

THE LEGISLATIVE ASSEMBLY OF MANITOBA
2:30 o'clock, Thursday, May 21, 1970

Opening Prayer by Mr. Speaker.

MR. SPEAKER: Presenting Petitions.

PRESENTING PETITIONS

MR. PETER FOX (Kildonan): I beg to present the petition of H. Tregobov and Others, praying for the passing of an Act to incorporate Manitoba Dental Services Corporation.

MR. SPEAKER: Reading and Receiving Petitions; Presenting Reports by Standing and Special Committees.

INTRODUCTION OF GUESTS

MR. SPEAKER: If I may perhaps, before we move into this item, introduce our guests in the gallery. We have 22 Grade 4 students of the Carpathia School. They are under the direction of Miss Block. This school is located in the constituency of the Honourable Member for River Heights.

And 22 Grade 11 students of the Grunthal Collegiate under the direction of Mr. Dueck and Mr. Zacharias. This school is located in the constituency of the Honourable Member for Emerson.

Thirty Grade 12 students of the Glenlawn Collegiate. These students are under the direction of Mr. Wieler. This school is located in the constituency of the Honourable Member for Riel.

And 28 Grade 9 and 10 students of the Neepawa School. These students are under the direction of Mrs. Martin and Mrs. McLaren. This school is located in the constituency of the Honourable Member for Gladstone.

On behalf of all the honourable members of the Legislative Assembly, I welcome you here this afternoon.

Presenting Reports by Standing and Special Committees.

REPORTS BY STANDING COMMITTEES

MR. LAURENT L. DESJARDINS (St. Boniface): I beg to present the First Report of the Standing Committee on Public Utilities and Natural Resources.

MR. CLERK: Your Standing Committee on Public Utilities and Natural Resources beg leave to present the following as their First Report:

Your Committee met on Tuesday, May 5, 1970 and appointed Mr. Desjardins as Chairman. Your Committee agreed that, for the present session, the quorum of this Committee shall consist of nine (9) members.

The Committee agreed to record the proceedings of the meeting of May 21, 1970. On Thursday, May 21, 1970, Mr. J.F. Mills, Chairman and General Manager of the Manitoba Telephone System, addressed the Committee on the subject of the development program of the Manitoba Telephone System.

Your Committee has examined the Annual Report of the Manitoba Telephone System for the Fiscal Year ending March 31, 1969, as published.

Your Committee received all information desired by any member of the Committee from officials of the Manitoba Telephone System and their staff with respect to matters pertaining to the Report and the business of the Manitoba Telephone System. The fullest opportunity was accorded to all members of the Committee to seek any information desired.

Your Committee has considered Bills:

No. 27 - An Act to amend The Mineral Exploration Assistance Act.

No. 28 - An Act to amend The Mining and Metallurgy Compensation Act.

And has agreed to report the same without amendment.

All of which is respectfully submitted.

MR. DESJARDINS: Mr. Speaker, I beg to move, seconded by the Honourable Member from St. George, that the report of the committee be received.

MR. SPEAKER presented the motion.

MR. SPEAKER: The Honourable Member for Rhineland.

MR. JACOB M. FROESE (Rhineland): Mr. Speaker, I beg to move, seconded by the

(MR. FROESE cont'd.) Honourable Member for La Verendrye, that debate be adjourned.

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

MR. SPEAKER: Adjourned debate on the proposed motion of the Honourable Member for Logan. The Honourable Member for St. Boniface.

MR. DESJARDINS: Mr. Speaker, the reason why I adjourned this debate was because I feel that we should follow the intent that was first, the intent of this House that was certainly, that the way I understood it on second reading, feel that, first of all, I want to make it quite clear that I'm not speaking, I don't intend to speak or to deal with the question of principle right now, this principle in that special clause of Bill No. 10 that would give certain people the right to be called doctors. I feel that if we are serious, if the House is serious in establishing a Special Committee on Professional Associations that would study professional associations, the disciplining of same, the use of titles, the protection of the general public and the protection of the members of this association, I think that then if this is the case - and after all, it would seem to me that this is what we had in mind when we established this committee - that a matter such as this should go in front of this committee.

I think that, as you probably know, Mr. Speaker, I intend to bring in an amendment. I think that is something, that it is in order. I remember in 1965 there was a report of the committee and if I read from the journals of 1965, we had a report by Mr. McLean, the Chairman of the Standing Committee on Law Amendments, which presented its Third Report which was read as follows: "Your Committee recommends that Bill No. 29, an Act to amend The Garnishment Act, be withdrawn from the Standing Committee on Law Amendments and that it be referred to the Standing Committee on Statutory Regulations and Orders." And then following this there was also another motion that Bill No. 29, an Act to amend The Garnishment Act, be withdrawn from the Standing Committee on Law Amendments and that it be referred to the Standing Committee, and then we had the proper votes. In this way, I think that we'll achieve what we want if this Bill No. 10 is referred back to the Special Committee on Professional Associations. There is a possibility, first of all, that the whole bill might be reported before the end of the session and I would hope that at least certain clauses that are not contentious should be passed immediately during this session, if it is felt that the certain clauses, the question of the use of the title of "doctor", should be looked into a little further more.

I think that it would be wrong to say, although we sympathize with -- I sympathize with the optometrists, I think it would be wrong to say at this time, well, there's something that's not quite right with other associations and they're called doctors so now we are going to go ahead and let them call themselves doctor but we might take the title away from them a little later on. We must remember that there's a few of these professional associations that have bills that wanted certain changes and they realize that this special committee was set up to look into this and they're refraining from bringing in bills at this time.

So therefore, Mr. Speaker, I would like to move, seconded by the Honourable Member from Riel, that the Second Report of the Standing Committee on Law Amendments be not now received with respect to Bill No. 10, an Act to amend The Optometry Act, but that this bill be referred to the Special Committee on Professional Associations for further consideration.

MR. GORDON E. JOHNSTON (Leader of the Liberal Party) (Portage la Prairie): Mr. Speaker, on a point of order before you put the motion. I believe this is a highly unusual procedure when the committee instructed the chairman to report to the House and for the chairman to take it upon himself to say that the report be not received. I don't think this is . . .

MR. DESJARDINS: On a point of order. I am not the chairman at all. I adjourned this debate yesterday and I'm bringing in an amendment now.

MR. G. JOHNSTON: Well I apologize for that then, Mr. Speaker, but I do insist that it's a highly unusual procedure for a member to come into the House and try to thwart the will of the committee. The committee agreed that this matter should be reported, and for a member of the committee to come into the House and say that it should not be reported I think is highly irregular and not the wishes of the committee.

HON. SIDNEY GREEN, Q. C. (Minister of Mines and Natural Resources) (Inkster): Mr. Speaker, on the point of order. It may be that a member, and any member of the House, desires something to be done with the committee's report other than what the committee wanted done, and of course that might not be the usual thing that happens but it's certainly within the rules, and the member cannot thwart the views of the House if the House doesn't want those

(MR. GREEN cont'd.) views thwarted. What we have is a motion before the House that the committee's report be received -- a motion before the House. You have a member getting up, moving amendment, saying that the report be referred to a different committee, and it may be that what he is saying would fly in the face of both the members of the committee and the House, but the only way to determine that is not a point of order but to see whether the House approves of his suggestion.

MR. G. JOHNSTON: On the same point of order, Mr. Speaker. I suggest that the member has the right to do this in committee. I'm not saying he doesn't have the right to do it now, but I'm objecting to the method. I'm saying that he has the right to take this course of action in committee, that the matter be not reported to the House, but I think it's highly unusual for a member of the committee, when it passes through committee, to come into the House and try to have it stopped from coming into the House.

MR. DESJARDINS: Mr. Speaker, on a point of order, the point of order, if I may. I think that the member is certainly right if he wants to vote against my motion, but to pretend that this is something unusual after all the years that he's spent in this House, and I remember sitting in the same caucus with him and we certainly have done that before. This is a debatable motion; it certainly could be amended and this is all I'm doing. I'm not suggesting that he has to go ahead with my amendment if he doesn't want to.

