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THE LEGISLATIVE ASSEMBLY OF MANITOBA
8:00 o'clock, Monday, March 20th, 1961.

MR. CHAIRMAN: Department XIV, Item 2.

MR. EVANS: Mr. Chairman, before we rose at the interval I was coming to a few remarks to illustrate the amount and kind of work that is being done by the department, which I think is probably something to discuss to reveal the amount of work that is being done by all these people. I'm going to read one or two, I think quite significant figures here which will be of interest to the committee. We had a pretty busy year last year on the whole, with the regular inquiries that come through the Industrial Development Branch. I count over 2500 businessmen received assistance of one kind or another. That's a lot of business men. A total of 635 firms from outside the province were provided with information regarding prospects for investment in one form or another in the province. Three hundred and eighty-five trade inquiries were handled by the department, which resulted in a number of Manitoba firms being appointed sales representatives for other firms, and in some instances it resulted in the establishment of new sales offices within the province. I think we must never forget in Manitoba the function that Manitoba, and particularly Winnipeg, has as a distributing centre. This was the great "raison d'etre" really for the founding of Winnipeg as a distribution and rail centre. We must never forget that function, because we have a large and prosperous distributing trade here. But it has a further result in many cases that once a trade is worked up, it's found possible to interest people in establishing branch factories out here, and that is the second step that we all desire.

One hundred and twenty-seven Manitoba firms were assisted in contacting firms interested in having their products manufactured under license in Manitoba, and as a result approximately 25 products now are in various stages of arrangement for manufacturing. We undertook a new policy in the department during the year, and that is, an organized program of service calls to the manufacturing industries in the province. And calls were made at no less than 736 plants in the province to draw to their attention the services that are offered by the department and to see their plants and to learn of the work that they are doing. And finally the Industrial Development Branch is selling Manitoba as a manufacturing location directly to industrial prospects in their own offices in Eastern Canada and the United States, with what we call a program of "face-to-face salesmanship". We go and call on these people just in the same spirit as a commercial organization goes and calls on them, and sells them on the practical money-making advantages of locating their plants here in the province. And this program has been pursued by a fair number of the senior representatives of the department, and so far as my time and limited talents have been of any use I have been trying to do it myself.

Now I have been able to report a certain amount of progress in the way of new plants being established, but I would like to run through a list of negotiations that are now classed as active negotiations on behalf of the province, designed to turn some of these salesmanship calls into actual factories. Now anyone who knows anything about running a sales force will know this, that the prospect who seemed so sure to buy something is the one who just doesn't do it, or doesn't sign on the dotted line, and all of a sudden you get a break and somebody else comes along and takes their place. Nevertheless, I can report a very substantial list of active negotiations which give us good hope, I think, that there will be further factories, and some of them quite significant ones, come to the province. I'm going to take the time, Mr. Chairman, to read these. They omit the names of the firms with which we are dealing, but they are actual cases, and the only thing that is omitted is the name. They are two major food-processing firms who are negotiating regarding food processing in frozen vegetables and instant potato flakes manufacturing. Another major Canadian food firm regarding the processing of Manitoba blueberries and strawberries. A U.S. firm regarding the manufacturing of seed cleaning equipment. A Canadian and United States firm regarding an additional kraft box container plant. A Canadian firm regarding new cold storage facilities in this province. A Canadian firm regarding the manufacturing of ceramics and dinnerware. A United States firm regarding the construction of a fertilizer plant in this province. A Canadian firm regarding a caustic soda and chlorine plant. A Canadian firm regarding new oil refining capacities. A United States firm regarding a glass container manufacturing plant. A Canadian firm regarding the manufacturing

(Mr. Evans, cont'd.) of laminated wood products. A United States firm regarding the manufacture of steel buildings. A Canadian firm regarding the manufacture of poultry and livestock feeds. A United States firm regarding the manufacture of aluminum door components and accessories. A United States firm regarding the prospects for the manufacture of fasteners and screws. A Canadian firm regarding a small tissue mill for napkins, moulded paper products, towels and so forth. Those are negotiations which are firm and definite, and we hope and believe they hold out some prospect of successful development.

But I'd like now to turn to the subject of trade development and to some extent to the subject of the possibilities of export trade department. We've had some discussion of this subject and the Leader of the Opposition says he doesn't believe there's any sense in holding trade conferences in Winnipeg. Well, I disagree with him. I think we have had good prospects developed for us here with regard to the trade conference that has already been held. And I would say that a very great majority of the Manitoba businessmen disagree with my friend across there on the practical possibilities of developing export trade for manufacturing firms in Manitoba. We had the conference here recently with Mr. Hees and his officials. It was a practical down to earth meeting between Manitoba businessmen on one side and the complete top echelon of the Department of Trade and Commerce in Ottawa, with the Minister, the Deputy Minister and six or eight of his top officials who came here and did two things: In the first place they conferred with us in the Department and we had some very good discussions with them and developed some plans, which I think will bear fruit during the next year, but at the luncheon itself they stayed until after three o'clock and discussed with Manitoba businessmen the prospects of getting into the export business. The subjects discussed were selling manufactured products in the United States; exploring new regulations regarding accelerated capital cost allowances; details of guaranteed loans for small businesses; opportunities for export; opportunities to sell in the United Kingdom; tariff classification; new functions of the Industrial Design Council, and the purpose of the new Productivity Council. Well I don't know whether most people in Manitoba know the extent to which Manitoba firms are now in the export business. I would say this, that it surprised me when I found the kinds of things that are being exported successfully by manufacturing firms in Manitoba, and I have a list here of some examples, and they are examples only, and they're chosen to show the variety of goods that do find their way into export markets from Manitoba. The first is high style ski slacks and coveralls, manufactured by the Armour Clothing and Manufacturing Company Limited and they're sold in New York, California and the mid-west; curling brooms by the Atlas Brush Limited -- they're sold in Chicago; scintillation phosphores for testing laboratories, manufactured by the Nuclear Enterprises Limited and sold pretty well throughout the United States. Lamps and figurines by Cahane of Canada, sold in the Chicago area. Switches and relays for street lighting by the Pioneer Electric Company of Brandon Limited, sold in the United Kingdom and Sweden. Curling and bulky knit sweaters by the Knit-Rite Milles Limited in the Chicago area. Woolen sport shirts, Gerhard Kennedy of Canada Limited, in the Chicago area. Diamond drill bits, the Delro Industries Limited, sold in Chile, Greece, Peru, South Africa and Argentina. Dry materials handling equipment, Kipp Kelly Limited, sold to various countries throughout the world. Non-ferrous castings by Winnipeg Brass Limited, sold in the Netherlands. Self-propelled swathers by the Killbery Industries Limited, sold in South Africa, Holland, Spain, Egypt and Australia, and the white clover honey and buckwheat honey by the Manitoba Honey Co-op Producers Limited sold in the United Kingdom and the United States. Those are examples chosen from a list which -- I think this list is representative of the kind of export business that is now being done. It proves that it's practical; it proves, in my opinion, that it's worth reinforcing and seeing what we can do to help.

Now I suppose the function of the Agent-General in London was first conceived to be that of attracting factories to come and establish in Manitoba or attracting capital to come and invest here, and this remains probably one of his prime functions, but more and more he is coming to assist Manitoba firms with their own business contacts in London, and many of these have to do with the opportunities for export markets in the United Kingdom and in other parts of Europe. Manitoba businessmen are using the Agent-General in London more and more, and we will continue to help with contacts or with whatever assistance we can when Manitoba businessmen visit the United Kingdom.

(Mr. Evans, cont'd.) Well I should mention here, I think, that the business conference, the Export Conference in Winnipeg, with Mr. Hees and his officials, was really the outcome of a visit which we paid, myself and my officials, to Mr. Hees and his staff in Ottawa in January of this year when we laid before Mr. Hees a program of eleven points that we thought his department and other departments could assist Manitoba in our drive to develop more western industry. I found a very ready response on the part of the Department of Trade and Commerce in Ottawa to this proposition, that it would be in the interest of Canada as a whole to see a greater degree of industrial development in Western Canada to help to replace some of the agricultural markets and some of the agricultural employment, and so we laid before him a program of eleven points, very largely designed to do two things; to help balance our international accounts and our international balances of payment, by increasing Canada's export and by increasing the manufacture of goods in Canada which could replace goods now being imported. We think that the western Canadian industry offers special opportunities for development because it is less highly developed in this part of the country than in some other parts, and that good results are possible from that kind of development, but there are some special problems, and we ask Federal assistance to help us to overcome some of the special problems that we have here. I'd like to run over these eleven points just briefly to illustrate that it is a practical program that we are asking for, and I may say that while we have not been able to have further discussions yet, these proposals were received in a spirit that assures me, at least, that progress will be made and that assistance will be forthcoming on many of these points, if not all of them.

Well the first thing we asked for was for the Federal Department to undertake a Regional Market Study or series of studies in the United States, with the first one to be in the mid-west, which is the area in which we would find our most natural market. We asked that their officials go into this area, study the kinds of goods that are being sold at retail and the kinds of goods that might well be manufactured in this country, finding out not only what we might sell, but if we're not selling in those markets now, why not? Is it style? Is it price? Is it the kind of goods? Is it our trade terms? What are the reasons? We believe that the federal department is far better able to do this than a provincial department or series of provincial departments, very likely for the reason that they have the prestige and the standing to do it, and if they do it in the name of Canada, I think they can make a more effective series of regional studies than one province after another attempting to do the same thing.

Next, we asked him to consider opening a Winnipeg Regional Office of the Federal Department of Trade and Commerce here, with a senior trade commissioner in charge, with the object of giving practical advice to people selling in the American market or in any other export market. This is particularly necessary here, I think, because so many of our firms are comparatively small, and they haven't to a certain extent the finances or, in other cases, they haven't the personnel to spend the same kind of time to go down East and discuss matters with the department there as some of the bigger firms have.

The third item we asked was to stimulate the manufacturing of import replacements in Canada. We asked them to undertake an analysis of imports into Canada to discover the kinds of goods that are being brought in now, and isolate from those the kinds of things that might well be manufactured in Canada, and to study in that connection any possible tax incentives that might be given to firms to undertake this class of manufacture. We asked them to encourage exports, both for new firms and firms already in business who have not been in the export field, and we asked that they consider such measures as the following: tax concessions, depreciation allowances, export credits and technical assistance. In the matter of export promotion we think that the policy can well be undertaken by the Dominion because many countries make it a matter of national policy to encourage exports and to support export firms. We believe that the Federal Government can do a good deal by advertising and promotion in foreign markets to make the label, "made in Canada" a guarantee of quality, a guarantee of attractive goods, and a guarantee of fair dealing, and we believe that the Federal Government can do a good deal to promote these objects.

Then we spent a good deal of time discussing the question of the further processing of agricultural products for export. We believe that the best markets can be developed in this country by supporting the choice and fancy quality goods and making sure that we have high

(Mr. Evans, cont'd.) . . . standards of manufacture, of packaging and of cleaning and handling in all ways, and then to try to secure extra markets for these things abroad. I have been surprised to see some of the prices that are achieved by agricultural products in these specialty markets. I picked up a magazine one time and saw -- I think it was Holiday Magazine -- at Christmas time they were offering 16 -- (Interjection)-- no, not candy grasshoppers, though I have seen that kind of thing; my stomach doesn't really allow me to contemplate that for very long -- but I saw a package of sixteen 6-ounce steaks for \$33.00, and when I worked that out, it was something in the neighbourhood of \$5.00 a pound. Well if you can get that kind of prices in an export market you can jump over any kind of a tariff. I saw smoked turkeys being offered in the United States for \$1.75 a pound; smoked chickens in something of about the same order. Well I am sure that with the kind of livestock we grow here, and with our new developing ability to process these things and to maintain them to a high standard, that we can enter and capture some portion of those markets and gradually expand it for high quality, choice and fancy quality processed agricultural foods. It would begin in a comparatively small way, but I am satisfied also that it could grow. I believe, for example, that this new process that has been developed by the Riediger Brothers out at Morden for eviscerating geese and putting it on the market -- the first time that it has been done in Canada, and I saw it in its early stages; this turns out an excellent product that's finding a very rapid expansion of its markets -- I believe a market for a product like that which is, if not unique, is certainly unusual, could well be developed and could be a very profitable one for those concerned in it.

We asked further practical assistance for provincial government industrial development agencies on the part of the Federal department. There are opportunities, and a good many of them, for further development programs within the province and that we can use almost any amount of help out here to study some of the opportunities that we have. We asked that they make personnel available to -- either under their own auspices or to assist our own staff here. We believe that more information and statistics should be prepared, particularly with reference to the provincial markets. There is a good deal of information that is supplied now only on an economic area basis, the economic areas, say, being British Columbia and the Prairie Region and Central Canada and the Maritimes and so on. We believe that there is a good opportunity for developing further information broken down into finer classifications, both as to the goods themselves, and I think very largely now of imports and exports and manufacturing statistics which can be cut down to a smaller regional basis and a smaller classification.

