in the Carman area had a net farm income of almost \$10, 000 with a capital investment of \$65, 000, while others had a net farm income of considerably less than \$5, 000." Now this is not a depressed area. Then he ends up by saying, "One of the disturbing conclusions which can be drawn at this point is that a major revolution will be required in agriculture if the net farm income target of \$4, 500 set by the Federal Minister of Agriculture is to be achieved.

Now are we talking - or was my honourable friend the Minister of Agriculture and the Honourable First Minister talking about a \$5, 000 net farm income or a \$5, 000 gross farm income - a \$5, 000 gross farm income. Well they're vastly different - they're vastly different! In my estimation, vastly different, because you can have a gross farm income of \$5, 000 and show a loss of about \$10, 000 according to Dr. Gilson's report here. So I wonder if my honourable friend could explain the difference in philosophy, if wants to use that word, between a \$5, 000 gross income and Dr. Gilson's \$4, 500 net income. Even when Dr. Gilson used the figure of \$4, 500 net, he points up all through his paper that in order to achieve a \$5, 000 net income that you need roughly \$65, 000 invested to obtain it. So it seems to me that this paper of Dr. Gilson's is almost as provocative as the Profie on Poverty one that provoked so much storm in the House last evening.

Now perhaps, Mr. Chairman, my honourable friend would elaborate on the statement made by the Honourable Member for Souris-Lansdowne last evening and let us know where Dr. Gilson's terms of reference start and where they stop. He is retained, I take it, by the government. According to this resolution, he is presently retained and has been retained for some time. Now it is possible, of course, that he has a great deal to do with presenting this Profile on Poverty in light of the very - well, pessimistic I think you could say - report that he has given to the Conference today.

MR. HUTTON: Mr. Chairman, the difference between the figures used by the Premier of Manitoba and that used by the Honourable Harry Hays, the one it is true is a net figure - \$4, 500 on the part of Mr. Hays, an average figure. The figure used by the Premier, as the first goal, is that of \$5, 000 gross, and it means that you raise the lowest level - this is not an average figure that he's using because if we talk about averages, and this is the whole trouble of course in talking about net income - the net figure for a commercial farmer -- just a minute now. . . . .

MR. SHOEMAKER: A commercial farmer as opposed to a farmer.

MR. HUTTON: Well, again under the Dominion Bureau of Statistics last census, a commercial farmer is defined as one who sold in excess of \$1, 200 worth of farm products, and the net per commercial farmer - the average net in 1964 was \$4, 660. That was the net. But your big trouble is that a few farmers, or relatively few farmers are giving the great bulk of the net, and a lot of your farmers - well 25, 000 of the people who are classified as farmers -- now you and I know that they're not all farmers in our concept of a farmer, but still 25, 000 of them are classed as farmers out of 43, 000 farmers, and their income - their gross income is less than \$3, 750 in terms of 1961 figures.

(MR. HUTTON cont'd).....

Now the Premier's proposition is that we raise the lowest of these up to a minimum of \$5,000 in the short run, and looking a little farther to a gross income of \$10,000, which generally speaking should yield a net farm income of \$4,000. The trouble is that the distribution, both of the resources of production and the net returns in farming, are so disproportionately in favour of a relatively small number of the farmers, and the problem is to provide resources for the smaller farmer so that he can get his gross output up high enough so that it will yield him a reasonable living.

Now, on the other point, the point of the retention of Dr. Gilson to carry out this study. He was retained by the Department of Agriculture to carry out the study according to the terms of reference that you have before you. Negotiations with Dr. Gilson started in December and the contract was signed just before the Session opened. The terms of reference are as you have them.

MR. RUSSELL PAULLEY (Radisson) (Leader of the New Democratic Party): Mr. Chairman, I have listened with a great deal of interest this afternoon to the problems of agriculture, and it seems to me that all that we have heard is of the problems of agriculture. I think that what we should be doing in this Assembly is arriving at some conclusions and attempting to reach solutions to the problems of agriculture and I haven't as yet heard, either from the Official Opposition or the government, any firm and concrete proposals as to how we are going to achieve reaching an income of \$5,000 per farmer, be it net income or be it gross income. The Honourable Member for Gladstone-Neepawa was concerned with what we're talking about -- gross or net income. The Honourable the Minister for Agriculture has suggested that if we have "x" number of dollars and if expenses come out, then we will arrive at a net income of \$5,000.

But I wonder, Mr. Chairman, whether the government or the opposition are prepared to make propositions which would in effect bring about what we consider as ideal for our poorer fellows in agriculture and our poorer fellows in industry and commerce as well. I doubt very much whether the philosophies of either one at the present time, the Tory or the Grit, whether their philosophies are progressive enough -- (Interjection)-- your're right Mr. Minister of Education -- to face up to the realistic problem that we have before us.

I want to commend to the reading of all of the members of the committee, Mr. Chairman, a document called, "Poverty in Canada - Its Nature, Significance and Implications for Public Policy", by Dr. M. W. Menzies of Hedlin-Menzies Associates of Winnipeg. This document is available free and is published by the Manitoba Pool Elevators, and I commend it, Mr. Chairman, to the members of the Committee for consideration, because Dr. Menzies in this document suggests certain methods and certain proposals whereby we can achieve the desire insofar as per farmer income.

