



Legislative Assembly Of Manitoba

DEBATES and PROCEEDINGS

Speaker

The Honourable A. W. Harrison



Vol. VII No. 24 2:30 p.m. Friday, March 9, 1962.

5th Session, 26th Legislature



THE LEGISLATIVE ASSEMBLY OF MANITOBA

2:30 o'clock, Friday, March 9, 1962

Opening Prayer by Mr. Speaker.

MR. SPEAKER: Presenting Petitions  
Reading and Receiving Petitions

MR. CLERK: The petition of Insurance Institute of Winnipeg praying for the passing of an Act respecting the Insurance Institute of Winnipeg.

MR. SPEAKER: Presenting Reports by Standing and Special Committees.

MR. KEITH ALEXANDER (Roblin): Mr. Speaker, I beg to present the first report of the special committee appointed to prepare a list of members to compose the standing committee as ordered by the House.

MR. CLERK: Your special committee appointed to prepare a list of members to compose the standing committee as ordered by the House beg leave to present the following as their first report.

PRIVILEGES AND ELECTIONS:

Hon. Messrs. ROBLIN, EVANS, LYON, WEIR, Messrs. COWAN, CORBETT, DESJARDINS, DOW, GUTTORMSON, HAMILTON, LISSAMAN, McKELLAR, MARTIN, PAULLEY, PETERS, PREFONTAINE, REID, SCARTH, SHEWMAN, STRICKLAND, WAGNER.

PUBLIC ACCOUNTS:

Hon. Messrs. ROBLIN, CHRISTIANSON, HUTTON, LYON, McLEAN, WEIR, Messrs. ALEXANDER, BJORNSON, CAMPBELL, CORBETT, COWAN, Mrs. FORBES, Messrs. GRAY, HAMILTON, HILLHOUSE, HRYHORCZUK, INGEBRIGTSON, KLYM, MOLGAT, ORLIKOW, PAULLEY, ROBERTS, SCHREYER, SMELLIE, STRICKLAND, WATT, WRIGHT.

PUBLIC UTILITIES AND NATURAL RESOURCES:

Hon. Messrs. ROBLIN, CARROLL, CHRISTIANSON, LYON, WITNEY, Messrs. CORBETT, DESJARDINS, Mrs. FORBES, Messrs. GRAY, GROVES, GUTTORMSON, INGEBRIGTSON, JEANNOTTE, JOHNSON (Assiniboia), KLYM, McKELLAR, ORLIKOW, ROBERTS, SCHREYER, SEABORN, STANES, TANCHAK, WATT, WRIGHT.

AGRICULTURE AND CONSERVATION:

Hon. Messrs. ROBLIN, HUTTON, McLEAN, THOMPSON, WEIR, Messrs. ALEXANDER, CAMPBELL, DOW, Mrs. FORBES, Messrs. FROESE, HAMILTON, HARRIS, HAWRYLUK, JEANNOTTEE, KLYM, McKELLAR, MOLGAT, Mrs. MORRISON, Messrs. ROBERTS, SCHREYER, SHEWMAN, STRICKLAND, WAGNER, WATT.

MUNICIPAL AFFAIRS:

Hon. Messrs. JOHNSON, LYON, THOMPSON, WITNEY, Messrs. ALEXANDER, COWAN, DESJARDINS, DOW, FROESE, HAMILTON, JOHNSON (Assiniboia), KLYM, LISSAMAN, Mrs. MORRISON, Messrs. PREFONTAINE, REID, SCARTH, SCHREYER, SHEWMAN, SHOEMAKER, SMELLIE, WAGNER, WATT, WRIGHT.

LAW AMENDMENTS:

Hon. Messrs. ROBLIN, CARROLL, CHRISTIANSON, EVANS, HUTTON, JOHNSON, LYON, McLEAN, THOMPSON, WEIR, Messrs. ALEXANDER, BJORNSON, CAMPBELL, CORBETT, COWAN, DOW, Mrs. FORBES, Messrs. FROESE, GRAY, GROVES, HARRIS, HILLHOUSE, HRYHORCZUK, JEANNOTTE, JOHNSON (Assiniboia), KLYM, LISSAMAN, McKELLAR, MARTIN, MOLGAT, Mrs. MORRISON, Messrs. ORLIKOW, PAULLEY, PETERS, PREFONTAINE, ROBERTS, SCARTH, SCHREYER, SEABORN, SMELLIE, STANES, SHOEMAKER, TANCHAK, WAGNER, WRIGHT.

PRIVATE BILLS, STANDING ORDERS, PRINTING AND LIBRARY:

Hon. Messrs. CARROLL, HUTTON, JOHNSON, Messrs. BJORNSON, COWAN, Mrs. FORBES, Messrs. GUTTORMSON, HAWRYLUK, HRYHORCZUK, INGEBRIGTSON, JEANNOTTE,

PRIVATE BILLS, STANDING ORDERS, PRINTING AND LIBRARY (Cont'd.):

LISSAMAN, Mrs. MORRISON, Messrs. PAULLEY, PETERS, REID, SCARTH, SEABORN, SHOEMAKER, SMELLIE, TANCHAK.

INDUSTRIAL RELATIONS:

Hon. Messrs. ROBLIN, CARROLL, CHRISTIANSON, EVANS, HUTTON, THOMPSON, WITNEY, Messrs. DESJARDINS, GROVES, GUTTORMSON, HAMILTON, HARRIS, HILLHOUSE, JOHNSON (Assiniboia), LISSAMAN, MARTIN, ORLIKOW, PAULLEY, PETERS, PREFONTAINE, STANES.

STATUTORY REGULATIONS AND ORDERS:

Hon. Messrs. LYON, McLEAN, CHRISTIANSON, Messrs. GROVES, HILLHOUSE, HRYHORCZUK, ORLIKOW, SCARTH, SMELLIE, WRIGHT.

HON. DUFF ROBLIN (Premier)(Wolseley): Mr. Speaker, if I may interrupt the Clerk, perhaps it would be fitting if we took the report as read and we can check it in Votes and Proceedings tomorrow or Hansard to ascertain any details.

MR. ALEXANDER: Mr. Speaker, I move, seconded by the Honourable Member from Arthur, that the report of the committee be received.

MR. SPEAKER: I didn't hear your seconder.

MR. ALEXANDER: The Honourable Member from Arthur.

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

MR. SPEAKER: Notice of Motion.

Introduction of Bills. The Honourable Member for Winnipeg Centre.

MR. JAMES COWAN (Winnipeg Centre) introduced Bill number 62, an Act to amend the Municipal Boundaries Act.

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

MR. SPEAKER: The Honourable Member for Brandon.

MR. R. O. LISSAMAN (Brandon) introduced a Bill number 61, an Act to amend the Brandon Charter.

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

MR. SPEAKER: The Honourable Member for Swan River.

MR. A. H. CORBETT (Swan River) introduced Bill No. 63, an Act to validate By-law No. 147 of the Village of Benito, By-law No. 3/62 of the Town of Swan River, By-law No. 1404 of the Rural Municipality of Minitonas, By-law No. 1679 of the Rural Municipality of Swan River, and By-law No. 128 of the Village of Bowsman.

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

MR. SPEAKER: The Honourable Member for Hamiota.

MR. B. P. STRICKLAND (Hamiota) introduced Bill No. 15, an Act to incorporate Russell Golf and Country Club.

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

MR. SPEAKER: The Committee of the Whole. The Honourable Provincial Secretary.

HON. GURNEY EVANS (Minister of Industry and Commerce & Provincial Secretary) (Fort Rouge): Mr. Speaker, I beg to move, seconded by the Honourable the Attorney-General, that Mr. Speaker do now leave the Chair and the House resolve itself into Committee of the Whole to consider the following proposed resolution standing in my name.

Mr. Speaker presented the motion and after a voice vote declared the motion carried and the House resolved itself into a Committee of the Whole House with the Honourable Member for St. Matthews in the Chair.

MR. EVANS: Mr. Chairman, the Administrator of the Province of Manitoba having been informed of the subject matter of the proposed resolution recommends it to the House.

MR. CHAIRMAN: Resolved that it is expedient to bring in a measure to amend the Civil Service Act by providing for the payment from and out of the Consolidated Fund of certain expenses and all or part of the salaries or other remuneration of civil servants while on leave of absence for educational purposes.

MR. EVANS: It is required to change the Civil Service Act to enable the plan to be carried out under which the amounts of money which had formerly been appropriated under different departments for the purpose of sending civil servants on leave for educational purposes,

(Mr. Evans, cont'd.) . . . might be concentrated all under the civil service and administered by the Civil Service Commission. That's the purpose of this amendment.

MR. EDMOND PREFONTAINE (Carillon): Mr. Chairman, the wording of this resolution leaves me somewhat puzzled. Why is not the government going to pay, and state whether it's going to pay all or a part? Is the mind of the government not yet made up whether it will pay all or part of the salaries and remuneration; and if the mind of the government is not made up yet, does that mean that some civil servants will be paid all their salaries and others only part?

MR. EVANS: If there are no further questions, Mr. Chairman -- In some cases the government pays all of the expenses and the salary; in other cases pays only something toward the expenses. The difference is in the following: that where the civil servant is required to go by the employing authority and take this further training and it is thought to be worthwhile on the part of the government, the salary is paid and the expenses are paid and the tuition fees are paid. If, however, a member of the civil service wants to improve himself and the government doesn't agree that it is essential for his work in his present position, he may be permitted to go of his own motion and in that case some contribution is made toward the civil service expenses.

MR. PREFONTAINE: Mr. Chairman, has the government any assurance, or require any assurance from these civil servants that they will remain in the service of the government?

MR. EVANS: Yes, Mr. Chairman, it is required that the civil servant sign an agreement to continue in the service for two years for each year that the person is absent taking educational training.

MR. RUSSELL PAULLEY (Leader of The New Democratic Party)(Radisson): Mr. Chairman, does this mean, I'd like to ask the Honourable the Provincial Secretary -- does this mean that the approval for taking educational leave now will be vested in the Civil Service Commission? I understand that previously it was vested in the department and that was the reason for the expenditure being contained within the expenditures of the department. Now it's going to be set up financially different. But does this mean that the Civil Service Commission will hear an appeal from the employee irrespective of what department he works for or will this still have to be done through his departmental head?

MR. EVANS: Certainly the authority to go on educational leave will be granted by the department for which the civil servant works. The question hasn't arisen as to whether there would be an appeal to the Civil Service Commission against the decision of an operating department -- doubtless that would be done. I think I can say that it would only be fair that if they feel there is a grievance -- if a given civil servant feels there is a grievance then he would take it up with the Manitoba Government Employees Association and they would bring it to the Civil Service Commission or, if necessary, to joint Council. I agree with the principle that there should be some review allowed in any case of grievance.

MR. GILDAS MOLGAT (Leader of the Opposition)(Ste. Rose): Mr. Chairman, this is the resolution to put into effect the \$100,000 that was passed the other day under Civil Service Commission -- is that correct?

MR. EVANS: . . . . . together.

MR. MOLGAT: This will then remove from every department this matter of educational leave, I presume. Now there'll be one single source from which educational leave funds will be handled and the departments themselves will no longer be supplying this through their own funds. Is that . . . .

MR. EVANS: That is certainly the intention to place under the administration of the Civil Service Commission the administration of this educational leave fund. Now my honourable friend, I don't know whether you meant to suggest that there might be some other kinds of cases in which training is carried on that -- I'm not aware of any. There are not -- I'm assured there are not. So it is the intention then, in the interests of uniform administration and of efficiency and of seeing that the same conditions apply to all departments, that this fund of \$100,000 be gathered together all in one place and education leave administered by the Civil Service Commission.

MR. MOLGAT: That's not actually a change in policy. As my honourable friend indicated the other day in answering a question, this matter of educational leave was in existence for some time but was being handled through each department on their own appropriation; whereas now it will be coming in through one appropriation and be handled through the Civil

(Mr. Molgat, cont'd.) . . . Service. Is there going to be a substantial increase over what was done individually by departments?

MR. EVANS: During my estimates I answered the question to the effect that the expenditures last year were approximately \$80,000, and an amount of \$100,000 provided this year. I am not aware that I said the other day there was a change in policy. -- (Interjection) -- No, I think not; it's rather a change of administration.

MR. CHAIRMAN: Resolution be adopted. Committee rise and report. Call in the Speaker.

Mr. Speaker, the Committee of the Whole House has adopted a certain resolution and 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 Morris, that the report of the Committee be received.

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

MR. EVANS introduced the Bill No. 53, an Act to amend the Civil Service Act.

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

MR. SPEAKER: Before I call the Orders of the Day, I should wish to introduce to the Members of the Legislative Assembly, 25 pupils from Glenlawn School attending Grade 10, with their teacher, Mr. Bramadat. Mr. Bramadat is a native of the West Indies and he has been residing in Winnipeg for six or seven years and he is now a teacher in Glenlawn School. We wish and hope that the students of Glenlawn School will have a pleasant and constructive afternoon with us and we hope and wish that they will be successful in their endeavour to obtain an education in Winnipeg.

Orders of the Day.

MR. LISSAMAN: Mr. Speaker, before the Orders of the Day, I have been asked on behalf of the Board of Directors and Management, and I suppose one might say, the entire Agricultural industry of the province, to extend an invitation to the Members of the Legislature to, once again, attend the Manitoba Winter Fair in Brandon. It has been suggested that Wednesday, April 4, if it is agreeable to the government, that this would be an excellent time to attend the show. On Wednesday, they are planning to invite representatives of provincial agricultural societies to also be guests of the Manitoba Winter Fair. The program is quite good. There will be in the morning, the judging sale of bulls; bred sow sale at 1:30; awarding of supreme cattle championships at 7:25; fancy costume class at 7:50; four-horse tandem teams to wagon at 8:30; and of course a good program of light horse classes featuring a large number of the top jumping and hunter horses from the United States. I know, Mr. Speaker, that the members enjoyed themselves on the last visit and I feel sure they would like to avail themselves of the opportunity to, once again, attend the Manitoba Winter Fair.