HON. ED. SCHREYER (Premier) (Rossmere): Mr. Speaker, if you still wish to receive some guidance or submission on the point of order raised, I would certainly endorse -- first of all, I would endorse that which has been said by the Honourable the House Leader and the Member for St. Boniface. In addition to that, I would like to suggest to you, Sir, that there is precedent, there is precedent for a motion of this kind being moved, referring the report of one standing committee to a special or select committee of this House. Precedent can be found in the journals. I'm sorry I don't have the exact page reference of the journals but they're there, and accordingly I would suggest that if you are not certain at the moment you may wish to take it under advisement. There is no question about the precedent existing.

MR. FROESE: Mr. Speaker, on a point of order. I wonder if I could have that motion restated without having it officially received by the Speaker so that I am fully aware of the contents.

MR. GILDAS MOLGAT (Ste. Rose): Mr. Speaker, if I may, on the point of order. It may be that there is a precedent in the House, but I think it might be looked at in the light of Rule 74 in our own Rule Book, which states that a report from a standing or special committee shall not be amended by the House but it may be referred back to the committee. I think the questionable point then is: is it germane to refer it back to another committee or must it be referred back to Law Amendments Committee where it was? And so, Mr. Speaker, there may be a point here. Beauchesne may elaborate further but our rule, it would seem to me, would preclude the amendment in a sense that it could be sent to another committee.

MR. GREEN: Mr. Speaker, on the point raised by the Member for Ste. Rose which I think is an interesting one, I would ask Mr. Speaker to look at the words "it may be referred back to the committee." It certainly doesn't preclude it from being referred to another committee.

MR. DESJARDINS: On the same point of order, if I may again refer you to the journals of 1965 on Page 218 for the point of my honourable friend from Ste. Rose, and the chairman of the committee then was Mr. McLean, and this was Mr. McLean from "the Standing Committee on Law Amendments presented its Third Report" which was read as follows: "Your Committee recommends that Bill No. 29, an Act to amend The Garnishment Act, be withdrawn from the Standing Committee on Law Amendments and that it be referred to the Standing Committee on Statutory Regulations and Orders" and this was done.

MR. SPEAKER: The Honourable Member for Riel.

MR. DONALD W. CRAIK (Riel): Mr. Speaker, on the point of order. I was quite willing to be the seconder of this motion, but speaking on the point of order, before this was referred to the Law Amendments Committee I think there was probably general understanding of the members of the Legislature that at the Law Amendments Committee that portions of the bill may at that point have been referred to another committee, and during the proceedings of the Law Amendments Committee it was discovered that a technicality existed which I certainly wasn't aware of and I don't think many others were aware of. The technicality was that it was not possible in Law Amendments Committee to refer a portion of a bill to another committee,

(MR. CRAIK cont'd.) and the reason was that the Legislature itself occupies a position of paramountcy over the Law Amendments Committee and I feel that the Member for St. Boniface now, in asking the agreement of the House to do this, has gone back to this position of asking the House rather than the committee, and that it should be in order considering this plus the fact that it was general understanding that we had powers in Law Amendments Committee which in fact didn't exist.

MR. SPEAKER: I wish to thank the honourable members for their comments. I will take the matter under advisement and give my ruling thereon after I have had opportunity to consider it.

Notices of Motion; Introduction of Bills; Orders of the Day.

HON. SAUL CHERNIACK, Q. C. (Minister of Finance)(St. John's): Mr. Speaker, before Orders of the Day I think we have introduction of bills.

MR. SPEAKER: My apologies. Introduction of Bills.

INTRODUCTION OF BILLS

MR. CHERNIACK introduced Bill No. 84, an Act to amend The Income Tax Act (Manitoba). (Recommended by His Honour the Lieutenant-Governor.)

MR. SPEAKER: Orders of the Day. The Honourable First Minister.

MOTION OF CONDOLENCE

MR. SCHREYER: Mr. Speaker, before Orders of the Day I should like to draw honourable members' attention to the long-standing practice in this Assembly whereby we take time to pause and reflect on the life and work of one who has sat in this Assembly in years gone by and who has passed on. I refer in this case, Mr. Speaker, to the late Doctor Andrew Watson Myles who passed away last week in British Columbia at the age of 86. The late Doctor Myles was MLA in this Assembly away back in the years 1915 to 1920, and therefore served here at a time beyond the memory of honourable members present. There was a time once, Sir, for many years, when former Premier Campbell sat in this House, where it seemed that simply because of his long span of years of service in this Assembly he was one who knew personally many of the men that we were commemorating in our condolence motions, but alas that is no longer the case and it is not possible to recall and reflect in as intimate and personal a way as used to be the case when Mr. Campbell sat in this House.

Dr. Myles, as I said, who served here from 1915-1920, was a native of Rathwell, Manitoba. He taught school before entering Dental College at Northwestern University of Chicago just after the turn of the century. He began the practice of dentistry in Treherne, Manitoba, in 1908. After being elected in 1915, he served as a Captain in the Canadian Army Dental Corps and served in the overseas theatre. In 1918 Dr. Myles returned to Winnipeg, took his place in the Assembly once again, and was chosen in that year to move the Address in reply to the Speech from the Throne. In 1921 he entered law school at the University of Manitoba and was called to the Bar in 1924. He practised law and dentistry for the most part here in the City of Winnipeg until his retirement in 1962, whereupon he retired to British Columbia. He is survived by two sons and one daughter.

I think the honourable members will agree that a man who served in this Assembly for five years, was also a lawyer and a dentist, was a man whose life must obviously have been very active, very rewarding. We should want to pause to reflect on the contribution made by one public-spirited citizen who served in this Assembly. Accordingly I move, seconded by the Honourable the House Leader of the Liberal Party, that this House convey to the family of the late Dr. Andrew Watson Myles, who served as a member of the Legislative Assembly of Manitoba, its sincere sympathy in their bereavement and its appreciation of his devotion to duty in a useful life of active community and public service, and that Mr. Speaker be requested to forward a copy of this resolution to the family.

MR. SPEAKER presented the motion.

MR. SPEAKER: The Honourable House Leader of the Liberal Party.

MR. G. JOHNSTON: Mr. Speaker, I would like to thank the First Minister for offering me the privilege of seconding this motion. While those of us in the House, it has been mentioned, have not had the privilege of knowing Dr. Myles, I'm sure the reading of his record indicates to us that here was one of Manitoba's true pioneers, one who has served his people well in time of war and in time of peace, and the members of our Party would like to be

(MR. G. JOHNSTON cont'd.) associated with this in saying to Dr. Myles' relatives and friends that we appreciate the contribution that this great gentleman has made to the Province of Manitoba.

MR. SPEAKER: The Honourable Member for Rock Lake.

MR. HENRY J. EINARSON (Rock Lake): Mr. Speaker, I rise on behalf of the colleagues of my party, to concur in the words of the First Minister and the Member for Portage la Prairie in the passing of Dr. Andrew Watson Myles, a gentleman who was represented in this House of a portion of the constituency, namely Cypress, which I do now represent, and I do concur in the comments made whereby Dr. Myles made a very great contribution to the people in the communities in which he lived, both in civilian life and to the dedication to services in the war in which he served.

I think, Mr. Speaker, it would also be fitting for me to convey to the people of this Assembly, that while there has been much discussion of the denturists and the position that they play, but not knowing of Dr. Myles I have been informed by people who did know him that as a dentist he performed a very great service and many said that his services, even as a dentist and as a denturist, were very, very satisfactory, and I want to, on behalf of the party which I represent, express sympathy and condolences to the family.

MR. SPEAKER: The Honourable Member for Rhineland.

MR. FROESE: Mr. Speaker, I too wish to join with other honourable members in expressing and extending sympathy to the bereaved family. I always feel that anyone who offers his services as a member of this House is worthy of recognition and I'm sure that this is no exception and that we do appreciate anyone's services to the Province of Manitoba, be it past or present.

MR. SPEAKER put the question and the motion was carried.

MR. SPEAKER: Orders of the Day. Adjourned debate on second reading. The Honourable Member for Crescentwood.

ORAL QUESTION PERIOD

MR. CY GONICK (Crescentwood): . . . question for the Attorney-General. I understand that the rights of a young man were recently violated in Magistrate's Court when he was evicted for wearing a prayer cap on his head, and I wonder if the Attorney-General would like to comment on this event?

