

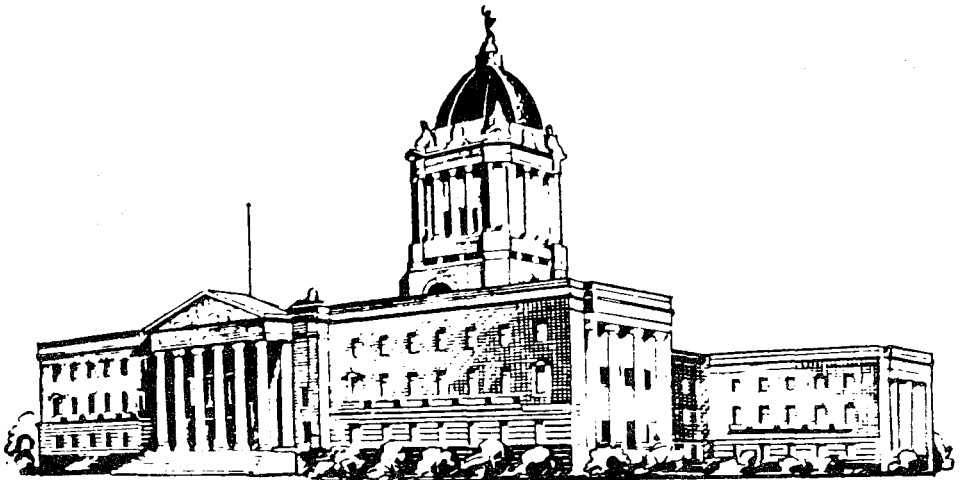


Legislative Assembly of Manitoba

DEBATES
and
PROCEEDINGS

Speaker

The Honourable Ben Hanuschak



Vol. XVI No. 14 8:00 p.m., Thursday, August 28th, 1969. First Session, 29th Legislature.

THE LEGISLATIVE ASSEMBLY OF MANITOBA
8:00 o'clock, Thursday, August 28, 1969

COMMITTEE OF SUPPLY

MR. CHAIRMAN: We were dealing with the resolution of the Minister of Finance on Capital Supply. No. 9 - General Purposes, \$7,000,000.00. The Minister of Finance.

MR. CHERNIACK: I must confess that my first reaction was that I was a little hurt, but I see the quality of the members that are present and I'll proceed with the explanation.

I had agreed - well, I was about to give a breakdown of the \$7 million General Purposes and I'm prepared to do it now. It's rather lengthy but I would hope that I'll have the indulgence of the members to read it to them.

Firstly, there are grants for construction of Regional Vocational High Schools - \$2 million, made necessary because the vote last year for \$2 million has been interpreted as being only and specifically for construction. Since the Department of Education has decided that these regional schools should be built as composite units rather than a single purpose vocational school, we need a more general authority to permit grants to be made to regular district school boards. Since the \$2 million for school construction grants merely replaces the equivalent authority of last year, this is not a real addition to our capital authorization. And the bracketed note says (as Cabinet will now be asked to cancel the earlier authorization). Having read this, I believe that this would be the item that the Honourable Member from Riel referred to earlier dealing with the vocational schools, and apparently this is a correction of the previous estimates - that would be in the previous year - which was too limiting in its description and is therefore being proposed now as replacing the former one in order to make it more acceptable to those who control the expenditures of money.

Shall I continue with the next item or -- (Interjection) -- This is part of Item No. 9, General purposes, and the first part of the \$7 million was the \$2 million that I've just referred to dealing with the construction of Regional Vocational High Schools.

The next item - and I'm glad the Honourable Member for Lakeside is here because the amount will be one he recognizes but the explanation has changed somewhat. The amount set aside for the Fresh Water Fish Marketing Corporation is \$200,000, and the memorandum that I have received is that the original planned \$200,000 was for the purchase of equipment owned by companies which would be required for the operation of the fishery.

However, the Management Committee of the former government, on April 16, 1969, made provision for that. The memo we now have is that in order to ensure an orderly transition to the new marketing scheme the previous Minister, the Honourable Harry J. Enns, through himself or senior departmental personnel, requested the fish companies to prepare their boats and to establish ice supplies for the 1969-70 fishing year. He made the commitment that if these items were not required during the operation of the fishery or could not subsequently be disposed of, then the fish companies would be compensated for such preparations. This guarantee appeared necessary because the fish companies did not wish to place themselves in the position of providing services that might not be utilized. The overriding consideration during this period was that the commercial fishing industry should not be disrupted with consequent hardship on the primary producers, the fishermen.

It has been expected that some facilities in the fish industry would become redundant because of the implementation of the new marketing system. Provision for the arrangement of payments for real or personal property are contained in Bill No. 10, The Fisheries Act, which we've already been debating. The proposal therefore was that the government should honour the previous commitment which facilitated an orderly transition to the operation of the Fresh Water Fish Marketing Corporation and that the government set aside an interim sum of money to provide payment for facilities as described in Bill No. 10, The Fisheries Act, which are considered to be redundant by virtue of the operation of The Fresh Water Fish Marketing Corporation.

The next item is an item for highways of \$4,800,000. That would make up a total of \$7 million. The explanation is that over the past 10 years the government has provided capital authorization for highway construction. This has been done with a view to keeping some unused authority ahead to enable the Highways Department to make commitments for road planning and contracting in the winter in advance of a legislative session. Over the years the capital authorization have been gradually eroded and it is considered desirable now to add this much more authorization. With this \$4,800,000 the Highways Department should have something in the

(MR. CHERNIACK cont'd.). .order of 9 to 10 million dollars of such authority available for advance commitments pending new estimates in the spring of the next year.

That's the total of \$7 million for General Purposes, Mr. Chairman.

MR. CHAIRMAN: The Member for Riel.

MR. CRAIK: Mr. Chairman, I think there's one point there that probably should be noted, where he said that the difference was due to the fact that they were vocational rather than -- they were composite rather than vocational schools. In actual fact, probably the real reason is that more money was spent than had been allotted for previously, because cost-sharing arrangement is exactly the same in that the Federal Government allows a block amount of money on a 75-25 shared program beyond which it goes to 50-50 money, and it's the same regardless of whether it's composite or vocational. So I suspect in actual fact that maybe that should be checked through with the administrative branch of the Department of Education. This probably came from the Treasury Department.

MR. CHERNIACK: I am sure, Mr. Chairman, that when this note would have been read by the former Minister of Finance that the Honourable Member for Riel would have made the same comment that he has just made, and certainly this will be looked at to verify what he has said.

MR. CHAIRMAN: The Member for Lakeside.

MR. ENNS: Mr. Chairman, I don't wish to prolong this unduly and I respect the repeated comments of the Minister of Finance when he indicated to us that essentially this list of capital requirements was essentially the one that was part of the previous administration with the exception that he noted, namely the considerable increase to the Manitoba Development Fund, but perhaps before we do approve the full list, I wish to express one concern at what I would regard perhaps as an omission. Maybe I'm directing my remarks to the wrong Minister -- the Minister of Agriculture may help me out here.

It would seem to me from recollection of a speech made by the First Minister a few nights ago when he pointed out that I was the emasculator of the Manitoba Farm Agricultural Credit Corporation, that the government of the day had plans under way to un-emascuate the Manitoba Credit Corporation, if that is the word to be used. I'm seeking for the right opportune moment when I can use the word "methodology" that the House Leader used so often when he sat over here, so maybe I'm not using the right methodology here in approaching this. But I have the Hansard before me -- correct me if I'm wrong, members opposite -- it would seem to me that the First Minister did indicate that it was the intention of this government to in fact, in view of the very serious farm and agriculture situation that we face, that steps would be taken to restore to the Manitoba Farm Agricultural Credit Corporation the kind of authority to deal effectively with the farm crisis.

Now to me it would seem that there's only one way to do that and that's with the injection of funds, and I recall that during the time that the Manitoba Agricultural Credit Corporation was in the business of actively helping farmers in this province that there was always an item of some \$5 million in these capital supply estimates for that purpose. Now I don't want the honourable members to get up and suggest that I'm anticipating legislation; I'm making the inquiry -- or I'm proposing it.

The suggestion was made however by the First Minister that this was going to be done and I think that the Minister of Agriculture would be the first to agree with me that if that is the intention of the government that about this fall is as good as any time to do it. You know we've done it for the potato growers of Manitoba and there are a great number of other farmers in Manitoba that are in dire need of this kind of assistance, and before you suggest to me that I, as the mover of taking away this authority from the Manitoba Agricultural Credit Corporation, I would have to take a minute or two and remind the House that in 1966, in 1966 the situation was entirely different and that's really when the formative idea of taking away the role that we assumed at that time to be basically a duplicating role of the Manitoba Agricultural Credit Corporation, because at that time -- and the original purpose of the Manitoba Agricultural Credit Corporation was to supply or to fill a vacuum of long-term credit -- the farmers of Manitoba in 1958, '59 and '60 and prior to that time were having a great deal of difficulty in convincing the private industry and private money sources that there was reason to believe in the future and the faith of the agricultural industry in Manitoba to the extent that long-term money could be loaned to them, and it was for that reason that the Manitoba Agricultural Credit Corporation was established, and in successive years some forty to fifty million dollars of public money

(MR. ENNS cont'd.)... was loaned out in this way.