MR. ROBLIN: Mr. Speaker, I think we would all like to acknowledge with thanks, the kind invitation of the Member for Brandon and kind invitation of those for whom he has been speaking, in suggesting that we should take advantage of the occasion on Wednesday, April 4, to visit the Winter Fair at Brandon. This is certainly one of the outstanding events of the agricultural year and one in which people all over the province take a great deal of interest and a great deal of pride, and I feel sure that if the Whips consult at some suitable time, that arrangements may be made that would meet the desires of members on all sides of the House to visit Brandon on that occasion. And if I may be allowed to do so, I think that I'd like to accept that very kind invitation and say that I expect that a very representative delegation of members from all sides of the House will be in Brandon to enjoy their day with the people of western Manitoba at that time.

HON. GEORGE HUTTON (Minister of Agriculture)(Rockwood-Iberville): Mr. Speaker, I would like to say a word at this time. Last year the Department of Agriculture were able, through the kindness of the Canadian National Railways, to make, what I think, most members felt, were very satisfactory arrangements for transportation up and back and we'll be happy to do so again -- that is, the department will certainly be happy to try and make the same arrangements, if possible. I believe that the Member for Brandon will be circulating a petition in the House and when we know how many members are planning on making this trip we'll proceed to try and make the same provisions as we did last year. We certainly hope that there will be good representation from all the parties because we did find that in addition to all the

(Mr. Hutton, cont'd.) . . . enjoyment and the hospitality that we received at Brandon, that there was something to be said for the good fellowship of all the members on that trip up and back.

MR. MOLGAT: Mr. Speaker, if I may, just on this one point, we certainly appreciate the invitation very much. The real question will be, I think, whether the leader of the House will grant the House a day off, because that happens to be Wednesday, and that is government business. So if the leader of the House were to make an announcement in this regard, then I'm sure that our members would be in a position to sign the petition that will be passed by the Member for Brandon.

MR. PAULLEY: Mr. Speaker, I would like to join in thanking the Honourable Member for Brandon and the Brandon authorities for their kind invitation to, once again, go to Brandon during show week. We had a lovely time last year when we were at Brandon. It was very educational. I'm sure that all of us that were there enjoyed it. I'd like to suggest to the members of the House that notwithstanding whether we are granted the privilege of the House not being in session, or not, that if the rest of the members of the House would take from us who were there last year, what a lovely time we had in every respect, that there wouldn't be a quorum, Mr. Speaker, for you to call the House into session whether or not we receive from the government the authority to be off. And I would recommend to all of the members of the House that they go on this trip if at all possible.

MR. ROBLIN: Mr. Speaker, just to set any minds at rest in case there's any possible doubt, which I find it hard to understand, let me say that the Honourable Member for Brandon long ago convinced members on the government side that we should sacrifice our Wednesday on this occasion, as we have on others, to visit Brandon, and I must confess I thought that that point of view was implicit in what I said in the first instance. But in case it isn't, I'd like to make it perfectly clear.

MR. EVANS: Mr. Speaker, I wonder if I might offer a word of advice to the honourable members who are going to Brandon to get for themselves the experience that I obtained for myself. I went there as a city boy, not having been brought up on a farm, and I had the very fortunate experience of accompanying the Minister of Agriculture as he moved about the various livestock barns, and I stood and watched him, radiant, transfixed, a look of ecstasy on his face as he pointed down at an animal on the ground and said: "Isn't that a beautiful pig". Well I can only recommend to anyone if they want to see joy on a human face, to accompany the Minister of Agriculture as he goes about the pig barn at Brandon.

MR. PAULLEY: Mr. Speaker, if I may interject on this humorous note, I believe at that particular time the Honourable the Minister of Agriculture was pointing to a steer.

MR. SPEAKER: Orders of the Day.

MR. DAVID ORLIKOW (St. John's): Mr. Speaker, before the Orders of the Day, I'd like to direct some questions to the Attorney-General. First, do the Police Magistrate's hold regular meetings; and, if so, how often? Two, who prepares the agenda for the meetings, and what subjects are discussed? Three, do representatives of the Attorney-General's department participate in these meetings. And four, is there an attempt made to work out a general and unified approach to the problems of crime faced by the courts by the Magistrates and the Attorney-General's department?

HON. STERLING R. LYON (Attorney-General)(Fort Garry): Mr. Speaker, I wish to thank the honourable member for his courtesy in giving me notice of his intention to ask this question. Briefly, the answers are as follows: Question No. 1 - Yes, the first general Magistrate's conference was held in 1958, the second in 1960 and plans are being under discussion at the present time for a further conference later on this year. The agenda for the meetings is prepared by a letter from the Attorney-General's department going out to all Magistrates asking for the subjects that they wish to have placed on the agenda for general discussion. A committee then composed of the Magistrates is formed to go over the replies, make up the agenda along with other matters that are submitted by the department. The answer to question No. 3, is 'Yes'. The answer to question No. 4, is 'Yes', and I may say in that regard that general discussions on unity of approach to problems of crime faced by the courts do take place, and as well, visits take place as an integral part of the agenda to correctional institutions in Manitoba operated by both the provincial and federal governments.

MR. MORRIS A. GRAY (Inkster): Mr. Speaker, may I ask a supplementary question on the same subject. Are those decisions, if any, being carried out by the Magistrates after they go back to work?

MR. LYON: Well, Mr. Speaker, of course each Magistrate decides each case on its own particular facts according to the circumstances as he sees them at the time. For me to generalize and say that all the decisions or discussions that they have, have or do not have a bearing upon their subsequent work. I just couldn't say that, but one can only presume that common sense would prevail and that if they have gained additional knowledge from these discussions this would follow through in the decisions that they make subsequent to the conference.

MR. GRAY: Mr. Speaker, may I ask another question of him? Such things as pre-sentence, or a report from the probation officer, is this something new, or is it their own, or are they your instructions, or decided by the annual meetings which they have?

MR. LYON: Pre-sentence reports, Mr. Speaker, are provided by probation officers to all levels of courts in the province. They are available on a full time basis to the major courts in the province and on call to those other courts, the magistrates who request them.

MR. SPEAKER: Orders of the Day.

Orders of Return. The Honourable Member for St. John's.

MR. ORLIKOW: Mr. Speaker, I move, seconded by the Honourable Member for Seven Oaks, that an order of the House do issue for a Return showing (1) The number of secondary schools built in each division in the years 1959-60-61. (2) the location of each secondary school built in each division. (3) the number of classrooms in each school, (4) the total government grant towards the building of each school.

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

MR. SPEAKER: The Honourable Member for Gladstone.

MR. NELSON SHOEMAKER (Gladstone): Mr. Speaker, I noticed that there is an error here that on the question No. 6 on my Order No. 2 should be Item No. 5 in the order No. 1. Shall I read it that way or . . . No. 6 of Order No. 2 -- No. 4 was in arrears as of December 31, 1961, well that should read on my first Order.

MR. ROBLIN: Mr. Speaker, may I suggest that if my honourable friend is able to oblige perhaps it would be better to allow the Clerk to have the Order reprinted in the proper form and move it on the next occasion if that would be suitable, and then we'd have it right.

MR. SPEAKER: We have three Orders standing in your name. Is it your wish that all three be . . . . .

MR. SHOEMAKER: I guess I could proceed with No. 3.

MR. SPEAKER: Then we would proceed with it.

MR. SHOEMAKER: Mr. Speaker, I beg to move, seconded by the Honourable Member for Turtle Mountain that an Order of the House do issue for a return showing: (1) The number of persons in Manitoba as of January 1, 1962 enrolled for social allowances; (2) The number of persons as of January 1, 1962, in receipt of a cash social allowance, and the sum total received by this class in the year ending December 1, 1961; (3) The number of persons enrolled for social allowances who are not in receipt of a federal pension of any kind; old age assistance, old age security, disability or blind persons; (4) The number of persons in receipt of a Medicare Card as of January 1, 1962; (5) The number of persons in receipt of a Medicare Card who receive no other social allowances; (6) Cost of Medicare program for the year ending December 31, 1961.

MR. SPEAKER: Are you ready for the question?

HON. JOHN A. CHRISTIANSON (Minister of Public Welfare)(Portage la Prairie): Before you put the question I should clarify that the answer to No. 3 is not available in exactly the form in which it is asked because the information is not recorded in this fashion. However, we can indicate a very close approximation.

MR. SPEAKER: Subject to the explanation, are you ready for the question?

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

MR. MOLGAT: Mr. Speaker, on the matter of these questions if I may, rather than delay them completely, would it not be possible to put in the two orders for return and simply for the time being delete No. 6 on the second order which can be then subsequently brought in as an order in itself? Otherwise these will have to wait until next week and there will be that much more time before the answers can come forward.

MR. ROBLIN: Mr. Speaker, there's no objection to that suggestion at all.

MR. SPEAKER: Next motion is the motion of the Honourable Member for Inkster and . . .

MR. MOLGAT: I think we'll have to call for these Orders of Returns will we not? The one standing in the name of the Member for Gladstone being second of them and then the third one which he will simply ask to delete No. 6.

MR. SPEAKER: I was under the impression that we were leaving them over until next session.

MR. ROBLIN: Mr. Speaker, that was my suggestion and I still think it's not an objectionable one, but if the member who is moving the request wishes to deal with it some other way I'm entirely open to any suggestion he would make.

MR. SHOEMAKER: I can proceed now, Mr. Speaker, I suppose. And I'd leave Item No. 6 on Order No. 3 - - on 2. Delete Item No. 6. Shall I proceed then? I move, seconded by the Honourable Member for Turtle Mountain that an Order of the House do issue for a return, showing: (1) The total number of applications received by the Manitoba Agricultural Credit Corporation from the date of its inception up to December 31, 1961; (2) the number of applications approved during the said period; (3) the number of applications rejected during the said period; (4) the number of applications withdrawn by the applicants during the said period.

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

MR. SHOEMAKER: I move, seconded by the Honourable Member for Turtle Mountain that an Order of the House do issue for a return showing for each year since its inception of the Manitoba Hospital Services Plan: (1) The number of prosecutions for non-payment of premiums; (2) The number of fines levied as a result of the prosecutions; (3) The total dollar amount of the fines levied; (4) The number of people jailed as a result of the prosecutions; (5) The actual cost of collecting premiums broken down to show commissions paid and all other costs.

MR. SPEAKER: Are you ready for the question?

HON. GEORGE JOHNSON (Minister of Health)(Gimli): . . . . to get all the information asked here by the honourable member. I just put possibly one reservation on No. 5 in this Order where it says "and all other costs." We will do our best to get all this information but I just don't know what this might imply.

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

MR. ROBLIN: I believe that it has been agreed that we should now proceed to government business on the Order Paper, and if that is the case then I would ask you to call the last resolution on the Order Paper, the one that has to deal with the resolution on Trade.

MR. MOLGAT: Mr. Speaker, before the question is put? Does the government intend to proceed today with the resolution presented by the Minister of Welfare, or not today? - 4th page.

MR. ROBLIN: There would be no objection to doing that, Mr. Speaker. Probably we could deal with the resolution on Trade or the ECM, that's the last item on the Order Paper, and we could then proceed with the resolution on the Constitutional Amendment on Pensions so that the Honourable Member for St. George may give us his views. And then I would suggest that if there is time left we would then go to Committee of Supply.

MR. MOLGAT: That will suit us fine.

MR. SPEAKER: Proposed resolution standing in the name of the Honourable the Minister of Industry and Commerce.

MR. EVANS: Mr. Speaker, I beg to move, seconded by the Honourable the Attorney-General that: WHEREAS new trading patterns appear to be developing which may closely affect the vital agricultural, extractive and manufacturing industries of the Province of Manitoba, and WHEREAS wider and freer trading patterns of a multilateral, non-discriminatory kind are in the best interests of the people of the Province, and WHEREAS the Six Countries of the European Common Market are Canada's friends and allies and Canada has extensive trade relations with the Common Market, as evidenced by the fact that Canada's exports thereto have quadrupled in the last years, and WHEREAS the possible entry of the United Kingdom into the Common Market and the economic policies now being advocated by President Kennedy of the United States are of fundamental importance to this province, and WHEREAS the Government of Manitoba is encouraging the expansion and development of agriculture, the extractive industries and manufacturing for sale at home and abroad, and WHEREAS the Government of Manitoba

(Mr. Evans, cont'd.) . . . sought and obtained the co-operation of the Government of Canada in holding the Manitoba Export Trade Conference in 1961 and the Government of Manitoba has been assured of the continuing co-operation of the Federal Government and its Trade Commissioner Service in its activities to expand the export trade of Manitoba producers; THEREFORE BE IT RESOLVED that this House recognize the problems and opportunities that may arise from the aforesaid developments and the need to take the initiative to locate and develop new markets by every means available including information, consultation and technical advice. AND FURTHER BE IT RESOLVED that the Government of Manitoba sponsor a Trade Mission representative of the various economic interests in the Province to visit the United Kingdom, the Common Market countries and other European countries at an early date to consult with government, labour, agriculture and industry and to study at first hand the opportunities for expanding our present market opportunities in the Common Market and the probable effects of the proposed entry of the United Kingdom into the Common Market as a member and of other economic developments in Europe, and to assess the problems and opportunities which these developments will present to Manitoba producers engaged in agriculture, the extractive industries and manufacturing. AND FURTHER BE IT RESOLVED that the proposed Trade Mission prepare a report on its findings for presentation to the Government of Manitoba.

MR. SPEAKER: Are you ready for the question?

MR. MOLGAT: Mr. Speaker, before . . . proceed. Should not this resolution have been preceded by a message from His Honour?