HON. AL. MACKLING, Q.C. (Attorney-General) (St. James): Mr. Speaker, in answer to that question I can only indicate that I became aware of this incident; I caused some inquiry to be made and I am satisfied that there was obviously some misunderstanding, if I can use that term, on the part of the magistrate in whose court this occurred. However, I don't think -- the matter hasn't been taken lightly. I certainly don't concur with the proceedings that happened. It's one of those areas, though, for which there is considerable concern. I'm certainly sympathetic to the individual who may have received some embarrassment in the matter and I certainly intend to make my views known, and have, to the Chief Magistrate of the province, and I intend to have a discussion of the matter with the individual magistrate concerned.

MR. SPEAKER: The Honourable Member for Morris.

MR. WARNER H. JORGENSON (Morris): Mr. Speaker, I don't know what court the Attorney-General was referring to. I wanted to raise a similar matter in connection with an occurrence at Emerson court where it was related in the Morris-Emerson Journal that a magistrate called a 17-year-old youth a liar in court. The Crown Attorney made a mockery of a French-speaking person's inability to speak fluently in the English language and a defense attorney suggested that the client could receive a fair trial only if . . .

MR. SPEAKER: Has the honourable member a question?

MR. JORGENSON: Yes, I'm coming to the question, but I feel I had to put these statements on the record in order to acquaint the Minister with the incident. The defense attorney suggested that his client could receive a fair trial only if the client's physical appearance was suitable to the magistrate's liking. I want to ask the Attorney-General if he would cause an investigation to be made of this particular case.

MR. MACKLING: I certainly will, Mr. Speaker. I'm somewhat surprised that if this incident happened it hadn't been brought to my attention before. The previous incident had been brought to my attention, therefore I was able to say something about it. I wish the honourable member would give me all of the information as quickly as possible.

MR. SPEAKER: The Honourable House Leader of the Liberal Party.

MR. G. JOHNSTON: Mr. Speaker, my question is for the Minister of Transport. Because he is bringing in a bill to make the wearing of helmets by motorcyclists compulsory, could he indicate to us whether or not the government intends to open stores to sell helmets?

MR. SCHREYER: Mr. Speaker, in the event that that is done, my honourable friend the Member for Portage will be notified so that he could be there at the head of the queue.

MR. G. JOHNSTON: Thank you, Mr. Speaker. I do own a motor bike but I think I will go to a free enterprise store.

MR. SPEAKER: The Honourable Member for Riel.

MR. CRAIK: Mr. Speaker, before the Orders of the Day I have a question for the Minister of Cultural Affairs. In light of the charges made last night by the president of Manisphere regarding the musical ride and the switching of dates, could he clarify for the House the changes that have actually been made, as I understand there are some disagreement of the dates which he gave?

HON. PHILIP PETURSSON (Minister of Cultural Affairs) (Wellington): Mr. Speaker, I don't have the details of the complaint and would have to take that question as notice. I'll bring in the information as I get it later, at an early date I hope.

MR. SPEAKER: The Honourable Member for Roblin.

MR. J. WALLY MCKENZIE (Roblin): Mr. Speaker, before the Orders of the Day I think I should ask a question of the Minister of Government Services, seeing he's wearing his nice red vest today. Is the Minister or the government proposing to build a bandstand in Memorial Park?

MR. RUSSELL PAULLEY (Minister of Government Affairs) (Transcona): May I say to my honourable friend there will be many stands built in this our Centennial year. I'm not precisely aware as to whether or not a bandstand will be built in Memorial Park but if it is necessary, in order to carry through our Centennial celebrations and reception of Her Majesty, the Department of Government Services will so do.

MR. MCKENZIE: Mr. Speaker, a supplementary question. Would the Minister agree to the building of a bandshell in Memorial Park?

MR. PAULLEY: If it is required in order to publicize the great event that is taking place in this world of democracy, namely our Centennial celebrations, the answer would be yes.

MR. SCHREYER: Mr. Speaker, if the Honourable Member for Roblin were to indicate that he wishes to perform atop this bandstand, we might consider building it.

MR. SPEAKER: Order please. I believe that our Rule 42 prohibits the reading of newspapers in this Chamber. The Honourable Member for Ste. Rose.

MR. MACKLING: Mr. Speaker, on a question of privilege, I asked the honourable member for the information and he sent me the information contained in this newspaper so I could become familiar with it immediately.

MR. SPEAKER: My apologies in that event. The Honourable Member for Ste. Rose.

MR. MOLGAT: Mr. Speaker, I would like to address a question to the Minister of Tourism. Is he in a position now to inform the House with regard to the questions asked earlier this week, regarding seasonal permits and weekly permits in provincial parks, particularly at Grand Beach?

HON. PETER BURTNIAK (Minister of Tourism and Recreation) (Dauphin): I'll take that question as notice and I'll inform the member within a day or so.

MR. SPEAKER: The Honourable Member for Rhineland.

MR. FROESE: Mr. Speaker, I'd like to ask the Honourable Minister of Cultural Affairs, has there been a recent cut-off in lottery tickets and could he inform us as to how many were sold, and is consideration being given to increase the number of prizes that will be given as a result?

MR. PETURSSON: I didn't get the question. What was it that had been sold?

MR. FROESE: My question was whether there had been a recent cut-off and if the Honourable Minister could inform us as to how many tickets had been sold. This was referring to the lottery tickets. Also whether any consideration is being given to increasing the number of prizes that will be given.

MR. PETURSSON: Mr. Speaker, the last figure that I was aware of was that over half a million tickets had been sold and that as the numbers increase of the tickets that are being sold, then additional prizes will be provided. This was the practice or became the practice very

(MR. PETURSSON cont'd.) early in the game. More tickets were being sold than had originally been anticipated and therefore additional prizes were provided to give more people an opportunity to participate. It would be interesting if the Honourable Member from Rhineland would help to increase the number of tickets being sold by buying half a dozen books or so.

MR. SPEAKER: The Honourable Member for Wolseley.

MR. LEONARD H. CLAYDON (Wolseley): Mr. Speaker, I have a question for the Minister of Transport. I wonder if he would tell us if there have been any recent - and I would say perhaps within the last year - negotiations or priorities established for the construction of a bridge over the Assiniboine River in the vicinity of Waverley Street?

HON. JOSEPH P. BOROWSKI (Minister of Transportation)(Thompson): Mr. Speaker, I'll take the question as notice.

MR. SPEAKER: The Honourable Member for Lakeside.

MR. HARRY ENNS (Lakeside): Mr. Speaker, I direct a question to the Honourable the Minister of Tourism and Recreation. Can he indicate to the House whether or not his department has prepared any pamphlets or other leaflets or advertising in general to aid tourists and lodge operators with respect to the fishing situation in Manitoba? I believe earlier he indicated that his department would undertake some help to allay the fears of the tourist industry in this respect.

MR. BURTNIAK: Mr. Speaker, the answer to the honourable member's question is yes, we have. I think I pointed this out yesterday or the day before that there have been releases sent out to the various magazines and papers and we are also sending out brochures to the various lodge operators as well.

MR. ENNS: A supplementary question, Mr. Speaker. I'm sorry -- did he indicate that this material has been sent out already? Is it in the course of being sent out to the operators at this time? Thank you.

MR. SPEAKER: The Honourable Member for Birtle-Russell.

MR. HARRY E. GRAHAM (Birtle-Russell): Thank you, Mr. Speaker. My question is for the Minister of Government Services. Could the Minister indicate to this House if there will be additional staff hired to conduct tourists through the building in this our Centennial year?

MR. PAULLEY: The answer to my honourable friend is yes, we are contemplating additional staff in order to accommodate the influx of tourists.

MR. GRAHAM: A supplementary question, Mr. Speaker. Could the Minister indicate how many would be employed?

MR. PAULLEY: Not precisely, Mr. Speaker, at the present moment. It will depend on the volume of tourists touring the building.

MR. SPEAKER: The Honourable Member for Arthur.

MR. J. DOUGLAS WATT (Arthur): A supplementary question to the Minister of Government Services. Mr. Speaker, I wonder would the staff be made available to any functions being carried out in the building - for instance, weddings or funerals or whatever? You know, whatever the building is being rented for, or maybe the Minister could indicate what the rental charge will be for such -- could the Minister indicate what the rental charge will be for such functions? You know, I'm talking about whatever might happen in Centennial year; you know - weddings, funerals or whatever.