We think there is a great opportunity for developing a better use of our particular kinds of forests here, and the Columbia Hardboard illustration shows what can be done with development work of that kind. It seems to be a fact that a good deal of the specifications of timber for construction purposes are based on standards that are, say, based on Douglas fir from British Columbia, and that some of our own local woods are not mentioned in these particular tables of standards, so that when people who are designing plans, or people who are constructing something come to consult the tables in the standards which tell them what size of timber and what size and shape of timber should be used for a particular purpose, they don't find our particular kinds of woods mentioned there, and so they neglect to specify them or they are not able to. We believe that a further study can be made along this line to develop the equivalents in terms of our own jack pine and poplar and other woods for certain purposes which can make a great utilization of our own forest products here. We believe that new markets can and should be found, and new uses for our own kinds of woods. We think it's important to reduce our costs of production in this province by the latest logging and handling methods, and we've already begun, or the Department of Mines and Natural Resources has already begun the job of bringing further instruction to the people in the woods and those who are running small sawmills to help them turn out a better quality product. We know here, as in so many other cases, that we must reduce the cost of transportation, and we believe that there are other and new kinds of forest industries that can be attracted to the province.

Then we discussed very fully with the Department of Trade and Commerce, how can we reduce the cost in northern Manitoba? And this I may say is a leading object of policy as far as this government is concerned and as far as the Department of Industry and Commerce is concerned, is to reduce northern costs. Here again transportation is of prime importance.

(Mr. Evans, cont'd.) Then there are questions of the techniques of production, new and different ways of handling the kinds of production that can come out of the north, all the way from fishing and forestry to mines and the products of the mines. We believe that the problem of heat, of creating heat in the north from whatever fuels there are, or to bring in the cheapest kind of fuel to the north will be one that should engage our attention and on which we could profit from technical assistance such as is available in Ottawa and we don't seem to have here. There are the questions of power, power development and power transmission to enable us to get closer and closer to some of the more remote sources of hydro power on the Nelson River, because we mustn't forget that of the four million horsepower that we have in the province, some three million or more is on the Nelson River. And then there is the whole field of reducing personal living costs in the north so that we are able to reduce the costs of production. In a specialized field we want to see more tourist goods produced in the province, tourist goods with a distinctive Manitoba flavour, a distinctive Manitoba design, and including, of course, a proper set of souvenirs that truly represent the province and indeed are manufactured here. And finally and certainly not least, we think that the Ottawa department can bring to us and help us to get a kind of assistance that is not available here, such assistance as is rendered by the National Research Council and the National Industrial Design Council. Such assistance I speak of as would help us with processes which may have to be adapted for use in this province and adapted for use in our particular raw materials, and also to produce goods of a distinctive design which will find their own markets.

Well, all of these eleven things, and I'm afraid it was a lengthy list, but I did want to lay it before the committee for their information, all of these things were discussed in Ottawa first, were discussed again between their officials and ours after we got back here, and discussions are continuing. We think that good results will come from this conference, and at the moment we're not able to report in concrete detail the kind of results that have been achieved, but we are certain that as the months go on we will in fact see practical results following from this conference.

MR. GRAY: Mr. Chairman, the last half hour, at least I have learned a lot of what the Honourable Minister told us about the possibilities, the prospects, the future, with great interest, and I wish to congratulate him on his very able way, and straight forward, he has given us all this information. I arose for another purpose. Years ago the Honourable Minister of Agriculture also carried the portfolio of Agriculture and Immigration. I would like to know who is responsible for the portfolio of Immigration? The reason that I want to know has a connection with the Minister of Industry's very long and interesting report on the industries that may or may not come here. Nowadays when you mention immigration, the people get scared. When we have so many unemployed, why worry about immigration? So I do not want to have this subject here for perpetuity. I feel that in all your reports that you have given us tonight and before dinner, of many industries that came here and brought here by immigrants who came here to Canada with money, with ideas and with initiation. Now, I feel, being a friend and a supporter of the immigrants, realizing that Canada today consists probably of 60 or 70 percent immigrants and the other 30 percent came here before an immigrant was known, but let them not think when we talk about immigration here, and there has to be immigration to Canada, if not today, maybe tomorrow. We still have a lot of land for exploitation; we still have a lot of homesteads; we still have a lot of possibilities of industries and the words immigration or immigrants or newcomers have not been mentioned at all. So firstly I'd like to know, who in the government is responsible for immigration today? Because the portfolio was taken away from the Minister of Agriculture. Secondly, we have considerable acreage of land that could still be settled and there are settlers from all over the world quite anxious to come to Canada and settle them, and many of them with a lot of capital and they want to come here and settle in Canada, either on the land or in industry or in anything else. So I would like to suggest to the Minister not to forget that Manitoba and Canada, in particular Manitoba, there is still room for immigration either in industry or in commercial ways or on the farm. So I feel that it was my duty to remember the Minister, whoever he may be, the Minister of Immigration -- in this particular case I look at the Minister of Industry; I think perhaps he talks so much about new industries. I do not want in this House this subject to be forgotten, because after all, Canada is still young and still unpopulated, and proper immigration

(Mr. Gray, cont'd.) and the right class of immigration is still necessary, and there is no fear of anyone losing a job because the doors of Canada will open up on all these classes which I have just mentioned.

MR. PAULLEY: Mr. Chairman, I listened with interest, to the Minister as he was going over the status quo between the Honourable George Hees and the Minister of Industry here in the Province of Manitoba. It was very interesting. I don't know whether it's a new departure. I don't know whether the Minister of Industry and Commerce in the previous administration ever had any consultations with the occupant at that time in Ottawa, but I presume that actually this would be a continuing affair in any case, no matter who was here and who were at Ottawa, in the interests of both, I'm sure, that the spirit of co-operation must prevail. I was very interested to hear the Minister list a number of firms which apparently have feelers out for the possibility of locating here in the province, or that the department have toward the companies that they may come here. I notice that while the Minister was listing them without naming them insofar as the various corporations are concerned, and I can understand that because of negotiations possibly taking place, I noted that there was a considerable number of firms from our sister nation to the south that was listed. I hope and trust that with these firms, if they are to locate here in the Province of Manitoba, coming from the United States, that they don't simply come here as assembly firms with the base components of the products being manufactured across the line. I hope and trust that if there are further investments of capital from across the line coming into Manitoba or into Canada, that they're for the principal purpose of establishing secondary industries and not merely assembly units of which we have so many here in the province and in Canada at the present time.

Now then, I'd also like to ask the Minister, if he can, to tell us of the list of firms that he gave us, how many of these firms will be new firms or bringing in a new industry into the province. Will they, or are they in the main just additional firms to the type of firm that we have here in the province at the present time? I think this is very, very vital because at the present time with the number of unemployed which we have here, I'm wondering whether or not the department are looking on a firm coming into the province without looking first of all insofar as how the situation in regard to a similar firm or industry is in the province at the present time. Because we're all well aware of the fact that there are many firms, particularly small manufacturing firms, here in the province in which the employees are working short time or that there are a considerable number of their staff unemployed at the present time. Now, my colleague from Kildonan, this afternoon mentioned the terrible word, in this Assembly, of window dressing. I certainly hope that the Minister this evening has not at least given some basis for his expression at that time. Because as much as I'm desirous, too, of having industries locate here in the Province of Manitoba, and indeed we are, but unless there's a thorough investigation of the firms to see that there will not be a further displacement of manpower in the firms that we have here now, and a thorough investigation to see that they're just not merely duplication, particularly with firms coming from out of the country to firms that we have here at the present time. We continuously talk about the growth and how our small firms grow to be big firms. I suggest that it's necessary for a thorough investigation, so that there isn't competition of a similar nature to our small firms which will present them from expanding in their field, and I trust and hope that the department is doing this. I would like to hear from the Minister in this regard. Also

MR. CAMPBELL:advocating protection?

MR. PAULLEY: No, I'm not advocating protection in the sense that my friend usually does. All I'm trying to do is stabilize employment and industry in the province and not simply having additional firms come in here so that the department can say, "Well, we got in another two or three firms into the province," which might be detrimental. Further to that, just before the committee rose at 5:30, the Minister may not have been able to get the information I asked for, but if you recall, Mr. Chairman, I asked him of the 51 industries that had been listed as starting out in 1960, how many jobs were available or how many people are being employed in these industries. I don't know -- he didn't answer at the outset. I don't know if he has the information.

MR. S. PETERS (Elmwood): Mr. Chairman, I was interested to note the Minister said that they're opening up a new -- or building a new custom killing plant in the province,

(Mr. Peters, cont'd.) and that there'd be 35 jobs created. That would be find and dandy, but in my opinion, Mr. Chairman, I don't think they'll create jobs. We have in the area where that plant is going up a half a dozen beef-slaughtering plants and I don't think that this custom killing plant will create new jobs. It will probably put these other smaller places such as St. Boniface and Public and Farmers out of business. One other thing that wasn't mentioned, and I think the Minister knows about it -- I've spoken to him about it -- is we talk about our farmers being in sorry straits -- the comes down. And yet I made a check the other day. At first I went just to one large chain store, then I went to another one, and to my amazement, Mr. Chairman, every one of those chain stores are selling American cut-up chickens. Now, surely with the plight that the farmers are in in this province, surely they could produce enough chickens to keep all the chicken plants going that we have here in this province without us going to the United States, all the way down to Trussville, Alabama; Chicago, Illinois; and St. Paul, Minnesota. I think that the Minister might ask his department in Ottawa when they're down there checking for new trade and everything, to check into why we are getting this American product into this province.

MR. SCHREYER: Mr. Chairman, I asked the Minister before 5:30 if he could inform us as to how many of the 51 new industries locating in this province, how many of them would be or are contemplating locating outside of the Metro area. Could the Minister give us that information, along with an approximation of the number of employment opportunities that this might involve, outside the Metro area.

MR. HAWRYLUK: I was very much amazed, and appreciate the survey that was made by the Honourable Minister this afternoon and this evening. There is no doubt that the Honourable Minister when chosen as the Minister of his department has made endeavours in the past few years of fulfilling some of his far-fetched dreams of bringing some of this into reality and the facts in the book possibly prove it. You mentioned this afternoon that we have a total of 104 industries in Manitoba established in '59 and '60 and I believe there is a total so far of approximately 1,100 jobs for '59 and '60. It's very gratifying and no doubt it's a kind of a thing that, particularly in rural Manitoba, we should have these industries established. What I'm interested in is, have we had many business ventures in the past, whether of old or new ventures, finding it difficult to stay on even footing; whether we've had any bankruptcies of old established firms -- I'm thinking of one right now, Supercrete Limited of St. Boniface which had a very reputable reputation, is having difficulty, and I'm also interested in whether the distillery that was mentioned a year or so ago is still a possibility. I think there was some mention that you were making that it was the intention of having it built in the Town of Minnedosa, and I think that about covers my questions at the present time except that on checking the list here I notice that these various plant visits, that several hundred visits have been made to some of the establishments in Greater Winnipeg. I wondered.

MR. EVANS: Not only here in Winnipeg but elsewhere as well.

MR. HAWRYLUK: Yes but what I am trying to say, Sir, is this, is there any possibility or has any consideration been given to include some high school students in these ventures to visit some of these plants where they can handle a small group of seeing what actually is being done, because I think it would be most interesting for a lot of the high school students and some junior high school students to take part in seeing the kind of work and kind of manufacturing that is done in Greater Winnipeg?

MR. EVANS: Mr. Chairman, my honourable friend from Inkster asks who is responsible for immigration? I think that operation was always confined to immigration of farm labour and it was put under the Agriculture Department in those days. There is no deliberate program at the moment, so far as I am aware, of attracting immigration. Now I agree with him in what he says about there being skills and ability and talents that can be attracted to this country from the outside, and we're very interested in having them, and when an opportunity arises to put forward the industrial production of the province by bringing in people with that kind of knowledge, skill and background, and/or capital, I shall be very much in favour of it. At the moment I have no plans for a general policy of immigration even of industrially-trained people.

The Leader of the CCF Party asks whether these firms that I mentioned in the list are going to be new firms and create new products, or are they just going to be the same ones

(Mr. Evans, cont'd.) . . . that -- firms operating in the same field that are already covered within the province. Well I can say this, that the same services, and perhaps even more, are available to our own people here for the expansion of their businesses or seeking new markets and for stimulating their business. We don't neglect them by any means, and any firm that is here now and that wants to expand and wants any assistance that the department is in a position to offer them, they are certainly -- I was going to say equal to the others; I was going to say they would have a preferred position, because we believe in keeping what we have now and trying to make it prosperous. But I think the best test as to whether there's an opportunity for a new firm to come in here or not, is whether they think they can make some money or not, and if they come in and can see a profitable operation here, make their investments and think it's secure enough, it's a pretty good test that the market will offer them the opportunity. Now, running over the list that I mentioned: here we have -- I think my first item dealt with two major food-processing firms, regarding food processing and frozen vegetables. I don't think there's any question that, as my honourable friend from the Department of Agriculture said in his estimates, one of the big developments in Manitoba will be the growing of vegetables. We import vegetables here now -- I saw carloads of vegetables being imported from Ontario to Portage la Prairie for their use there in the Campbell Soup Factory -- (Interjection) -- and Cuban tomatoes are coming in. They didn't happen to be frozen or processed but it's an item -- (Interjection) -- yes, well they think they would have done better if they had been frozen before they arrived. I don't think you can freeze tomatoes in that way. However, there is a growing business here in the way of vegetable processing and I am convinced vegetable freezing, either to be sold in the frozen state or later processed into, generally, soups or canned vegetables.