MR. ROBLIN: I'm not at all sure that that will be necessary, Mr. Chairman, because it's not at all settled as to where the cost of this will be met, and it may be that departmental estimates will take care of this particular problem. So I don't think that a message from His Honour is in order.

MR. MOGAT: It is anticipated then that the Government of Manitoba will have no expenditure with regard to this item?

MR. ROBLIN: . . . expenditures, but they will be covered by an appropriation to the House in respect of estimates. But that matter has not been settled, and should it turn out that there will be expenses to the Government of Manitoba it may then be necessary to deal with it in another way. But that matter is not settled at the present time.

MR. MOLGAT: Mr. Speaker, should -- if the matter isn't settled, either it should have been settled before the resolution was presented or there should have been a message from His Honour.

MR. ROBLIN: I don't agree, Mr. Speaker. I think we're dealing with the principle that there should be this kind of action taken but the matter as to how it should be financed is a separate question.

MR. D. L. CAMPBELL (Lakeside): Mr. Speaker, would you rule on this matter? We have the word of the Honourable the First Minister on it, but after all he's not the Speaker of this Assembly and I would refer you to the rule of our own House dealing with the matters of the introduction of any vote or resolution that has to do with the spending of money.

MR. SPEAKER: . . . that if the money is provided in the estimates of the House, the motion is certainly in order, and if they are not, it would appear that possibly the motion is out of order on the grounds stated by the Leader of the Opposition.

MR. ROBLIN: Mr. Speaker, I can give the assurance that if any money is spent as a result of this resolution it will be covered by the estimates.

MR. CAMPBELL: Mr. Speaker, my honourable friend said a little while ago that they were not sure that it would be done in this way.

MR. ROBLIN: . . . "if" it would be covered in the estimates.

MR. SPEAKER: . . . the Leader of the House that the item is covered by the estimates and it would appear that the motion is in order.

MR. MOLGAT: . . . please tell us what appropriation this will be under?

MR. EVANS: That's a matter for discussion when we come to the estimates. -- (Interjection) -- I wouldn't want to interrupt my honourable friends if they have anymore delaying tactics in their minds. . . .

MR. CAMPBELL: Mr. Speaker, on the point of order, I submit to you that to tell us even what appropriation it will be under is not enough. If the Honourable the First Minister's

(Mr. Campbell, cont'd.) . . . . statement means anything at all, it means that it's already provided for. Where, in the estimates?

MR. ROBLIN: Mr. Speaker, I'm sure my honourable friend knows that in the estimates of every department there are contingency items and this is certainly ample to cover any expenditures that will be developed in this way, and the particular item in which this would be covered would be under the Manitoba Development Authority.

MR. EVANS: Mr. Speaker, in any discussion of the issues involved in the expected British entry into the Common Market, let me say at the outset that it would be a very brave man, indeed, probably a braver man than I, who would claim to be an expert in many, or certainly all of the aspects of this complex problem. Britain's relationship with western Europe is one of the great political as well as economic factors of our time. Although it is always dangerous to forecast, I believe that it is reasonable to assume that the outcome of negotiations now under way, will result in Britain entering the Common Market. This could result in a difficult period of re-adjustment for Canadian trade and industry, although I'm inclined to the view that there is a tendency by many to overstate the immediate advantages and disadvantages, and to disregard some of the probable longer term results that will come from such a development. My own opinion is, that if we are alert and vigorous and attentive in our attention to this matter, on balance the effects can be more positive than negative, and particularly is this true for the Province of Manitoba. At any rate, it would appear that we have two alternatives to choose from. One is a negative reaction and the assumption that Britain's entry into the Common Market will make it impossible for Manitoba products to compete. Or as an alternative, a positive approach which involves acceptance that Britain's entry into the Common Market may involve certain difficulties but also provides new opportunities providing we become familiar with the new conditions that are likely to confront us and the Manitoba producers and prepare accordingly.

The second alternative is the policy that the government proposes to follow, and we intend to take the initiative in co-operation with various economic interests in the province to study at first hand the implications of Britain's entry into the Common Market; the industries that will be adversely affected and the opportunities that the new arrangements will present to Manitoba producers. In addition, we want to explore the possibilities of increasing sales of Manitoba goods in other areas of the world to offset any losses resulting from Britain's entry into the Common Market.

There have been three major developments in international trade recently and I believe it would be useful if I commented on them briefly. As already mentioned, the United Kingdom has indicated possible membership in the Common Market. Second, the members of the Common Market have agreed on a common agricultural policy in broad outlines. And, third, the United States and the Common Market have reached an agreement on a mutual 20% reduction on industrial products and on some agricultural products. And I think we can all take heart -- those of us who believe in freer trade -- from developments recently and announced in the press yesterday, of an announcement in the House of Commons at Ottawa that Canada is also in process now of reducing tariffs between Canada and the United States. Some of these results have been announced and others are to follow. I think this is heartening news for those of us who are concerned about Canada's export trade and international trade in general.

Well I would like to make comment of each of these three factors, in turn. With regard to the United Kingdom, the Common Market and Canada, the following developments are taking place. One, the United Kingdom is conducting a study at present of the existing trade patterns between it and the commonwealth nations. This trade is being evaluated in terms of British membership in the Common Market. Second, the United Kingdom is negotiating with the Common Market to obtain safeguards which will give Canadian and other commonwealth exporters a tariff advantage over non-commonwealth suppliers. France, West Germany and the other members of the Common Market are reported to be opposed to the proposed commonwealth preference system, advocating instead, a unilateral system of trade concessions. United States has indicated support of the idea of a transitional period of adjustment and within President Kennedy's program for freer world trade, the United States is willing to lend its influence to help persuade the Common Market to allow commonwealth preferences to be reduced gradually. This would give industries in Canada more time to adjust and to the new market conditions with

(Mr. Evans, cont'd.) . . . which they would be faced. Three, if the United Kingdom becomes a member of the Common Market, the effect on a number of Canada's exports will depend largely on the commonwealth tariff advantages that Britain can negotiate. In 1960, Canadian exports to the United Kingdom amounted to \$915 million, or 17% of the total Canadian exports.

Turning to the agricultural policy agreement of the Common Market, the following events have occurred or are under way. One, a common agricultural policy in broad outline has been adopted by the six members of the Common Market. This agricultural agreement will become effective in the crop year of 1963. It is the aim of the Common Market to reduce all tariffs, quotas and taxes on agricultural products and other products to two levies. One levy is to be applied to the countries outside the Common Market and the other levy is to apply to the member countries. The latter is to be reduced by stages until final elimination. The common agricultural policy is designed to finance the reorientation and rehabilitation of the certain backward areas in the Common Market, to safeguard and stabilize prices inside the Common Market and to finance the disposition of the agricultural surplus of the Common Market. For certain specific items such as cereals, pork, eggs, poultry, fruit, vegetables and wine, special regulations were adopted for each of these items special administrative committees were created. The achievement of a common agricultural policy indicates that the Common Market is firmly established. The agreement showed a powerful will to succeed, for in making the necessary concessions on agriculture, the Ministers of member countries risked political difficulties at home.

And finally, the third major development which concerns the United States Common Market in Canada was, first, the Common Market and the United States have reached an agreement on a mutual 20% reduction of tariffs on industrial products and on some agricultural products. The Common Market could not extend guarantees for all American farm exports to Europe because the members have not decided on the fine details of the common agricultural policy. The agreement will have to be submitted to the general agreement for tariffs and trade, the council administers of the Common Market and the United States Congress for approval. The Reciprocal Trade Agreements Act, the law by which the United States has set tariffs during the past 25 years, will expire on June 30, 1962. President Kennedy has indicated that his government is in favour of freer world trade and he has stated that he will call on Congress to pass a new five-year law authorizing him to eliminate tariffs completely on those groups of commodities for which the United States and the Common Market control 80% of the total world's trade. For example, industrial machinery, electrical equipment, transportation equipment and chemicals. Next, to reduce tariffs by as much as 50% on broad groups of commodities instead of on individual items as at present; to extend federal aid to industries and labour adversely affected by import competition; to withdraw or modify tariff concessions when domestic industries are too drastically affected by imports.

The forces supporting President Kennedy's proposed program are reported to be organized labour and business generally, and I think we should note, also, Canada's support of this general program advocated by President Kennedy and being carried into effect. I was struck by a dispatch from London written by Dave Oancia in the Winnipeg Tribune which begins, as follows: "Two messages, one delivered in Washington and the other in Winnipeg, appear to have been big morale boosters to the men who are striving for Western European integration. The messages were major world trade policy pronouncements by President John Kennedy and Finance Minister Donald Fleming. Both emphasized the need for dramatic moves to cope with the international trading revolution precipitated by the creation of the European economic community and Britain's decision to try to join it". And a little later in the same despatch it's pointed out that "one direct result of the better relations in the presence of two senior Canadian officials in Brussels helping the British and Common Market teams of experts studying the Commonwealth trade problem." And a little later in the same despatch it's pointed out that "one direct result of the better relations is the presence of two senior Canadian officials in Brussels helping the British and Common Market teams of experts studying the Commonwealth trade problem." I am sure that those of us who are concerned with freer world trade will have welcomed that announcement and will have taken heart from these developments.

Forces opposed are those generally--are those individual unions and businesses which expect to be hard hit by the import competition and the congressmen who believe that this trade law infringes on the constitutional rights of Congress. The trade debate in the House of

(Mr. Evans, cont'd.) . . . . Representatives is expected to continue until June 30th, 1962, the expiry date of the existing Reciprocal Trade Agreement Act.

News reports from Washington indicate that President Kennedy will achieve at least a half of his proposed program. However, there is a possibility that the existing Reciprocal Trade Agreements Act may be extended for one year. United States is preparing a study to ascertain the benefits that its economy, region by region, obtains from exports and imports.

The possible effects on Manitoba--I would now like to turn to a discussion of the economic effects of Britain's entry into the Common Market upon Manitoba producers, based on our own investigations. Again I must emphasize that our findings are only tentative and it will be some time before the full implications and effects of the development of the Common Market will be known. I felt it would be helpful, however, if I reported our findings to date to the members of the Legislature and I would hope they would be equally useful to the business community, to the labour movement and to the financial institutions, all of whom are deeply concerned with this question; and of course at the basis of all these things we have regard to the interests of agriculture and the farm movement I hope will find this information concerning their markets and future markets of interest and value.

Three groups of exportable commodities are usually distinguished in any study of effect on our economy--industrial raw materials, food products and manufactures; and I propose to deal with those three categories in turn.

Industrial raw materials. At the risk of over-simplification, one can say that the industrial raw material sector should not be a source of great concern to Manitoba producers. The new Europe will continue to be a large net importer of these commodities and already admits them free or at low tariff rates. Nickel. It appears there will be no common external duty on nickel and as Canada is the world's largest supplier there is a bright future for our nickel in the European Common Market. Copper ingots, bars and billets. We now enjoy a substantial Canadian export to Britain and the Common Market. Canada is the United Kingdom's second largest supplier. The Canadian copper industry should find an increasing market in Europe resulting from a high rate of economic growth and an expanding electrical industry. Also, there will be increasing opportunities for sales in under-developed countries for electrification as assistance programs are organized by the Common Market countries. There is no duty now on copper entering Europe, except a small levy by Italy. There will be no duty under the common external tariff so Commonwealth preference is not a factor. The import demand for copper in Europe is expected to increase about 4% per year, giving Canada and other producers a good potential to increase sales.

Zinc. Canadian sales to Britain in 1960 were close to \$20,000,000 and Canada is Britain's chief supplier of zinc metal--45%; although the USA, Belgium and Russia are also important. Australia supplies mostly concentrates. The Common Market does not import substantial quantities of metal. Belgium is one of the world's leading smelters of zinc from imported concentrates and will eventually have duty-free entry on refined zinc into Britain. At present Canada has a preference in the British market of 1 pd 10s per ton--2% ad valorem. The common external tariff for the Common Market will be the same as lead--4 pd 16s per ton, which equals, at present zinc prices, 6-3/4% ad valorem. Thus Canadian sales would be at a disadvantage against Belgium as both countries produce all grades of refined zinc. The United Kingdom has asked for the Common Market external duty on zinc metal to be nil. It is felt that this will not be agreed to but a reduction of the proposed duty of 4 pd 16s may be achieved. In any case, the United Kingdom will undoubtedly press for a substantial duty free quota on the lines granted to Germany and the Netherlands at the present time. It should be borne in mind that the United Kingdom also may need protection for her own production of 90 to 100 thousand tons per annum of metal from imported concentrates. European demand for zinc will increase, although not so much as copper. Galvanizing of iron will continue to be an important consumer of zinc, whereas chromium plated should expand with the growth of consumer durables; and there are good prospects for zinc dye casting. Slightly over 2% growth per year is probable for zinc. With the increase in demand and the probability that Britain may be able to negotiate a duty-free import quota, Canada should be able to hold her own on zinc exports to Britain.

Cadmium. Canada exported 1.4 million dollars to Britain in 1960. The duty will go from zero to 5%, but it is expected that Canada's exports will not be affected because Europe is a big

(Mr. Evans, cont'd.) . . . . importer and Manitoba produces relatively small amounts of cadmium.