MR. PAULLEY: May I answer my honourable friend in this manner, Mr. Speaker. There are no rental charges made, insofar as this building is concerned, for government purposes. The Pool of the Black Star, as my honourable friend may be aware, is being utilized at the present moment by the Art Gallery of Manitoba without cost either to government insofar as alterations are concerned or without cost to the Art Gallery by way of rental. I suspect my honourable friend is attempting to raise the question as to a certain wedding which will take place in this Assembly on Saturday at 2:00 p. m. in Room 200, where one of the honourable members of this Assembly will be wedded to a very charming young lady, the ceremony conducted by one of the Honourable Ministers of the Crown and also a Minister of a particular fraternity. There is no charge for that service. A precedent has been established for a similar ceremony in the House of Commons at Ottawa, where one of the honourable members of the House of Commons was married by a Minister of the Clergy at the House of Commons, and it is not the intention of the present Minister of Government Services, as far as I'm aware, of the Government of Manitoba to utilize this fine building for general purposes of marriage.

MR. SPEAKER: The Honourable Member for Riel.

MR. CRAIK: . . . a question, Mr. Speaker. Is the Minister of Government Services performing the ceremony?

MR. PAULLEY: No, but I'm sure, Mr. Speaker, if the Minister of Government Services did perform the ceremony, the couple concerned would get off to a very good start.

MR. WATT: Mr. Speaker, I direct a supplementary question. Will the government be offering insurance to insure this union?

MR. PAULLEY: I want to assure my honourable friend, if I may, that I have no qualms that after the ceremony has been performed that the couple concerned will be off to a good start and it will not require government insurance to insure the same.

MR. MCKENZIE: A supplementary question, Mr. Speaker. Will this be the privilege of every Manitoban now to use this building for marriage ceremonies and other functions of that nature?

MR. PAULLEY: If my honourable friend had been listening, and I must confess invariably he does not, if my honourable friend had have been listening he would have understood what I was attempting to impart to the Assembly.

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Mr. Speaker, I wonder if I could take the House back to a matter, perhaps of more serious kind. I refer to the question put by the Honourable Member for Lakeside a few minutes ago relative to the question of sports fishing in Manitoba and the problem of pollution of certain of our rivers and lakes. In further elaboration in reply to his question, I should like to say that the Government of Manitoba is concerned that as a result of publicity given to the problem of pollution of Manitoba rivers and lakes, the impression has become widespread, unfortunately, that there are a large number of rivers and lakes that are polluted and in which sports fishing is therefore not to be undertaken. This is a widespread misapprehension that I would invite the news media to help correct, although I'm not suggesting that there was any advertence on the part of the news media in creating this misapprehension. The fact of the matter is, Sir, that there are only three rivers and/or lakes commonly used for fishing in the past that are polluted and in which sports fishing is advised against, and that is Lake Winnipeg, the Winnipeg River, and the Saskatchewan River. All the other great number of rivers and lakes in Manitoba do not pose any problem in terms of pollution and any problems therefore in respect to sports fishing. It's a very simple point which I believe at this point in time requires some systematic explanation on the part of the government department and the news media in clearing away the misapprehension that has circulated for the past several weeks.

MR. SPEAKER: The Honourable Member for Arthur.

MR. WATT: Mr. Speaker, on a point of privilege, I take exception to the remarks of the Honourable the First Minister when he said that it was time we started talking about a serious matter. When I brought up the matter of a marriage being performed in this building or private parties being put on in this building for whatever purpose they're arranged for, I think that we have a right to know whether the cost of operating this building is being made available to those people, private people who are coming in and putting on a private performance in the building, that we should know about it.

MR. SCHREYER: Mr. Speaker, on a point of privilege, if I may, I in no way meant to suggest that the honourable member was not within his rights in asking the question, nor did I even wish to suggest that it wasn't a proper subject of questioning in this House; I merely intended to say that marriage was generally, in most people's mind, regarded as a lighthearted occasion and certainly not as serious a problem as that of pollution of our ecology.

MR. SPEAKER: The Honourable Member for Ste. Rose.

MR. MOLGAT: Mr. Speaker, I think it was the First Minister was making a statement in the matter of sport fishing and that we have . . .

MR. SCHREYER: Mr. Speaker, I was replying in further elaboration to the question put by the Honourable Member for Lakeside.

MR. MOLGAT: So there is no opportunity for a statement from members on this side, Mr. Speaker? Well, then, I would ask the Honourable First Minister a question because I have questioned his Minister of Mines and Natural Resources and his Minister of Tourism on this on several occasions, and the complaint that I get from the tourist operators is that they have not been receiving material from the government which they in turn can send to their customers, and that this is their concern; that they would like to have an official publication by

(MR. MOLGAT cont'd.) the government which would then not seem to be a commercial publication on their part but an official statement from government in a printed form which they could send to their clients, particularly in the United States, who are very concerned right now about coming to Manitoba, and I welcome the statement made by the Minister today and the First Minister, but I think it needs a great deal more -- (Interjection) -- I'm coming to my question, I'm coming to my question. I think it requires a great deal more emphasis because I suspect that some of the neighbouring states to the south of us, who also depend on the tourist industry, are not necessarily helping us at this moment in the area from which we draw our tourism, so will the First Minister ensure - this is my question - that a publication is sent by government in sufficient numbers to tourist camp operators to in turn be sent to their customers, their potential customers and the people who have booked with them?

MR. SCHREYER: Well, Mr. Speaker, the honourable member's point is well taken and I am sure that the Minister of Tourism will be able to reply in a more specific way than I can as to whether or not any specifically written up or designed piece of information will be made available to tourist camp operators for further circulation to their potential clientele. I merely took this opportunity to point out that there was indeed cause for chagrin, that the, as I said, that the misapprehension became so widespread when the simple fact of it is, and was at the beginning, that there were three rivers and streams that were polluted and therefore would pose problems for sports fishing, and if there had been more clarity given to this, then this problem should not really have arisen in the first place.

MR. SPEAKER: The Honourable House Leader of the Liberal Party.

MR. G. JOHNSTON: Mr. Speaker, I'd like to direct a related question to the Minister of Health. Would it be correct to assume that the Assiniboine River is still relatively free of pollution, I believe the mercury type pollution, as he announced some time ago? Does this statement still hold?

HON. RENE E. TOUPIN (Minister of Health and Social Services) (Springfield): Mr. Speaker, the statement I made approximately two weeks ago still is the same.

MR. SPEAKER: The Honourable Minister of Tourism and Recreation.

MR. BURTONIAK: Mr. Speaker, to follow up further on the question that was asked by the Honourable Member for Ste. Rose, I think the First Minister gave him the proper answer but I'd just like to say a word or two on that, because when we were first notified of the pollution, mercury pollution to fish in the certain few rivers or lakes, we did immediately send out some information on this to the various people in the United States because we felt that there was no point in us sending the pamphlets or brochures on this matter to the lodge operators because there was no one there anyway at the time, but we thought we'd get it out to the general public first. Now the brochures are being sent out to the lodge operators at the present time. They've just been going out in the last few days, and now that there are more people enquiring as to whether the lodges will be operated and whether there will be sport fishing available and so on, now the lodge operators are able to tell them just exactly what the score is, that there is no -- or I shouldn't say no fishing, but that there is no commercial fishing, but there is sport fishing in these areas if they want to take their chances, but at the same time we're also telling them that there are many many lakes, many waters in the Province of Manitoba where they are free of any kind of pollution.

A MEMBER: How many? How many?

MR. SPEAKER: The Honourable Member for Pembina.

MR. GEORGE HENDERSON (Pembina): Mr. Speaker, I have a question for the First Minister. On March 17th I asked for an Order for Return for the correspondence between the Canadian Government and the Manitoba Government in relation to the Pembina Dam, and I haven't received it. I was wondering, would you give this your personal attention?

MR. SCHREYER: Mr. Speaker, I find that anything that is undertaken by the Minister of Mines hardly requires additional consideration or attention by anyone else, and of course that applies to all Ministers. Therefore, in reply to the Honourable Member for Pembina, I would suggest to him that the Minister of Mines will no doubt be contacting him or providing the Return in very short order, or as soon as it is available, in fact.

MR. SPEAKER: The Honourable Member for Roblin.

MR. MCKENZIE: Mr. Speaker, I have a supplementary to the Minister of Health and Social Development, that was raised by the House Leader of the Liberal Party. Would the Minister be in a position to indicate to the House how serious the pollution factor is at Dauphin

(MR. McKENZIE cont'd.) that was announced yesterday? Or is he aware of it?

MR. TOUPIN: I'll take that question as notice.