It will also be remembered by my members opposite that in the ensuing years the problem changes, and certainly I really don't think that I have to lecture any members opposite that things do change. I think if it's one thing that you pride yourselves in, you acknowledge the fact that things do change, and we recognize it, believe it or not on this side, and we felt that in the prudent use of public money that at that time in 1966 - and remember that in 1966 we had just concluded another major wheat contract with China and we had every reason to believe that the agricultural industry was rosy and that we would not be facing the difficulties that we face right now and that farmers would not have the difficulty to pay the municipal tax bills that I know my honourable friend from Selkirk is going to have some concern about in the next little while - that there was good reason to redirect those funds, namely \$5 million that used to appear regularly in the Capital Supply Fund, for the purposes of supplying funds for direct loans to farmers through the medium of the Manitoba Agricultural Credit Corporation.

Now things have changed and the Minister of Agriculture is the first one to tell me that they've changed drastically since '66, and I would hope, or I had looked forward with some anticipation that somewhere, particularly in the comments made by the Minister of Agriculture shortly upon assuming office and by the First Minister of a few nights ago that he took me to task for emasculating the Manitoba Agricultural Credit Corporation, that there would be some indication here of an ability, of a capacity to aid the farmers of Manitoba. Now I'm not suggesting that that aid should be made in the same way that we made it because I do not believe that today the problems are the same, that is today it is not the question of land assembly. Perhaps the money that we allocated for the Credit Corporation should be directed to the easement of high interest rates, should be directed to the easement of a concern that my colleague who is not here right now, the Member from Birtle-Russell has spoken about, the operational costs of farming. Perhaps it should be directed - and this is a prerogative of government to suggest in which direction they should go - but I am suggesting to you gentlemen, that as a government that says that if you were in authority you would do the things, this is an opportunity that you can do meaningful things for the Manitoba farmers. And I want to, not in a partisan way, I want to suggest to you most seriously, for the health and prosperity of the whole province, that it is essential that we do as much as we can within bounds of reason at this time, because the farmers right now are cranking up their combines, starting their tractors and they're going to be taking off a bumper crop - well I use the term maybe loosely - it may not be a bumper crop but it will be a crop by all reports that is average or above average, and of course this is the thing that bothers us most.

We talk about farm prices, you know, and we relate it to the thirties - you know in the thirties we couldn't grow the stuff. Well, we have the stuff now and by taking the crops off now we also have the expenses now; we have the expenses now. We're running the combines, we're taking the crops off and we have the expenses now, and I would have believed, I would have believed that this government - and I had every reason to be encouraged by the First Minister's statement of just a few nights ago - that the Manitoba Agricultural Credit Corporation should be given new muscle, that it would be reflected -- in fact, Mr. Chairman, I desisted from speaking on this matter up to this point because I had for some reason secretly thought that the \$7 million petty cash items here might have included some recognition of the fact that they would reinstate the Manitoba Agricultural Credit Corporation with some means of improving the situation that the farmers of Manitoba face.

So, Mr. Chairman, as I said in the outset, I respect the fact that the Minister of Finance has said these are the capital estimates that I think are essential for the well-being of the province. I happen to agree with him wholeheartedly and reject the comments of my good friend of Rhineland that would suggest that such great public utilities as the Manitoba Telephone System and others, that this is the time for pulling back on these services. I think that all of the expenditures in these areas can be justified without stretching the imagination too far, but in the same light if we can find the \$25 million to improve the communication system of Manitoba and if we can find the \$200 million to continue to improve the power requirements of this province and if we can find the necessary millions to continue building the schools which are so necessary in this province, then I would have hoped that the Minister of Agriculture would have had sufficient access to the Minister of Finance to convince him that at this particular time - at this particular time and it is a particular time because I suggest that the Member for Borowski who, -- (Interjection) --

A MEMBER: Just make it the Member for Thompson.

MR. ENNS: The Member for Thompson where not too much wheat is grown has indicated his priorities of the present government, and they are valid priorities - and they're valid priorities - but you know I don't want all the big men in that government to overshadow my friend and colleague the Minister of Agriculture who happens to be built relatively close to the ground as I am built because he happens to carry a very grave and very serious responsibility for a great number of Manitobans.

MR. MACKLING: Good things come in small packages.

MR. ENNS: Right. And he carries that responsibility right now and I would have hoped that somewhere it would have been reflected in the Supply Bill that's before us. I say that mainly because, you know, I was led into making this speech. I'm one that's not known for making public speeches. I was led into this speech by the remarks of the First Minister of a few nights ago when he accused me of emasculating the Manitoba Agricultural Credit Corporation and when he suggested that he would reinstate it into its full authority, and I happened to be in agreement with that. Thank you, Mr. Chairman.

MR. CHERNIACK: Mr. Chairman, I'm sure that we on this side appreciate very much the contribution made by the Honourable Member for Lakeside. I would like to just recap for him our intention to make it possible for the government to carry on with its ongoing program by compleing the work, and I'm now trying to speak in such a manner as not to arouse resentment but just saying that it is necessary that we complete the work that was left undone at the last Session. And our plan, in capital as in current, is to carry through the estimates of the previous government so that we can continue the operations and pay the bills, and at the same time we are trying our best - and members on the other side may think that we are supermen but we are not - we are trying at the same time to learn our work, to become familiar with the departments with which we operate, to be in the House, and at the same time to look ahead to the programming that we have indicated that we feel is important -- I mean which all would agree is important in carrying on the work. What we have done in calling this Session early is to make it possible to carry on. We are presenting to the House exactly the same estimates as we had before us at the last Session, with the exception of the fact that, as I mentioned, the Development Fund has informed us that in the time lapse it found that it needed a larger sum of money. The points raised, however, by the Honourable Member for Lakeside seem to have a great deal of validity, and I know that they were offered in the sense of a constructive contribution to updating the picture of the problems in agriculture, and I must assure him that the Minister of Agriculture has access, easy access, to all of his fellow members of the Treasury Bench, and without any difficulty is able to discuss these problems, and has been doing so. Now the honourable member himself mentioned different approaches to the problem, and mentioned-- he was speaking quickly and I wasn't making notes, but he mentioned the problem of rising interest rates. The way you handle this would be in a different fashion than by a capital advance.

I am informed by the Honourable Minister of Agriculture that they are now actively considering - when I say now, they, I mean his department and he are actively considering - what can be done in the very near future, and I would hope that if we advance well with the work before us and if we get through with this Capital Supply Bill, I am absolutely certain that there would be no legal way of preventing our bringing in a supplementary Capital Supply Bill if, indeed, after the investigation it is felt that this is the best approach. But I want to assure the honourable member that, although we take seriously the situation as it is and take very seriously what he has already said this evening, we feel that in a responsible manner we should deal with those matters which we feel we are well versed on. Of course, we feel we are well versed on the estimates that we've already gone through in the last Session, and on those estimates that I'm now presenting to you which were prepared by the previous government. We also feel sufficiently prepared with some of the other legislation which we are bringing to this Session, and that's why I say that as soon as we can complete this task we want to get at - and quickly - our own supplementary estimates which would indicate what we've been able to do up to now.

The matter specifically referred to by the Honourable Member for Lakeside is under active consideration. The methods that can be used are being considered and I'm sure we all hope, and I'm sure members opposite would agree, that we try to deal with this as quickly as possible. But I don't think that we should just jump in now and put in what he suggests as an additional item at this time. It will not be too late for us to deal with it later.

MR. CHAIRMAN: The Honourable Member for Roblin.

MR. McKENZIE: Mr. Chairman, I wasn't going to get into the debate on the subject at hand until the Minister of Finance brought out the remark that his government was well versed - well versed - on the matter that we are debating at this time.

MR. CHERNIACK: That's not what I said.

MR. McKENZIE: And this is agriculture.

MR. CHERNIACK: I'm sorry, Mr. Chairman, I said that we are not, at least I'm not well versed on this particular question. That's what I said. I said that I think that those matters we are bringing before you we feel ready to do.

MR. McKENZIE: I apologize to the honourable minister but as I heard his remark, Mr. Chairman, I heard him say that they were well versed on the matter that my colleague has raised in the House....

MR. CHERNIACK: If I said it I was wrong.

MR. McKENZIE: and that is the serious agricultural problems that we face in this province today. You're telling me across the House tonight that you're going to complete the work. Complete what work? I've listened to your philosophy during the last three years of all the things that you're going to do for the farmers. Read some of the speeches that the Minister of Agriculture has made in this House about the things that he was going to do for agriculture. Here we have the most serious problem that Manitoba has seen in a decade and what does he say? Not one cent, not one cent for the farmers of this province is in those figures. This concerns me. -- (Interjection) -- Oh yes, he's got some bucks for the potato growers but I got no potato growers in my constituency and I am concerned, I can assure you, Mr. Chairman, and I'm gravely concerned.

He mentioned, Sir, "our plans" in the capital estimates of this government. Where are they? I submit, Mr. Chairman, they should be on the table tonight. This is a serious situation in my constituency and I can assure you it's serious in Manitoba. Not a cent in the estimates. Nothing at all for the farmer. They're trying their best - another remark of the honourable minister, "We're trying our best." If this is the best, if this is the effort that we can expect from this government, their best, where not one cent is in those figures for the farmers of this province. Not one cent! This concerns me; it concerns the people of my constituency, and I'm gravely concerned. They've been telling me that they've been supermen. I've listened to the debates. The Honourable Minister of Health - have you listened to some of his speeches on agriculture last year? These were good, I can assure you.