The next item was a major Canadian food firm regarding the processing of Manitoba blueberries and strawberries. I think there is no firm here doing this in that way and so there would be no competition. A United States firm regarding the manufacture of seed cleaning equipment. I haven't the information on that one. An additional kraft box container plant. I know the circumstances of this one, and I believe that sufficient market can be provided that is now being provided from elsewhere in Canada, to make a new plant a going concern here a profitable operation -- (Interjection) -- It's a Canadian and a United States firm. It's, I suppose, the United States firm essentially that has a branch in Canada. Then there's a Canadian firm regarding cold storage facilities in the province. This I think again will tie in to the new trend toward frozen vegetables and frozen foods. The manufacture of ceramics and dinnerware; as far as I'm aware there's no competing industry here now, and so it goes. A fertilizer plant -- certainly I'm not aware whether we have a major fertilizer plant here, probably we have. This might very well then afford competition for them; I don't know. We have no caustic soda and chlorine plants. The oil refining capacity I think is intended for an area where it would be a saving to the people concerned to have it manufactured there out of crude oil rather than to have it imported in the refined state. A glass container manufacturing plant; I think there is none in the province. Manufacture of laminated wood products; I don't think this refers to -- what do you call the kind of -- plywood. I don't think it refers to plywood. I think it refers to a different kind of laminated wood product. And so on down the list. I think we're going to manufacture steel buildings; I don't think there's any firm here manufacturing steel buildings.

MR. PAULLEY: Westeel?

MR. EVANS: They're making buildings? Then there is competition there if it turns out to be the same class of building.

MR. PAULLEY: Yes, well it depends on that, of course.

MR. EVANS: And so on. Here are fasteners and screws and small tissues for napkins, molded paper products and towels, etcetera. I would say running over that list again, Mr. Chairman, that a very considerable proportion of them are firms manufacturing things not in direct competition with our present manufacture, and indeed I would believe that even among the others you'd find special additions and new products coming in which are not made now.

Now my honourable friend asked for information concerning the number of jobs in the new manufacturing plants. Here we have the 51 new manufacturing plants; the new jobs were

(Mr. Evans, cont'd.) stated to be 708, and the people actually at work in the new plants that were announced for 1960 are 532, leaving a difference of 176. But looking back to the previous year, 1959, we find that new jobs were created last year for 434 people, of which only 297 were filled in that year, and so this year 137 new jobs have been found in those factories for new manufacturing concerns, or in new manufacturing concerns, that were announced last year. We do not announce the firm twice. It's assigned either to 1959 or to 1960, and so if we have a carry-over of, as it were, unfilled jobs to go into 1961, then we're entitled to claim some credit for the jobs that were created the previous year that would be filled this year. I think that gives my honourable friend a little measure of the number of jobs that have actually been filled.

Now I would like to answer my honourable friend the Leader of the Opposition. The Catelli Food Products Limited closed their macaroni operations in Winnipeg in 1950. The question regarding the potato industry which I think was from my honourable friend also. The Leader of the Opposition asked how the new potato-processing plants were progressing. In our opinion the outlook for potato-processing in this province is very bright. Increased processing of Manitoba potatoes into french fries, instant potatoes, potato chips and frozen french fried potatoes will strengthen the potato industry in the province. We believe the province is well on the way to becoming the major potato-processing centre of Canada. Our new potato industries have encountered temporary difficulties in the past two years. In 1959 we had non-seasonal heavy snowfall which resulted in substantial crop loss. In October of that year the western part of the province had some 30 inches of snow almost overnight. In 1960 I'm afraid, because of the previous experience, many of our farmers were hasty in harvesting, and this adversely affected the yield. In addition, we have encountered low prices this year because of high production in other areas of Canada. These problems are temporary and we're satisfied that with good management and with increased opportunity to market our potatoes to Manitoba processing plants, the industry should show satisfactory results and progress.

My honourable friend from Brokenhead, I think it was, asked about the number of industries as between rural and urban. Of the 51, 16, or 32 percent, were established in rural Manitoba and in the Metropolitan area the remainder 35, or 68 percent of the 51 plants in question. I was not aware of the part of your question which dealt with the number of employees distributed between those two. I regret that I haven't got that information at hand.

Then with regard to my honourable friend from Inkster perhaps I can reply to his question later on with regard to the tourist industry.

My honourable friend from Burrows asked me questions about bankruptcies, and I think if my memory serves me we put in a return to a question quite early in this session about the number of bankruptcies. It is, in fact I think, not a Manitoba Act; it is not under the administration certainly of my department. It's a statistic that could well be obtained and I think we obtained it and read it onto the record, and I remember it because it dealt in having so many envelopes or pockets or something of the sort.

MR. PAULLEY: one day I forget but I've got an idea that

MR. EVANS: I think so. It was even before that snowstorm of questions that came along, and if my honourable friend doesn't get the information from Hansard or from the returns that you would have in the committee rooms, if you would be good enough to ask me again I'll try to find it for you.

The distillery was a very great disappointment to me. We were at the point of closing so often; --(Interjection) -- well, I appreciate good whiskey and I would be very glad to have a good high quality product available to me at almost any time, but with regard to this distillery we thought we had them at the point of closing a number of times. I might say that it was this disappointing, that we met in New York City with Mr. Ableson, the President of the Barton Distilling Company, that's the company in question, and we spent the morning with him going over the details. We had lunch. We were to meet him again at 3:00 o'clock in the afternoon because he expected some papers by mail from Chicago, and we phoned him to see if they had come and he said, "I have decided not to sign now but I'm going over to a trip to Scotland and back before I sign." Well, I don't know what happened to him in Scotland but he got back and the contract was never signed.

I must pay tribute to the people of Minnedosa for the amount of work they put into this,

(Mr. Evans, cont'd.) for the amount of time and money that they expended on this project. They did good, hard, intelligent promotion to get this industry for their town, and it was a bitter disappointment to them. It was a sharp disappointment to the department and to the province, not only because of the product -- and there's nothing wrong with the product -- but because it was going to provide a good market for some further agricultural products up in that part of the country. I forget now; it was a good many tens of thousands of bushels of corn which the Department of Agriculture had developed and which the company officials found satisfactory. There was to be a new cash crop for farmers. They were going to take the mash, or whatever it is, that comes out of a distillery and feed it to livestock and have the livestock marketed down in Winnipeg. And it was going to be a good boost to the general economy of that area up there, and I must say we were disappointed. We have not at the moment an active prospect to take the place of the company that did not come into the province.

With regard to industrial visits, I would be inclined to think that the kind of visits that our representatives make would not be suitable nor particularly entertaining for high school students. This is a practical technical discussion between our people outlining the services that we can perform, asking for the problems that they have in management or in technical affairs, and trying to see whether or not there's any opportunity for us to help them. Nevertheless, visits by students and high school students to industry, I think, is a splendid idea, a splendid idea. I think it gives an opportunity for them to learn something, take an interest in their problems, perhaps find the kind of work here in Manitoba that they didn't know existed, that would interest them. And certainly if there are any services that we can perform for high schools in making arrangements for them to see factories, we would regard that as -- we would like to do it.

I hope those are all of the questions that I was asked. Oh yes, my honourable friend with regard to his cut-up chicken. Well, this comes under the head of trying to manufacture import replacement goods. This is one of the objects of our discussion with the Ottawa people. I know my honourable friend from Elmwood has spoken to me about this on two separate occasions; one was chicken cut-ups, and the other, I believe, was frozen hamburger patties, or something as such. Well, it's not readily apparent to me why our people here can't compete to such good effect that those other goods can't come from -- they can come from that distance and pay the freight, and I don't know whether there's any tariff or not. It, I would say, opens an opportunity wide for anyone in the meat-packing business to say, "Here's a market we're not filling; it's right at home; let's go get it." That's good, open competition. Now, if there are any conditions that would enable our people to help anyone get into that kind of competition and take this home market, I'd like to hear about it and we'd do our best to help them.

MR. PETERS: Mr. Chairman, that we have all kinds of chicken-killing plants right here in the province. You've got them all over the place; you've got a half a dozen in the City; you've got them out at Pembina; you've got them in Niverville and all over the place. My point is this, that something is wrong some place that the farmers aren't producing these chickens to keep these chicken plants operating at full speed.

MR. PETER WAGNER (Fisher): I believe my Leader asked that same question, but I heard the Minister state that a number of United States firms are going to open up their business, and I wonder -- I don't want to be greedy or selfish, but I wonder, what is the cause? Wasn't there any Canadian firms that would take over such a business that it has to be from the United States?

MR. EVANS: That's a difficult question to answer. I think, generally speaking, when you can interest a first class firm to come in that has the management qualifications and the money, and is willing to take the risk, it isn't a question of choosing among them as to which you will have, but to chase after them until you get them before somebody else does. And I'll go further than that, I'll say this, that I see nothing wrong whatever with having American capital and American management come in here so long as they employ Canadians and use Canadian raw materials, and serve the Canadian markets, and serve the Canadian export markets. That is to say, as long as there is no tendency to say, "Well, we will service the export market from our American plant but leave the Canadian market only with their own domestic demands." I think we must welcome American capital and management here. We have so many outstanding examples of benefits -- the southeast Manitoba operations with the Columbia Hard-

(Mr. Evans, cont'd.).... board Plant as a case in point. That's been a great benefit to the province and I personally welcome them -- welcome that kind of development within the province. We have had no opportunity then to consider the problem my honourable friend raises as to whether if two equally good opportunities arose to have a factory come in here, one Canadian and one American -- we have not had to face that problem. I think if there was substantial advantage in one direction or the other we would have to think of the good that can be done to the Manitoba economy and welcome whichever was the better opportunity to come in.

MR. A. E. WRIGHT (Seven Oaks): Mr. Chairman, could the Minister tell us why the Catelli people ceased operations here in 1950? I would be interested to know.

MR. EVANS: I'm so sorry, I missed that question.

MR. WRIGHT: Could you tell us why the Catelli people ceased operations in Manitoba in 1950?

MR. EVANS: No, I could not answer that question. I don't know, definitely.

MR. WRIGHT: I'm wondering, Mr. Chairman, if it had anything to do with the 1950 flood.

MR. EVANS: I'm not aware. I don't know.

MR. SCHREYER: Mr. Chairman, I have several questions on the Arthur D. Little Company. Shall I raise them here or at another item?

MR. EVANS: I think it would be very suitable here.

MR. SCHREYER: Well, Mr. Chairman, obviously consultive or economic survey firms -- the province doesn't engage them by way of tenders. I'd like to know on what basis the provincial authorities have in the past engaged the services of the A. D. L. Company over that of any other company that might be doing similar work. Then too, Mr. Chairman, I'm wondering why in view of the distance -- headquarters of the Arthur D. Little Company -- why they've been engaged in the past to undertake studies which I think could have been undertaken by local firms at a much more reasonable price or cost. For example, a study of the opportunities for alfalfa dehydration; opportunities for the manufacture of gelatin. It seems to me a study of market potentials or economic feasibility of manufacture of such products doesn't require the services of an old reputable firm that might be charging more for its services. I'd like the Minister to give us a broad outline as to the basis upon which an economic survey firm is retained by the province. The other question, Mr. Chairman, is this: arising out of the Order for Return or question of the Minister rather, I'm informed in the reply that the Arthur D. Little Company has undertaken studies ranging in two broad categories; one, the first category is the type of study which is outlined and printed and made available on a general basis to prospective investors. The other, the second category of studies which they undertook, was of a nature in which they gave a report on a confidential basis, and I'd like to know -- the list of studies doesn't seem to indicate much of a difference, and I'd like to know why one is of the confidential nature and the other one not. Has the Minister got that? Thank you, Mr. Chairman.

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

MR. EVANS: Mr. Chairman, why Arthur D. Little? I think, two things: one, that almost beyond question they are the most diversified best-equipped research organization, at least in my opinion, in the North American continent. I've been through their plant. It's a huge factory-like affair where there are some 300 senior scientists that work at all times. They began in the chemical field, and as chemical engineers or in any manufacturing process or manufacturing industry that requires a knowledge of chemistry I think it would be generally admitted that they are the leading firm. Then we went through laboratories in every field, I'm sure, of scientific testing and research. We saw a pilot plant for direct reduction of iron ore into iron and steel. Quite a sizeable little operation. I think the foundry would have filled half this Chamber just as an experiment with a process. We even went through one laboratory where you could smell any kind of a smell that you wanted. They had it there in a bottle, and you could sniff anything from the flowers to the smell of beer too. They actually had a bottle with the scent of skunk in it, and I declined the opportunity that they offered me to smell it. However, not to be too facetious about it, they have, then, at hand also a very great advantage in being next door to and almost associated with the Massachusetts Institute of Technology. I believe, although I'm not quite sure of this, I believe Mr. Little himself was at one time in

(Mr. Evans, cont'd.)....the Institute of Technology, but the Arthur D. Little Company began in close association with the Institute and has continued then with them. And on so many technical problems that arise they find they're well able to get the kind of scientific advice they need from the Massachusetts Institute of Technology. Then their new research building, as they call it, is at some distance then from the head office site, and we go there. Now, they have a second advantage and that is their worldwide operations and connections. And they are able to find a parallel solution to a problem from some part of the world with new and interesting sidelights. They are able to offer advice on export markets that a firm without their wide connection is not able to do in the same way. Well, all that seems like an argument for continuing in perpetuity with them. We don't believe in that either, and I think it may perhaps have appeared from the list that I read -- I wonder if my honourable friend was here, he probably was -- of the other research firms that we are using. And we make it a policy of trying to discover Canadian firms which are able to perform these duties, and at least investigate the possibilities. I think there is no possibility of calling tenders or entering into a competition as to who will be the successful firm. The Arthur D. Little firm was chosen, and I think wisely so, by our predecessors in office. They are an outstanding consultation firm and I would say that that is the main reason that they have been chosen.