One of the points that Dr. Menzies makes in his book is that we must convince farmers that are on uneconomic land to leave that land, to sell it back in effect to government, if necessary through an agricultural stabilization or a repurchase fund of some description, so that the government might be able to utilize the land so purchased back, to re-sell it or to operate it on a more economic basis. This seems to me, Mr. Chairman, and maybe it's because of my ideology, a reasonable sort of an approach to the problem that we have. Accompanied with this is a proposition that where we have uneconomic units in agricultural, in order to overcome and alleviate the poverty that is prevailing in the particular area, we should compensate the farmer in order that he has the economic means for a reasonable livelihood. One of the suggestions contained in the pamphlet, Mr. Chairman, is that in order to do this across Canada, it would cost the approximation of one and one half percent of the gross national product of Canada.

Now the point, Mr. Chairman, is simply this, and I think it's just as simple as this, are we prepared as legislators or as politicians to come to some solution of the problem and stop talking about it as we have been doing simply here this afternoon, because, Mr. Chairman, we can talk for year after year after year about the problem. We've got the problem. I would like to ask the Honourable the Member for Lakeside, who is quite an economist in his own right, whether he would agree that in order to solve the problem of the poverty which is evident in agriculture, and in industry as well, whether it would be acceptable to him to have one and one half percent of the gross national product directed toward the alleviation of the poverty which we acknowledge exists today.

If memory serves me right, from the reading of Dr. Menzies' booklet, Mr. Chairman,

(MR. PAULLEY cont'd). . . . . another approach would be a reduction of one-tenth of our annual national defence bill utilized for a period of ten years as direct grants to farmers who leave their land, and to give them grants of - I think the figure mentioned is about \$200 a month for a year in order for them to become rehabilitated, plus other amounts of money in order that they may undertake periods of relocation; bonuses - resource release bonus and training incentives. A farmer at the age of 55 would receive in the period of a year about \$7, 200, which includes the \$200 per month that I mentioned by way of a bonus. In order for rehabilitation, he would leave the uneconomic land and could conceivably then come into industry providing industry -- of course we would have to be sure of industry being provided in order to absorb the individuals, and I join with the member for Lakeside when he was talking of the farm lad coming into the city and into the urban areas and making his contribution to industry. They do it and they do it quite well, and in this I can see eye to eye with the Honourable Member for Lakeside.

But my main point is rising at this particular time, Mr. Chairman, is to ask - to ask of the members of all political face in this Legislature, are you prepared to recommend the payment of some prices of this nature. It seems a fantastic, an astronomical sum of money, and undoubtedly it is, but if it's going to achieve the desired, the cost will be repaid ten-fold or more. As a matter of fact, no less a personality than the President of the United States has said, in expressing his views on his war on poverty, recently expressed the view that a thousand dollars invested in the retraining and rehabilitation of an unemployed worker is likely to return to the national economy about \$40, 000 in the lifetime of the individual so assisted.

I think this is factual, Mr. Chairman, but why we continuously harp and talk of the situation that we have in front of us if we're not prepared - and it appears to me that we're not prepared at the present time - to utilize our resources in the eradication and the elimination of poverty, we're wasting our time and we're not helping the situation. What is wrong with the proposition of a guaranteed annual income to all of those who are below a media of annual income, Mr. Chairman? We talked about \$3, 000, anyone whose annual income is less than \$3, 000 a year is in the poverty bracket, and we say how terrible - how terrible. But are we prepared as members of this Assembly, or of the Federal Assembly or taxpayers of Canada, to say that we cannot tolerate this situation? Are we prepared to say that we will cut back on our expenditures in national defence for instance in order to raise the standards of living of those we claim are living in poverty? Are we prepared, those of us who may be fortunate enough not to be living within the bracket of so-called poverty, are we prepared to dig deeper into our pockets or are we just simply going to continually talk about the problem and do nothing about it.

I suggest to you, Mr. Chairman, that while in many instances we have - in the little group that I have here - been called dreamers, that we have been accused of being unrealistic, I suggest to you, Mr. Chairman, and to you members of this Assembly, that the day is fast approaching when only through a realistic approach to the problem such as contained in the booklet I referred to of Dr. Menzies where we can have - where we can have in this Dominion of ours - the western world - a type of a society that we are entitled to. I suggest, Mr. Chairman, to the Minister of Agriculture and to the other members of this Assembly, we heard for the last two or three days of what the problem is; we know what the statistics are; and we know that there's 472, 000 uneconomic farms in parts of Canada. In this knowledge Mr. Chairman -- (Interjection) -- Pardon? In this knowledge - my figures maybe stand corrected - I was just quoting that 43.4 percent of Canadian farms are uneconomic -- excuse me, I quoted the full number of 481, 000 -- there are according to this book 209, 000 uneconomic, or 43 percent. So I stand corrected by my honourable friend in the figure.

But nonetheless, Mr. Chairman, the problem is still this, we know that this is a fact; we don't need to talk anymore about the fact of what is, but let's talk about the fact of what we're going to do about it to eliminate the fact that is.

MR. EVANS: Committee rise.

MR. HUTTON: Just a minute. The Leader of the New Democratic Party is not such a dreamer - he's not such a dreamer. The \$297, 000 that we have been talking about here - although a modest sum, I said I hoped it would be ballooned to something approaching a million with the Federal funds - steps off in the direction that is indicated as a solution by that Menzies document, because that enabling fund that I talked of is to provide the tools to make it possible for people to make the adjustments that need to be made.

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



(MR. CHAIRMAN cont'd).....

Madam Speaker, the Committee has instructed me to report progress and asks leave to sit again.

IN SESSION

MR. COWAN: Madam Speaker, 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.

MADAM SPEAKER: It is now 5:30. The House will now adjourn and stand ajourned until 2:30 tomorrow afternoon.