MR. GREEN: They're not bad.

MR. McKENZIE: The Honourable First Minister wasn't here in the House at that time but I would submit very humbly that he should read some of those speeches. Tremendous. Tremendous.

A MEMBER: Two-price wheat.

MR. McKENZIE: Two-price wheat. Yep.

MR. GREEN: We'd still like to have a two-price system.

MR. McKENZIE: Do you see any of his great debating philosophy or his figures in this estimate? Not one cent. Not one cent for the farmers of this province. They're talking about an early, a short Session. A short Session?

MR. PAULLEY: Not the way you're going.

MR. McKENZIE: When this province is facing the problems that it's facing today, and I hope and I humbly submit, Mr. First Minister and Mr. Chairman, if we have to stay here till Christmas I'll stay if we can find some way to help the farmers out in my constituency. We don't need no short Session. If it takes till Christmas I'll stay and I'll gladly stay, but I hope and pray that somebody over there will come up with something for the farmers in my constituency, and I'm gravely concerned as I take my seat.

MR. PAULLEY: Mr. Chairman, I wonder if my honourable friend would permit a question?

MR. McKENZIE: Certainly.

MR. PAULLEY: When was the last time in Capital Supply Estimates was the reference to agriculture and the problems of agriculture?

MR. McKENZIE: I'm not concerned about the last Capital Supply. I'm concerned about today. Right tonight, as I stand in this House. I've heard you speak across the floor, Mr. House Leader, and I've heard you say all the messages that you got for this province. I say put 'em on the table. Put 'em now.

MR. PAULLEY: Mr. Chairman, may I remind my honourable friend that what we're

(MR. PAULLEY cont'd.) . . . dealing with at the present time are estimates of Capital Supply. The problems of agriculture, which are grave problems for Manitoba, will be properly dealt with when we . . .

MR. McKENZIE: Not one cent in there, Mr. Chairman, not one cent.

MR. PAULLEY: Mr. Chairman, what I'm trying to impart to my honourable friend, that we're dealing with Capital Supply for certain functions of government, and the problems of agriculture will be dealt with at the appropriate time when we're dealing with the estimates on agriculture, and that this is what has been done, and the very learned speeches that I made, and intelligent speeches that I made previously in respect of agriculture, were made during the consideration of the estimates of the Department of Agriculture.

MR. McKENZIE: Mr. Chairman, I thank the honourable member for his great words of wisdom, but he can't stand up in this House tonight and tell me that he hasn't got the answer. He's telling me now he hasn't got the answers. He stood over here and stood up night after night, "I've got all the answers." I say put 'em on the table tonight.

MR. GREEN: Mr. Chairman, I want to say that I've sat in the House for three years and I've heard the honourable member on several occasions, but never have I heard him in finer form than I heard him tonight, and it seems to me, it seems to me that sitting in the opposition has done a great deal for him and I hope that he will remain there for a considerable period of time, and I hope that his years of maturity will do for him what this short session in opposition has already done.

Now Mr. Chairman, I expect that kind of attack from the honourable member. I expect him to be charging this government with not doing its duty. That's his responsibility and I hope he learns to do it very well, as he's demonstrated he can do it tonight. But let's face the facts. He can't disguise this fact. He can't disguise the fact that what we are doing at this Session is presenting to the Assembly the estimates that were prepared by that government, and therefore, when the honourable member says that there isn't a cent for agriculture in the capital estimates, let him understand that what he is saying is that the government, of which he was a supporter, the government that sat in these benches during the last several months, prepared agricultural supply capital estimates which did not contain one cent in expenditures for agriculture.

Now I'm not going to criticize the crisis that at this point, as my honourable friend the Minister of Labour has pointed out, it may be that Capital Supply estimates rarely contain mention of agriculture, but that's not an entire answer because eventually, in a few short days, we're going to come to the current, the spending estimates, the current estimates, not the capital estimates of the Department of Agriculture. And I want to tell honourable members what they have already been told, that what we are going to do is present to them their estimates which have been debated for 80 hours, which they stopped to have go through this House, which they could have had go through this House if they cared to stay five more hours to complete the rest of the Legislature, and we say that if we wanted to - and the Honourable the Member for Lakeside gave a hint that we could do this - that if we wanted to we could clear up this Session in five hours by the members on that side agreeing that 80 hours have already been spent on these estimates, that not only is that the case but they are the estimates that we wanted legislative approval for. Those people over there who will now say that they are debating them, let us recall that they are going to debate their estimates, the ones that they said they wanted legislative approval for, the ones that have already been debated for 80 hours and which could have been passed if the Session had lasted five hours more. Now we could do that, we could do that in five hours, and what our government has said and they have said it frankly, and the Honourable the Member for River Heights who says that we should be coming in with our legislative program, well let's indicate what we have already come in with, and I want to indicate to the honourable member that we didn't fool anybody; that the Leader of this Party and myself were in . . .

MR. ENNS: Mr. Chairman. We're on Capital Supply, are we not, Mr. Chairman?

MR. GREEN: Yes, Mr. Chairman, and I am talking about the speech that was made by the Honourable the Member for Roblin about what we have done with capital supply, and I want to indicate that the Leader of this party and myself in Thompson, Manitoba, weeks before the election said that if we were brought into power on June 25th (which we were), and we both said it, there would be an immediate Session; that that Session would be used to increase the medical care premiums; it would be used to deal with the question of an Ombudsman; it would be used to pass the estimates; and that after that occurred we would go back - and this is what we told the people - that after that occurred we would go back and we would prepare the legislative program

(MR. GREEN cont'd.)... of this Party. But the Honourable Member for River Heights appears to be a New Democrat in a hurry. He wants us to do everything at once, and the Leader of this Party has properly pointed out, and the First Minister has properly pointed out that we are not going to be caught making a mistake, that we are going to go back to our offices when this is finished and we are going to work hard, and we are going to deal with the subjects that the Member for River Heights says that we should be dealing with, and I hope that we get his approval when the bills are put on the table. I hope that we won't find at that time that he's not in so much of a hurry as he has appeared to be during the past three days. But that's what this Session is for and you people over there know it, and if you care to go to the public of Manitoba and say that we are going to debate these estimates as if they contain the legislative program of the New Democratic Party, you can go ahead and do it but it just won't wash. It won't wash just as it didn't wash -- and to talk about the Honourable the Member from Morris. He says we fooled the people. Okay. Your government...

MR. CHAIRMAN: Could I interrupt the member for one moment and remind him and remind the members of the Opposition that the 80 hours that we are talking about deals with the estimates, it does not deal with this resolution, and I hope that we do not go into a rehashing of the entire election campaign.

MR. GREEN: Mr. Chairman, I accept your admonition and I will be very brief, but I wish to remind you, Mr. Chairman, that I am dealing with the remarks of the Honourable Member for Roblin who says that in these capital estimates, which I venture to say rarely say anything about agriculture, the New Democratic Party has demonstrated that it has nothing to say about agriculture. Let me remind the honourable member that when I spoke about agriculture in the last House I made speeches on two points. One was a two-price system for wheat. I still favour that position. I know that the Honourable the Minister of Agriculture within weeks of his appointment was down in Ottawa making a national impact on his proposal for that system. I quote, "We've got a two-price system with the price tag at less than the market price of wheat. That's not the type of two-price system that we supported."

MR. WATT: Would the honourable member permit a question right now? Will he permit a question right now, Mr. Chairman?

MR. GREEN: The honourable member will recall that what the Minister of Agriculture asked for was a price which would guarantee \$6,000 on the first 2,000 bushels of wheat - \$3.00 a bushel.

The honourable member will recall that the other speech that I made - and the member for Morris will probably remember it - was on the sale of grain to the feed mill without being subject to the Wheat Board regulations. We still favour that position. If the honourable member is very anxious to hear us come out with it, I hope that he supports it when it becomes a resolution that is possibly put by this government, or let him introduce it himself and see whether it is not supported from this side of the House. The member for Morris said that we fooled the people, and I will stop with this. Well let's see who fooled the people. The previous First Minister told the people of this province that he had balanced the budget without increasing taxes. He had raised \$30 million without increasing taxes. We said that that was a tax. We said that it was the worst form of tax. We said that when we came to power we would change the direction of that form of tax. Did the people of this province believe that that government raised \$30 million without increasing taxes?

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

MR. GREEN: I suggest to the honourable member that when he thinks that the people can be made fools of, he's only making a fool of himself.

MR. ENNS: On a point of order, Mr. Chairman, would the Minister give a point of order? We're discussing the \$7 million item under Petty Cash or Miscellaneous under Capital Supply, and I beseech the Chairman to reconsider his earlier admonition.

MR. GREEN: All right, Mr. Chairman, I'll conclude my remarks.

MR. CHAIRMAN: I'll remind the member who is speaking and the other members, that we are not in fact discussing the election campaign but are dealing with the Capital Supply item and if the Honourable Minister would please restrict his remarks as much as possible to that item...

MR. GREEN: Mr. Chairman, I'll conclude my remarks. Let me repeat that the estimates that we are talking about are now - and I want to make it perfectly clear that the same will be true of my estimates - they are estimates that were prepared for us by the previous

(MR. GREEN cont'd.)... administration. We have not changed them. If that is our fault, blame us for that, but don't say that those are our estimates. As we are going to present those estimates, we feel that they should be accepted by the people who prepared them without debate. If they choose to debate for 80 hours on those estimates that will be their choice but they will be arguing against what they themselves requested legislative approval for not more than three months ago.