Now with respect to -- did my honourable friend ask for information with respect to the return? I think that was provided for you in a return, was it not, of the fees that were paid to them? Then, too, there's the difference between a confidential report and one that is not. They might indeed be on pretty well the same subject. We have had a general report on opportunities for a pulp and paper mill in northern Manitoba, but at various times when we've come into negotiation with either a finance group or say a management group who might be considering the establishment of a pulp and paper mill in northern Manitoba we take their particular situation and give them a confidential report on how their operations could be dovetailed with a Manitoba pulp and paper mill in the north. That information, of necessity, is based on confidential information in the hands of the management group or of the capital people, and discusses certain items of cost that should not be made public. I'd say that that was the main difference; that one is tied to a definite negotiation or opportunity that's available to a particular firm and the publishing of it would either reveal our bargaining position on the one side or, on the other side, it would reveal confidential information on the part of some other company, and it belongs to another company.

.....Continued next page.

MR. GUTTORMSON: Mr. Chairman, two years ago I suggested to the Minister about the possibilities of a fish processing plant and cannery in the Interlake to make use of the unlimited amount of rough fish. At that time the Minister replied and gave me encouragement to the fact that this matter was being explored and he had good hopes that such a plant could be established to the benefit of the Interlake. Now to my knowledge those plants are still not in operation anywhere. I'm just wondering whether the Minister could tell us how far he has gone with my suggestion and if we have any hopes of getting these plants established.

MR. EVANS: At the moment there is no immediate prospect of establishing a cannery for fish alone. There are opportunities -- we hope there will be an opportunity to persuade a food processing company to put in a fish line in their general line of goods. At the moment, however, the negotiations are not at the point where we would say that we can contemplate the start of operations within a few months or even the next year.

MR. GILDAS MOLGAT (Ste. Rose): Mr. Chairman, on his opening comments on this item, the Minister gave some figures as to the amount of investment that had been made in the Province of Manitoba in the past two years. Did he give us the figure of \$160 million? Is that correct?

MR. EVANS: No, not from memory. From memory, I think that figure was not correct. In the past two years the investment was \$132 million. The figure of \$160 million was the 1959 factory payroll.

MR. MOLGAT: \$132 million. Does that include anything of the Thompson development by INCO, or is that other firms completely?

MR. EVANS: I shall have to ask.

MR. MOLGAT: I'll just get the answer later then.

MR. SHOEMAKER: Mr. Chairman, there are at least three factors existing in the province today that I certainly think does not contribute to the welfare of industry, commerce, or business generally; and I refer to the un-uniform time that we have and suggest that we certainly must, to have a healthy economy and a healthy business-like atmosphere in the province, we must have uniform time throughout the province and we must have some uniform shop closing regulations as well. I don't know whether my honourable friend can do anything about it, but he might use his influence and bring pressure to bear somewhere along the line that would bring about uniform closing times within the province and uniform hours. I know it must be -- well, it's certainly confusing to the residents of the province and it must be far more confusing to the tourists coming in here when they find Gladstone closed on Wednesday all day, Neepawa on Mondays, Dauphin on Tuesdays, and some place else on Thursdays; and it's just all over the province. You don't know when your neighbour town is closing. -- (Interjection) -- Daylight Saving as long as it's uniform; as long as you have it uniform. But most of the businessmen in rural areas now take one day a week off, but they don't take the same day off.

Another factor that I would like to refer to is this -- and we're all interested in selling goods. I have expressed my opinion on this one before, and that is that I think that what we need to do is bring the Dale Carnegie or Cecil Wheeler to instruct the sales staff of this province generally, by and large, on how to greet their customers and how to handle them. This little pamphlet that is issued under your department, Sir, tells the story pretty well. Apparently, from your department there was mailed out several thousand cards, or given to tourists I suppose when they entered the province or left it; and they could reply and state their beefs, so to speak, on what they found upon visiting Manitoba. I would like to read some of them because I think certainly this criticism is probably well-founded. (1), It says, Tell your merchants we are not all money-loaded tourists. (2) Sales personnel were most indifferent and unfriendly. (3) Your sales clerks had an air of being far too important to quote prices. (4) We were stunned at prices in large retail stores. (5) While shopping in big Winnipeg stores I found the service poor, clerks were apathetic. (6) Regret to say that clerks I encountered in the majority of Winnipeg stores were the supercilious type; male clerks absolutely impossible; and so on and so forth. Now, I don't know -- this bulletin doesn't report the favourable comments that you received but it certainly reports the unfavourable ones, and if this is a fact, perhaps we should be sending out some instruction booklets to the stores telling them to instruct their sales staff to smarten up and deserve some of the business that they're presently now missing. And they go on on several other items here. I would like to hear the Honourable Minister comment on those three points that I mentioned.

MR. EVANS: Mr. Chairman, with regard to uniform time and shop closing regulations, they are not matters of my concern and I would have to rely on the Minister of Municipal Affairs, I think, to deal with that. With regard to the criticisms of store clerks, I think all these factors, as he has pointed out, do have a bearing on trade, on the amount of business that is done. I think he has brought to attention, in this question about the different closing hours, a matter that is of some concern to business; but I would not wish to comment on the policy itself and leave that for my honourable colleague when he comes to his estimates in Municipal Affairs.

Now as to the adverse criticism of sales clerks, I'm not just sure of the full wording of that. I think it's acknowledged in the text of that bulletin that it does not reveal the remarks that are in the opposite sense, because we generally find in these tourist criticisms they come in almost equally divided between favourable and unfavourable on a good many things. As a matter of fact, it's been rather amusing to balance them off one against the other each year. Nevertheless, we should take criticisms of this kind seriously and I know, for example, that the Manitoba Travel and Convention Association is making it a part of their program to bring to the attention of people who meet the tourists, who meet the public, the advantages of courtesy and attention in service. My impression is that the average courtesy and attention by sales clerks throughout Manitoba is good. I think they're kindly, friendly, interested people and they wait on people courteously and well. Now you will have misunderstandings and you will have the occasional person who is having a bad day, and those things do stand out. But, generally speaking, my impression is that Manitobans are courteous, hospitable people and it reflects in the sales clerks.

MR. CHAIRMAN: (a) - passed; (b) - passed; (c) - passed. Resolution 81 - passed. Item 3, Regional Development Branch.

MR. EVANS: Mr. Chairman, you're at Item 3, Regional Development Branch. I would like to outline developments in this department because there have been considerable developments and, in fact, a whole new program has been established in the province which is unique in the North American continent. So far the results have exceeded our expectations; have exceeded them by something of a margin. We have taken the province and divided it into seven development regions. The first of these was developed perhaps not quite on the same formal basis as the other two. The first of them was in southeast Manitoba; the second is an area around Brandon, where we had a meeting of some 300 interested people, and launched the program there. A short time afterwards we had a meeting at Carman, and had about the same number of people. We began to study each of these regions to develop the kind of assets that they had there for the further development of industry and for the establishment of new industries, and to make use of the assets that they had there. Well to say that we were surprised and delighted with the response that we secured when calling these meetings in the country would be an understatement because we had not known the extent to which the people themselves, the people in the rural areas, would welcome this, would see any value in it and would turn out to support it, knowing that when they came out they would be called upon, first of all, for a good deal of work and thought; and in the second place, they would be expected to take an interest later on perhaps in the question of raising money and raising capital for the development of industry. Well the great element that's needed for the success of a program of this kind is the support of the people, because you simply cannot design a system of this kind of regional development at a desk in Winnipeg; take it out in the country and impose it on the people and have it work. You simply can do nothing else but simply develop the opportunities, bring them to the attention of the people; and then if the people themselves come alive and develop the opportunities, you have success. If you don't, you don't get the success.

Well, we have the two surveys that we have already referred to in these estimates that are now complete. The one for south-central Manitoba was presented at Morden on the 21st of February and over 200 people attended a dinner there, representative of all parts of that area. The one for the southwest area was presented at Brandon on the 9th of March and over 265 people met at that meeting. I'd like to outline for the committee the kind of information that is presented in these survey reports, the kind of information that has been compiled for the further development of these regions. In the case of the report on south-central Manitoba, the findings indicate that the area can expect a population increase of about 50 percent within 20

(Mr. Evans, cont'd.) years and has the potential for the establishment of at least 40 new industries, including: vegetable canning and freezing, production and processing of small fruits, vegetable oil production, margarine production, pickle production, macaroni and macaroni products, processed potato products, beef finishing, food manufacturing, garment manufacturing, light metal fabrication, seed cleaning, furniture production, printing and bookbinding, industrial machinery, machine shop boat building, aluminum products, primary plastics, toilet preparations, polishes and dressings, and plastic products. The economic survey of southwestern Manitoba lists 29 industrial enterprises that could fit into the economy of the region, including: processed cheese, breakfast foods, pre-cooked baby cereals, sausages and sausage casings, frozen pre-cooked dinners, frozen vegetables, macaroni, vegetable canning, jams and jellies, dehydrated chickens, instant gravy, dehydrated onions, potato products, boots and shoes, man's and women's clothing, electrical equipment, aluminum products, tire recapping, asbestos products, hardware and tools, boats, cleaning compounds, fence posts, and souvenirs and ceramics.

MR. PREFONTAINE: Would the Honourable Minister permit a question? I think you used the word "toilet preparations" a little while ago. What's that if I may ask?

MR. EVANS: What was the word you said?

MR. PREFONTAINE: "Toilet preparations", did you read? May I ask what that means?

MR. EVANS: I take those things to be anything from face creams and hand lotions to shaving lotions and other things. Does that answer my honourable friend's question? Well, these reports are pretty factual affairs. They are the product of people qualified in their field; they indicate opportunities that we think can be taken advantage of. But the reports themselves are no use unless they're worked upon and implemented. We believe that these studies are only beginning. We will only be satisfied if these studies, and these opportunities that have been brought to attention, end up in ribbon-cutting ceremonies at new factories and new jobs for people to work at after the factories are completed -- but I see my honourable friend has left.

Now the next of these studies will be undertaken in what we call the western region, which will include the centres of Dauphin, Roblin and Swan River. Now in conjunction with these regional development studies we have brought into operation in the province what is a unique instrument, and that is, the Community Development Corporation we call it. It is concerned with the objects of promoting the growth of local industries that are already there; with securing outside industries to come and reside in their area; and to raise local capital for the promotion of both these objects. Community Development Corporations have been formed in Brandon, Minnedosa, Morden, Portage la Prairie, rural Portage, Virden, Winkler, The Pas, North Cypress and Carberry -- that's one together, North Cypress and Carberry -- Plum Coulee, Hamiota, Melita, Carman-Dufferin, Altona, Selkirk, Neepawa, Beausejour, Morris, Manitoba, Killarney, Swan River and Steinbach; and a number of other communities have indicated interest. These are Community Development Corporations that are formed on a plan that was devised by the department and which was taken out and explained to the people, and they have taken out their incorporation along the lines of the plan that was recommended to them. I think we should stop here to note that at a number of areas in Manitoba the people had already got together and had formed their own Community Development Corporations or Industrial Development groups, and had done a very good bit of work and a very considerable bit of work all on their own. In this class are towns including Boissevain, Souris, Stonewall and Teulon. They are doing a parallel operation and I think reflects very great credit upon the initiative of the people in those areas who did the planning themselves; who thought up the idea; who associated themselves together and have begun the work of industrial developments in their own areas.

I'd like to give just one or two very brief examples of results that have been achieved by these community development corporations. Some of the projects associated with community development corporations that have been undertaken include the Dressler Headwear Plant at Morden; The Canadian Garments, 1959, Limited at Winkler; Stramit Corporation and Carberry Farms at Carberry; and the Min-Toba Manufacturing in Minnedosa. New employment of from 20 to 100 workers in each, with definite prospects for expansion, has been the result of the efforts of these development corporations. The number of corporations has increased from nine to 20 during the past year and most of them are, at this moment, actively pursuing development

(Mr. Evans, cont'd.) projects. Now it's important, I think, to have attractive and efficient communities, towns and villages, if new industries are to be attracted and to be made permanent; and the function of community planning has been placed under the Department of Industry and Commerce and within the Regional Development Branch. Community planning is required for good and comfortable living for the people who live there; for safety and health; and as an attraction for industry. We are now, within the department, advising 37 communities with regard to community planning, which figure compares with 27 firms that were being advised last year. Future development plans for each of these 37 communities now exist, showing where the areas for industrial, business and residential development should take place; and also where and by what general plan the municipal services should be developed. The department has also helped, or the branch has also helped in the developments at Grand Rapids and in the Whiteshell.