MR. SPEAKER: The Honourable Member for Ste. Rose.

MR. MOLGAT: I'd like to address a supplementary question to the Minister of Tourism. Did he get a request some time ago from tourist camp operators who wanted to have brochures to send to people who had already booked with them for this . . . of the summer?

MR. BURTNIAK: Mr. Speaker, I do believe there were one or two, but very, very few.

MR. MOLGAT: A supplementary question, Mr. Speaker. Would the Minister give us a copy of the publication that he has available for the tourist camp operators?

MR. BURTNIAK: I'd be glad to, Mr. Speaker.

MR. SPEAKER: The Honourable Member for River Heights.

MR. SIDNEY SPIVAK, Q.C. (River Heights): Mr. Speaker, my question is for the Minister of Finance. I was absent yesterday when questions were asked in connection with the Centennial Savings Bond Issue, but I wonder whether he could confirm a letter received from Wood Gundy which indicates that this offering will expire by the end of this week.

MR. CHERNIACK: I have not seen the letter; I know of no justification for the statement. If the honourable member wanted to ask me the question, by all means he should have sent me the letter. I might have been able to give him a more intelligent reply.

MR. SPIVAK: Mr. Speaker, on a question of privilege -- (Interjection) -- this is a question of privilege. There's a suggestion that there's an obligation on my part to send the letter to the Minister. Now, my . . .

MR. GREEN: Mr. Speaker, on a point of order, there's, with greatest respect, no point of privilege being raised by my honourable friend.

MR. SPIVAK: Mr. Speaker, I gather yesterday in the question period, and I wonder if the Honourable Minister can confirm it, the government at this point is not in a position to indicate how the offering has in fact been received; that is, the amounts of money yet subscribed in connection with this offering. Is that correct?

MR. CHERNIACK: Yes. I think if the honourable member reads Hansard, he'd know more fully exactly what was said.

MR. SPIVAK: Well I can't read Hansard. Unfortunately Hansard is not available for yesterday. Mr. Speaker, I have a supplementary . . .

MR. CHERNIACK: Unfortunately neither was the member.

MR. SPIVAK: Mr. Speaker, I have another question to the Honourable Minister. I wonder if he could indicate, as of May 1st, the amount of money that the Federal Government owed the Provincial Government with respect to the shared cost programs and the normal cash flow that would be forthcoming from the Federal Government to the Provincial Government.

MR. CHERNIACK: No, Mr. Speaker.

MR. SPIVAK: Mr. Speaker, a supplementary question. I wonder whether the Honourable Minister would undertake to get that information for us.

MR. CHERNIACK: No, Mr. Speaker, I will not undertake it. I don't know the extent of the work that would be required to carry out this kind of investigation. If the honourable member would like me to take it under consideration I certainly will, otherwise he can file an Order for Return and we'll deal with it then.

MR. SPIVAK: Well, Mr. Speaker, I have a supplementary question for the Honourable Minister. I wonder whether the government would not have considered it more advisable rather than offering a Centennial Savings Bond -- (Interjection) -- the question I'm asking, would the government have not deemed it more advisable rather than asking for a demand savings bond loan . . .

MR. SPEAKER: Order, please. Order.

MR. SPIVAK: . . . could have asked for a much more permanent . . .

MR. SPEAKER: Order.

MR. SCHREYER: The honourable member is asking for an opinion, which is not in order.

MR. SPIVAK: Well, Mr. Speaker, I'll frame the question another way. Why did the government choose a savings bond issue on this occasion, which is a demand loan, rather than a long term loan?

MR. CHERNIACK: Mr. Speaker, I think that I had an opportunity at the time that I made the announcement to both discuss the various features of the loan with members of the House who were present and who were willing to discuss it; I also know that, as I recall it, there was

(MR. CHERNIACK cont'd.) an opportunity to discuss this during estimates, but I don't feel that this is an occasion to enter into a debate, and I would be glad to discuss it with the honourable member outside of the House or in the House when it is in order so to do.

MR. SPIVAK: Mr. Speaker, again on the question of privilege. My question is in order. The Minister may - no, on a question of privilege, Mr. Speaker, my question is in order. The Honourable Minister may refuse to answer, that's his right . . .

MR. SCHREYER: Oh, come, come, come.

MR. SPEAKER: . . . the question of privilege. Orders of the Day.

MR. CHERNIACK: . . . Mr. Speaker, I do not refuse to answer any questions so far.

MR. SPEAKER: Orders of the Day.

MR. SPIVAK: Mr. Speaker, just on a point of privilege, you did. You may not wish to answer, but you refuse to answer it.

MR. SCHREYER: Mr. Speaker, I must rise on a point of order at this time. The Honourable Member for River Heights put a question which in effect asked for an expression of opinion, and the fact that the Minister of Finance did not reply to that kind of question is not to be taken as a refusal on his part to answer a question, but simply the fact that a question asking for an expression of opinion is out of order.

MR. SPIVAK: Mr. Speaker, I have another question for the Minister. Do you know of any Provincial Savings Bonds issued in Canada that are now being offered?

MR. CHERNIACK: Yes, Mr. Speaker.

MR. SPIVAK: A supplementary question. I wonder if the Minister would give us the particulars, then, please.

MR. CHERNIACK: I didn't hear the question.

MR. SPIVAK: I wonder then if he would give us the particulars.

MR. CHERNIACK: Manitoba Savings Bond issue. Today is the day for the first formal purchases to be received.

MR. SPIVAK: Mr. Speaker, maybe my question was framed incorrectly and so therefore I'll frame it so that there won't be any legal way in which we deal with it. Do you know of any other provincial governments . . .

MR. GREEN: On a point of order. Certainly a rule which perhaps hasn't been enforced with the degree of enforcement that it should have, but I believe that any honourable member is entitled to ask a question and two supplementaries, and I believe that my honourable friend has passed that period.

MR. SPIVAK: Mr. Speaker, this is not a supplementary question, the question before us. This is another question. I would like to again ask the Minister: do you know of any other provincial government who is offering a savings bond issue at this time?

MR. CHERNIACK: No, Mr. Speaker.

MR. SPEAKER: The Honourable Member for Rhineland.

MR. FROESE: Mr. Speaker, I'd like to ask a question of the Honourable the Minister of Industry and Commerce. Could he inform the House whether there is any investigation going on at the present time in connection with Damascus Steel or Friendly Family Farms?

HON. LEONARD S. EVANS (Minister of Industry and Commerce) (Brandon East): Mr. Speaker, there is no active investigation going on at the present time. However, I would point out that the terms of reference of the Economic Development Advisory Board are such that they have the authority to review the operations of the Manitoba Development Fund as they see fit and as the government sees fit.

MR. SCHREYER: Perhaps I should elaborate on the reply because while I was Minister of Industry and Commerce I did make arrangements for some investigation to be made of transaction between the Manitoba Development Fund and Damascus Steel, and this investigation was in process of being carried out but I did not receive the report from the person assigned to do so before his death - I refer to the late Alistair Stewart - and until such a time as I'm able to be certain whether he had a report among his papers and other documentation, I really can't give the honourable member a definitive answer to whether a report had been compiled. With respect to Friendly Family Farms, there was no study or investigation made.

MR. FROESE: A supplementary question then. Is the work that Dr. Stewart was in the process of doing, is this being followed up in any way?

MR. SCHREYER: Well yes, Mr. Speaker, although I must say that it is not a matter of priority just at this point in time, with the session on and many other activities, but certainly

(MR. SCHREYER cont'd.) it will not be left this way. We will make some determination to find out whether a report had been prepared and was about ready for presentation to me or to the Minister of Industry.

MR. SPEAKER: The Honourable Member for Ste. Rose.

MR. MOLGAT: Mr. Speaker, I'd like to address a question -- it may be to the Minister of Industry and Commerce or the Minister of Agriculture, whichever is the responsible one. It's with regards to Assiniboine Feeders Limited, the feedlot operators near Portage la Prairie. Some questions were asked earlier in this session and the government indicated they were in negotiation. Is the Minister in a position to give us a final statement now as to the outcome of the negotiations?

HON. SAMUEL USKIW (Minister of Agriculture) (Lac du Bonnet): Mr. Speaker, we are still involved in extensive negotiations and the matter has not been resolved to date.

MR. SPEAKER: The Honourable Member for River Heights.