Newsprint. At \$60 million this is Canada's most important manufactured export to Britain,--6-1/2% of our total exports to Britain. We sold only one and a half million dollars to the Common Market, chiefly to France. British newsprint consumption is supplied 12% from Scandinavia; 57% domestic production and 31% from Canada. Therefore Canadian sales of newsprint to Britain are very important, both to British and Canadian interests and, potentially, to northern Manitoba. The Canadian newsprint industry, after a first-hand study of the situation in Europe, is not as pessimistic as some other manufacturers, and I base that on a statement by R. M. Fowler, President of the Pulp and Paper Association of Canada, after his return from a recent trade mission to Europe. They're not as pessimistic as some other manufacturers about the effect on their sales of European integration, this despite the fact that a 7% common external tariff may be in effect compared with the duty-free entry into Britain at present from all sources. If Britain enters the Common Market the Canadian newsprint industry will not be subjected to competition from continental sources. British mills are in a better position to supply British newspapers than continental mills. Scandinavian mills will be in no better position to supply Britain than is Canada except for the freight factor which has always existed. The main competitive threat for Canadian newsprint in Britain might come from British domestic industry protected by a 7% tariff; but the British paper industry finds it more profitable to expand its production of packaging materials and fine papers than to make more newsprint. Britain is trying to negotiate a zero tariff for newsprint--it is possible that Britain will have the co-operation of some of the Common Market countries. In spite of over-capacity at present in the newsprint industry, there is a very strong growth factor linked to rising living standards and literacy. Any diversion of trade resulting from Britain's joining the Common Market is therefore likely to be negligible and Canadian sales to Britain should be maintained.

Wood pulp. At the present time Britain buys only 10% of her pulp imports from Canada--85% comes from Scandinavia. All European importers of wood pulp look first to Sweden, Finland and Norway for their supplies. Scandinavia has a large exportable surplus of high quality pulp and is close at hand. The main problem affecting Canadian pulp exports to Europe is not the possible effect of Britain joining the Common Market, but inability to compete with Scandinavia. Pulp enters Britain duty-free from all sources but the Common Market external tariff will be 6%. However, any Common Market country, after due notification, can establish tariff-free quotas up to the extent of their domestic requirements. The Common Market and Britain are a large deficit area of coniferous forest products and as such cannot afford to restrict imports too severely. Britain is negotiating for a Common Market zero tariff. If forecast of consumption of paper products in the Common Market work out, demands for pulp will outstrip Scandinavian capacity to produce by 1970. By then it is expected they will reach their limit of wood resources and also will be keeping more sulphate pulp at home to supply their expanding domestic manufacture of kraft paper. The shortfall in Scandinavian ability for exports to Europe could possibly be in the neighbourhood of two million tons annually in ten years. The Canadian pulp industry may be adversely affected at first, chiefly from Scandinavian competition, but sooner or later Canadian production should make a come-back in the British market and even on the continent, and this could be an important potential market for the development of the forest resources of northern Manitoba.

Plywood--softwood. The consumption of plywood in Europe should increase faster than lumber but domestic manufacture of plywood will probably be protected by a Common Market external tariff of 10% to 15% compared with duty-free entry into Britain at present. Softwood-plywood is not used in Europe to the same extent as in North America. Hardboard from Scandinavia and domestically produced insulation board have the bulk of the market. Unless Canadian softwood-plywood can be sold in Britain at prices lower than at present, it does not seem that any marked expansion of exports to Britain can be expected. The Common Market external tariff will not help the situation so the prospect for export of Canadian plywood to Europe is not bright.

Pulpwood. Pulpwood logs enter Britain duty-free and will continue to do so under the Common Market external tariff. The main competition is from Finland and Russia with most parts of Canada at a disadvantage because of freight costs. However, it is expected that supplies available from Finland and Russia for export will decrease as their domestic pulping

(Mr. Evans, cont'd.) . . . . increases. Thus, there should be additional opportunities for Canada to ship pulpwood to Europe including exports from Manitoba where our superior quality pulpwood makes up for a higher price. In any event, the Common Market per se will not affect Canada's opportunities.

Lumber softwood. This is an important export to Britain--\$51 million from Canada a year ago, and there are possibilities of exporting such lumber from Manitoba through Churchill provided we can deliver to Europe at a competitive price. Canada also sold \$4 million to the Common Market. Canadian coniferous saw-wood is duty-free into Britain at present and will still be free under the Common Market tariff. A forecasted rise in consumption for softwood lumber in Europe is 2.7% annually. Production in the Common Market cannot be increased except in France but not enough to keep pace with demand. The problem for Canadian producers is Scandinavian competition. FOB prices in Canada are 30% to 40% below Scandinavian but freight from Scandinavia to Europe is 60% to 70% lower than from Canada and thus landed prices are close together. If freight rates go up, Canada is at a disadvantage because 25% to 30% of the CIF European price for Canadian timber is freight. Britain's entry into the Common Market will not affect Canada's exports of softwood lumber but at the same time it may be difficult for Canada to increase sales in keeping with the pace of an expanding Europe because of Scandinavian competition in Continental Europe's and Britain's doorstep. But the situation may improve for Canada as European consumption outpaces Scandinavian production capacity.

Turning to food products, the second grade class--so far as agricultural products are concerned, Canadian fears stemmed in good part from the great uncertainties of the Common Market plans concerning agriculture. Wheat: Canada's largest export of a single product to Britain, of course, is wheat. And normally about two-thirds of Canada's wheat exports are sold to Europe including the United Kingdom. Britain produces only 36% of her requirements of bread grains and must import the rest. The Common Market countries grow 90% of their requirements and lately France has had a surplus available for export. In a good year France produces about 80% as much wheat as Canada and has ample room to expand production if they could successfully introduce modern methods. But Canadian spring wheat is high quality, high protein hard wheat. It is often mixed with lower quality domestic European wheat to satisfy consumer preference for particular types of bread. In spite of a trend in Europe towards less bread consumption, a rising standard of living brings an opposite trend of a desire for better, whiter bread requiring high protein wheat. Also the trend in Europe away from small hand-operated bakeries towards large mechanized units as found in North America and Britain will require a stronger flour containing high protein wheat. Canada already exports a substantial volume of wheat--\$61 million in 1960--to the Common Market countries. Although production by Common Market countries of wheat will increase, there are physical limits to increasing the production of hard wheat. Frankly, I believe the subsidized sale of United States wheat is just as much of a problem to normal competitive marketing of Canadian wheat as the prospect of any protective policy to be adopted by the Common Market. On balance, if Britain joins the Common Market, Canadian wheat sales to Europe should be fairly well maintained. Australia would be harder hit because of our superior quality but, admittedly, if Britain is not successful in gaining any concessions on the proposed 20% external Common Market tariff, it will present a difficult hurdle for Canadian wheat exporters. In such circumstances new markets will obviously have to be found for Canadian wheat to take up any slack that may develop in Europe, and this is already being successfully done in Japan, China and behind the Iron Curtain.

Finally, I might mention the outlook for Durum Wheat in the Common Market appears good. The demand for Durum products is growing and Germany, Belgium, Netherlands and Italy should continue to be good customers.

Barley. Canada exported \$29 million of barley to Britain in 1960. Imports of barley into Britain in 1960 came from Canada 84%, Australia 8% and Russia 4%. Our barley sales to Britain are declining but this has been largely offset by our sales to Communist China. Our malting barley is satisfactory in the United States but British breweries use a different process and so do not buy our barley. In Europe, Denmark is the main producer of barley. The Common Market countries, particularly France, can and likely will increase their production which they will want to protect. These producers can expect a rise in demand for their barley for animal feed as demand for meat increases. The Common Market external tariff on barley will probably

(Mr. Evans, cont'd.) . . . . . be 13 percent. The loss of preference in the United Kingdom replaced by 13% against Canada into Britain, and no duty against the Common Market countries increasing production of barley on the Continent, and Canada's higher price, all mean that Canada's barley sales to United Kingdom are likely to decline.

Wheat flour. Canada shipped \$23 million to Britain in 1960 and we are currently being undercut by American subsidized flour. At present, Canadian wheat flour enters Britain duty-free, but non-Commonwealth exporters face a 10% duty. Under the Common Market, Canadian wheat flour will face a 30% duty into Britain. There's not too much basis for Britain to successfully negotiate special concessions for import of Canadian flour. Developing countries tend to establish their own milling industries which the Common Market will protect, and eventually to dispense with imports altogether. For example, despite the superior quality of Canadian flour, Canada at the present time sells a negligible volume of flour to continental Europe because of restrictions, import quotas and high tariffs. It would therefore appear that we stand to lose much of our flour sales to Britain unless there is some concession negotiated. Negotiations will be spread over a few years and may end up with a small duty-free import quota for Canadian flour because of its high quality, and sets the pace for United Kingdom domestic millers.

Flaxseed. Canada sold \$21 million to Britain and \$7 million to the Common Market countries in 1960. As with other vegetable oil seeds there will be no common external duty into the Common Market. This is distinct from vegetable oils which will face relatively high duty. Thus there should be little effect on our sales of flaxseed to Britain if Britain joins the Common Market. But, in any event, demand prospects from that area are not bright due to the increasing use of substitutes.

Soya Oil - Cakes and meal. In 1960 Canada exported \$14 million to Britain and none to the Common Market. We have had a 10% preference into the United Kingdom over non-Commonwealth suppliers. The Common Market external tariff will be 10%. That new tariff against Canada on exports to Britain will be enough to cause a serious diversion of trade with Common Markets associated territories crushing more seed for duty-free export into the Common Market. Much of Canada's \$14 million sales may be affected adversely.

Manufacturers. In common with other parts of Canada, Manitoba has been a growing exporter of manufactured products. Manitoba-made products presently being exported include footwear, wire, foodstuffs, sports clothing, materials handling equipment, automotive accessories, scientific instruments, garden tools, agricultural equipment specialties and work clothing. Manitoba now has a sufficiently large market in Canada as well as access to raw materials, skills and capital to enable her to produce a wide range of manufactured products at costs that need not be greatly different from those of the United States manufacturers. In the case of those industries which use machinery and materials more than labour, we can be fully competitive with similar industries in Europe and Japan. Export markets are a must for Manitoba manufacturing firms if the province is to grow industrially. Reliable competent observers report on the enormous economic development in Europe. There is new wealth and income. This wealth is not restricted to new plant and capital equipment but to an unprecedented growth in consumer purchases of a wide range of appliances and household goods such as television sets, radios, cars, refrigerators, washing machines. All are being manufactured, imported and sold in quantities undreamed of a few years ago, as well as other consumer goods such as foods, clothing and household furnishings. Western Europe's 300,000,000 inhabitants are experiencing a phenomenal rise in living standard which presents a tremendous opportunity for sales of manufactured items of all types to both domestic and foreign producers.

Britain's entry into the Common Market will mean a difficult period of readjustment for some firms. Exports, however, can be important to our growing manufacturing industry since they can make it easier to develop high volume specialties of distinctive Canadian goods, superior styling, and superior in convenience. To take full advantage of this development we must start a drive to make Manitoba industry more efficient and more competitive so that it can compete in the huge new market overseas that is expanding faster than any other in the world. I am confident that Manitoba manufacturers will accept this challenge and will be more excited about the tremendous market opportunities than the difficulties of facing competition, if they study it first-hand, the probable effects of Britain's entry into the Common Market, and find out what the special requirements of this new market will be. Manitoba industry must also find out

(Mr. Evans, cont'd.) . . . . whether the loss of preferential treatment in the export of certain products to Britain can be offset by increased sales to other areas of the world. Accordingly, the government of Manitoba is arranging to sponsor a Manitoba trade mission to visit this year, the United Kingdom, the Common Market countries and other European countries to gain first-hand knowledge of the implication of Britain's entry into the Common Market. The industries that will be adversely affected and the opportunities and under what conditions the new arrangement will present to Manitoba producers.

MR. MOLGAT: Mr. Speaker, I'd like to ask a question of the Minister. Could he make copies available of his comments of this afternoon? Otherwise we will have to wait until Hansard--that won't be until Monday or Tuesday.

MR. EVANS: I'll enquire. As my honourable friend knows, it was pretty closely-prepared text. I hope to be able to provide a copy or two. I haven't them for general distribution but I'll do my best to provide them.

MR. MOLGAT: I beg to move; Mr. Speaker, seconded by the Member for Lakeside, that the debate be adjourned.

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

MR. ROBLIN: . . . . to call the adjourned debate on the question of contributory old age pensions that stands in the name of the Honourable Member for St. George.

MR. SPEAKER: Adjourned debate of the resolution proposed by the Honourable Minister of Welfare. The Honourable Member for St. George.

MR. ELMAN GUTTORMSON (St. George): Mr. Speaker, first I'd like to extend my thanks to members of the House for allowing me to stand this matter earlier this week. At the outset, let us remember that in this resolution we are not debating the merits of the legislation relating to payments of old age pension and assistance, contributory or otherwise, nor are we debating the merits of legislation for payment of benefits under part B of the intended legislation. The issue before this House involves the constitutional problem relating to the amendment of the BNA Act. The federal government is asking us to approve an amendment in the terms outlined in the resolution, and it is to be a substitution for the present 94A of the BNA Act which was introduced in 1951 by a Liberal government. The present 94A reads: "It is hereby declared that the Parliament of Canada may, from time to time, make laws in relation to old age pensions in Canada, but no law made by the Parliament of Canada in relation to old age pensions shall affect the operation of any law present or future of a provincial legislature in relation to old age pensions." Now the new 94A would read: "It is hereby declared that the Parliament of Canada may, from time to time, make laws in relation to--(a) old age pensions and (b) pensions and other benefits incidental to, or conducive to the better operation and administration of a scheme of old age pensions, but no law made by the Parliament of Canada, under the authority of this section, affects the operation of any law enacted by the legislature of a province in relation to any of the matters specified in paragraphs A and B of this section."

Mr. Speaker, there are two matters following from this on which I feel bound to comment. First of all, was the legislation of 1951 the present 94A inadequate? This is a legal issue on which I will comment later. Secondly, if the amendment is necessary, why was this House not asked to act on the necessary amendments in 1958 when the Tories first suggested legislation of this sort in pre-election talks? If their assumption is that in this problem in the election was among one of the 62 unfulfilled promises in the election made to the Canadian people by John Diefenbaker, we must assume that the legal issue was the same in 1958 that it is in 1962, and the only reason the decision wasn't made earlier would rest with the indecision of the government who are using this constitutional issue as a smoke screen to hold up the implementing of the legislation as it reads in the resolution.