MR. CHAIRMAN: The Member for Lakeside.

MR. ENNS: Mr. Chairman, I think the Honourable Member for Inkster, and I am referring to him as the Honourable Member for Inkster rather than the Honourable Minister of Health and Social Welfare, because I think he has tonight demonstrated to us a consummate desire to be on this side of the House because we have all, those of us the veterans of the House, have waited for him to speak to us in the firm tone, and to lay down the policies before us, and to tell us the things we should do, and tonight he has had the opportunity to tell us that, and it really tells me that, in heart, he wants to be back in that seat I think occupied by the Honourable Member for LaVerendrye or the Honourable Member for Assiniboia, and I will not proceed. Let me abruptly change the subject to one further subject that I wonder.

MR. GREEN: Does the honourable member wish to see whether I can do an imitation of him? Does he think that the House will find that amusing? Because, Mr. Speaker, I can do it. If that's the level to which debate will degenerate...

MR. ENNS: Mr. Chairman, it's very easy to do a demonstration of me. All he has to do is learn to swim in a lake filled with logs.

Changing the subject back to the Minister of Finance, on one item that I wanted to mention because I did detect in him, although I don't want to impute motives to him that perhaps weren't there, when he suggests that in this miscellaneous item of some \$7 million that there was, because of a commitment made by me when I was in office to the fishing industry generally, the matter of repairing of boats and so forth, a commitment to the fishing industry that I made in what I assumed to be good judgment at the time, to insure, to insure, and I would hope that the Minister - and I have every reason to believe that the acceptance of these capital estimates is proof of the fact that they do not impute any unfair motives to me of judgment that were not sound, that would seem to indicate that I committed the province to the expenditure of public funds with respect to the establishment of the Fish Marketing Corporation that may or may not, you know, have been called for. I want to assure the member, and I want to put it on record at this time, that my interest in making this commitment was that in this transition period, while the federal legislation was there and the federal board was being established, and that I had a nervous fishing industry on my hands, nervous fishing processors and so forth on my hands, that the primary producer would not in any way be hurt during this transition period, and I authorized the expenditure of funds for the outfitting of boats, of the necessary whitefish boats and so forth, the necessary stockpiling of ice and so forth, while technically speaking we did not have the legislative authority that the matters of redundancy and so forth would all be looked after, and I do not really request a reply from the Minister because I am suggesting that I rather read into him that he has no hesitation in going along with the commitment that I made to the fishing industry in this regard, but in the manner and the way that he did present it, it did leave the suggestion with me, and I want to place it on record, that I perhaps had made unwise commitments with regard to the establishment of the Fish Marketing Board.

MR. CHERNIACK: Mr. Speaker, I am disappointed that my presentation made the honourable member wrongly sensitive. I read from a memorandum, and I have just re-read it quickly and there isn't the slightest suggestion that any commitment that he made in this respect was improper or even inadvisable. I am reporting it that it was a commitment and that we want to honour it, and we want the funds with which to do it, and Mr. Chairman, it's clear to me that there is absolutely nothing in this memorandum which is derogatory in any way. I assure him that if I felt that it was that he was wrong, I wouldn't hesitate to say so, but there isn't the slightest suggestion, and while I was reading it he was sitting there nodding his head, which satisfied me that the information given to us that it was a commitment was indeed a commitment, which makes it all the more important to carry out as being an honourable manner of dealing with a transition in government. So I do want to reassure him; if he really felt it was necessary then I do want to reassure him.

MR. ENNS: Mr. Chairman, I am not necessarily satisfied with the carrying out of a commitment. I want to know if that commitment was right.

MR. CHAIRMAN: The Member for Morris.

MR. JORGENSON: Mr. Chairman, I hesitate to become involved in this debate but I cannot refrain from doing so after the outburst of the Minister of Health and Welfare. Now I want to assure him that we over on this side are now all reassured that he is normal and healthy after that outburst. It is hard to imagine what exercised him to such a degree. I can't believe that what he had for dinner tonight might do it; I can't believe that a fight with his cabinet colleagues might have done it; so we are a little bit worried as to what provoked this kind of an outburst, but one thing that really puzzled me when the Minister was speaking. We were all under the impression that one of the commitments that this government had made during the course of the election campaign was that they had intended to reduce Medicare premiums. The Honourable Minister tonight said very clearly - and I am sure that most of us on this side heard - that one of the commitments that they made was that they were going to increase Medicare premiums, and I wonder now if he'd explain that apparent contradiction.

MR. CHAIRMAN: The Honourable Member for Fort Rouge.

MRS. INEZ TRUEMAN (Fort Rouge): Mr. Chairman, it was my intention to bring this - I assume it was a mistake - to the attention of the Honourable Minister of Health and Social Services. I think he'd get an awful shock if he read Hansard tomorrow and saw that he had said he promised to increase Medicare premiums.

I do want to just remind all of you that there are eight new members on this side of the House. I think I can speak for all of us when I say that we earnestly wish to understand these estimates, all financial matters dealing with the province. It is not easy for me to understand financial matters - I have to really work at it. I am not accustomed. But I think that in the interest of saving time so that perhaps those of us who are new could be taught these things, that perhaps we wouldn't always have to go back to the day one.

MR. CHAIRMAN: The Honourable Member for Ste. Rose - or perhaps I'll recognize the Minister who . . .

MR. GREEN: Mr. Chairman, lest there be any doubt, obviously I didn't realize I had said "increase". I said that we were committed to decreasing Medicare premiums.

MR. CHAIRMAN: . . . Ste. Rose.

MR. MOLGAT: Well Mr. Chairman, the last three quarters of an hour has certainly demonstrated that democracy must be a wonderful thing. Not only are we privileged to listen to this, but we are even paid for it with the handsome sum of some \$3,000, but I'd like to get back to the essential points here that I see in the No. 9 item, the \$7 million, and the question as to whether or not the government does intend to put some more capital in the Manitoba Agricultural Credit Corporation, because when I listened to the First Minister in his reply to the Throne Speech debate, I am sure he indicated at that time that it was the government's feeling that either the Credit Corporation had to be totally abandoned or some funds had to be injected back into it so that it could really get into the direct lending field, and I share very much his concern in this regard. I had some doubts, I must confess, over the years that maybe we were duplicating the federal lending institution, but we have to recognize that in many areas we have to deal with our own problems in Manitoba, and right now, if we want to see a shift in our agricultural production and we recognize that we cannot continue in the straight grain production, and we recognize that we are the province who can really make the shift much more readily than Saskatchewan or Alberta, then we have to permit or at least put our farmers in a position where they can make that shift. Hence I agree with the First Minister, and it seems to me this is what he was saying in his reply to the Throne Speech debate, but there is nothing here which indicates that this is going to be done. Now then, the government might well say, "We haven't had time; we're not ready," but was it not the First Minister's statement in that debate that this is what he wants to do. Is it going to be done?

MR. SCHREYER: Mr. Chairman, the Member for Ste. Rose gives me an opportunity to make some comment relative to the question of the agricultural industry in its present state in Manitoba and the matter of capital supply presently before us. The Member for Ste. Rose is so right in his recapitulation of what I said or what I hoped to say when I was speaking to this House a few days ago on the motion on the Throne Speech debate.

It is certainly our fervent hope that we can make something useful out of the Manitoba Agricultural Credit Corporation once again. I know that when it was first established in 1959 the argument was advanced that perhaps it was a duplication of the federal Credit Corporation, and there was some validity to that argument. However, in some instances subsequent to the

(MR. SCHREYER cont'd.)... formation of the Manitoba Agricultural Credit Corporation, I think we can find examples where it was helpful but the Honourable Member for Ste. Rose knows better than I what happened about 18 months ago or two years ago. The Manitoba Agricultural Credit Corporation Act was changed, removing from its purview the right to make direct loans - a year ago then; and in other words it was transformed from a direct lender into the role of a guarantor of loans made by farmers at the chartered banks, and I suppose in a mood of charity one could say that this is still a somewhat useful role, but in my view there is no escaping the contention that when that was done the Manitoba Agricultural Credit Corporation was emasculated - and I can think of no more appropriate word.

Now it's our hope, just as the Honourable Member for Ste. Rose suggested, to change Manitoba's Agricultural Credit policy to restore to the Credit Corporation certain powers so that it can go back into the field of direct lending, but at this point in time our policy has not quite crystallized. I can only express the view, the personal view - maybe that's a bit dangerous - the personal view that it can become a selective direct lender for precisely the reason the Member for Ste. Rose mentioned, and that is at a time - and I believe that the agricultural industry of Manitoba is in such times now - where we have to encourage conversion from one kind of commodity production into another. And how can this best be done except through the instrumentality of a Crown Agricultural Credit Corporation where loans will be made to farmers, groups of farmers, even large groups of farmers, where they agree to get together and work in concert, either under the aegis of a co-operative or under the aegis of a corporation in which farmers, large numbers of them, own shares in more or less equal amounts. And it's in this, if we can succeed in getting farmers to agree to go into livestock production on such a basis, then I believe that the Manitoba Agricultural Credit Corporation can be a very useful instrument.