MR. SPIVAK: Mr. Speaker, my question is for the Honourable Minister of Labour or for the Minister of Industry and Commerce. Is either one of them aware of the possibility of Air Canada moving out some employees from Winnipeg - pilots, stewardesses and others who are connected with the Air Canada operation?

MR. PAULLEY: As far as the Minister of Labour is concerned, Mr. Speaker, the answer is no, we're not aware of it. My honourable friend is well aware that during his term of office of Industry and Commerce there was considerable transition from Manitoba to Dorval. I believe that as a result of his direction it has become a fait accompli. As far as I'm aware, there is no further movement at the present time but I'd be glad for my honourable friend to inform me accordingly.

MR. SPEAKER: The Honourable Minister of Cultural Affairs.

MR. PETURSSON: Mr. Speaker, the Honourable Member for Fort Garry was asking a question yesterday, or the day before, about whether the Delta Waterfowl Research Station was on the Royal itinerary. The information that I have now is that it is not.

ORDERS OF THE DAY

MR. SPEAKER: Orders of the Day. Adjourned debates on second reading. On the proposed motion of the Honourable Minister of . . .

MR. GREEN: Mr. Speaker, I wonder if you'd now call the motion that will be put by the Honourable Minister of Finance relative to Supply.

MR. SPEAKER: The Honourable Minister of Finance.

MR. CHERNIACK: Mr. Speaker, I beg to move, seconded by the Honourable the Minister of Industry and Commerce, 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 Elmwood in the Chair.

COMMITTEE OF SUPPLY

MR. CHAIRMAN: We are dealing with the Department of Industry and Commerce. The Honourable Minister.

MR. EVANS: Mr. Chairman, I believe the last time that we were on my estimates, which seems like many moons ago, the Honourable Member from Pembina and the Honourable Member from River Heights had made some statements and asked some questions and I'd like to take a few minutes of the House's time in replying to some of these statements and questions.

The Member from Pembina in particular was interested in the cannery, the closing of the cannery at Morden, Manitoba, which is quite natural since I believe it is in his constituency, and I would like to take the opportunity of reassuring him that the department is most concerned about that particular development and that we will do, and have been doing everything in our power to keep the operation going. As the member knows, we have one group that is prepared to operate the cannery at Morden and they have approached the Manitoba Government, they have approached myself as Minister of Industry and Commerce, as the Minister responsible for the Manitoba Development Fund, to see if we would take an equity position with them in maintaining the Morden Refinery, and I indicated to the people that were interested in operating the Morden Cannery that we would likely be very much interested in this in order to maintain employment

(MR. EVANS cont'd.) and the economic buoyancy of that area.

Now, I'd like to dispel a point that has been made recently by the Manitoba Chamber of Commerce in respect to the matter of equity and government participation in business, because the fact of the matter is, business in Manitoba, particularly small and medium-sized firms, have been coming to the Manitoba Government asking us to co-operate with them in an equity position. So, far be it from us to deny assistance to such private companies if such assistance is what is required in order to make the economy of Manitoba tick. So, far from the Province of Manitoba taking an aggressive attitude with respect to co-operation with business and taking equity positions in business, it's been the reverse, and I'd like the Manitoba Chamber of Commerce to realize this, and particularly the President of the Manitoba Chamber of Commerce to know that business in Manitoba today is actively coming, aggressively coming to the Province of Manitoba asking for assistance with respect to equity investment. And I think that there is much to be said for this co-operative attitude. I think business, private enterprise and government can co-operate for the over-all benefit of the provincial economy, and it's in this context that we're seriously concerned with this group that wishes to operate the cannery in the Morden area.

Now, the honourable member suggested in his remarks that the tax situation in Manitoba had something to do with the decision to move outside of the province. Well, I can categorically state at this point that taxes, or the tax rate situation had no bearing . . .

MR. CHAIRMAN: I would ask honourable members to not speak too loudly. It's interfering with the Minister's presentation.

MR. EVANS: Thank you very much, Mr. Chairman. I would like to state categorically at this point that the matter of taxes had nothing to do with the decision of Canadian Cannery Limited. I have had extensive discussions with the executive, with the president of the company. He paid me the courtesy of a visit in my office, and we thoroughly examined all the factors involved and the question of taxes was not a question that concerned the company. And let me take the opportunity to point out, if we're talking about taxes, that the sales tax situation in Manitoba compares most favourably with many other provinces in this country. Our sales tax is only 5 percent; Quebec and New Brunswick have an 8 percent sales tax, and in the other Maritime provinces it's 7 percent. Ontario has generally a 5 percent rate of sales tax, but this runs at 10 percent on amusement and entertainment charges, alcoholic beverages, and meals costing more than \$2.50. In fact, there are therefore six provinces with higher sales tax than Manitoba and our province shares jointly seventh place with a 5 percent sales tax, the same as Saskatchewan and British Columbia.

With respect to corporation income tax we have a 13 percentage point figure in Manitoba, which is the same as Newfoundland; in Quebec and Ontario the rate is 12 percent, but I would point out, Sir, that both of these jurisdictions also impose a capital tax on the paid up capital of corporations, a form of taxation which is not levied in Manitoba - and I wish the press would note this and I wish the business community would note this, and I'm sure the business community is aware of this. The calculations are rather complex but it has been estimated that if Ontario and Quebec gave up their tax on paid up capital and instead substituted all this impost on corporation tax, the rate in the Province of Ontario would be at least 13 percent and possibly as high as 15 percent in Quebec, and that compares with 13 percent in the Province of Manitoba. I would suggest, therefore, Mr. Chairman, that these figures suggest that the true rate of corporation tax is higher in the two central provinces in Canada than it is in Manitoba. And likewise with regard to personal income taxes. You simply cannot compare the levy of tax on persons without considering the Medicare premiums, and if you do so you'll find that the tax levy, the income tax levy and the general tax levy on persons in this province compares favourably with those in other provinces. And so I say, therefore, Mr. Chairman, that Manitoba is as good a place to do business as it ever was.

If I may pass on to some of the comments made by the Honourable Member from River Heights, and unfortunately I see he has left the House, so therefore maybe I should not dwell at length on some of the comments that he has made. However, perhaps he will take the opportunity to read the remarks in the Debates and Proceedings as reported in Hansard. The suggestion was made that I, as Minister of Industry and Commerce, have ignored the TED Report, and I want to assure members of the House and the Honourable Member from River Heights that I have not ignored the TED Report, that the government has not ignored the TED Report, that the Department of Industry and Commerce has not ignored the TED Report, and

(MR. EVANS cont'd.) that we are, wherever possible, attempting to carry out many of the various suggestions put forth in that report.

The point I was making was that many of the goals suggested, particularly the population goals, were rather unrealistic, and I was also suggesting that some of the targets espoused by the report were based on unrealistic assumptions, and I for one am not against establishing targets for development, goals for development, so that we can all work harder and attempt to achieve these desired economic standards. Obviously there should be no difference among political parties with this respect. The difference, of course, relates to whether these are realistic goals that we're talking about and also with respect to the means that they should be achieved.

We are indeed interested in people and we are indeed interested in jobs. To suggest now that people are leaving the province is to say nothing new. The figures and the statistics show that people have been leaving, not only Manitoba, but the prairie region generally and rural parts of Canada in general for many a year. This is a trend; it's a reflection of the technological latter part of the twentieth century that we are living in, the technological characteristics of our area. I'm sure if we had statistics on the population movement within our sister province of Ontario, we could show and prove statistically, if someone took the trouble, we could produce reliable data showing that there was an exodus from rural parts, from the predominantly agricultural parts of Ontario, for the more industrialized parts of Ontario. And surely Manitoba, the situation in Manitoba is no different and maybe not as bad as the situation which accrues in other parts of the national economy where agriculture is an important industry. And I know it's difficult to find employment opportunities for all these people, and the challenge to this government, the challenge to the Department of Industry and Commerce, is a challenge that is as great if not greater than that being faced by many other provinces in this country of ours.

But I would say now, would remind the members of the House that there have been new industries that have come to Manitoba in the last few months. There's been expansion announcements in the last few months. Only a few weeks back it was announced that 40 new jobs were created in the Town of Teulon by the expansion of Sheer Mist Hosiery. They've located their head office in Teulon, Manitoba. Here is a case of a company moving from Ontario into Manitoba, moving the bulk of its operations into Manitoba. So 40 jobs for the Town of Teulon is a very substantial, a very significant improvement.