A brief history of the BNA Act: Passed in 1867 at the time of Confederation by the British Parliament; parcels out powers to each of the federal and provincial governments. These powers are outlined in sections 91 and 92 of the BNA Act. Let me say at once that I do not think that the BNA Act is obsolete. In fact it is a brilliant document, but because of changing circumstances and needs and demands there are certain aspects of the statute that require alterations or changes. As far as social security is concerned, I am proud to say that the Liberal government at Ottawa have had a brilliant record in dealing with problems of social security and frequently amended the statutes by reference to the Imperial Parliament in London. If the statute is

(Mr. Guttormson, cont'd.) . . . . manipulated as the Tories have done in the issue before us, then the document is no longer an instrument of progress.

At the moment we have no system of amending this constitution except by obtaining the consent of all provincial governments to a proposed amendment following which the Dominion Government petitions Her Majesty. This is what the Liberals had to do 20 years ago when they introduced unemployment insurance. Unemployment insurance is a matter of property and civil rights exclusively within the jurisdiction of provincial governments, but by the amendment of 1940 became the responsibility of the Dominion Government where it should be. In 1951, the Liberals introduced the present 94A so there would be no question of old age security and old age assistance being within the competence of the federal government. In fact, according to reports of those who sat on the Committee, this section was also contemplated as being sufficient to permit contributory old age pensions. Many constitutional experts still claim that no amendment is necessary to implement a contributory pension plan. On the other hand, most experts agree that the legislation contemplated under part B of the intended legislation is not within the competence of the federal government under the present statute. I don't pretend to know which legal opinion is correct, but there are other things on which I am certain. This messiah from Ottawa tried to mesmerize the people in 1958 by telling them that as far as the contributory pensions scheme is concerned that there would be one. There was no suggestion of any constitutional amendment at that time if there is one, as far as the contributory pension scheme is concerned. To justify indecision, Diefenbaker has appointed Dr. Robert Clark to head a commission to explore these matters. The report was completed in 1959. Still no constitutional issue was raised. Promises continued to drone out of Ottawa but only on the brink of an election did the Prime Minister discover a constitutional problem. Mr. Speaker, if there is a constitutional problem, it was as real in 1958 as it is in 1962. The only reason it wasn't advanced in 1958 was that the Prime Minister wished another device at his hand before being compelled by public opinion to introduce legislation. During this coming election he may again parade the new legislation he proposes to introduce. It will have the same old ring, and if we but knew he may yet discover another device to avoid introducing legislation on this very important issue. By this engineered delay, I say the BNA Act has become a shelter for the indecisive Tories. John Diefenbaker has ensconced behind a legalistic argument, an argument they should and could have met in 1958. We are entitled to ask, "Why didn't he do it when?"

In this context, members of this House will recognize my concern and realize that as far as social security is concerned, the BNA Act is an inadequate instrument. And now, in 1962, the Tories have sent us a measure beseeching us to consent to something that should have been dealt with in 1958. Over and over, above the Dominion Government's mishandling of this issue, we face a far more grave and serious problem. Some day perhaps soon, when we have a responsible government in Ottawa, the federal government may wish to act on legislation which will meet the needs and demands of the public. In this field of social security and social assistance they may be hamstrung by provisions of the BNA Act. Until such time as the Attorneys-General come to some agreement regarding procedure for an amendment, let us be realistic and imaginative and recognize that social security and social assistance must, in the main, fall on the federal government. It seems to me that in an imaginative approach, we could be asked to approve legislation which would make social security and social assistance concurrent responsibilities of both the provincial and federal governments. By the passing of this resolution before this House, we are dealing with the problem in piecemeal. The federal Tories have made a mockery of the BNA Act by hiding behind it. Let us not permit this to happen again, and irrespective of government, let us see to it that social security and social assistance is dealt with primarily by the federal government, and have the statute amended once and for all. I am sure the Attorney-General realizes the need for constructive and new approach and I am equally sure that the government of this province is embarrassed to be dealing with this resolution which should have been faced in 1958. I know not what excuse will come next, but I am satisfied that we will face the millennium before we obtain responsible government from the Tories in Ottawa. Later is better than never, and this is the grounds upon which we in this group will support this resolution.

MR. ORLIKOW: Mr. Speaker, I beg to move, seconded by the honourable member for Seven Oaks, that the debate be adjourned.

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

MR. SPEAKER: Is it the desire to move into the Committee of Supply?

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

Mr. Speaker presented the motion and after a voice vote declared the motion carried and the House resolved itself into a Committee of Supply with the Honourable Member for St. Matthews in the Chair.

..... Continued on next page.

MR. CHAIRMAN: Department XIV - Resolution 81.

MR. EVANS: Mr. Chairman, I wonder if the Committee would grant me a minute to rally my papers here. Now I believe we held open Resolution No. 81, was it not, for supplying certain information, and I believe I will be able to answer my honourable friend's questions now.

The question of the estimates -- the cost of town and rural planning services is made up as follows: Salaries under Vote No. 14-3 (a), \$71,000; expenses under 14-3 (c), \$22,000; a total of \$93,000.00. Recoveries under 14-3 (d), \$21,000, a net of \$72,000 cost. This estimate refers to the entire cost of supplying normal municipal planning services where municipal recoveries under agreement is 20¢ per capita. The above figures do not refer to the comptroller of town planning staff and expenses, the special studies when undertaken, such as Grand Rapids, et cetera, or general drafting services which include one junior draftsman.

With respect to urban renewal studies -- under appropriation 14-3 (c), the sum of \$90,000 has been provided for urban renewal studies, which include continuation of studies now under way for Churchill and Metro Winnipeg and, in addition, provision for studies that it is anticipated will arise out of the new urban renewal program which is to be debated later. Provision has been made for at least one municipal study and two neighborhood studies. It should be pointed out that, of the \$90,000 provided it is anticipated that \$65,000 will be recoverable from the federal and municipal participants, leaving a net cost to the province of \$25,000.00. These recoveries are included under appropriation 14-3 (d).

My honourable friend, the Leader of the NDP, isn't here but I'll read the information onto the record and he can get it later. The Leader of the New Democratic Party asked how we could justify the fact that the committee brochure on page 5 stated that by 1970 there would be 335,000 jobs available in Manitoba, while on page 4 of the departmental annual report we stated that in August of 1960, out of a labour force of 348,000, 97.4% or 338,000 had jobs. The answer to this question is the effect of seasonal employment in a climate such as Manitoba. The 338,000 jobs in 1960 are the monthly maximum for the year, as the honourable member stated, whereas the 335,000 jobs estimated to be available in 1970 are the annual average for the entire year. The estimated maximum monthly employment in 1970, on the other hand, will be about 342,000.

Now my honourable friend asked also how the estimate of 40,000 jobs required by 1970, as indicated in the committee's brochure, was arrived at. The estimate that 40,000 additional jobs will be required by 1970 to fully employ the potential labour force in Manitoba was determined by comparing the population and labour force requirements made by the Royal Commission on Canada's Economic Prospects with the projection of the annual average growth in industrial and agricultural employment in Manitoba. The projected employment figure of 335,000 by 1970 was based on assumptions: (1) that the growth in industrial employment during the coming decade will be similar to that which occurred during the past decade, and (2) that the growth of agricultural employment will follow past trends, modified to account for some slowing up on the rate of farm consolidation. This estimate was designed specifically to show what would happen to employment in Manitoba unless steps were taken to increase our rate of industrialization and the annual rate of capital investment. Perhaps someone will indicate to the honourable member that he can find the information on Hansard.

My honourable friend also asked about the number of consultants and consulting firms undertaking studies for the committee on Manitoba's Economic Future. I can furnish him with a list of consultants who are undertaking the studies. The following information will answer his question. The number of consultants, that is, firms or individuals retained, 43, of which Manitoba firms or individuals with Manitoba affiliates, 3, United States firms, 4, British firms, 1 -- total of 43. Now perhaps one of the pages will help me. I'll furnish this written statement to the Leader of the NDP as well. Would you be good enough to leave those on Mr. Paulley's desk?

Now I think I have not been able to get the information to answer the question that was asked by my honourable friend from Kildonan, but I hope to get it and I'll give it to him when I do.

MR. ORLIKOW: Mr. Chairman, I must say that I'm not satisfied with the answer which the Minister has given us with regard to the staff which the department has to do the work of town planning and of urban renewal. He told us how much they spent last year. He didn't indicate how many people are on the staff nor did he tell us what work they did, nor did he tell us what staff they are likely to have in the next year or what work they're going to do. Somebody, Mr. Chairman -- I presume that this government is going to assume part of the responsibility because

(Mr. Orlikow, cont'd) . . . . . I must assume until we get the legislation proposed by the government with respect to urban renewal that the government is going to spend some money. I want to suggest that if somebody doesn't get this thing started that it will be a long time before we start to move, because apparently the planners that we have in the city of Winnipeg and the planners that they have in the federal government, and the planners that we don't yet have for the province are just not enough to devise a plan which is applicable to the city of Winnipeg. In case members think that I am exaggerating I would refer them to an editorial in today's Tribune, which is certainly not a newspaper which supports our party politically -- it's the main editorial in today's newspaper and it's headed "Another Delay". I just want to read a few lines from that editorial in case the Minister hasn't had a chance to read it yet, and it says as follows, and I quote: "This latest cropper is in keeping with the history of low-rental housing in Winnipeg from the beginning. The series of delays and boners have become almost incredible. In connection with this latest episode, a good many citizens will wonder why basic planning for a housing development in Winnipeg was turned over to an office in Ottawa. Why couldn't the plan have been drawn up right here in Winnipeg where there is first-hand knowledge of the utility, road and municipal services problems involved and also of the climate and snow removal problem. Why should the job be let to wizards in Ottawa?" And they end up by saying, "The blame must rest squarely on government, civic, provincial and federal."

Now, Mr. Chairman, this government I presume has some excuse for not having been involved up till now because this government has not until now seen fit to co-operate financially in this kind of project, but surely if we're going into this kind of project it will be necessary for this government to do more than just pay its share of the money, and if we're going to encourage this kind of development it would seem to me that the department is going to have to have staff to help with the planning so that we can begin to see some results. I said this before and I will repeat it -- Winnipeg is the only city in Canada in which we have -- with the exception of the elderly persons' housing, and that's a separate matter which we will be discussing on another occasion -- but we have absolutely no public housing at all, no low-rental subsidized housing to meet the requirements of the people in low incomes, the people with large families and so on, and it's long overdue, and I want to feel that we're going to do more this session than provide the money so that if a municipality, Winnipeg or any other wants to go ahead, that there will be some money. I would like to feel that this government will have the staff to help co-operate, that this government will have the staff to help the municipalities know what's being done in other areas, that this government will have the staff to give -- I hate to use the word "vision" because it was misappropriated by the Prime Minister of -- it was a good word till John used it -- I don't like to use it but I wish, I would hope that this government would give some leadership and on the basis of what we've had up till now there's been anything but leadership at any level of government as far as the urban areas of Manitoba are concerned.

MR. EVANS: . . . . . knows perfectly well what the situation is with regard to the urban planning scheme in Winnipeg and he either chooses to ignore it or to mislead us, because he is perfectly well aware of the story which came in the paper a few days ago indicating that the city had not yet been able to come to agreement with the CMHC as to the plan. They didn't like the plan; they're going to change it. Now how can my honourable friend possibly try to indicate that the provincial government and the planning service of my department is causing a delay in approving a plan or in helping with a plan which has not yet been submitted by the city of Winnipeg?

MR. ORLIKOW: Mr. Chairman, I didn't say that at all.

MR. EVANS: You did.

MR. ORLIKOW: I'm sorry, I said specifically that since you have not been involved up till now that you couldn't be blamed for the difficulty until today. What I said was that you are going to be involved because you are going to put money into these plans from whenever your legislation is passed and as of the time we pass the estimates and the budget, and then as of that time, I'm hoping that you will have the staff to help resolve these difficulties, and all I'm asking is for some information -- what are your plans for next year? I'm not blaming you for what's been up till now, I could blame you, that you're moving much too slowly, but that's water under the bridge. Well I think that this legislation you're proposing this year could very well have been proposed two or three years ago, but that's gone. We'll discuss that at another time. I want to know what you're doing for next year, when you will have legislation and you will have money --

(Mr. Orlikow, cont'd) . . . . I'm not blaming you for what happened before.

MR. EVANS: I'm glad to get that clear and on the record. As my honourable friend also knows, a proposal will be brought down and will be discussed in the House as I indicated in my estimates yesterday, as to what the government's plan is and what their policy will be in this regard. He admits that there is no delay up to this very day. He admits that this has not held up the city of Winnipeg Planning Scheme to this very moment. It will not hold it up until tonight; it will not hold it up until this time next week; it will not hold it up until we are able to bring down the government's plan and announce it. So the impression that the honourable member made on me was that he was trying to indicate that we should employ more staff in order to clear up some of these delays and the slow progress with regard to an urban renewal scheme for Winnipeg. He has made it amply clear that he does not blame the Government of Manitoba in that connection.

MR. ORLIKOW: Mr. Chairman, I don't know why there should be this difference. If the Minister wants to tell this committee that what the government is proposing is largely financial arrangements, whereby if a municipality or a service club or the Legion has an idea to go ahead with low rental housing and does the work and does the planning, that there will be a certain percentage of the money available from the provincial government under the new legislation and that's all that is contemplated? And all the Minister has to say is that. And I will say this isn't enough but that will be the end of it. All I'm asking from the Minister, is it contemplated that the government will do more than supply the money? Will the government help in promoting these plans? Will the government help in preparing the detailed plan? Will the government participate in anything more than money? If the Minister will answer, "no, it won't," that ends it. I won't be satisfied, but that ends it. If the government is going to do more than that then I suggest to the Minister that the department has to have staff and I'd like to know what staff they're going to have.