Now as soon as we crystallize our policy in this regard we shall try to get capital supply, but the Member for Ste. Rose, being a reasonable man, surely must agree that in four weeks it's hardly possible with all these things pressing down on us. Perhaps I should direct my attention to members directly opposite. I just don't take very seriously any criticism from them that we have failed to do this and this and this and this in four weeks when, as I say, it took them almost that long to make one decision, whether to resign after they lost the election.

MR. CHAIRMAN: The Member for Ste. Rose.

MR. MOLGAT: Mr. Chairman, I am pleased to see that the First Minister I think has properly assessed the problem of the agricultural situation in Manitoba. That shift must occur, and I recognize the problems that the government faces in a period of four weeks in determining policy. But when I look at the capital supply that is before us and I see that my honourable friends can agree to raise the Manitoba Development Fund from \$25 million to \$50 million then I wonder why the same sort of decision could not have been made in the case of agriculture, because the instrument, the mechanism is there. True, in the case of industry the Manitoba Development Fund is in operation, it's there, and if they require further funds in order to get more industry in Manitoba, the government says, fine, we'll put in reserve funds. But the Agricultural Credit Corporation is there. Admittedly my honourable friends who are presently over here cut it off, but the system is there, the mechanism is there and it can be put back into operation very soon. The crisis is right upon us now in agriculture and there is no point in having our Department of Agriculture going out and preaching to the farmers that they have to shift from grain to livestock if there isn't the mechanism for them to do it. And it's very easy for people to say they should do this they should do that, but a man who is equipped in the grain business, whose whole financial structure is geared to that, who has the machinery, the land, cannot suddenly shift into livestock without someone putting some funds....

MR. MACKLING: Would the Honourable Member from Ste. Rose yield to a question?

MR. MOLGAT: Certainly.

MR. MACKLING: Were you in the House when the Financial Minister indicated that the capital estimates were those that had been prepared by the previous administration, with the exception of one change, and that it would perhaps be necessary to bring in supplementary capital estimates during the course of this session?

MR. MOLGAT: Yes, I'm quite aware of that.

MR. MACKLING: You're aware of that.

MR. MOLGAT: I'm quite aware of that. But the point I'm making is that my honourable friends have made a change. They've said we're prepared to put in an extra \$25 million into the industrial end of it, and what I'm saying is that if you can do that on the industrial end - and I'm

(MR. MOLGAT cont'd.)... not criticizing it - that you should equally be ready to do the same thing in the agriculture and where the crisis exists right now. And we cannot wait until next year to do it, if we're going to put the agriculture economy in a position where the shift can be made.

Now if my honourable friends are going to get up and say, fine we will have a further supply bill, capital supply bill in two weeks time, very well, But at the moment I haven't had that sort of assurance from the government except the First Minister's statement in the Throne Speech debate that he recognized that something had to be done. But I don't think we can wait until next winter to do it. I think it has to be done this Session if the work can be done over the course of the winter to have the shift made by next spring, where it can be done.

MR. SCHREYER: Mr. Chairman, I'd just like to make two points to the honourable member. The first is that there is a very good reason why we had to make a change with respect to capital supply to be voted for the Development Fund, simply to enable the Fund to meet outstanding commitments already entered into and obviously that simply necessitated making the change.

Now I certainly accept as being completely valid the honourable members commentary relative to the need for rapid action with respect to agriculture and the need to assist farmers in the conversion from one kind of commodity production to another. The Honourable member knows how these things work. We have in fact under way already meetings, that is to say, a schedule of meetings to be held with different groups interested in precisely this kind of action and as soon as we can resolve one or two rather thorny policy problems then it may very well be that we shall be bringing back here supplementary capital supply. But there remain one or two problems yet to be resolved, meetings are under way.

MR. CHAIRMAN: The Leader of the Official Opposition.

MR. WEIR: May I ask the First Minister if the total capital supply of the Development Fund is committed, what are they going to use between now and the next session? I would have thought that what you were attempting to do is to provide some room for them to operate. We've been talking in terms of expansion of the Development Fund and various areas legislatively and if all of the funds that you've got lined up here are committed by the Fund, what in the world are they going to use between now and the next time we meet?

MR. SCHREYER: Well, Mr. Speaker, that's the point -- or, Mr. Chairman, if I understand the Honourable Leader's question. The \$25 million capital supply originally intended to be voted was not adequate to the Fund's needs to enable the Fund to meet its loan commitments and the amount that is proposed here will enable the Fund to do so.

MR. WEIR: Mr. Chairman, it is not likely to make some more commitments between now and say next spring?

MR. CHERNIACK: I wonder if I could report on that and say that we are assured that the \$50 million now being set aside is sufficient to take care of the present commitments, the foreseeable commitments until the next session. I think I even gave a date, I'm not sure.

MR. WEIR: I thank the Minister, Mr. Chairman, for the explanation.

MR. CHAIRMAN: The Minister of Agriculture.

MR. ENNS: Thank you, Mr. Chairman.

MR. CHAIRMAN: Oh, I'm sorry, not the present minister of agriculture. -- (Interjection) -- I'm sorry, the present Minister of Agriculture.

MR. USKIW: It seems, Mr. Chairman, that it's awfully difficult to get members opposite used to the role which they have been designated for for the next unforeseeable period of time.

No doubt members opposite want to know what the policy of government is going to be with respect to all matters related to agriculture and other departments. But as was mentioned before by the Honourable Minister of Health and Social Services, the Premier, the Minister of Finance, this is not a time at which we are prepared to reveal our total program. It is not the time. And it is not the time which is going to give you the cue to have an opportunity to debate another 80 hours during this session as far as I'm concerned. When we have a decision finalized with respect to this particular issue we will make an announcement in the House in due course. And I want to say that as far as my department is concerned we are undergoing extensive study into the whole question of what Manitoba can do, aside from Ottawa, to assist the farmers of Manitoba. As a matter of fact there are three members of staff that are designated in a special project in this particular area and that is all they are going to be doing for some time is to try and develop a plan by which we can inject capital into the farm community of

August 28, 1969

(MR. USKIW cont'd.)... Manitoba to change the emphasis of production from surplus commodities to commodities which may be more readily saleable. When we have developed these plans, these plans will be announced for your benefit and for the benefit of the people of Manitoba. But at this stage of the game, Mr. Chairman, I want to say with all due respect, we are debating your program, a program which was abandoned by you because you were more interested in something else, and that was the assurance that you might have two or three extra years in office which the public was not prepared to give you.

I want to say that it inconvenienced the Province of Manitoba to have the session aborted, not to have completed the legislation that was before us. We wouldn't have been in this position, Mr. Chairman, had members opposite exercised the kind of responsibility that the people of Manitoba entrusted in them and I want to say that they have little room, Mr. Chairman, to talk in terms of demanding programs from this government when this government has only been in office for a few weeks. And I want to simply indicate that there will be policy announcements forthcoming. I've indicated in response to questions from the opposite side over the last two weeks that we are developing a program and as these programs develop they will be announced to the House.

..... Continued on next page.

MR. CHAIRMAN: The Honourable Member for Lakeside.

MR. ENNS: Mr. Chairman, I rise reluctantly but the First Minister has again reintroduced the subject of the fact that the Manitoba Agricultural Credit Corporation was emasculated -- (Interjection) -- and I have agreed perhaps too readily to that fact. But I want to point out -- but I want to point out to the fact that while I for one, and I may disassociate myself from my caucus here, am prepared to accept in most instances when the Minister in that very appealing innocent face approaches us and says but we have only been government four or five weeks and give us time. I'll accept that statement from the First Minister. But I want to make this exception with this particular question that we're dealing with, the Manitoba Agricultural Credit Corporation, because while I may have admitted to some degree of emasculation of that corporation, I did not castrate that corporation. The difference between that is when I castrate my bull calves it's an irrevocable act and I cannot restore that to its same function that easily. The Manitoba Agricultural Corporation stands virtually -- and I say this in support of the Member for Ste. Rose -- untouched, the mechanism is there. If ever there was an occasion to dwell on and to accept that speech that my Honourable Member from River Heights referred to made by the then Member of Inkster that the difference was to do it, here is an occasion to do it. There is no big occasion . . .

MR. GREEN: Would the honourable member permit . . .

MR. ENNS: . . . about putting up machinery, of taking, you know, into account time to do this, the operation is standing there at 1180 Portage Avenue, we fired no staff, they're all there. We changed the direction of the program but it can be changed just as quickly.

A MEMBER: Why didn't you?

MR. GREEN: Would the honourable member permit a question?

MR. ENNS: We would have, if we would have faced this situation.

MR. GREEN: Would the honourable member . . .