Recently, we read in the newspapers of the proposed expansion of Labatt's Brewery, and in the next few days I hope to be able to announce further expansion of industry in the province amounting to several dozens of more jobs for the people of Manitoba. The fact of the matter is that there are new — that industry is interested in locating in Manitoba and industry is coming to Manitoba.

Now I'd like to, with the indulgence of the House, go back to the question which I think is a fundamental philosophy question perhaps, or not philosophy, policy question or question of approach, with respect to economic developments, and I think over the past few weeks we have been treated time and again to the readings from and the sermons on what the press has come to refer to as "the Gospel according to the TED Report", by courtesy of TED's evangelist, the Member for River Heights. As a source of material for speeches it's obviously invaluable, though much of our time in this House could have been saved had he adopted the practice attributed to a group of other unfortunates. I think the Member from River Heights could have used the time of the House more efficiently. If he confined himself to calling page and chapter numbers, I'm sure all of us would have got the message.

We have, in fact, been asked to declare our policy on this report, the implication being that IT IS A GOOD THING, (I would use capital letters here), a panacea for all of Manitoba's economic troubles, and that to do anything other than swallow it whole, that is the TED Report, if we do anything other than swallow the TED Report in its entirety, this is tantamount to an admission of heresy. Insofar as heresy is the holding of unorthodox opinions, and unorthodox opinions are those which differ from opinions accepted by the government which my party deposed last year, I admit to being a heretic. However, I hasten to add before the Member for River Heights would have risen — he has now left the Chamber; I guess he can't stand remarks — before the member from River Heights would have risen like a she-bear to defend its young, that it is not my purpose to attack the TED Report and I hope his associates will tell him this — it is not my purpose to attack the TED Report.

(MR. EVANS cont'd.)

I tried to make it clear that there is a complete difference in philosophy between the crude growth approach to economic development espoused by the previous government and the selective approach with which our intention is to raise the standard of living of the people of Manitoba. I think the attitude of the Opposition to economic development is like that of a small boy with a balloon. It has to be bigger and bigger and bigger. It has to be at least as big as the balloon that anyone else has, and that is the only standard against which it is measured. We must, we are told, continue toward the target of equalizing or equalling of Canadian per capita income average. Having taken the trouble, Mr. Chairman, to examine in Hansard the repeated references by the apologists for the TED Report, I can only see three objectives set out as the Targets for Economic Development, and they are: 1. A rise in the per capita income. 2. An increase in the number of available jobs. 3. An increase in the province's population.

In other words, Mr. Speaker, economic development, we are told, is simply a matter of having more money, more jobs and more people. However, Sir, I believe we have a responsibility to look beyond that. Having analyzed and simplified the Opposition's approach to economic development as expressed by their own spokesmen, it is only fair that I should do the same for the selective approach which we mean to apply. If the Opposition simply wants more, more of the things that it sees as the essentials of life, then our policy is simply expressed as striving for something better, an improvement in the quality of life for Manitobans. If it takes an increase in income to achieve that, then in some cases it certainly will; then that is what we will strive for; and if the creation of more jobs is what is needed, then we will certainly work very hard for that, but an increase in per capita income is of no value if it is accomplished by an equal increase in per capita cost, and an increase in available jobs per se is of questionable value if the jobs are filled by people brought in from other provinces while native Manitobans remain unemployed, and I suggest, Sir, this is exactly what has happened in Manitoba in the past two years.

I agree that we do need targets for development. We have to know the direction we plan to take. And I agree that in the TED Report we have a set of guidelines. But while guidelines may be enough to direct the course of an Opposition, the government has a responsibility to take a more incisive course. It helps to be able to look upon the TED Report objectively, and this I feel sure is what the authors of the report would prefer. For example, the report devotes over 100 pages to opportunities in secondary industries, under 12 separate headings. They range from apparel, an industry of which Manitoba has some experience and which itself has suffered problems here, an industry which comes in for a lot of criticism in the report, and which has traditionally depended upon a supply of low cost labour. So I say, Sir, the TED Report ranges all the way from the apparel industry, or the garment industry, or the fashion industry if you like to use that term, all the way to uranium enrichment, a sophisticated nuclear age industry of which there are only five plants in the whole of the western world today and which requires a staff of highly trained and thus very well paid people to run them.

The TED Report recommends that the apparel industry, in which about 7,000 Manitobans are already employed, should essentially solve its own problems while it recommends that the government should take various measures to capture a uranium enrichment plant for Manitoba, though there are very few people in Manitoba now who are qualified to take jobs in such a plant, and of those it is unlikely that any are presently unemployed. On the one hand, I think we must have more concern for the people in the apparel industry than the report suggests, but on the other hand, I believe that at this stage Manitoba should make a real effort to follow through on the enrichment prospect. I say "at this stage" advisedly, and I certainly wish that the Honourable Member for River Heights was here because what I say now is I think of great significance in the development of the uranium enrichment industry in this province.

As the TED Report shows, the demand for enriched uranium as a fuel for nuclear power stations is likely to be met by the existing plants until about 1980, but in order to meet the growing demand from then on, a number of new plants will be needed. The process requires a great amount of electricity and there is now enough potential in the Nelson River to accommodate one plant of economic size. We could certainly accommodate one such plant today when we are at the stage where we have just begun to develop the Nelson. We can say, with a fair amount of confidence, that in 1980 we will still be able to accommodate a uranium enrichment plant, but beyond that the picture is less certain. We must also take into account all the

(MR. EVANS cont'd.) other Hydro customers in the province who, year by year, purchase increasing amounts of electricity. If we commit a large proportion of Nelson River energy to an enrichment plant, it will bring forward by ten years or so the time when we have to look to other sources for our long-term power needs. If an enrichment plant is delayed much beyond 1980, we may find that we have bitten so deeply into the potential of the Nelson for other purposes, that there is not enough power left to satisfy the appetite of such an energy hungry project.

Now, Mr. Chairman, we certainly need jobs in our north. There we have a rapidly growing population of under-privileged people, desperately short of opportunities to earn a living. The renewable natural resources of the area, which have traditionally provided the source of income, are no longer adequate to sustain the local people, who suffer rather than benefit from such things as improvements in productivity, the development of synthetic fibres, and other technological advances. The problem is not an easy one to solve. It calls for an imaginative approach, a great deal of human understanding, and perhaps a whole series of new ideas. And I'm talking about provision of jobs in the northland.

Each new industry in the north, and the community that inevitably becomes a part of it, contains a certain potential for solving the problem which will not disappear as a result of government programs alone. A modern, science-based industry requiring a technology completely new to Manitoba, would provide valuable diversity in the province's industrial complex. We could expect to play a leading role in applying and developing the modern managerial techniques which are required for the successful operation of such a capital intensive project. It is the kind of industry - and I'm talking about the uranium enrichment industry - that could make an immense contribution to the whole way of life in Manitoba and to its north country, but to suggest that it would result in 9,000 jobs even indirectly, as did the Member for River Heights - and I'm glad to see he's now back, having missed the essential parts of my comments on uranium enrichment - to suggest that it would create 9,000 jobs even indirectly, is entirely misleading.

From what I have been saying, Mr. Chairman, you will see that there is a slot in time where an enrichment plant would fit well with Manitoba's development, and we shall do - and I go on record as saying this - that we shall do our utmost to attract a uranium enrichment plant, but I would point out this: There are three essential ingredients to having a uranium enrichment plant. One, is low cost energy; the other is finance; and the third is technology. And we have yet to find some means of gaining access to two of them. We do now have the electrical energy. We have the potential. The technology, however, because of its association with nuclear weapons, is closely guarded by the nations who have it, so it's not very easy, it just doesn't follow very easily that we will get our hands on the technology. This is subject to negotiation not just between provincial governments, but between national governments. And thirdly, we have to have the finance, and substantial amounts of it by any standards, and I'm afraid that this is unlikely to appear before the technology is available.

In a nutshell then, an enrichment plant for Manitoba is an attractive possibility if we can get it at the right time, and we propose to make every effort to see that we do. The next few years will be critical ones for this project, for a six-year lee time is essential in most respects. If there is anything significant, any significant change in the position, or if we have something worthwhile to report, a statement will be made on it at the appropriate time.