MR. EVANS: Well that's all the Minister has to do not only to end it but to end the Minister. If that's the object my honourable friend has in mind, I'll announce the policy but -- I'm trying to be a little facetious here and I shouldn't. I suggest to my honourable friend that he has already been told that announcement of government policy and what the plans are will be announced as quickly as it can be brought in, and that's the only statement I can make at this time.

MR. A. E. WRIGHT (Seven Oaks): Mr. Chairman, I'd like to say something about this unfortunate delay of this much needed housing project because it's in my mind like history repeating itself. Some years ago there was a large area in West Kildonan about to be developed, and when the promoters submitted their plans Central Mortgage and Housing Corporation intimated that the cost per frontage foot was far too high and a stalemate resulted. I was on the West Kildonan council at the time and I took a trip to Ottawa to convince the planners of the Central Mortgage and Housing Corporation that they should pay a visit to Western Canada. And while we agreed that we wanted to get the price per frontage foot down, I was amazed to find that most of these planners were from Great Britain, and while they were very, very capable they had little or no knowledge of our conditions in Western Canada. When we suggested 66-foot streets, they wanted to know why we wanted 66 feet. I had to inform them that this was from property line to property line and I asked them if they had ever visited Western Canada in the wintertime where the snow was cold and dry and where you simply pile it up and wait for Mother Nature to dissolve it in the spring. Now it seems very unfortunate -- it doesn't appear to me that they have learned very much since, because when they plan a development with all due regard to safety, when they plan a development such as the Burrows with no roads in this some ten acres, where the city have to point out the need for better fire protection, it seems a tragedy indeed, and I would submit that this government should put some pressure on our federal government to wake up in this business of planning because this has been going on now for some 12 or 14 years. And I would submit that they should pay a visit here to Western Canada, see conditions as they are and not allow such a condition as this to exist where we have a much-needed development stalemated now because of the lack of planning from Central Mortgage and Housing.

MR. CHAIRMAN: . . . . . passed.

MR. MOLGAT: On 81 -- presumably there will be an amount in capital supply, on this subject of urban renewals. Is that correct?

MR. EVANS: I have no statement to make.

MR. E. SCHREYER (Brokenhead): Mr. Chairman, . . . . understanding that at the present time the Municipal Act does not allow for municipalities to issue or float debentures for purposes of senior citizens' housing and low rental housing of that type, and I'm wondering if the Minister is aware of this and whether, interested as he is in more construction employment, whether he'll be prepared to recommend needed changes in this regard to his colleagues.

Another item which I would like to query the Minister on has to do with an item which I notice on page 3 of the Review of Activities. For example, it's stated that there's been an investment of \$175,000 for a strawboard plant in Western Manitoba. I'm wondering whether -- just what the factors are that are holding back further development to investment along this line. Is it the limitation of market demand or is it, perhaps, the lack of initiative or perhaps local initiative in this regard, or is it capital? I would imagine it's the first -- lack of market demand, but I wonder if the Minister could give us a more definite answer.

MR. EVANS: I think my honourable friend's first question with regard to, as I understood it, the capacity of municipalities to issue debentures for the creation of old age housing. I am not familiar with that subject. I'm sure that the Minister of Municipal Affairs would be glad to discuss it under his estimates. I think his suggestion with regard to providing employment through this means is a good one and I think it's a worthwhile question to have asked and I'm sorry that I can't give him a more satisfactory answer.

With regard to strawboard, this is the first factory of its kind in Manitoba although the process has been successful in Alberta. I'm sure that if it proves to be successful and they make a profit that others will seek out the opportunity to do it as well. It only began last year and perhaps people are watching the experiment. I think that's the only thing I can say.

MR. J.M. HAWRYLUK (Burrows) Mr. Chairman, just on this part (c) here. I'm not quite clear as to who has the responsibility of the three very important departments or groups, that is, town planning, regional development, and urban renewal studies. The amount that we pay out in this particular department is quite a bit. The fact that it's been reduced by about -- what is it -- about \$18,000 is another factor that we have not very clear. But what I think we'd like to know is, who is in charge of each of these particular groups -- town planning, regional development, urban renewal studies; who are the men responsible, and how big of a staff you have in each group. I just wonder whether it's one-man gang operating and, if so, I would suggest that you get some experts in and more staff.

MR. EVANS: May I ask you a question? Why do you ask that last phrase -- get more staff?

MR. HAWRYLUK: . . . . somewhere along the line here, I think you've reduced the amount by \$18,000.00. Now whether you have reduced your staff in this regard, I just wondered and I think we should know, because we feel on this side of the House that more emphasis and more importance should be given on the idea of town planning after what we've heard over the radio today regarding the mess that has been created by certain bodies in the city of Winnipeg and probably elsewhere. We're getting it right and left on the radio and by other authorities and in my Throne Speech I mentioned the fact that I think the record of Winnipeg is one of the worst as far as slum clearance and town planning that we have on the continent.

MR. EVANS: Well, I'll have to take up the same point with my honourable friend as I did with the gentleman from St. John's. Now, you tried to give us two thoughts: 1. town planning scheme which is not proceeding in Winnipeg. And then without any qualification you say I should get more staff. Your colleague behind you says, "No charge for delay can be charged to the Province of Manitoba up to this very minute."

MR. HAWRYLUK: This is my own opinion what I think . . . . .

MR. EVANS: Well, your opinion is mistaken because the city of Winnipeg has not been able to agree with its planners, the CMHC, upon a scheme to bring forward. How can we delay a scheme that hasn't yet been brought forward? Now let's be reasonable.

MR. HAWRYLUK: Yes. Could you tell me how many men are employed in this particular department?

MR. EVANS: Yes, I shall be glad to tell you who they are and what they do and all about it. Some question has been asked who they are. I'd like to tell you. The Director of the Regional Development who is responsible for the Regional Development plans as far as industrial development in the country is concerned and also the section known as Town and Rural Planning

(Mr. Evans, cont'd) . . . . Section is Mr. R.B. Truemner. He's an honours graduate in geography from the University of Toronto, 1950; also took post-graduate training in town and regional planning in 1957 from the University of Toronto. Following graduation, Mr. Truemner worked for nine years with the Ontario Government in transportation planning. Mr. Truemner also worked for some time in the Ontario Department of Planning and Development. In his work he was a community planner specializing in regional planning studies. Mr. J. L. McMurtrie who is head of the community development section. He's BSc from the University of Manitoba; twelve years' experience with the department in Industrial and Regional Development Branches. Mr. D.G. Henderson who now comes down to be most directly in charge of these town planning arrangements. He's a Master of Architecture in Community Planning from the University of Manitoba with ten years' practical planning experience with the Metropolitan Planning Commission and as Fort William's Director of Planning. Those are the heads of the sections. Then I would tell my honourable friend that Mr. McMurtrie has for his staff, three consultants, Messrs. Young, Gall and Norget, and one Clerk IV, Miss L. McIntyre. Then associated with Mr. Henderson are two associate planners, Mr. Woodroffe and Mr. Eaton. --(Interjection)-- Yes, three assistant planners -- Messrs. Whiting, Thomas and Filyk; one junior planner H. Karpinsky and then -- the names aren't here but I'm sure my honourable friend won't miss that too much -- there are two draughtsmen III, three draughtsmen II, three draughtsmen I, one Clerk II and two Stenographers.

MR. MOLGAT: Mr. Chairman, I want to come back to the question about urban renewal again. Is there an appropriation in another department then for sums of money?

MR. EVANS: . . . . of other departments' estimates. If my honourable friend is trying to get a statement out of me as to what the government's policy is and how much money there's going to be and where it is, I'm not going to give it, because it's already stated in the Speech from the Throne that it's going to be announced in a separate item. We'll announce it at that time, discuss it fully then, and answer any of my honourable friend's questions.

MR. MOLGAT: My whole point is, Mr. Chairman, we're asked here to pass a resolution for the matter of urban renewal. My honourable friends have said in the Throne Speech that they are going to do something about it. Now surely this is the proper time to discuss what it is that they are going to do, and what I'm asking him is very simple. Are there appropriations elsewhere in these estimates or will there be some capital supply? In which case I'm quite content to wait, as long as he gives me an answer -- yes or no.

MR. ORLIKOW: Mr. Chairman, surely we're not -- I want to just repeat briefly what I tried to say before. I'm not trying to get from the government, from the Minister now, a statement of what government policy will be in the legislation. Of course that would be completely improper and the Minister would be entirely justified in refusing to give it, but if there's no increase in the planning staff here, I don't know of any other place where it could be. If the Minister's not providing for an increase in the planning staff for urban renewal here, and this is the only place that I know that he can do it, then it means that for the coming year there simply won't be any. This is the point which I'm trying to get information on. If there won't be any, if the Minister says there won't be any, then I suppose we can all draw our assumptions as to the kind of program which the government is proposing, but it seems to me that if it's going to be more than a money-sharing program of the government, that there's got to be some staff to administer the program.

MR. EVANS: I wonder if my honourable friend wasn't listening when I provided the information requested. I don't know whether it's his request or someone else's. I'll repeat it. The sum of \$90,000 has been provided for urban renewal studies which include continuation of the studies now under way for Churchill and Metro Winnipeg; and, in addition, provision for studies that it is anticipated will arise out of the new urban renewal program which is to be debated later. Provision has been made for at least one municipal study and two neighborhood studies.

MR. ORLIKOW: Mr. Chairman, I have one question and then I'm finished. How does that \$90,000 compare with what we did last year? Can you give me a figure for last year? Is \$90,000 the same as last year? Is it \$90,000 new, or how much more than last year is it, if any?

MR. EVANS: Mr. Chairman, I'll try to locate the information for my honourable friend. This appropriation, 14 (3) (c), shows a decrease of \$18,000 for the year, accounted for as follows: Decreased total cost of urban renewal studies, \$10,000; with a further explanation of

(Mr. Evans, cont'd) . . . \$100,000 total cost for provincial, metro and Churchill studies in 1961-62; \$90,000 provided for continuation of the metro study and for additional specific studies of other areas. The further explanation of that figure was that will include at least one municipal study and two neighborhood studies. That accounts for \$10,000 reduction. The metro studies that were made last year and the Churchill study cost \$100,000 last year. We are providing \$90,000 this year for similar studies.

MR. ORLIKOW: Mr. Chairman, I wonder if the Minister could tell us which Metro study he is referring to?

MR. EVANS: We made a planning -- particularly in connection with CMHC. We made several studies of housing conditions in metropolitan Winnipeg. I haven't got those studies here, and I'm afraid I'm not able at the moment to give him a verbal description of it. If he would like to have a description of these studies that were made or reference to them, I'd be very glad to get it; but the cost last year was \$100,000, which included the Churchill study. The now somewhat famous Part 5 studies at Churchill, in which the province participated in Parts 1 and 2. All that work went on and cost \$100,000.00. We think that the further work still required in Winnipeg and the other municipalities and elsewhere will be \$90,000.00. We think there will be a reduction of \$10,000 there. Then we formerly had quarters in the Winnipeg Electric Chambers when we were part of the Metropolitan Winnipeg Planning. You remember -- we used to rent quarters in the Winnipeg Electric Chambers. That's no longer the case. That saves \$8,000.00. Now if my honourable friend would like me to get a list of these studies or describe them or something of that sort, I'd be glad to.

MR. ORLIKOW: Mr. Chairman, I must confess that the more the Minister tries to explain, the more I become confused. I'm not one of those people who think, and there are many people in this province and this country who think that governments have many civil servants who do nothing. I don't believe that. I think that, by and large, civil servants are just as efficient and just as busy as people who work for private business. Now the Minister tells us that last year in this department we spent \$100,000 on the various studies, and the Minister says he will bring in those studies or a description of them, and I'd like to see them. But the result of all those studies, apparently the Province of Manitoba, the Minister now tells us, did share in the work, in the planning which the city and the province, the Minister says, and CMHC did -- and the result of all those studies are that we had an announcement yesterday that we're six months or a year from getting started on the public housing project which is planned for the city of Winnipeg. Now -- well the Minister shakes his head, but this is a fact.

MR. EVANS: You're talking about a completely different plan.

MR. ORLIKOW: Well maybe I am. All I'm saying is that what we did up till now wasn't enough. The government announces in the Speech from the Throne that there's going to be legislation; so the Province of Manitoba will be entering the field. I presume that in the capital estimates there will be money to show that we are going into the field. Then the Minister tells us we're going to spend less money this coming year than we spent last year. Now how can -- for this item of planning -- how can we do the work which is projected in the Speech from the Throne? How can we sensibly, and in a business-like fashion, spend the money which I presume will be in the capital estimates, when we're going to have less money for the people who do the planning than we had last year? It just doesn't make sense to me, Mr. Chairman.

MR. EVANS: Well I'd be glad to help clear up my honourable friend's misunderstanding. The staff of the Province of Manitoba will not be engaged in creating urban renewal housing schemes for the city of Winnipeg -- period. The most they will do will be to advise the government upon that scheme when it is submitted by the city of Winnipeg, which my honourable friend himself admits hasn't been submitted yet; isn't in shape to be submitted. Now does he understand? The kind of studies that we have made have been the study of the requirements for urban renewal in general, not tied to any particular scheme but in general, not only in Winnipeg, but the estimates of the general requirements throughout the province.

MR. SCHREYER: Mr. Chairman, I have three further questions on this item. One has to do with the question I asked earlier, and I ask it again because I don't feel I got an answer. It has to do with the question as to why there appears to be no further movement in the direction of establishment of one or two more plants for the production of strawboard. Just as by way of example -- now I don't know what the reasons are, but I don't think it's unreasonable to ask the

(Mr. Schreyer, cont'd) . . . . . Minister to outline to us what his department thinks of the reasons for no further work in this direction. After all, the Minister has a rather wonderful research staff, expert advice to feed him this information. As I said, I personally suspect it's because of lack of further market demands but I don't think it's unreasonable to ask him to give us a more concrete answer than he did last time.