MR. ENNS: My suggestion is -- no, permit me to finish, because this is the difficulty because there sits the Honourable Minister without Portfolio, from Urban Winnipeg. There sits the Honourable Minister of Health and Social Services, from Winnipeg. There sits the House Leader, from Winnipeg. There sits the First Minister, from Winnipeg. There sits the Finance Minister, from Winnipeg. There sits the Attorney-General, from Winnipeg. There sits the Minister from Thompson, not a wheat growing or farm area. There sits the Minister of Mines and Natural Resources, not from urban. What I'm suggesting is a real problem of not recognizing what the member -- my colleague there talked about the concern of the farmers now, now. And you have the mechanism, I'll accept -- you can give me any kind of, some of the things that perhaps, maybe my esteemed colleague here, deskmate, suggested to you in a very worthwhile speech the other night as taking time to do -- as taking time to do. And I'll accept the excuse for only being in office for four or five weeks and I'll buy that because I am also a reasonable man. But the Minister of Agriculture knows, and I'll read back the speech when I changed that fallacy, that program -- it wasn't a fallacy -- changed that program, that it's simply a question of the will; and ladies and gentlemen, Mr. Chairman, this is what the Member from River Heights was talking about. You see you suggested to us that we lacked the will -- you suggested we lacked the will and I'm suggesting to you that in this particular instance, Mr. Premier, Mr. First Minister, that a plausible reason that I'll buy on most instances does not hold water in this case, because the farmers of this province are in urgent need now. They're going to be in more urgent need next week; they're going to be in more urgent need the week thereafter because the operating costs of bringing off that big crop are there, and you have it within your power, you have it within your grasp to slice off \$5 million from the \$25 million that you have to the Manitoba Development Fund and resurrect the Manitoba Agricultural Credit Corporation.

MR. GREEN: Would the honourable member permit a question? The honourable member indicated that he admitted to emasculating the Fund but not castrating it, and for practical purposes I wonder if he can tell me the difference, in effect, from emasculation and castration?

MR. ENNS: Mr. Chairman, I'm prepared to go into great detail. We have an instrument in the work of agriculture that's known as a burdizzle which we use to castrate animals. Now I really don't think it's in the interests of the House that I continue, Mr. Chairman.

MR. CHAIRMAN: May I say to members of the Assembly that I am worried about this metaphor of emasculation and could we perhaps substitute -- could we perhaps substitute heart transplants or some other region of the body.

(MR. CHAIRMAN cont'd)

The Member for Agriculture.

MR. USKIW: Mr. Chairman, I want to point out to honourable members opposite that when the bill was introduced to the House to change the concept policy of the Manitoba Agricultural Credit Corporation, only several months ago, I was the one that pointed out to the Honourable Member for Arthur that they were making a very bad mistake. At a time when credit was becoming more costly they were abandoning the field; at a time when we needed assistance for the farmers of Manitoba they are walking out on them. And I agree with my honourable friend the Member for Lake side that I made these comments, but my friends were in position of power then to do something about it to reverse their position. But I venture to say, Mr. Chairman, that my honourable friends that claimed to be representing rural Manitoba -- that claimed to be representing rural Manitoba, were railroaded by the Department of Industry and Commerce and that the Department of Agriculture had no say at all my honourable friend I want to tell you. That the Department of Industry and Commerce said to you, my friend, that you have no dollars for credit for agriculture, we need all the credit available for other programs. And that is why your department decided to pull out of the direct lending field.

MR. WATT: Mr. Chairman . . .

MR. CHAIRMAN: Order please. The Member for Arthur has a question I believe.

MR. WATT: I would like to ask the Honourable the Minister of Agriculture now what he is doing about it. He is talking about changing the direction of the Agricultural Credit Corporation. Where is the money for the Agricultural Credit Corporation?

MR. USKIW: If he was patient, he'll find out in due course.

MR. CHAIRMAN: The Member for Roblin.

MR. McKENZIE: Mr. Chairman, thank you. I finally am getting through to understanding what the First Minister and the Minister of Agriculture are trying to tell us in the House tonight that is the answer to the problem to the farmer, and that's lending him more money. And I submit very humbly, and I submit with great concern, this is not the problem. The farmer's had too much money now. Money's not the answer. You going to lend him more money now? -- (Interjection) -- Oh no. Are you implying that you're going to lend him more money, put more money in his pocket today? This is not the concern of the farmer. He wants to sell what he's got on his farm and he wants to sell it honestly and he wants to sell it humbly, but I submit today this is one of the problems of the farmer today for he's had access to a lot of capital. And this is fine, it was needed at one time. But now the farmer is in great production with all that capital and ploughing more capital into his pocket, is that the answer? Or am I wrong in what I heard?

MR. CHAIRMAN: The Member for Winnipeg Centre.

MR. BOYCE: . . . heifer dust coming this way from that side of the House so I thought maybe I might add a little bit. I'm from Winnipeg Centre, that's true, and I was accused the other night of not being provincial enough when I didn't make reference in my speech or the first time I got to my feet to speak. Now when I used the term "heifer dust" I'm sure my farmer friends know what I'm talking about. You don't? Well, maybe I'm in another generation. -- (Interjection) -- No I'm not. I know a little bit about undertaking also; my stepfather's a funeral director. But I, once again, -- (Interjection) -- I'm sorry, as I say, I got the floor, just one moment.

MR. WATT: Have they got heifer dust in Winnipeg?

MR. BOYCE: You'll get your chance. I may be naive but once again I can't understand how the people across from us have the audacity to sit here and waste our time. They talk about climate; they talk about crisis. The two words themselves - learn the semantics of the two words. This didn't just happen overnight. It took you people 12 years to get the province in a mess. But I would suggest to my honourable friends, you're not fooling anybody. Let's get this session out of the way and get down and sit and discuss - my honourable friend from Ste. Rose come up with a marvellous suggestion. -- (Interjection) -- I beg your pardon? -- (Interjection) -- Well, I beg to differ with you. I for one, having a bachelor of -- (Interjection) -- If I may, Mr. Chairman. I for one have been concerned about it since 1949. I graduated with a Bachelor of Science degree in Agriculture and I suggested at that time that the University of Manitoba, all their research being directed towards the cereal grain research was perhaps in the wrong direction. But this isn't something that just occurred overnight, so

(MR. BOYCE cont'd) . . . I suggest to you that we pass these estimates, get the business done, then sit down together and talk these things over. Now as far as being City members in the front; city members are interested in farm problems. And I was talking about the elephant. The day is gone when we can sit down and say this is our problem and we're going to solve it. I think people have a responsibility to their constituents as I do in Winnipeg Centre, but still we have to solve Manitoban problems. One of the things that I learned when I went up to Churchill - I'd been up around Inkster Boulevard before that, that's the farthest north - I know what it's like now to get bitten on the inside of the ear with a black fly. I didn't even know what a black fly looked like. I for one would entertain any invitation outside of Winnipeg. I think we should get out of the city and look at the farm problems.

MR. JORGENSEN: Well maybe, Mr. Chairman, I might offer a suggestion to the honourable member. Instead of taking that trip to Japan, I wonder if the First Minister would invite his colleagues out to the rural area so they could see for themselves the situation that really does exist.

I'm not too sure that, you know, this discussion on the Manitoba Agricultural Credit Corporation is completely in order. I had hoped to wait until the agricultural estimates were before the House before I made any contribution at all on this subject, but since there's been a pretty wide-ranging discussion on it I hope I will be given the opportunity to offer my suggestions.

At the time that the Manitoba Agricultural Credit Corporation was brought into existence the Federal Farm Credit Corporation had already been offered. I expressed at that time a fear that there would be between the two organizations, that kind of competition that would encourage an unduly large increase in the price of land. In other words, I feared that farm prices or farm land prices would increase far beyond that which would have been normal under normal circumstances, and I believe that those fears were justified. Land prices today are all out of proportion to their capacity to produce an income for those people who own land. I'm a little bit concerned. I recognize the problem and I know that in order to shift production - and this is particularly true in light of the Board of Grain Commissioners Report that was revealed just recently - it would seem as a result of that report it's going to be necessary to shift large tracts of land in the Province of Manitoba into production other than grain.

The TED Commission Report that was tabled early this year mentioned this fact, mentioned the great potential and the great possibility that existed in the processed food industry for Manitoba. I agree with that report. We have a potential for market as far east as Montreal, as far west as Chicago - or south as Chicago and west as Vancouver. It seems to me that the potential for the processed food industry in the Province of Manitoba is the only hope that Manitobans can shift agricultural production into a commodity that is readily saleable. This cannot be done unless there are huge injections of capital into the farm industry. That I think is admitted. I think what we want to resolve is the best way in which we can insure those injections of capital into the agricultural industry in order that it can shift that production from a commodity for which there is obviously no market, to a commodity for which there is a market. I'm just not convinced that the reinstating -- and my honourable friends opposite may be able to convince me of this -- but I am not convinced at the moment that the reinstating of the Manitoba Agricultural Credit Corporation as it existed at one time will do that. For one reason I'm afraid that this competitive factor between the two lending agencies is going to create a situation where prices will rise unduly. Secondly, the quantity of capital that is necessary in order to have any appreciable effect on the economy of agriculture are so large that the interest charges that will be necessary for farmers to pay until their farming operations begin to return something on their investment are going to be so great that will be a burden that many farmers will be reluctant to invest in.

Might I make a suggestion - and I made it during the course of my remarks on the Throne Speech. If you must reinstate the Manitoba Agricultural Credit Corporation - I must confess that I'm not completely opposed to it - I would accept with the reservations that I've mentioned. But I wonder if my honourable friends opposite would not give some consideration to rather than going through the problems of reinstating the Manitoba Agricultural Credit Corporation, if some consideration could not be given to picking up a portion of the Federal Agricultural Credit Corporation interest rates. In other words, a subsidization of the interest rates on the loans that are currently available through the federal farm agency. This will enable you to render a service to the agricultural community. At the same time ~~it~~ will not be necessary to look for

(MR. JORGENSEN cont'd) . . . the kind of capital that would be necessary on a bill such as you've presented here tonight and will enable you to use that capital elsewhere and I think will do far more to assist the agricultural industry than the reinstating of the Manitoba Agricultural Credit Corporation.