Now I would like to say a word about housing and the problems of housing redevelopment in the province. The Regional Development Branch assumed responsibility for The Housing Act of Manitoba during the last year. We find that there is too little information regarding the needs for housing, not only in the Greater Winnipeg area but throughout the province; and the department is now actively investigating the general situation throughout the province which will require a very detailed study. There is provision in my estimates this year for urban renewal study in Greater Winnipeg, which will be taken on in conjunction with the City of Winnipeg and the Central Mortgage and Housing Corporation; and also a provincial study outside of Greater Winnipeg or outside of Metropolitan Winnipeg, to reveal the overall needs that there may be for new housing or housing replacement or redevelopment in the province. This study is progressing now and it will not be until the study is completed that an announcement of policy is made, or an announcement of any participation by the province is made. We think it would be unbusinesslike and wrong to undertake piece-meal, to enter into this new field without having made an overall study of the total commitment that might have to be faced. The Town Planning staff has been engaged in a renewal study for the townsite of Churchill. The first phase of the study has been completed in conjunction with CMHC and the Federal Government, and has revealed the needs for housing and redevelopment at Churchill. The second phase of the study is underway and it will develop a program for more immediate action to relieve the immediate situation and a longer range plan for redevelopment.

Now as to the subject of recreation -- and I mustn't take too long with all these things. The honourable members will find in the estimates this year a small amount to begin a recreation program for the province. It seems to us there's a four-fold need for a recreation activity program in the province. The first is concerned with the general health and welfare of the people themselves. This is an important object and is prominent, as you see, in our minds, because it's been put first on the list. Then we believe that it is a help to assist people in remaining in their areas, to make the communities themselves attractive so they'll want to settle down in their own home areas rather than leave the country areas and come into the city. The third is to attract new industries to the areas, and I touched on that point a moment ago. A final point is to assist in combating juvenile delinquency and other social problems. Now honourable members will see that I've caught myself in my own trap there because I said that we put the general health and welfare of the people at the first, and maybe that's the important one; but I would reverse that order and say this, that there is no more practical good that can come from a program of recreation nor is there a more pressing need nor a greater reward that can be achieved than some work in the juvenile delinquency field, and our belief is that activities that can be stimulated by such a program will have a positive result in this situation. What is lacking at the present time seems essentially to be the matter of leadership. There seems to be little qualified leadership in many of the rural areas of the province now, people who have the experience in organizing and conducting programs of this kind. There are very few facilities for training these people so it is planned to provide through the province this year an information and consultation service to begin with, where the library will be kept; where films will be provided; and assistance of that kind will be made available to municipalities and to organized recreation groups. Further than that, to begin this matter of providing trained leadership throughout the province we are now designing a two-weeks training course which will be offered to people appointed by, or delegates sent in by municipalities or recognized

(Mr. Evans, cont'd.) organizations, to take training in the matter of organizing local recreation and fitness programs. Well, I think rather than go into further detail at the moment I'll see whether the honourable members would like to ask any questions on the points that I have touched on now.

MR. E. I. DOW (Turtle Mountain): Mr. Chairman, on the economic survey of the south-western part of the province, after the Minister had announced the fact that this survey would be taken it reflected a certain amount of enthusiasm and admiration throughout the area. Personally, being quite interested in this type of a survey, I was enthused up until such time as I had an opportunity of reading the report. I would say at the outset, Sir, that I was very disappointed in the report. And I might say that if the purpose of the survey is to assess the future possibilities for development in the area covered, it can serve a useful purpose in indicating the undeveloped potential in the area, as a whole, and in each community in particular. But if this report, as we have it, is intended as an economic report to be used as a guide for industrial prospects, in my own opinion, it's a waste of paper and time. I read first of all, Sir, the objectives of the report: "The objectives of the economic development are to increase and stabilize the incomes of the people, and this requires knowledge and wise use of the economic resources of the region. This study aims at taking an inventory of those resources and making an analysis of them to indicate the most useful programs. A loss of population generally indicates a lagging development, as people are attracted elsewhere."

Now, Sir, it would look to me that the assessment of the existing assets and facilities is patently incorrect. I might even go so far as to say somewhat misleading, because if you would take on Page 19, in dealing with the population of which the report goes into quite detail, it lists the population of towns, 500 in 1941 -- that's in the southwest area -- and those over 1,000, and against each town they show the minus and plus of the population; and they come up with a total gain of over 10,000 of population. But, Sir, I repeat that this report is of no value to somebody that is not altogether familiar with this particular area because in it, the population itself, leaves out three major towns. Now certainly you can turn to the back, the Bureau of Statistics and get this information, but the first part of this report is what the recommendations are based on. And I mention the three towns if you will, Sir, Deloraine, Melita and Boissevain, are all left out of it. So as a guide for anybody looking for industrial development, and pick up this report, these three towns are not even in the area. So I say, Sir, on that basis they're not too happy about it.

And then I go on, Sir. In the area, particularly the most southern part and I would say the greater part of the southern half from an agricultural standpoint of view, that area through generations, and I might say many generations, has built up a reputation not only in Manitoba but in Canada as being one of the better purebred livestock areas. There are many, many herds that are -- that their livelihood for the family over the years has been the improvement of their purebred livestock. On Page 8 of the agricultural recommendations, in Clause 5. it says, in regards to dairy herds that they recommend that improved breeding, feeding practices and management practices for dairy herds can increase milk production per cow without interfering with beef production. Now I have no quarrel with that recommendation, Sir, but then they go over on the same recommendation on Page 8 and they make the proposal that the expansion of beef production should entail the building up of herds of beef cows; and in Clause (b) is the use of beef bulls and dairy cows now in the area. I'm sure that we can't possibly blame the Minister of Industry and Commerce for that recommendation but I can't see the Minister of Agriculture going along with that recommendation, to improve the beef herds in the province to cross with dairy cows, unless he's going into another study to get another breed of cattle. Then, Sir, in Clause (c) he recommends that we bring in feeder stock from Alberta and Saskatchewan. Now I'm sure, Sir, that the records of the province do show that in that particular area, in the southwest area, some of the biggest feeder cattle sales for export are in there, and there is no reason at all to recommend the fact that we should bring in feeder cattle when we have it there. I think possibly some type of an educational program to try and have the farmers retain the feeder cattle would be more appropriate.

Now, Sir, the facilities and the potentials that are in use in that area were supposed to be taken into consideration on the report. You mention, too, that dehydrated chickens were one of the prospects in the southwest area, and without reading the whole clause, the bottom

(Mr. Dow, cont'd.) part of that particular paragraph says that it is logical that eviscerating plants should be established close to hatcheries. Now, Sir, in the southwest part of the province we have one of the most modern high-producing eviscerating plants that we have, and can take care of all the poultry production in the southwestern part of the province for quite some time in the foreseeable future. Why this group would recommend that again we should go into more eviscerating plants -- we should be more concerned with trying to establish new industries rather than set up duplicates for industries that are already there. This industry is not one that is unknown to the department because my information is, Sir, that the Industrial Development Fund had some development of monies in producing this plant at this particular area.

I was glad, Sir, that the Minister made reference to the Community Development Corporation. Because of this, he knows of which I am going to speak. He mentioned many that were set up by the department and he mentioned four, I think it was, that was set up by the community's own initiative. Now, Sir, it would seem very unfair to me that communities that did have the initiative to develop their own development funds, on their own initiative, should be penalized to the point that in this report, in the report of the Department of Industry and Commerce, no mention or publicity is given. It's all right for the Minister to get up and say, "Yes, they did", but our community is one that happens to be affected. That particular corporation has done a wonderful job and it would seem to me that they shouldn't be penalized for the fact that the department knows they are in existence; knows they do good work; and they can't be mentioned in their publicity. I would say from this report, if I were some industrial individual coming into the province, that as far as Boisseguin was concerned they haven't got one nor do they even recommend that they should have one. In Clause 4 they say it. So I say, Sir, I'm somewhat disappointed in the report. I hope, and I know that out of the workshops that are being developed from this report, that by next year it will be complete and more informative and have a wider-spread effect on promoting industry into the province. I can assure the Minister that his department, as far as one particular area that I'd like to mention, that on Wednesday next when they have their workshop they had better go well prepared because the boys have the answers as to what's wrong with this report.

MR. EVANS: Just to make some comment on the remarks of my honourable friend, the information in the report was compiled on a questionnaire which was sent to the local area and prepared by a committee in each workshop centre. Notices were sent to all Chambers of Commerce officials, and mayors and Reeves of towns and municipalities, and the purpose of the entire investigation is not to compile a handbook of the assets that are in an area which might attract people to come and settle there or to come and establish industries there. It is not what might be called a Chamber of Commerce type of promotion handbook. Now I'm not reflecting on that type of handbook, it's a good one; and the purpose for it is to show what is already in a town and to give a town or an area publicity. That is a perfectly worthy object, but that is not the object of this particular study. The object of this study is to discover what new opportunities there are for further developments, not to dwell on what has already been done.

I'd like to look over this three-page questionnaire with the committee and discuss the kind of information that is asked for. The first is, where do we stand now in resources and in services? Not in industries that have already been established but in resources and in services, such things as facilities for processing and marketing local crops; special crops; forest products; minerals and petroleum; municipal water supply; wells -- depth, quality and yield; recreational and local vacation areas. (b) In services, what do they have by way of wholesale distributors, water and sewer works, transportation, fuels, town planning, industrial acreage, housing, aggressive industrial development program, active community betterment program and others. Then with regard to labour, what are the unemployment months, worker shortages by types, training programs, maximum travel distance to work. And then the last part of the question there are, opportunities for business and industry -- what businesses do we lack? Not what businesses do we have, but what businesses do we lack. Now this questionnaire was sent out, and with respect to the workshop at Boisseguin which was held on the 12th of February, 1960, this information was all compiled by a local committee in Boisseguin, consisting of Dr. D. M. McPhail, Mr. V. Kerr -- Dr. McPhail, I understand is a councillor; Mr. V. Kerr is a bank manager -- Mr. E. Johnson of the Chamber of Commerce; Mr. John Kelly of the Town Planning Commission; Mr. E. J. Clark, a councillor; Mr. A. J. Swain, the Secretary-Treasurer.

(Mr. Evans, cont'd.)....I'm not at all inclined at the moment to try to enter into any controversy about whether somebody is to blame or not. I think the honourable member put his finger right on it when he said that one of the possibilities was that this report was designed to reveal the undeveloped potential of the area or the town in question, and that is exactly it. It was designed to reveal this undeveloped potential and it was to be revealed on the basis of information compiled by local committees, and surely people holding those offices and being the kind of people that they are, should have been a complete report with regard to the town of Boissevain.

Now turning to Page 18 and 19 of the report as my honourable friend did, surely he doesn't ask us to make a complete listing of all towns in a section of the report which is headed, on Page 18, "Internal Population Movements." Here, by way of illustration, are taken out some two, four, six, eight, 10 towns below 500 population in 1941 and two of them over 1000 in 1941, to illustrate the changes or the movements of population within the area. Surely, in an illustration of that kind, it would not be expected that we would list every town within the area and attempt to make an inventory of it. The honourable member himself points out the fact that all these towns are given in another part of the report. Surely it would not have taken long to turn back to Page 18 to see what the section was all about instead of finding some names missing from a certain list and, by that token calling the report incomplete. I can't very well comment on the -- from my own knowledge or experience it wouldn't be worth anything -- on the question of feeder stock and livestock development. My honourable friend will have some experience in that where I haven't, and I'm quite sure that when my friend from the Department of Agriculture has a chance to study it, he might be able to provide some interesting information for my friend which would be a good deal more valuable than I could.

We come now to the question of dehydrated chickens and why bring in more plants into competition with those already existing, and we have some information from my honourable friend from Elmwood tonight that they're importing chickens, cut-up chickens from the United States now to fill the market in the province. It is the opinion of the research people, the Ebasco people and not of our department, but the Ebasco people, that a market can be found for further dehydrated chickens. I'm not aware that they are making dehydrated chicken products down in Boissevain or in any of the eviscerating plants at the present time. It seems to me this is a new product which might find a market that does not exist now. With regard to the matter of publicity for Boissevain, I think I must turn back to the point that I made in the beginning, that it is not intended as a publicity handbook but merely a study of what assets there are in the area that might be turned into further industrial opportunities.

MR. CHAIRMAN: 3 (a)

MR. SHOEMAKER: Mr. Chairman, I, too, am a little disappointed in the -- at least the one survey that the Honourable Member for Turtle Mountain reported on. My constituency happens to lie, about half of it, in the southwest Manitoba survey and about half of it in the south central survey, but I'm referring right now to the southwest Manitoba survey. As the Honourable Minister is well aware, the Neepawa Area Development Corporation is just a newly formed one and they are presently considering establishing an edible oils plant there, but on Page 38 and 39 of the report, it certainly doesn't paint a very optimistic picture. It's very discouraging to me, at least, and I know it will be to the officers of the Neepawa Area Development Corporation, because they did intend to produce enough rapeseed in the immediate district to supply the raw materials for the edible plant. And golly, this report isn't encouraging at all. I would just like to read a small part of it here. It says, "Rapeseed yields in Manitoba have run at about 700 pounds per acre which is a little less than the national average. Farm prices for the last five or six years have averaged about three cents a pound. In 1960, the Manitoba farmers intention to plant rapeseed called for more than doubling the acreage. However, this intention to plant for the Province of Manitoba shows a smaller increase than the indicated intention for all Canadian farmers." Then again in the next paragraph. "One of the most important limitations on the growth of the crop is infestation with mustard. This makes it important that the fields be mustard-free since no satisfactory chemical method has been developed to control mustard in rapeseed." Then on Page 39 under the heading Soybeans: "This area is doubtful as far as growing soybeans is concerned." That's the southwestern part of the province --- "Unless new short season varieties are produced, the danger of fall

(Mr. Shoemaker, cont'd.)....frosts would exclude, at the present time, the growing of soybeans in this general area. In any event, even where grown in Manitoba, yields are less than half of those of Ontario." So it is rather discouraging, I'm sure. We probably can't blame the Minister on these statements. He has explained that they weren't drafted by him but more by the people in the areas.