The second question has to do with the area of East Selkirk -- Selkirk where there are some persistent rumors about the possible re-establishment -- I say re-establishment of a silica plant. I'm just wondering if the Minister has any information of a concrete nature as to whether this might come into actual fruition, this potential project in that area, whether this has been brought to the attention of his department yet or not.

The third question, which he may or may not be able to answer, I'll simply ask him if any representations have been made to his department by municipal authorities requesting some strengthening or more teeth in town planning authority. As I understand it, there are some municipal people who feel that, in theory, town planning is something that has a lot of prospects for good, but they feel it doesn't have quite enough force or strength behind it in the present legislation.

MR. EVANS: Well, I'd be very much disposed to try to provide my friend with anything I can with respect to why there isn't another strawboard plant operating, or in prospect, or existing in the Province of Manitoba. I must say I don't know. To start a plant, a private enterpriser has to come along and get the idea that he would like to start one; furnish his own money. Then if he comes to us, or if we could find someone who is looking for a business opportunity, and we think there is one here, we will draw it to his attention; but he must make up his mind first. He must say: "that is something I will risk my money on." So far, no one has showed up who says that they like the idea of starting another strawboard plant. I'm sorry I can't be more definite. I'd just say that nobody has come forward who wants to do that and we haven't been able to interest anybody in doing it.

MR. SCHREYER: Will you permit a question at this point?

MR. EVANS: Yes.

MR. SCHREYER: Do I take it that in every case the department waits for an entrepreneur to come to them? Does the department ever try to seek out and interest someone in the prospect?

MR. EVANS: Steadily, and by every means we can. We have feasibility studies made, which we then advertise by circular letter and otherwise, to draw to people's attention. If they come along and if they see that there's a study in existence, we'll give them a copy of the study. They can read it through and see what the possibilities are. For the larger opportunities or even smaller ones for that matter, we make personal calls, just like travelling salesmen, trying to persuade people to start plants. I can remember going to a small mattress factory in Montreal myself -- right clear across Montreal -- and trying to sell someone on the idea of starting a very small mattress factory out here. We're not grandiose in our ideas that we have to have great big plants before we'll go out and do face-to-face selling; but I must say that some of the larger opportunities have been using up our time. It hasn't come up on the list as something that we think is the next best prospect -- to go out and get a strawboard plant. I have no reason to believe it isn't a good idea. We'll keep it in mind and if we can encourage a strawboard plant we'll do so. Now I hope my honourable friend doesn't think that I'm trying to evade, but it's just that -- he asks me to read the minds of a lot of people I don't know, who might interest themselves in an investment in Manitoba in a strawboard plant. I don't even know who they are so I can't tell what they're thinking.

With regard to a silica plant -- this recalls a long history of the development of that plant at Black Island where there is a very large supply of extremely pure silica sand. It is quite an asset. This resource was developed by the late Mr. E.R. Gardiner who invested a good deal of money in it and provided himself with barges and tugs and a good deal of machinery to get the sand; wash it; refine it; grade it and so on; and export it. He found that he was not able, quite, to stay in business. That competition, I think from Ottawa, Illinois, prevented his operation from being profitable and so that operation was closed down. The best opportunity for using the silica sand will be the development of a glass factory in Manitoba. I think perhaps the day when that is possible is coming closer, because more and more factories are using containers here. If glass is able to continue to command the proportion of the market that they

(Mr. Evans, cont'd) . . . . always have, the prospects of a glass factory here are good, if, however, plastic and tin and other containers gain on glass, the prospects are not as good, and so I am not able to say whether the prospects for opening up a silica plant are good or poor. We have been trying now for something over a year, since that plant closed down, to find some way of re-opening it or getting that resource used, but have not so far been successful.

This question of teeth in The Town Planning Act is a rather delicate matter because municipal authorities, we feel, should be very largely in control of their own affairs; and town planning within a municipality, we feel, should as far as possible be conducted by the municipal council itself. Now it is true that the Minister does have the power to make decisions to vary a town planning scheme. We have followed the practice of not deciding it by the province but referring any disputed town planning scheme to the municipal board, where a hearing is given to any citizen of a municipality or of a town planning authority, to decide whether a variation of a town plan should be allowed or not. Just to make it a little more plain -- for example, supposing someone living on a street, that has a town planning scheme, objects to a change in the plan which would permit a factory or a filling station or something that he doesn't like to be built next to his property, or near, or whatever the case may be, and if after all the hearings have been held within the municipality itself he is still discontented, it seemed wise to allow the individual citizen some place to appeal. That place is now the Municipal Board. Now I wonder if my honourable friend was suggesting that the provincial authority or the provincial government should put the additional teeth into it and tell the municipalities what to do? We prefer not to do that. We prefer to refer it to the Municipal Board, presumably a semi-judicial -- it is a semi-judicial board -- to hear the case and make an award.

MR. SCHREYER: Mr. Chairman, I was asking the Minister if he could tell us whether his government has received any significant number of requests from municipal authorities to try and solve this problem.

MR. EVANS: From the authority of the municipalities -- no.

MR. PETER WAGNER (Fisher) Mr. Chairman, the other day when the Minister was giving his report he mentioned in the Interlake area that he has the intention of probably starting an industry there -- something like hardboard. Have you got any further information where it would be located; how it's going to be developed; or by what means or from what source?

MR. EVANS: The only reference I recall was in saying that we are conducting a regional study in the Interlake area, a special study of the Interlake area to determine how many work people live there and what skills they have; what raw material there might be; and what kind of industries might be suitable. I didn't mean to indicate there was some particular industry we had in view that we expected to locate in the Interlake area.

MR. J. M. FROESE (Rhineland): Mr. Chairman, I think that we were given to understand that quite an item was set aside for Churchill and Metro Winnipeg regarding town planning. Are these same services provided for other towns if they so request? And then a further question. Has an individual the right to go to Town Planning and get their services, or would it have to be channelled through a municipality or town?

MR. EVANS: In all cases it is channelled through the municipality. Our staff will discuss with municipal authorities the general scheme of developing town planning in a given town. They will indicate the advantages of doing it and the terms under which it can be done. Then they will draw, first of all, a general map or plan for land use within that town; how traffic should be circulated; and how, in general, the town planning should be carried out; where the residential areas should be; where the commercial should be; and where the industrial should be, even though there aren't any industries there yet. The next step then is to work with the municipal authorities and draw up a By-law and get it through its second reading. Having done all that, then we draw up a plan and scheme which is adopted here. They pay 20¢ per capita for this service for a period of three years or five--I've forgotten which--and the province pays the rest of the cost of providing this municipal planning service.

MR. J. M. HAWRYLUK (Burrows): Mr. Chairman, do I understand therefore that, for example, when the townsite of Thompson was laid out, that your particular government or the Town Planning Committee was consulted in that regard? Would it be the same in regard to the atomic site possibly over here at Selkirk? In case there was an expansion of employees living out there, that would be your responsibility. Is that it?

MR. EVANS: These are two different kinds of cases again. Thompson is a town created by an industry. They agreed to pay for all the costs of the town planning, but the town planning was done by the staff of the provincial government. Now when we come to the townsite in connection with the Atomic Energy Plant, this is a federal responsibility and they are using their own staff, the Central Mortgage and Housing Corporation staff from Ottawa, in their town planning; but have asked us to be associated with them, to be familiar with the plans and indeed to help them with it. It is mainly their responsibility. We help where we can.

MR. MOLGAT: Mr. Chairman, I have some further questions on this matter of urban renewal. My honourable friends on my left are more interested in the staff than in the department. What I want to find out is exactly where and when in the estimates we will get a discussion of this whole matter of urban renewal, the actual activities that my honourable friends intend to indulge in, because on the Throne Speech, and I'm reading here directly from the Votes and Proceedings, Page 2, here was the statement: "ways and means of effective co-operation with other levels of government in the field of public housing have been under study by my Ministers. You will be asked to give consideration to a new policy of provincial support in this connection and to make provision for necessary expenditures for the same." Now, Mr. Chairman, there was the statement of the government. I ask the Minister where and when we will find this in estimates. Now surely he can give me an answer to that. I'm not wanting to discuss the item right now, I just want to be sure that we will be discussing it. There was the statement from the Throne Speech. Now where will we find this item?

MR. EVANS: That will be discussed when the policy is brought down.

MR. MOLGAT: But when will the money involved in it be coming up? The statement is made in the Throne Speech that there will be support. All I want to know is where this is coming in.

MR. EVANS: I have no information on that subject.

MR. MOLGAT: Well then, Mr. Chairman, I can only assume that what was said in the Throne Speech, the government has no intention whatever of following up.

MR. EVANS: You assume what you like.

MR. MOLGAT: That's fine. That's a reply to my question, I suppose.

MR. CAMPBELL: It's not uncommon, and I'm sure it's the practice in here for a Minister to mention that such and such an item will be covered in the Capital Supply. I think likely that is the explanation, and if the Honourable the Minister--I'm sure that this was not put in the Speech from the Throne without the Minister in charge being aware of it--and if it's not in here, I think we're entitled to assume that it's in the Capital Supply. Would the Minister deny that it's in the Capital Supply?

MR. EVANS: I think my honourable friends are trying awfully hard to put me on a spot and I don't propose to get on it. I think the only thing I can say is: "no comment." If you are asking me whether this is going to be provided out of Capital or whether Capital will be provided, I'm not going to answer it.

MR. CAMPBELL: This is not a case of putting anyone "on the spot", because it's the Speech from the Throne that makes the statement: "you will be asked to give consideration to a new policy of provincial support in this connection and to make provision for the necessary expenditure for the same." Now there's some expenditure to be made. The question is, where does the expenditure item appear?

MR. EVANS: I've tried to explain to honourable members the purposes of the sums that are in my estimates, and that's the purpose for our discussions in committee today. If my honourable friends want information about a policy which has been set down on the Order Paper--as was announced in the Speech from the Throne--it will be down soon and I suggest they wait until that occasion.

MR. CAMPBELL: But no, Mr. Chairman, that, I think is unnecessary for us to wait for that time because it has been quite usual for the Minister to simply tell us. We can turn back--since we have Hansard we can turn back and find many occasions where the Minister--I don't mean this Minister necessarily, but Ministers of the Crown have mentioned that this will be supplied in the Capital estimates.

MR. ROBLIN: Mr. Chairman, I think I can give my honourable friend that assurance. I'm just in on the tail-end of this discussion. The matter for housing is not in the current

(Mr. Roblin, cont'd.) . . . . . estimates but there will be an item in Capital. We will expect to bring in a special bill, as a matter of fact, in which we will set out the policy of the administration with respect to this matter of public housing, so that there may be a full discussion of all the factors involved.

MR. CAMPBELL: Thank you very much. It is quite evident that it would have to be there if it wasn't in these estimates. Mr. Chairman, I asked the Honourable the Minister, I believe it was yesterday, about Item (c), if he could give us the rough figures--and maybe he has already put those on the record but I didn't hear them--the rough figures making up the expenditures, not that are proposed by this estimate but what was done with the appropriation of last year. He'll probably remember that I pointed out to him that the Public Accounts show that the year before last there was less than \$49,000 spent under this item. I don't have what was appropriated. I didn't look that up, but there was less than \$49,000 spent under this item according to Public Accounts, and from \$49,000 to \$137,000 was a pretty big increase. I had asked him yesterday if he would give the details of the expenditure in the current year so far as he has them.

MR. EVANS: The expenditures in the current year that we're just ending now?

MR. CAMPBELL: Yes.

MR. EVANS: I must apologize if he asked me that. I missed that question and I'll undertake to get that information.

MR. CAMPBELL: I don't know why my honourable friend misses me among all the welter of the questions that are asked from this side, and I'm not blaming him for it at all. I haven't asked many questions. I might mention just at this time, and this is entirely out of order, but before he concludes these estimates completely, I might ask him if he'd get the question that I asked on Provincial Secretary Department, the one about the fees in addition to--I'm not asking for it now--fees in addition to premiums?

MR. MOLGAT: Mr. Chairman, I thank the First Minister for rising and saying there will be an item in capital supplies. I was starting to get very suspicious as to what the Throne Speech meant due to the replies of his colleague the Minister of Industry and Commerce.

The housing development that was undertaken at McGregor presumably does not come at all under this branch. That will be discussed under which estimates? Welfare?

MR. ROBLIN: My honourable friend, I think, will be able to discuss that under the Welfare Branch, and I suspect the Community Development appropriation would be the best place to do so. It came under that particular branch of the Administration Board.

MR. MOLGAT: That's in the Welfare Department under Community Development--that's the Indian and Metis housing project. Insofar as the Town Planning Department is concerned, once a town has obtained the services of the Town Planner and has established a town planning, the department then no longer has any contact. Does it drop contact or does it continue contact with the town?

MR. EVANS: It continues an advisory service. The contract is signed, as I mentioned a few minutes ago, for either three or five years. The contracts are signed for five years--it comes to me that it is five years. During that time we continue advisory service on any problems and continue, if they have new plans for subdivision and so on, that they do get additional draughting work. If any by-laws are required, they continue to give that kind of service over the period of the contract, namely, five years. Then they can and, generally speaking, are renewed for further periods.

MR. MOLGAT: Thank you for the answer. One of the difficulties that I have found in this particular field, Mr. Chairman, is that it seems to me that a number of the smaller towns in particular go ahead and make up a town planning scheme. I'm certainly quite happy with the ones I have seen. I think a good job has been done. The difficulty then becomes the enforcement of The Town Planning Act that's passed or the by-law passed in the various communities, because from my experience, too frequently the enforcement fails. Now I really don't know what the government can do about it. I wouldn't suggest that they start interfering with the municipalities that have passed them, but possibly if there was a close contact and some strong recommendations from the town planning that unless the by-law is adhered to, in the long run they will simply be getting back into the same trouble as before. I'm speaking from a particular experience that I know of, and it seems a shame that all the work of the department and

(Mr. Molgat, cont'd.) . . . . all the time and trouble involved in getting it going, and then it isn't followed through. So I strongly recommend that it's followed through.