MR. CHAIRMAN: The Honourable Member for River Heights.

MR. SPIVAK: Mr. Chairman, I enter this debate for two reasons. First I'm prompted to enter by the remarks of the Honourable Minister of Health and Social Services. I did not hear his full speech. And also by the Honourable Minister of Agriculture. I would suspect that we at this time must achieve a certain degree of maturity in the way we handle ourselves; and I would suspect as well that all of us including the members in the treasury branch are a little uptight, but I must tell the Honourable Minister of Agriculture that either he withdraws the fiction that he just expressed in connection with the Department of Industry and Commerce and the Agricultural Credit Corporation, or if he really doesn't know the facts then let him go back and investigate it with the members of his department and then withdraw before the Orders of the Day, or I'm going to ask him to prove it. Because what he said is completely false. Now it's one thing to say it when you're in opposition, but I must tell him he's now a Minister of Agriculture and he's now talking for his department and what he said is not the facts at all, and the suggestion is what he would like you to believe it to be and what even some people in the agricultural community would like it to be, but that isn't the case. And I would suggest that it's incumbent upon him in this specific situation to review those facts and to then apologize for what is not a correct statement. Now insofar as the Honourable Minister of Agriculture -- (Interjection) -- I'm sorry, the First Minister asked me what it said, let his Minister tell him or let him read it in the Hansard. Now the Honourable Minister of Health and Social Services seems to be concerned because I'm a New Democrat in a hurry.

MR. GREEN: I'm not concerned. I like it.

MR. SPIVAK: You like it? Well let me tell you the only difference between he and I. I talked about specific programs that he has not talked about. But on the other hand he and many of the others have talked about programs that I do not see before us, and the great concern is when you were talking about these programs how serious were you really in introducing them. And when the honourable minister who is now the Minister of Agriculture spoke, and I listened to him along with the Honourable Member for Roblin and the others and heard these speeches, we recognized someone who was very interested and serious and earnest about what he intends to do. And I find it very amusing when he tells us now that he has set up three people who are in a project to try and find answers. Well my God he was supposed to have the answers, he should be telling them what to do. This was the object in seeking a mandate and I suggest that we should be at least privileged now to see it implemented. I know we're going to get it, but on the other hand the honourable members who have already spoken in the debate I have already indicated to you, this happens to be a problem that is with us now in which solutions are necessary; and unlike the supplementary estimates which now we realize are not even planned but are going to be introduced in another ten days or two weeks, this specific area of concern, this priority government action should have been taken and we should have it before us now.

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

MR. DESJARDINS: Mr. Chairman, I find this quite amusing. I find that I always thought there was some funny things in politics but I think that tonight is the funniest one of all. We've had a previous government who turned against Roblin like they did against Stalin in Russia and they said put on the stop -- (Interjection) -- Oh, just as bad, just as bad, just as bad. His statue came down, the pictures of Roblin came down, pictures of . . .

MR. WEIR: Mr. Chairman, I thought it was capital estimates before the House.

MR. DESJARDINS: At least they can think - not too well - but they can think -- yes, as I say the pictures of Roblin came down, the statues came down and they said, no, we're going to hold the line. -- (Interjection) -- I'll tell you that after, I'll tell you that.

MR. ENNS: Mr. Speaker, on a point of order. We never turned against Stalin.

MR. DESJARDINS: What did he say? What did he say? Oh you're still with Stalin, congratulations. All right we've established this, they've turned against Roblin but they're still with Stalin, that's fine. Well, Mr. Chairman, this is the government that said let's hold the line, and all they said tonight was spend more money. Now are we sincere, are we sincere, are we working for the good of Manitoba? This government tells you - they admit they're not bringing in too much this year. They think it will probably be their worst year, but their worst

(MR. DESJARDINS cont'd) year is your estimate in your best year, so please be satisfied. Now I'm suggesting this. If you're sincere, if you want to get down to the business of Manitoba and this is what you're saying. You're not in government anymore. Some day you'll wake up, you'll hit your head on the bedpost and you'll realize that no you're not in government anymore, you don't call the shots. And this government makes it plain, they're going to take their time and they're going to bring legislation. They want -- (Interjection) -- What's that, Mr. Speaker?

A MEMBER: You're not in the opposition either.

MR. DESJARDINS: No, No, I'm just in a good position to be very fair, impartial. That's something you wouldn't know. All right. Well, Mr. Chairman, I'm going to suggest something. These people say they're calling the shots, they say we want to do what you didn't do, we want to do it soon because we have to, and the First Minister, the previous First Minister also said during the campaign that they would call, or he would call a session also to finish the work. Isn't that right or isn't that right?

MR. WEIR: And do some more.

MR. DESJARDINS: Oh no you didn't say do some more. Oh no. Oh no. Well anyway you didn't get that mandate to do any more so you've got to wait another 35 years or so. In the meantime, in the meantime, Mr. Chairman --(Interjection) -- Oh, I'm all right. I'm an opportunist. I'm on the right side. Remember that. Mr. Chairman -- a pretty smart opportunist though. Mr. Chairman, I'm going to tell you this. If they want to have their cake and eat it too, if they want to sound very good, let's agree, let's put on a resolution that they say that the NDP should not give responsible government, that they should go ahead and vote everything now. Let's vote on this and let's get down after that with the business of Manitoba, because you people know if you were sincere for one minute you would let this session go and you would forget about this bickering. You're not going to get your way and you know it. If you hold this session, the people here in this House, till November. till November, do you think they will be ready to come back in December with their programs? You're not going to have it.

MR. SPIVAK: You're coming back in . . .

MR. DESJARDINS: Pardon? Well have a caucus and decide who is going to ask the question please. All right. Have your motion and vote. Say we don't want responsible government, we want you to just promise the moon and do it now, just do it now. Big famous speeches about the poor farmers. Two months ago the farmers must have been all millionaires, because I never heard the Member from Roblin tell us about his poor farmers just two months ago, I never heard him.

MR. ENNS: Would the honourable member permit a question?

MR. DESJARDINS: Are you from Roblin? Are you from Roblin? I was talking to . . .

MR. ENNS: Would the honourable member permit a question?

MR. DESJARDINS: Sure.

MR. ENNS: As I understand your definition of Liberal-Democrat, was one to simply vote as your conscience dictates.

MR. DESJARDINS: That's right.

MR. ENNS: Why do you feel compelled to protect these honourable gentlemen opposite all the time.

MR. DESJARDINS: You want me to tell you?

MR. ENNS: Why not simply vote in the manner and the way . . .

MR. DESJARDINS: Do you want me to tell you? All right, I'll tell you. I don't feel compelled to protect these people, I think they're doing a very good job of protecting themselves because they've got you on the run. You've gone and turned this into a . . . but I'm concerned, I'm concerned about the people of Manitoba. I know that they're not going to say all right you're not going to drag them into doing something they're not ready for. They've told you 50 times. So I'm saying bring in your resolution. If the Honourable Member from Roblin wants to send his speech back to his constituents, all right. Let's all sign it. Make your resolution, we'll tack it on the wall here and everybody can look at it then we'll get down with the affairs of Manitoba, we'll get out of here and the famous NDP program that you want, they'll bring it in, and be ready for December. Don't shoot the bulk right now. You're shooting the shot, you're going to peak too soon, you're going to peak too soon. But let's get down with the affairs of Manitoba. Never mind the protection for anybody. Let's protect the people of Manitoba. They've had enough of this kibbitzing around. They've had enough of this -- you can act the clown after,

(MR. DESJARDINS cont'd) . . . just sit down for a minute. All right. I would say bring in your resolution. I'm sure we're going to waive the rules and we'll let you vote on this, then you can contentedly say we tried to make them make fools of themselves, they didn't go for it. And then let's finish what we have to do and get the heck out of here so we can be ready in December where you can be ready and bring something constructive.

MR. CHAIRMAN: Before I -- Does the Minister have a question or . . . I would have to recognize the Member for Lakeside. Before I do, let me point out that we've had a good discussion of the last general election and that we've had a good discussion of the item under consideration and I would ask members not to stray too far afield and to attempt to direct their comments to the Loan Act which is the item under consideration.

MR. ENNS: Mr. Chairman, I wish to abide with your remarks, but in view of the rather important disclosure of the Member of St. Boniface I wonder if the House Leader would indicate that the session that will begin in December can he indicate will it be a full session?

MR. PAULLEY: Mr. Chairman, if that question is directed to me I really can't answer it. But if we proceed with the consideration of the other business of the House like we have tonight it could well be that we will be here in December still trying to get capital supply passed.

MR. CHAIRMAN: The Minister of Finance.

MR. CHERNIACK: Mr. Chairman, it has been an interesting discussion. It has also been a useful discussion to some extent and I'm wondering whether we couldn't proceed to pass these estimates so that we can deal with the capital supply bill in the regular form and proceed with the business of the House. I wonder if there hasn't been enough debate.

MR. CHAIRMAN: The Member for Rhineland.