On Page 67, under Industrial Development, third paragraph, it says: "At this and other levels, promotion in education is essential to capture the imagination of the community at large and secure their co-operation in such matters as community improvement drives. Well-timed publicity releases stimulate and maintain enthusiasm for most programs" -- and so on.

Well I suggest that you have to have quite a little bit of imagination when you're dealing with certain sections of this survey because on Page 104, "The Potentials for Neepawa -- Christmas Tree Farming. Neepawa might be the logical centre for the proposed Christmas tree marketing board." Minnedosa, Christmas Tree Farming; Carberry, Christmas Tree Farming; Erickson, Christmas Tree Farming. Then on Carberry, Page 107, "Christmas Tree Farming and marketing board for the area; Erickson, Christmas Tree Farming and marketing board for the area." Then they say that they envisage that Erickson might supply all the Christmas trees to Brandon. Now I don't know, if we're going to have Christmas trees in all these places, where we're going to sell them. If Erickson is going to supply all of Brandon, I don't know whether Neepawa will be supplying Franklin or Eden or where they'll be supplying the trees to, but it looks to me as if we're going to grow a lot of trees that we haven't any sale for.

MR. EVANS: I think this illustrates one of the values of these reports is to stimulate thought and to start discussions.

MR. CAMPBELL: Mr. Chairman, I have a few questions that I'd like to ask the Minister. If he can deal with them now, I'd appreciate it; if he wants to take them as notice, that would be quite okay. They're in connection with the report that has been laid on the table of the House, the Manitoba Development Fund Annual Report. Perhaps the Minister has already covered this, but if he has not, I was wondering if he could bring us up to date as to the period since March 31st, particularly as regards the numbers of loans and things and total amounts of loans and that sort of thing. Then I would like to ask, because I see that there's an imposing group of directors here, some names being well-known to me, some others not so well, but two in particular, I would be interested in knowing how many of the meetings they have managed to attend. Would the Minister tell us for some given period, calendar year or fiscal year, how many meetings were held and at how many of these meetings Mr. John J. Deutch was present and the same with regard to John A. MacAulay, Q.C.. I think it would be very helpful if they have managed to attend nearly all of the meetings, but I'd consider it quite a compliment to the work if two such busy men have been able to attend nearly all of them. I'd like to ask the Minister, too, if Mr. Bonycastle is still Chairman of the Board of Directors. If he is, does he get extra remuneration for that work?

Then I'd like to ask with regard to how many loans of any of the various types that are shown, because the Minister will be aware that on the first page of the report, the classification of enterprises is given as Food Products, Wood Products, Iron and Steel, Concrete, Chemicals, Sundry Manufacturing and Processing, Tourist. I'd like to know how many of the loans of any of these types have been for the purpose of providing working capital.

Then, Mr. Chairman, I would be interested in knowing what is or are the main reason or reasons for so many applications being refused up to March 31st, 1960. As I read the report, 40 loans have been made up to that time and 52 have been refused. That seems to be a large number of refusals, and if the Minister has the information I'd be glad to know what has been the experience in the time intervening since the end of March, '60. Then could we have the total amount that has been loaned up to date or up to the end of 1960, if that's a more readily available figure. Looking at Page 2 of the report, we see that the total amount authorized by the Manitoba Development Fund is \$2.6 million odd and the estimated total project cost is \$4.6 million odd, so it would seem that a little more than 50 percent on the average has been authorized by the Development Fund. If the Minister could get or can give that information, I would appreciate it.

MR. EVANS: Mr. Chairman, the details regarding the operations of the fund from

(Mr. Evans, cont'd.).... commencement of operations March 1st, 1959 to March 1st, 1961, are as follows: the total loans approved, \$4,544,600; industrial loans approved, \$3,953,600; tourist loans approved \$591,000; loans approved in rural Manitoba, \$2,891,100; loans approved in Metropolitan Winnipeg, \$1,653,500. As a result of activities of the Manitoba Development Fund, the estimated total capital investment, that is by the Manitoba Development Fund and by the owners combined, is \$8,250,000, so the proportion perhaps remains about the same. The estimated direct increase in employment was 600; the estimated increased annual factory production \$7,600,000; the estimated increased annual direct tourist revenue, \$420,000, that is the direct revenue for the facilities in which the loans were made; and increased tourist accommodation, the loans helped to bring about the following increase in accommodation: motel units, 117; cabins, 28; and recreational areas, 3.

Now there are other questions. I shall have to get the information from my honourable friend about attendance at meetings and how many loans were for working capital in each class. Why so many loans were refused -- I think I could answer that one and say that they did not either come within the classifications that were allowed in the Manitoba Development Fund -- the Business Development Fund Act or whatever the Act is called. Loans are not authorized for purposes of service industries, it has to be one of the object of increasing the tourist facilities or increasing the productive capacity within the province of industries, or something of a like character, but I imagine the main reason is because they would not be sound loans to be made by the loaning institution.

MR. CAMPBELL: Mr. Chairman, about Mr. Bonnycastle?

MR. EVANS: With respect to his remuneration I'll get the exact facts and come back with regard to the number of meetings attended by all the Directors if you wish, and a statement of any remuneration. My impression is, I think I can answer certainly that he does not receive anything but the nominal amount. I think it's \$25 per meeting and he attended three or four meetings in a year. The main board has a few meetings a year but there is the Executive Committee of the Board which meets quite frequently to discuss the details of loans, but I'll get the information from my friend and bring it back to you.

MR. CAMPBELL: Mr. Bonnycastle still is Chairman, I gather.

MR. EVANS: He is still Chairman, yes.

MR. J. M. FROESE (Rhineland): Mr. Chairman, I have here the south central Manitoba survey report, and on page 47 it deals with the feasibility of irrigation on a major scale. It says here it cannot be determined, however, until economic studies are completed. Are these studies underway at the present time and when can we expect a report on that part about irrigation.

MR. EVANS: I must apologize to my honourable friend. I missed the first part of the question. Would you be good enough to repeat it?

MR. FROESE: I said on page 47 of the report it's dealing with the feasibility of irrigation for the south central area of this report. It says here that any major scale of irrigation cannot be determined until economic studies are completed. Are these studies underway and when could we expect a report on this subject?

MR. EVANS: I leave to my honourable friend the Minister of Agriculture to report on matters concerning water and water conservation.

MR. CHAIRMAN: 3. (a) passed. (b) - passed. (c) - passed. (d) - passed. Resolution 82 passed. Item 4.

MR. REID: Mr. Chairman, hold it. Under that item (d), Mr. Chairman, I see it's a new item in the estimates for this year. It's not a very large item, but looking through the items of the Natural Resources I see they have quite a large item there of \$400,000 for recreational purposes. Now I was just wondering if it's not a duplication or if this service is necessary. If it is, I would like to know what it entails or why couldn't the Natural Resources Department handle this, because I figure they're spending such a large amount, and this very small amount, I was just wondering how it ties in there?

MR. EVANS: Mr. Chairman, I gave a review of that just a few moments ago. Perhaps my honourable friend wasn't here. It might be satisfactory if he read Hansard, and then if he developed any further questions I'd be glad to answer them. No doubt I'll be on again tomorrow or he can direct special questions to me afterwards. I did cover the program that was envisaged by this item.

MR. REID: It mentions consultative services and I just can't.....

MR. SCHREYER: Mr. Chairman, on 3 (c) I really didn't have a chance to rise because you went through it so quickly. Could the Minister tell us how many towns in the province have availed themselves to the Town Planning Service Department?

MR. EVANS: I think my honourable friend also missed that. There are 37 at the present time compared to 27 last year.

MR. CHAIRMAN: Resolution 82 passed. Item 4. Information Services Branch. (a) - passed.

MR. PAULLEY: Mr. Chairman, this is a very intriguing department. This is the one we call the Propaganda section, is it not? Now it always intrigues me. I happen to be, and I hope I'm continued on the mailing list of the Department of Industry and Commerce in respect of this particular section.

MR. EVANS: Does it broaden your education.

MR. PAULLEY: Yes, it certainly does. It really broadens my education, Mr. Chairman, because I can find more ways to spend government money on poppycock by reading these things than I think that I could by any other means at all. I've only one or two here -- a few of them here just as illustrations. "Nannycushis still deep down in God's Lake." This deals apparently with a fish that's down in the bottom of God's Lake. I don't know whoever in the world requires this information from the Department of Industry & Commerce, but I'd suggest that it's something that we could well do without in a weekly bulletin in the middle of February. It might be all right to inspire fishermen in around June or July, but I think it's a bunch of "bosh." Now here's another lovely one -- "February 24th: The sun entered the 12th sign of the Zodiac on February 20th." I think that's very very interesting. Whether or not it's achieving anything for the Province of Manitoba by way of an informational bulletin, I don't know. I don't know who is interested in whether the sun enter the 12th sign of the Zodiac on February 20th or not. Now then here's another one. It's very interesting and it's true -- (Interjection) -- yes Taurus the bull I think is appropriate for the Department. "Agriculture key to growth of the southwest." Well that's fine. It's nothing new. We have all been aware of the importance of agriculture. I don't know how many of these copies get sent out, but I know this was in connection with the information that the Minister sent out relating to the survey down in the southwest corner. We got two in connection with this on the same day of March 3rd. "Southwestern Manitoba Economic Survey done and geographer to speak when report was released on March 9th." And so they go on. Another one on March 3rd, and of course I don't suggest that there's any politics involved in these articles at all, but this one is headed: "McLean outlines impact of school division plan." Now why that was put out at that particular time, because we hear of that every time we meet in this Legislature and nine times a year otherwise. Here's another one -- I don't know why this was announced at this particular time, March 3rd. I imagine that the -- oh yes, he's listed here. The Minister of Mines and Natural Resources tells us on March 3rd that the '51 Moose season announced early; we can start shooting moose in September.

Then of course every time there's a committee set up or a new group of individuals set up for a department or a change, we get the information through these bulletins. This one of March 3rd, "Bentley to head CD in the province." Another one of March 3rd: "Revamp Transportation Committee set up." -- (Interjection) -- Oh yes, that's just coincidental. Then February 17th: "Citizens to help build Manitoba of the future." That was a most interesting one. Then another one on February 17, this is a honey -- The Honourable C. H. Witney, Minister of Mines and Natural Resources: "Mystery killers in Lake Manitoba." Well when we get down to his department we'll have to ask him whether he's caught these mystery killers or not. So all of these things go. I only brought a few of them here that came recently to me. I have a stack of them at home. Manitoba's largest road maps now out and I suppose this will have -- oh yes, here it is -- "Honourable John Thompson, Manitoba's Public Works Minister, the biggest and best that Manitoba's ever seen." Here's another honey: "Fish Derby sees 400 cars, 3 buses and an aeroplane carried 1500 anglers to Birch Point on Buffalo Bay, Lake of the Woods last Saturday to trigger off Manitoba's first, this winter, major fishing derby. Honourable C. H. Witney said that there would be an official weighmaster."

Well, Mr. Chairman, I've often raised the question of what I call "bits of propaganda", and I wonder of the worthwhileness of them insofar as the progress of the province is concerned.

(Mr. Paulley, cont'd.)..... I can appreciate the fact that documentary evidence, or documents telling us of things that are to be of a major nature, but it seems to me that it's so much waste and so much tripe that goes into these informational bulletins that it's time the department gave serious consideration to cutting half of them out. Now I know my honourable friends opposite, and I've said it before, that they are only carrying on and improving upon what was done by the former government. Well I kept a few stacks of each and I'm going to tell you, quite frankly, that while there are times I don't admire the job that was done by the former administration, I think they were less on the tripe than they are at the present time. I also know that my honourable friend the Minister opposite, on a couple of occasions, told me of the fact of the big propaganda machine in the Province of Saskatchewan. I just want to illustrate by comparison, just by one that I have here from that province. Maybe they're missing the boat insofar as the weekly editions or the bi-weekly editions, but this one, and these I believe only come out every second week and give information of the whole province itself without all this "guff" and "balderdash" that we get in these reports. I just wanted to say this once again, as I've said in the past, there's so many of these that are absolute tripe that I think the Minister and his department should give serious consideration to chucking half of them out.