MR. EVANS: Well I think this is true, but my honourable friend will recognize that there is sometimes a division of local authority or a division of opinion in the local authority. There's the Town Planning Authority appointed by the municipality itself. Sometimes the Town Planning Authority will recommend one way, the person affected will go to the town council and have the Town Planning Authority overridden. We feel that so far as possible they should settle their own matters locally. In cases that seem worth it, it is referred to the Municipal Board--for their ruling actually.

MR. MOLGAT: I certainly wouldn't say that the government should step in and take the responsibility, but it must be a very frustrating effort on the part of the town planners to proceed and set up a plan and then see it go by the wayside. I think that by co-operation that they could obtain a better work-out with the municipalities.

MR. STAN ROBERTS (La Verendrye): I understand from the Minister's remarks that several rural municipalities are entering a municipal planning scheme. Is that your reference to it--the planning of a municipality? I'm not talking about town planning now, I'm talking about the municipal planning within a municipality. Is this correct?

MR. EVANS: There are a number of rural municipalities that have planning schemes--yes.

MR. ROBERTS: Are there more municipalities entering this or have more applied for it? Have quite a number applied for it?

MR. EVANS: Yes, there are quite a number of municipalities. I don't know how they're divided between towns and rural municipalities, but there are a number of municipalities now on what we call the waiting list for this service and they will be taken care of as quickly as possible.

MR. ROBERTS: There was one thing in particular I was interested in. I noticed at a meeting in a rural municipality just outside of Winnipeg recently, this week, that the Reeve of the municipality announced that he intended to hold a vote in the municipality to see whether the ratepayers in the municipality wished a municipal planning authority in their municipality. He announced at the meeting that the vote would be held and that you would have the option of voting either for it or against it, but that if you voted against it you had to state your reason why. Now is this part of the intent of the--

MR. EVANS: I never heard of a scheme like this.

MR. CHAIRMAN: Resolution 83. May I say just as I call this resolution, I think that in all these matters there should be absolute full and frank discussion and I'd be the last one to curtail it or try to curtail it, but I think if we have good co-operation we can perhaps make just a little bit better time. I won't tell you how many hours we've been at it, but I don't want to have my Christmas dinner here. Just move forward in a co-operative spirit and everything will be well. Resolution 83--82, pardon me.

MR. MOLGAT: Mr. Chairman, when the Minister first opened the discussion on the whole department, he said he would make a general statement covering a number of items and then later on would make another general statement. At what time will his second general statement come up?

MR. EVANS: It's been very likely covered now. I had anticipated making a separate statement on the tourist business, but I think I could confine myself just to answering questions if that would speed matters up. I think I should say something in a separate item about Civil Defence.

MR. MOLGAT: Fine--but you're not proposing to make another general statement--

MR. EVANS: Not until we come to Civil Defence.

MR. PAULLEY: Mr. Chairman, in the spirit of co-operation, I'm not going to mention anything about Namaycush or the Twelfth Sign of the Zodiac this year. I would, however, like to know the coverage on the Informational Service Bulletins and how many--is there a regular weekly issue or is there any plan? It seems to me that sometimes it's once a week, sometimes it's half a dozen times a week that the very valuable, particularly for political uses later, that we receive these documents. I was just wondering what is the average coverage on these and the amount . . . . . a week.

MR. EVANS: The circulation number of copies, you mean?

MR. PAULLEY: Yes.

MR. EVANS: I'll have to get it. I'll be glad to get it for my honourable friend.

MR. CHAIRMAN: Resolution 82--pass?

MR. PREFONTAINE: Mr. Chairman, on 82, this sum of money is on the increase again. I'm wondering whether it's worthwhile to spend so much money on giving this information. We don't know how useful it is. Some weekly newspapers use it and some don't. Some daily papers use it and apparently one uses it a little more than the other of the daily Winnipeg newspapers, but we have newspapers and it seems to me that they are doing a fair job of informing the public. I, for one, think that there's too much money going into this type of information and publicity.

MR. EVANS: I wonder if my honourable friend really realizes the functions that are performed by the Information Section? I'd like to give him an outline. There is the business information section. The business research section both prepares and acts as a simple clearing house for economic and market research carried on by the department or on its behalf. Now in all of the studies that are made, either industry studies or feasibility studies or any of them, there is a pooling of the research and economic staff--people who get the information, who receive all the publications of the, say the Dominion Bureau of Statistics; all the economical publications we can get from this section of the country; many of the publications of the United States Bureau of the Census, or whatever their correct titles are. They file them and then study them and prepare the economic information required both by our own feasibility studies for the Manitoba Development Authority and for the Manitoba Development Fund. Now this staff is by no means--as a matter of fact, the press releases occupy a very small part of the operations of this section.

The section has two divisions: the Market Research Division, which provides market data and assesses specific and industrial commercial opportunities for all sections of the department, for other government agencies and departments, and in response to direct requests from business organizations, etcetera. My honourable friends will have noticed, in the summary of activities of the department, the many hundreds and even thousands of requests that are received from businessmen for information and reports and data of all kinds. That is taken care of by this staff. The Economic Studies Division functions as a clearing-house for statistics gathered from the Dominion Bureau of Statistics, provincial, and various other sources. These are interpreted, analyzed, and supplied to all sections of the department, to other government departments and business and industry in general. In addition, both divisions prepare articles of a general economic nature. Then we come to the Editorial Section, which prepares and distributes factual information on the operation of all government departments and crown agencies to the press, TV and radio; prepares articles requested of all government departments by various publications; and there's quite an interesting list of these publications that write in for articles to be written. Information and articles were prepared specially during 1961 for the following trade and financial papers, firms and government bodies: Metropolitan Life Insurance, Associated Electrical Industries Limited, The Winnipeg Tribune, F. E. Thompson & Company of Chicago, the Statesmen's Year Book, The Simon Boardman Publishing Company, and so on. My honourable friends will know that trade publications write in for articles, and those are prepared in this section. It prepares replies to all enquiries for general information not applicable to any other particular government department. Then we come, also, to the photographic section. I won't go through that in detail, but I did want to indicate to my friends that there is a very wide scope to this Information Section of the government. The actual preparation of press releases is a very small part indeed of their work.

MR. E. R. SCHREYER (Brokenhead): Mr. Chairman, it would seem that despite the multiplicity of information services provided by this department, there are still some gaps left. I'm given to understand that small manufacturing concerns in this province, if they want information of the development and testing nature, that they have to rely on NRC, the National Research Council, or they have to send their product out of the country to some industrial research laboratory in the United States. Just to point out more clearly what I'm referring to, I would cite a case where a small manufacturer, or a would-be manufacturer, had felt that he had a rather good product in a certain type of strawboard. He wanted some testing information as to the fire resistance of this particular product, and he couldn't frankly get that information

(Mr. Schreyer, cont'd.) . . . . here in Manitoba through this department, through this Information Service Branch of which I'm sure most of us are all so proud. I'm wondering if it is the intention--it should be the intention of this government to establish a research council for development and testing purposes thus providing information of this kind to local small manufacturers. I understand it's not available now.

MR. EVANS: I would direct my honourable friend's attention to the item in the investigation of the Committee on Manitoba's Economic Future where they are studying the matter as to what research and testing and other facilities should be developed in the province.

I find that the circulation of the News Bulletins is 675, which includes all news media in the province, major news media elsewhere, a certain number of teachers and a certain number of members of the Legislature.

MR. SCHREYER: . . . . that the question I asked, the answer which seems to be in this report would indicate that next year, if there are reports of this kind, the Minister should hand them out a week ahead of time.

MR. CHAIRMAN: Resolution 83. Office of the Agent-General.

MR. PAULLEY: Mr. Chairman, in connection with appropriation No. 83, I'd like to hear a more detailed accounting of the activity of this office from the Minister. We have a resolution before us, which of course I'm not going to discuss at the present time, calling for a trade mission to go to the Old Country. We have an agent over there all year round. I would like to hear from the Minister as to what, if any, advice they may be obtaining from the Agent-General in London in respect of the possibility of Britain entering into the Common Market and the effect that it might have on us here in the Province of Manitoba. As I glance over the report in the Annual Report of the Department--glance over the report of the Office of the Agent-General, I was somewhat amused by one item that is contained in the report in Section 3, dealing with export market development. In the second paragraph it mentions that a small footwear manufacturer in Winnipeg sent a sample of moccasins to the London office, and sales thus far have been quite substantial. I wonder if the Honourable Minister of Industry can tell me how many Britishers now are wearing Winnipeg-made moccasins. It seems to me a different trend in these days to what it used to be in the old days, that they used to make moccasins for us over here.

MR. EVANS: Well I would indicate to my honourable friend that a very large part of the, I'm afraid rather meaty statement that I read this afternoon was based on information and the work of our Agent-General. I think you will find that he is extremely knowledgeable about the European market and the present Common Market in negotiations and how they are going on. I must say that Mr. Armstrong has performed a most useful service in providing the information and helping us to prepare the material that I dealt with today.

MR. PAULLEY: Have you got copies of your remarks yet? I wasn't in the House.

MR. EVANS: I'm not sure. I would assume that as soon as they are ready that they will be provided to you, and I'll see that that's done. Part of what I said today was ad libbed although most of it was written, and I wanted the remarks to be provided to you in the form that I had actually given.

With regard to moccasins, this is quite a thing. I think you're perfectly right. This refers largely to moccasin-type shoes, however. Many of them are not really true moccasins but are mostly worn by--many of us wear this kind of shoe right here.

MR. PAULLEY: I was only going to suggest probably that if they were, rather than sell them to the Englishmen and the Scotsmen, he should sell them to the Eskimos in Canada or something of that nature.

MR. EVANS: There's very little snowshoeing in Britain, I am told, but I have quite a large number of individual cases here that are noted of the type of work that the Agent-General is doing. He has also, in addition to helping us to make studies of particular kinds of industries that might be started here, he has been of considerable service to manufacturers and other commercial people going from Manitoba to London. He has put his offices and himself and his knowledge and connections at the service of people going over there, including a number of organized groups, one of them the Winnipeg Chamber of Commerce last year. He organized their trip and we received the highest compliments as to the way he had been able to help them and the practical assistance he had given them.

MR. PAULLEY: Mr. Chairman, at one time we had under discussion in this House the

(Mr. Paulley, cont'd.) . . . . possibility of extending Agents-General in other countries on behalf of Manitoba industry. If I recall correctly, on one occasion it dealt with the possibility of an Agent-General in the States; and then on another occasion, one somewhere in the Mediterranean area that might take care of that area; and also over into Africa. I'm wondering whether or not the Minister and the government has given any consideration to expanding these services, because it appears to me that if it is of a value to have one located in London--yes, to sell moccasins my honourable friend to my left says--that this is a type of service, providing we're all assured that it is a worthwhile venture and the Minister tells us that it is, or whether we could gain. Now I would suggest that if Britain goes into the ECM, well then there will be a liaison with the inner sects at the present time, but I would like to hear any comment the Minister might make as far as expansions are concerned of this business.

MR. SCHREYER: This is along the same line. Whether for the sake of economizing and saving \$26,000 or \$20,000 we aren't perhaps losing much more by not having some sort of office of an Agent-General say somewhere in some city in West Africa or in Tel Aviv. I realize, of course, that trade is federal, but inasmuch as much could be gained by having a representative in some of these areas, we could be garnering some of this trade for specific Manitoba purposes; and an expenditure of \$20,000 might bring in benefits of a very much higher proportion.

MR. EVANS: We have not seen any advantage to considering an office of this description in the other places that are mentioned--in the Mediterranean such as Italy; or in Africa; or, as my honourable friend mentions, Tel Aviv. We do not believe that the trade connections so far developed are sufficient to warrant the establishment of an office in these other locations. We have considered the question of an office in the United States, but have made our plans now really to concentrate on the near-by midwest part of the United States; and that, we think, can be travelled from here quite adequately for the present. As trade grows and as the work comes along, and as it becomes too awkward or too expensive to travel back and forth all the time, I think it would be almost automatic to start an office.

MR. SPEAKER: Resolution 83--passed. Resolution 84--

MR. MOLGAT: On Resolution 84, Mr. Chairman, I want to ask particularly on some of the figures, that were discussed here yesterday by my colleague the Member from Ethelbert Plains, on the expansion, year by year, on the tourist field here in Manitoba. Now I presume that the figures he gave are correct because I didn't hear the Minister object to them. Is it correct then that we've had a decrease in the last three years in tourists entering Manitoba?

MR. EVANS: I don't think my honourable friend even understood his own supporter. There was a decrease in the increase, I think is what my honourable friend was trying to say. There has been a steady progressive increase in the tourist business in Manitoba year by year.

MR. MOLGAT: That's the point, Mr. Chairman. There has not been a steady progressive increase. In the last three years there's been a decrease.

MR. EVANS: Each year has been more than the year before.

MR. MOLGAT: Oh, more than the year before, but not more in the same -- not relatively.

MR. EVANS: More than the year before but not--

MR. MOLGAT: Oh yes, but a very substantial change percentage-wise.

MR. EVANS: I think my honourable friend needs to go back to school.

MR. MOLGAT: But the increase has levelled right off, Mr. Chairman, in spite of very substantial increases in expenditures on it. Is that not correct?

MR. EVANS: No, it's not correct.

MR. MOLGAT: Well then, would my honourable friend give us the correct figures if those are not so?

MR. ROBLIN: It looks as though we won't be able to finish the item in the next 30 seconds, Mr. Chairman, so I move the committee rise.

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

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

(Mr. Roblin, cont'd.) . . . . 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 Monday afternoon.