MR. FROESE: Mr. Speaker, I don't intend to start another complete round but I feel that the item that is under discussion, general purposes, can include so many things and this is why we can discuss so many things. A definition has been given of the items that appear under the General Purpose item of \$7 million to us but I have some questions in connection with it, and then also I would like to state as I have done on previous years that I really don't subscribe to bringing in more debt on the people of this province and this is what we are doing. We are calling for loans of \$310 million. This is almost as much as what the estimates call for and this is going to be a debt to the people of this province. This will have to be repaid and even the annual payments if we take the interest costs of today and the amount that we set aside to redeem this debt at a later date, this will mean that we have to set aside at least \$35 million. Now it won't come all from the Consolidated Fund. Some will come from hydro, some from telephone and so on, but it means that this \$310 million has to be paid for over a certain number of years together with interest. And most of these things will not bring us any immediate reward. I had hoped that if we are going to borrow the amounts that we do why not borrow some on behalf of the people of Manitoba and probably provide storage facilities for grain. I brought this to the attention of the House a number of times. The outlay wouldn't be too large and it would put about \$200 million in the hands of the farmers. I feel this would be something really worthwhile. This is something we should be considering, not just creating deadweight debt for the people of this province.

The Development Fund was mentioned and \$50 million is going to be allotted to them. I checked the journals from previous years -- I didn't have the one from '67 -- but in 1968 nothing was set aside for the Development Fund but in '66, \$50 million was also set aside or allocated to them that year. I don't know about the year '67 whether certain monies were voted for them as well at that time. But I feel that we should, if we're going to spend all this money that we should have considered something in the line for inland storage and that the farmers could have benefitted as a result from that. Because if nothing is done, if we're just letting things go and drift the way they are today, I maintain that a few years from now this government will own large tracts of land, farm land, through foreclosure or taking possession of lands from farmers to which the Manitoba Agricultural Credit Corporation has extended credit, because if they cannot make payments to their loans and if large scale extensions are not granted this means that somewhere along the line possession will have to take place by the government.

MR. CHERNIACK: Mr. Chairman, on a point of order. The honourable member is now talking about something that is not in the estimates at all and I really think if he's going to speak about the capital estimates he should stick to the point and finish them.

MR. FROESE: It's all right for the Honourable the Minister of Finance to call me to order when everyone else spoke about everything almost under the sun. But I'm quite willing

(MR. FROESE cont'd) . . . to discuss the matter of estimates and I did discuss the matter of capital requirements. I mentioned what the Legislature had voted in past years to the Development Fund. We have a sheet here before us which states that we are supposed to now agree to . . .

MR. CHERNIACK: Mr. Chairman, that item was passed.

MR. FROESE: . . . \$7 million for general purposes and I do not subscribe to the fact that we should just vote capital for any purpose whatever.

MR. CHAIRMAN: . . . too much discussion in the Chamber detracting from the member's comments. May I remind the member that we are dealing with the capital supply item and to keep his remarks to that as much as he can.

MR. FROESE: I think I had just about completed what I had to say anyway. But I had some questions in connection with the \$7 million item. I think the Minister stated earlier that some \$2 million was to be spent on composite high schools. Is that correct?

MR. CHERNIACK: . . . of a former item. It's not a new item.

MR. FROESE: Could he tell us where this money is going to be spent, on what schools? Is this in connection with the schools that have already been slated to go up and that have been announced by the government, or is this going to go toward schools that are still to be named, and where they will be located and so on. I think this is important to us because we have many areas in this province that would like to have technical schools in their localities, certainly southern Manitoba is one of them. We've been trying to get one for a number of years and I feel that we should have this knowledge as to where this money is going to be spent.

MR. CHERNIACK: Mr. Chairman, I'm sorry to inform the honourable member that if only the Member for Riel were in his seat he might be able to answer it but I don't know if he could at the moment. I repeat that this is a replacement of the equivalent authority passed last year and I am sure that the honourable member voted for it last year. I don't mean last session, I mean last year. Could we have the question, Mr. Chairman?

MR. CHAIRMAN: No. 9 -- The Member for Emerson.

MR. GIRARD: Mr. Chairman, just before the question I have one question I'd like to address to the Honourable Minister of Finance. It does regard the estimates I think. I would like to know if the supplement estimates that are going to be brought in later have bearing on each department. Do they have a bearing on each departmental estimate?

MR. CHERNIACK: Mr. Chairman, we're dealing with capital supply and he's now talking about general. I'll be glad to discuss it later but surely we needn't deal with it now. The answer is, not necessarily.

MR. CHAIRMAN: May we proceed? No. 9 - General Purposes \$7,000,000 -- passed.

MR. CHERNIACK: Committee rise and report.

MR. CHAIRMAN: Capital Supply -- yes, the Member for Ste. Rose.

MR. MOLGAT: Mr. Chairman, I don't want to drag on the discussion but the government has now approval for \$310 million of borrowing -- (Interjection) -- Yes -- and the formalities start to go through. Could the Minister indicate to us how much he intends to borrow in the coming year? How much, how many bonds, how much dollar value of bonds is the government actually going to float in the course of this fiscal year, that is to the 31st of March?

MR. CHERNIACK: I am informed by my department that we can expect about \$25 million for schools, we've just borrowed \$17 million for telephones, the hydro figure, I think I've already given of about \$107 million maximum, it could be less, and I am not informed of any more in the near future.

MR. MOLGAT: You expect then a borrowing in the course of the next, say seven months of something in the order of \$150 million?

MR. CHERNIACK: No, we've already borrowed 17 and that would be the maximum. The 150 would be the outside figure, insofar as I am informed by my department.

MR. CHAIRMAN: The Member for Rhineland.

MR. FROESE: Mr. Chairman, what about the \$50 million for the Development Fund? I thought that was so urgent.

MR. CHERNIACK: The question was asked about bonds. There are other forms of borrowing which would be taken care of. We've already mentioned the pension plan, Canada Pension Plan, and there are other forms. But the question was bonds.

MR. MOLGAT: When the Minister says "other forms" what does he have in mind? Is he talking about a savings bond?

MR. CHERNIACK: I've already informed the honourable member that we are considering a savings bond. We've not come anywhere near a decision on that.

MR. CHAIRMAN: Resolution -- passed. Committee rise. Call in the Speaker. Mr. Speaker, the Committee has passed one capital resolution and I wish to report the same.

IN SESSION

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

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

MR. CHERNIACK: Mr. Speaker, I beg to move, seconded by the Honourable the Attorney-General that the resolution reported from Committee of Supply be now read a second time and concurred in.

MR. SPEAKER presented the motion.

MR. CLERK: Resolved there be granted to Her Majesty a sum not exceeding \$310,800,000 for capital expenditures requirements:

1. The Manitoba Telephone System	\$ 17,000,000.00
2. The Manitoba Hydro-Electric Board	200,000,000.00
3. The Manitoba Water Supply Board	800,000.00
4. The Manitoba School Capital Financing Authority	25,000,000.00
5. The Manitoba Housing and Renewal Corporation	6,000,000.00
6. The Manitoba Development Fund	50,000,000.00
7. The University of Manitoba	2,000,000.00
8. The Manitoba Health Services Insurance Corporation	3,000,000.00
9. General Purposes	7,000,000.00

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

MR. CHERNIACK: Mr. Speaker, I beg to move, seconded by the Honourable Minister of Labour, that Mr. Speaker do now leave the Chair and the House resolve itself into a Committee to consider of Ways and Means for raising of the Supply to be granted to Her Majesty.

MR. 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 Elmwood in the Chair.

COMMITTEE OF SUPPLY

MR. CHAIRMAN: Resolved that towards making good certain sums of money for various capital purposes the sum of \$310,800,000 be granted out of Consolidated Fund. Committee report. Call in the Speaker. Mr. Speaker, the Committee has considered one resolution in capital and wishes to report the same.

IN SESSION

MR. DOERN: I move, seconded by the Honourable Minister of Mines and Natural Resources, that the report of the Committee be received.

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

MR. CHERNIACK: Mr. Speaker, I beg to move, seconded by the Honourable Minister of Youth and Education that the resolution reported from Committee of Ways and Means be now read a second time and concurred in.

MR. SPEAKER presented the motion

MR. CLERK: Resolved that towards making good certain sums of money for various capital purposes the sum of \$310,800,000 be granted out of Consolidated Funds.

1. The Manitoba Telephone System	\$ 17,000,000.00
2. The Manitoba Hydro-Electric Board	200,000,000.00
3. The Manitoba Water Supply Board	800,000.00
4. The Manitoba School Capital Financing Corporation	25,000,000.00
5. The Manitoba Housing and Renewal Corporation	6,000,000.00
6. The Manitoba Development Fund	50,000,000.00
7. The University of Manitoba	2,000,000.00
8. The Manitoba Health Services Insurance Corporation	3,000,000.00
9. General Purposes	7,000,000.00

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

MR. CHERNIACK introduced Bill No. 9, an Act to authorize the expenditure of monies for capital purposes and authorize the borrowing of the same.

MR. CHERNIACK: Mr. Speaker, I wonder if I could indicate that I would hope that tomorrow we can proceed with second reading of the bill and final passing if we have leave.

MR. PAULLEY: Mr. Speaker, the bill is now being distributed and then I would move, seconded by the Honourable Minister of Finance, that the House do now adjourn.

MR. JORGENSEN: Mr. Speaker, before the adjournment of the House I wonder if I might appeal to the House Leader that he ask his Cabinet colleagues to refrain from philibustering these estimates so that we can deal with them as expeditiously as possible.

MR. PAULLEY: I join my honourable friend from Morris.

MR. SPEAKER presented the motion and after a voice vote declared the motion carried and the House adjourned until 10:00 o'clock Friday morning.