MR. EVANS: Well, Mr. Chairman, one thing has appeared clear to me, that I would not recommend my honourable friend to anyone as a public relations council, and if he decides to leave politics he should try some field other than that. I think that to call an effort on our part to publicize the Flin Flon Trout Festival, "tripe and balderdash" and all that thing, shows such a lack of appreciation of what these people are doing up there to promote a major tourist festival within the province, people who are struggling hard to publicize their part of the country to attract some tourists there to develop a business. We provide that particular news sheet that he's looking at, and it's a comparatively small part of the operation of the department, and it's intended to go to the press, not only the weekly but the daily press, the radio services, the television services, to give an opportunity to put factual information in front of them, The Minister's name is mentioned, of course it's mentioned, because he assumes responsibility for everything that is put out in a particular news release. Now my honourable friend talks about fishing. Where is his imagination and his sense of humor? It is such a valuable asset of his character if he'd only call it up. What is the name of the fish that is down at the bottom of the lake? Nannycush or something, is it?

MR. PAULLEY: It doesn't say what type of a fish it is.

MR. EVANS: I wonder if my honourable friend over here, the Minister of Mines and Resources, can tell us what that means, can you?

MR. WHITNEY: It means big fish.

MR. EVANS: It means big fish.

MR. PAULLERY: Well, why didn't somebody say big fish, nobody else knows.....

MR. EVANS: Well, we just have a little fantasy going. Somebody reads that in February when he just that night said at dinnertime sitting with his family, "Where shall we go for our holidays this year?" And he picks up this news release that comes from this service in his hometown newspaper and he says, "I'll go and catch Nannycush."

MR. PAULLEY: You're making my heart bleed.

MR. EVANS: As to this scathing reference to agriculture being the key to the development of the southwest. Well surely the finding of a qualified research organization concerning the economy of a very important part of the province is a proper subject for a news release. I can't follow my honourable friend at all. I really, at the moment standing on my feet here, I'm a little at a loss to understand why we put in something to do with the sun entering the 12th something or other of the Zodiac, but I'll make a special study of that and if I can find a good explanation as to why we called attention to the twelfth sign of the Zodiac, I'll tell my honourable friend and then both his education and mine will be that much broadened.

MR. CAMPBELL: Mr. Chairman, the Honourable Leader of the CCF can take some consolation from the appropriations here though because I noticed that in 1960 this branch spent something more than \$148,000; and in 1961, \$130 thousand-odd was appropriated. I don't know how much was spent. This year there's less than \$127,000 asked for in the appropriation, so evidently the government has caught on to the opinion my honourable friend has of them and they're curtailing the service. Perhaps they're moving towards getting out of it, which I would agree with.

MR. PAULLEY: Mr. Chairman, I thank the Honourable the Leader of the Opposition for drawing that to my attention. I think it's possibly true. I'm going to keep hammering at them because I was interested in the remarks of my honourable friend the Minister there about how lovely it is to relax in the middle of February and be wondering about where you are going fishing in the spring. I suggest that this stuff is cutting in on the newsstand magazines and humour magazines because you find so much humour in these quite frequently that I'm sure that if they were given much wider spread than they are, the sales in our newsstands for humorous magazines would be curtailed considerably. I would like to ask the Minister, however, in reference to these gems of culture, what is the circulation of this particular bulletin?

MR. EVANS: There's a good question. I don't think I have the circulation but I'll get it for my honourable friend.

MR. SHOEMAKER: Mr. Chairman the Honourable Minister.....

MR. EVANS: Sorry. Some information has just come to hand and I wonder if I could fill out the education of my honourable friend over here just a little bit. The sun enters the 12th sign of the Zodiac on February 20th. You see it's really wonderful in this game in which we're engaged. You rummage in the papers once again and here is something just turned up ready-made to answer your question. The trouble with my honourable friend is that he just reads headlines. I wonder if he just reads the newspaper that way. Do you ever go beyond the head or the sub-head or perhaps the.....

MR. PAULLEY: Oh yes. I didn't want to take the committee's time up and read all that.

MR. EVANS: Obviously my honourable friend doesn't want to take his own time up either, because this is just a headline, of rather startling character to call attention to the fact that the allusion is to Pisces the fish, and actually it was the move of the Fisheries Department on that day. It's put out on a rather colourful headline, but the reason for the story is that the Department of Fisheries was moving and wanted to draw public attention and get it into the paper.

MR. PAULLEY: Well who cares?

MR. EVANS: Well there are people who do care. The fishing industry is an important industry in this province, and if my honourable friend doesn't care about it that's his business, but we do. And we want people who are concerned in the fishing industry to know where to find the Fisheries Department so that they continue to get the kind of help that my honourable friend over here gives to the fishing industry.

MR. SHOEMAKER: Mr. Chairman, the Honourable the Minister referred to the sheets of paper from the Ministry of propaganda as being factual. I maintain that some of them are not factual, because I would like to refer you to one put out on September 30th, 1960. I mentioned it on the Honourable Minister of Education's estimates and it's headed: "The Province assumes 60 percent of the 1960 school costs," and then the Honourable Minister of Education took about an hour of his time to explain the difference between the actual and the approved costs. It doesn't say anything in this information sheet about there being two different items at all. It just says, "The Province assumes 60 percent of the costs." Then I think the Honourable Member for St. John's got up and said, "Well that isn't so, they only pay 18.72 percent of the costs in Winnipeg." It says here that new roads and improved transportation permitted the movement of greater numbers of students from considerable distances to new schools in the division. Once at the schools the students are finding them staffed by more qualified teachers. Well that's open to question. And then it says "The school division plan incorporating increased financial grants from the province simplified the building program. New high school construction grants paid 75 percent of the schools with 12 rooms or more." Well that isn't a fact either, because it has been pointed out to us that many of the schoolrooms cost \$18,000 or \$20,000, so I maintain that a lot of the information is not factual.

Here's one here that certainly isn't: "A comprehensive and careful program of driver education and testing was launched Tuesday, February 21st, for the province's 2500 regular and spare time bus drivers who transport 2500 pupils back and forth to school." Well we know that that isn't a fact. And there are several others that are certainly drafted to leave a favourable impression with the people. Then again the Minister said, "Well you should read beyond the headlines." It is a fact that a lot of people do only read the headlines and they're experts, across the way, on drafting headlines. There's no doubt about that. I have read not only the headlines

(Mr. Shoemaker, cont'd.). . . . as regard school construction, school transportation, school buses and so on, and the Honourable Minister of Education admitted that it wasn't the fact at all, that there was a great deal of difference between actual and approved.

MR. S. ROBERTS (LaVerendrye): Mr. Chairman, when the Attorney-General was presenting his estimates, I asked him why his department had announced that the trainees had built a curling rink in the Whiteshell, and he said that it was not announced by his department and that he had no knowledge of it whatsoever. It has been brought to my attention since then that a press release was issued from this same Department of Information Services in January, 1961 on this very subject, and the Honourable Minister of Industry and Commerce advised us that the Minister assumes the responsibility for any press releases. Well I must point out that the press release said as follows: "Quite apart from the six days per week and eight hours per day of hard work, the trainees volunteered after hours to build the Whiteshell Community Club Curling Rink. This provided three full sized sheets in the Whiteshell and one of the most pleasant buildings housing curling rinks in the province. All materials were provided by the Whiteshell Community Club and the trainees supplied the labour free." Now I must point out that this was issued by the department, the Minister assumes responsibility for it and it is completely inaccurate.

MR. CHAIRMAN: Resolution 83 passed. Item 5 - Office of Agent-General (a) and (b) passed. Resolution 84 passed. Item 6 (a) passed. (b) passed (c) passed. (d) passed. Resolution 85.

MR. EVANS: Mr. Chairman, thank you for hurrying my estimates along; I'll try to catch up with you. On Item 6, Travel and Publicity, I think we should note the fact as we pass that 1958 was a good year in the tourist business in Manitoba but 1960 was the best year in history. Long term traffic was up 10.8 percent over 1959 compared with the national average for the same comparison of just 1.1 percent. We had in that year 1,203,823 visitors who spent \$34,569,740 in the province. We had a new and aggressive advertising program undertaken in 1958, which has been continued since, to advertise Manitoba as a prestige family vacation area. That was carried out through an extensive advertising program, and other promotions undertaken include selling tours. The information trailer visited five cities in the state of Iowa displaying pictures and handing out literature and displaying handicrafts, including Eskimo carvings. In the display van there were 6,000 visitors and there was a good deal of TV, press and radio coverage. In the field of sports and travel shows, a new high number of enquiries was received. It reached 26,256 enquiries. Then the program of bringing outdoor editors and writers to Manitoba was carried on and 17 writers from American magazines and from major newspapers in 34 states, people who contribute to newspapers in 34 states came and visited Manitoba, and the value of the space that was occupied by the write-ups that they put up on this province would amount to \$156,000 or so. Now we have a good deal of information here concerning the amount of literature that was put out. In all, there was 783,406 pieces of literature put out by the department. The Tourist Information office in the Legislature received 45,893 visitors. At Emerson, 12,446 American visitors; Boissevain, 8,587 American visitors. We continue the policy of making grants to non-profit tourist offices that are maintained -- a maximum grant of \$400 and a minimum grant of \$200.

I'd like to say a word about the work of the Manitoba Travel and Convention Association. The object is to unite all the private interests who are concerned with the tourist business, those engaged in accommodation and restaurants and travel and other accommodation designed for tourists, and they have made very considerable strides in the years in which they have been functioning actively or more aggressively. The chief accomplishments of the association in the past year were with regard to conventions. A convention department was started and assisted in the attraction and staging of 108 conventions in the province. They staged the Van Gogh, or helped in conjunction with the Winnipeg Art Gallery, to stage the Van Gogh Exhibition where more than 50,000 persons entered and saw the exhibition. Records were maintained of at least 5,231 from outside the city and the province. They developed a good parade entry in the Grey Cup Parade which was seen by a considerable number of people and also appeared on television and provided good advertising for the province. They staged an annual meeting of their association which attracted 700 delegates from 22 Manitoba communities. I'd like to take this opportunity to express my appreciation to Mr. Maitland B. Steinkoff for the outstanding

(Mr. Evans, cont'd.) work that he has done in this effort to unite the private interests that are concerned with the tourist trade. He has worked tirelessly and he has given up his own time and denied himself, I'm sure, a good many advantages that he could have had in a business way to give his time to the service of the tourist industry in the province. He not only conducts the organizational work and runs the meetings and association here, but he has travelled extensively throughout the province and doubtless some of you will have seen the bulletins that he helps to write. He visits these places himself. He's been up to the Flin Flon Trout Festival-- I'm not sure whether he was up to the Trappers' Festival or not, but he has travelled extensively throughout the province and speaks from personal knowledge about the developments in the province. I think it would be right at this time for me, as the head of the Department which helped to get this association into being, to pay a tribute to Mr. Steinkoff and his associates for very devoted work in the public interest in the tourist field.

MR. GUTTORMSON: Mr. Chairman, the Minister has told us we had the best year in history. I was just wondering, is there any reason why you reduced the expenditure this year by \$10,000 in the Advertising, Publicity and Publications?

MR. EVANS: Which appropriation does that come under?

MR. GUTTORMSON: 6 (c)

MR. EVANS: (c) is it? A decrease of \$8,500 is accounted for by the fact that no travel film will be produced this year. Last year we produced and paid for the film on the White-shell, and no similar film is required this year.

MR. GUTTORMSON: Mr. Chairman, does the Minister really feel that we are making the headway in tourist business that he feels we should be making, and does he really think that Manitoba stands up with other provinces in the tourist field?

MR. EVANS: Well, I'm never satisfied with the progress we're making. We are making a good deal more progress than the average in Canada. I want a great deal more and we'll go after it as hard as we can.

MR. GUTTORMSON: Mr. Chairman, do you think then that we have more to offer in the tourist line than other provinces?

MR. EVANS: Do we think we have more to offer? Well, we certainly have more to offer someone who has means enough just to go a certain distance or time enough just to go a certain distance. Manitoba has very great resources to take care of the vacation area that is close to us, running generally speaking from Chicago west to -- I've forgotten how many states. We have an area that we regard as our prime market. It goes as far east as Chicago and as far west as Montana, and we concentrate in that area. We think it's the closest area to that market and a thoroughly good one. Now if you're asking me to compare the kind of attractions that we have here with those that are offered in Banff and other places, I would have to say they are of a different character but equally attractive.

MR. GUTTORMSON: Mr. Chairman, I'm just a little bewildered. The Minister describes Manitoba's tourist attractions as a prestige and recreational area and says that we're drawing people in from other parts of Canada and the United States. Why has the Minister chosen then to purchase a summer home for himself outside this province, in Keewatin, Ontario, if he feels that we have such a good recreational area?

MR. EVANS: Well I think the explanation for that is that I must by now have spent some 30 or 35 summers at the Lake of the Woods. I grew up there all my life, and it is really only a suburb of Manitoba anyway.

MR. PREFONTAINE: Mr. Chairman, the Minister told us about giving some grants to voluntary tourist offices, a grant from \$200 to \$400. How many of these voluntary tourist offices have we got in the province? Where are they located and how much money is it intended to be spent on these grants?

MR. EVANS: Grants for this year's program: Dauphin, \$300; Flin Flon, \$300; Cranberry Portage, \$200; The Pas, \$200; Portage la Prairie, \$300; Brandon, \$300; St. Boniface, \$300; Morden, \$300; for a total of \$2200.

MR. PREFONTAINE: What are the requirements necessary to obtain a grant?

MR. EVANS: I'm sorry, I didn't hear that.

MR. PREFONTAINE: What are the requirements necessary to obtain a grant?

MR. EVANS: The maximum grant is \$400. The office must be maintained separately

(Mr. Evans, cont'd.)....for the purpose of supplying tourist information to visitors, and having available for visitors, rest rooms and inside fully modern toilet facilities. Now the grant of \$300 -- office maintained in a separate area, but part of a general office serving non-commercial public service operations and having available for visitors, rest rooms and inside fully modern toilet facilities. A grant of \$200 -- an office maintained in a separate area but part of a general office serving non-commercial public service operations; need not have inside rest rooms or toilet facilities.

MR. SCHREYER: Mr. Chairman, under this item, I would say that the Minister can take some satisfaction in the rather successful year, tourist-wise, last year. He made mention of the fact that Manitoba is being advertised as a prestige family vacation area and I think I've seen in some magazines, pictures of Manitoba being advertised, I might say, with the relatively latest techniques. I'm wondering if his department is engaging the service of some ad agency, and if so, what's the name of the agency? Is it an American agency and are we still using the split run in advertising in the national magazines? I want to point out to the Minister that I noticed that the Federal Government has opened up a tourist promotion office in Los Angeles, which office is supposed to serve mainly the interests of British Columbia. Now I know that W.A.C. Bennett is a pretty persuasive person, but I don't think he should have any more influence than the Honourable Minister with the Federal Government. Why hasn't the Federal Government opened up a similar office in the American Midwest, on a full-time basis say, in Kansas City or St. Louis or in the twin cities?

MR. EVANS: Mr. Chairman, our advertising agency is still the same as we have had from the beginning, Dalton K. Campe and Associates of Toronto. The split-run technique has been replaced now largely by regional editions of the various magazines and we achieve the same results, although it is not the split-run of one edition as it was before. There are more regional editions and we take advantage of those. I cannot understand the remark about the Los Angeles office being intended mainly to serve British Columbia. I have no information to that effect, I don't think it's the case. Perhaps my honourable friend doesn't know that the Ottawa people have a full-time tourist office in Chicago.

Now I think while I'm on my feet, Mr. Chairman, I'll provide some information for my honourable friend -- the Leader of the CCF Party isn't in his seat -- but the circulation of the press releases number 625. With respect to the meetings of the Manitoba Development Fund Board, there were 10 full board meetings. Mr. John MacAulay attended five, Mr. John Deutch has attended four. The Executive Committee has held 23 meetings. Mr. Bonnycastle is chairman. He receives \$50 a meeting. He attended the same as any other director attending a full board meeting. I'm not quite sure what that means. Directors attending executive committee meetings receive \$25, plus their out-of-pocket expenses; some of the directors do not claim. The general manager is also a director but does not receive remuneration for attending at meetings. With regard to working capital, working capital has been approved for five loans since the inception of the fund. In every instance this has been to replace working capital expended by the borrowers on capital or fixed assets.

MR. ROBERTS: Mr. Chairman, as you're driving into the city from the south, or I suppose from any angle, the signs read: "Tourist Bureau, Legislative Building" and give the hours. Yet when you come to the Legislative Building there's a sign which stops you and says: "Government Business Only". Would the Minister not consider it wise to take down the "Government Business Only" sign in front of our Tourist Bureau here in front of the Legislative Building?

MR. EVANS: Mr. Chairman, now that you've brought it to my attention, I've never seen that implication and I shall certainly discuss that with my honourable friend the Minister of Public Works who looks after the signs and see what can be done. I think that's a very valuable suggestion.

MR. ROBERTS: Mr. Chairman, another subject which I'm interested in. The Manitoba Travel and Convention Bureau go to a great deal of effort to publicize the Rainbow Stage, our summer attraction in Winnipeg. The other day the Honourable First Minister gave us a few, I hope, personal comments on the Rainbow Stage, rather offhand comments, which I think perhaps should be cleared up. I know there are dozens of citizens in Winnipeg who have given freely of their time to building the Rainbow Stage and to making it as great a show as it is,

(Mr. Roberts, cont'd.)....without any tangible reward to themselves other than to see the Rainbow Stage function properly. These people are justifiably, in my opinion, offended at the rather offhand remarks of the First Minister regarding the operations of the Rainbow Stage. The Rainbow Stage has -- I have checked and found that 59 percent of their budget in the past year has gone to salaries; 90 percent of this to local people. I think this is in direct contradiction with the remarks made by the First Minister who suggested that a large portion of their money went out of the province. In addition, as I pointed out the other day, it offers summer employment to those who might otherwise be unemployed talent in the summertime. It has also been drawn to my attention that the Manitoba Arts Council was not consulted in the making of the grants to the various theatre groups who requested grants, and I would like to see the government at this opportunity to perhaps regain or give back some of the confidence to Rainbow Stage which it requires. It exists on the goodwill of a number of citizens of the city, and it became known through quite a bit of publicity that the government itself feels that the Rainbow Stage is an extravagant group, then this is naturally shaking the confidence of otherwise donors. I would like to hear the Honourable First Minister perhaps comment on his comments. Did he really mean that the Rainbow Stage was an extravagant organization and unworthy of the support of the province?

MR. ROBLIN: Mr. Chairman, I would be glad to oblige my honourable friend by commenting on my comments. I really don't think my comment is worth commenting on, however, if he insists on my doing so I don't object. It only goes to prove that the shoemaker ought to stick to his last, because what I know about the drama is really not very much and I really would hesitate to put myself forward as an informed critic of matters of that sort. I made the mistake perhaps of appearing to attempt to do so the other night, and I am rather glad of the opportunity of being able to acknowledge my deficiencies in that particular line of endeavour. Unfortunately, and I suppose this is something one mustn't complain about because it's usually the case, unfortunately I don't think that most people who heard of the fact that I made some comment about the Rainbow Stage really heard or read everything that was said by me on that occasion, because I tried to indicate before I sat down that I did think this was a pretty good thing. In fact, I'm a regular customer of theirs in the summertime and very much enjoy the pleasure of going there. As a matter of fact, they always send me a complimentary ticket. I always have the privilege of paying for my ticket, however, but I do appreciate the fact that they do send me a complimentary ticket. When I go there they receive me in a very friendly way, and it would be churlish of me not to acknowledge that. It's always a pleasure for me to make up a little theatre party, for which I pay for, and patronize their activities because they're a lot of fun. Anyone who hasn't seen the Rainbow Stage has missed a very good show, and in my completely unqualified capacity as a dramatic critic, I recommend it to anyone who likes good wholesome entertainment.

The point that I was really trying to make was this, that our funds are very limited. When we came into office no drama organization, and I think this is a correct statement, and I'm subject to being brought up on this, but to the best of my remembrance and I think this is correct, there were no grants whatsoever being made to dramatic organizations. We decided that the drama ought to receive some token recognition, I don't think it's any more than that, from the Provincial Government; and after some consideration and taking some advice, we decided that our contribution would be made to the Manitoba Theatre Centre as we thought that that was perhaps the nursery for many of the excellent actors and actresses that perform at the Rainbow Stage. For that reason, among others, the Manitoba Theatre Centre was selected as the body in the dramatic group to which we would have the privilege of making some contribution in the name of the people of the province. So that really explains the whole thing from my point of view. I got dragged into this discussion about the Rainbow Stage and I am willing to say, without any reservation, that no one should pay any attention to me when I talk about their operations because I don't feel that I am qualified to make an informed comment about them. All I can say is that I enjoy their work very much and I hope to continue to be able to patronize their activities, and I'm glad to see that it appears likely that they will be carrying on.

If the government has, of course, doubled or more than doubled its contribution to cultural activities since it came into office, as I repeat myself, the government did make a

(Mr. Roblin, cont'd.)....contribution to the dramatic arts in one way, and it's unfortunate we haven't got sufficient funds available to recognize everybody who perhaps feel they have a claim upon us. It is the most difficult job to decide, and I'm willing to say that I make no claims for infallibility, that we're quite sure that our judgment may not coincide with the judgment of other folks as to whether we put the money to the best use. We do our best. We try to, and we try to be guided by what we think is fair and logical in the circumstances. I do hope the people at Rainbow Stage will be content to ignore me as a critic and welcome me as a customer.

MR. ROBERTS: Mr. Chairman, I think that the First Minister could add a great deal more weight to his words by recommending a grant to the Rainbow Stage. I understand from the figures given to us the other day there's still, I believe, \$8,500 unallocated in the fund for grants to worthy causes such as this. I think that if he did make this gesture of a grant, regardless of the size of it, it would add a great deal more weight to the explanation just given us. I think that one presumption on the part of the First Minister, that of the Manitoba Theatre Centre providing the nucleus of talent to the Rainbow Stage, is highly questionable. I think it's just as true that the Rainbow Stage provides talent for the Manitoba Theatre Centre. I think it works both ways equally. I would suggest that that end of it be checked because I do not think it is true that the Manitoba Theatre Centre provides the talent for the Rainbow Stage or is the nucleus. And so I would call on the First Minister to back up his very generous remarks by being a little generous with the funds and making a small grant to the Rainbow Stage.

MR. ROBLIN: I will continue to support them with my own cash.

MR. L. DESJARDINS (St. Boniface): Mr. Chairman, while we're on this vacation spots, I would like the Honourable Minister to tell us the reason why there seems to be so much talk of spending so much money and so many programs for the Grand Beach area, and there seems to be nothing going to Winnipeg Beach at all. Now there's some people around there that have been trying to rectify, to embellish the Winnipeg Beach area, and it seems that the government is not paying any attention to them at all. Is there some special reason for that? Now around that district I think that most of the people -- a lot of the people that live either in the country or in the city have a summer home, and in certain districts they will pay the government about \$25.00 or \$50.00, whatever the case may be, pay that sum every year; and in another spot the same kind of cottage will be treated practically like a city home. You will pay your taxes -- you might have to pay \$150 in taxes, school taxes and so on. I wonder if there is any reason for that? It doesn't seem quite fair or it seems to me -- maybe that's the only way it can be done I don't know, but it seems to me that some parts of the province are penalized and some others have an advantage over the other with the action of the government. I wonder if there's any explanation for that?

MR. EVANS: I think, Mr. Chairman, my honourable friend will find that the Department of Mines and Resources is now responsible for Grand Beach and they will report on both Grand Beach and Winnipeg Beach with regard to the aspects that he is speaking of.

MR. MOLGAT: Mr. Chairman, speaking of the tourist attractions in the Province of Manitoba, it seems to me last summer some confusion arose with the Federal Government as to what the tourist attractions were here in the province. Were they not published by the Federal Government, the list of tourist attractions? I think we were listed as having a summer school at Fort Garry and that was the end of it, or almost the end of it, but other provinces had many of their attractions listed? Would the Minister have any comment on what happened?

MR. EVANS: I don't know. I think last year I commented on what happened last year. I don't think anything like that has happened this year, has it?

MR. MOLGAT: It happened this past summer. As I recall the situation, the newspapers carried a report that other provinces -- this was in the Federal Government report of tourist attractions across the country -- that Manitoba had only one or two items listed and other provinces had many items listed. Now is there a lack of co-ordination between ourselves and Ottawa, or are we not using the facilities that Ottawa offers in tourist development, or what is the problem?

MR. EVANS: I think if my honourable friend would give me a reference to the clipping or to the news report that he has in mind, I'll look into it.

MR. MOLGAT: I'll find it before we meet again tomorrow. Referring back to the Annual Report the Minister presented us with, there was some comment made this afternoon about the caption under one of the pictures. I just want to comment briefly on the caption, or lack of same under another picture, and that's the golf course as shown on Page 40. When I first glanced at this I assumed it was one of our Manitoba provincial developments, probably Falcon Lake, but on looking a little closer, and the caption doesn't say it mind you, but this appears to be very much like the 10th hole on the Clear Lake course, which is a very fine course. I am delighted to see it. However, it seems to me that in a provincial publication that possibly we should be promoting those developments that the province has been responsible for, and this one, as the Honourable Minister knows, is exclusively a federal proposition and has been in operation there for many years.

MR. EVANS: The honourable member is objecting to some publicity from his neighbourhood?

MR. MOLGAT: No, I'm delighted because it's a very fine course and it's right next to my constituency. I'm glad to see it, but if he's going to put it in there, then I wish he would also put at the bottom a clear definition of where it is, Clear Lake Golf Course or whatever it is. Then that would be quite satisfactory.

MR. CHAIRMAN: Resolution 85 - passed. Item 7.

MR. ROBLIN: Item 7 is next but it's no use starting that at this time of the night, Sir, so I will suggest that the committee rise.

MR. CHAIRMAN: Committee rise and report. Call in the Speaker. Mr. Speaker, the Committee of Supply has adopted certain resolutions, has directed me to report the same and ask leave to sit again.

MR. W. G. MARTIN (St. Matthews): Mr. Speaker, I beg to move, seconded by the Honourable Member for Cypress, that the report of the committee be received.

Mr. Speaker presented the motion and after a voice vote declared the motion carried.

MR. ROBLIN: Mr. Speaker, I beg to move, seconded by the Honourable Minister of Industry and Commerce, that the House do now adjourn.

Mr. Speaker presented the motion and after a voice vote declared the motion carried and the House adjourned until 2:30 Tuesday afternoon.