So therefore, Mr. Chairman, I have gone on at some length in reply to the Member from River Heights and to his comments that we have ignored the TED Report, and I've isolated one item which he has so frequently spoken of, a uranium enrichment plant and what our concern about it is, and I have shown him, and I hope I have proved to the members of the House, that we have spent many man hours and many man days on this very project, and I would want to assure the business community of Manitoba and the people of Manitoba that the Department of Industry and Commerce is working as hard as ever to improve the standard of living of the people of this province.

MR. SPEAKER: The Honourable Member for Lakeside.

MR. ENNS: Mr. Chairman, I didn't particularly want to enter the debate at this time but the Minister's first few remarks, as he rose this afternoon, dealt with the question of equity in the firms, some of the positions that the government is taking, and I wanted to take just a moment or two to indicate to you, Mr. Chairman, and to the Minister, that in my judgment the question of taking an equity position on the part of the government is being passed

(MR. ENNS cont'd.) over far too lightly, I would suggest, by himself or by this Chamber as a whole, and I would like to with your permission, Mr. Chairman, just advance the schedule some five, six years and ask the Minister, or at least provide him with a scenario that could certainly happen. Let's take the situation with Versatile.

It's been indicated that the present loan arrangement that has been arrived at with Versatile can be, and I would suggest the inference is there, that it will in all likelihood be transferred over into an equity position although I submit that it's not certain at this particular stage, and it's also been indicated, Mr. Chairman, that there could well be considerable additional monies - the figures of \$35 million or \$40 million have been mentioned - that the government or the people's money would find its way into the firm of Versatile as an equity position.

Now, Mr. Chairman, what happens four or five years from now, if we find that despite this massive aid of public money into this firm, that the firm still finds itself in difficulty, in serious difficulty? There is no equity position there, and they are obligated to paying off the loan and they will pay off the loan, but I'm talking about the question of equity, because we of course have other powers in this Legislature, and I would suggest to you, Mr. Chairman, that if, for instance, we find ourselves in the position five years from now of having some \$40 million of public tax money in Versatile, and that the then Minister of Industry and Commerce should rise and suggest to the members or to this Chamber that certain actions have to be taken to protect our investment in this firm, and we start casting about and looking about, well what kind of measures can we take? And we spot the Minister of Agriculture there who, as the custodian of such other pieces of legislation, amongst which we find the Farm Implement Act as being one of them, and we decide at some future agricultural committee meeting that in order to put Versatile, our firm, the firm that we have invested money in, in a more favourable position vis-a-vis its competitors, particularly when these competitors are U.S. giants such as Case, John Deere or International Harvester, what have you - and the word U.S. giants of course isn't quite correct; they are Canadian firms as much as American firms, their activity here - but that's really not the point. What I am trying to suggest is that the situation can well arise that we decide - and we have the power, we have the power to - to create a set of circumstances that would make it more favourable to Versatile to have their farm implements sold in Manitoba, we can easily suggest or make discriminatory regulations that would make it mandatory for all other farm implement companies to have, for instance, 1,000 or 2,000 hours warranty on their tractors, except Versatile, because after all, Mr. Chairman, we're concerned about the taxpayers' money maybe doing down the drain in a firm that's not doing well. We can very easily, Mr. Chairman, and I'm talking about the picture five years from now or ten years from now, we can very easily, Mr. Chairman, make it mandatory for other firms, other than Versatile, to fill out very complicated sales forms, very complicated sales agreements, very complicated, very restrictive parts and service situations, exempting always the firm of Versatile, on the very reasonable argument, Mr. Chairman, that after all, Versatile is in our province, located here in Manitoba; our money is in Versatile.

Now, Mr. Chairman, the situation then finally develops to a point where Manitoba farmers are faced with having no choice open to them other than perhaps using the same priced or higher priced equipment, and not wishing to make any castigations at this particular time, but what could likely be second rate equipment. And, Mr. Chairman, let me say if the Minister of Industry and Commerce presents such a situation to us in the House five years from now, I'll have to vote for it in the interest of safeguarding public money, and I don't see any other way of that happening, and knowing that the philosophy behind the concept of public ownership very often places efficiency or efficiency of operation at a somewhat lower level than private enterprise does and I'm -- no I'm interested in hearing perhaps the Member from Crescentwood on this who I know doesn't particularly get too excited about the word "efficiency", efficiency in a business operation or a public enterprise operation of this kind for efficiency's sake. I think I'm not suggesting anything that he hasn't already indicated to us in the House in one form or other.

MR. GONICK: You're wrong.

MR. ENNS: But I suggest, to you, Mr. Chairman, that this kind of a hypothetical situation, and it is a hypothetical situation, is one that could very easily develop in our rushing into equity positions with various firms. Let's take another example for a moment. I understand the government has taken an equity position in the Lake Winnipeg Navigation Company Limited, which of course is primarily centred on the cruise ship, the MMS Selkirk. Mr. Chairman, it's

(MR. ENNS cont'd.) become rather vogue on the part of many organizations to hold many conventions or to hold staff gatherings on these ships. This is a relatively new introduction on our scene and we find them very suitable for closed in meetings. While certainly the government through its various agencies probably makes as much use or has in a short time made as much use of these facilities -- there are several types of boats now plying the Red River or the Assiniboine River offering this kind of service -- the company has taken an equity position in one, MMS Selkirk. Mr. Speaker, I -- in fact I would be the first one to get up and question next year on his estimates if I find the government having spent public money on some other ship other than a unit that we have part ownership in. I mean why should you patronize the competition? As though, it's you know, it's a completely understandable position on the part of those who are charged at least to the extent that they can direct it with respect to government departments, or staff departments or allied agencies, that for one reason or other, for staff conferences, for conventions of some kind or a gathering, something like that, would tend to use, would tend to use the facility in which we have an equity position in. And it is only good business, naturally it's only good business. It makes it rather rough business though, Mr. Speaker, for the competitor, so the competitor -- the competitor I believe is a Doctor Slogan, a well-known Conservative in the Province of Manitoba who has on his own initiative, on his own initiative purchased into the Paddlewheel or the River Rouge or whatever they're called.

MR. WALLY JOHANNSON (St. Matthews): Are they running up to Norway House?

MR. ENNS: No, they don't. It doesn't matter, it doesn't matter. But that's really not the point you know. The point that I'm saying is that there is only that much business to be had in this area, and of course as long as you have a degree of competition, you have some degree of control on the rates, so the private entrepreneur he demises from the scene, he beaches his boats and forgets about it as far as trying to run that kind of a business is concerned and then we are left with one facility, with no competition, no guarantee, no yardstick to measure whether the rates being charged are fair, are equitable, no way for him to have to measure up from a service point of view. -- (Interjection) -- Well the market decides. If the facility does not provide the service that I desire I try the other one.

MR. USKIW: There is no other . . .

MR. ENNS: Oh yes, oh yes there are. There's three or four, there's three or four. Mr. Chairman, I wanted to only take the occasion at this time to suggest that the movement of the government into equity positions affirms, -- Mr. Chairman, it's a position that's well-known to me as a part of the New Democratic Party platform, part of their over-all policy towards the development, industrial development in this province and, Mr. Speaker, I'm not questioning for a moment their right to do this or to pursue it. It's my right, Mr. Chairman, to point out from time to time that I can foresee difficult positions developing, positions that are not necessarily in the public interest when those positions arise. It is entirely hypothetical at this particular time because the situations that I've described are four or five years hence, in fact may not even happen. But the suggestion has to be considered as valid that they certainly could happen and that a very true conflict of interests on the one hand can develop with respect to how we make legislation in this Legislature directed at firms that we have an equity position in and firms we don't have an equity position in, and I'm suggesting to you, Mr. Chairman, that if such a situation arises we're all Manitobans here in this Chamber, we would all find it very difficult to refuse a future Minister of Industry and Commerce to -- not to support legislation or regulations that would safeguard or insure publicly invested dollars and cents. Thank you, Mr. Chairman.

MR. CHAIRMAN: The Honourable Minister.

MR. EVANS: Mr. Chairman, I wonder if I could just take about one minute to answer this. I wasn't sure at first the point that the honourable member was making when he was discussing the Versatile situation. Obviously taking an equity position does involve a risk. That's the nature of the game. You buy a share in a company and as opposed to purchasing a bond you're taking substantially more risk and I suggest to you that we, the Government of Manitoba on behalf of the people of Manitoba have taken a risk position, or may be taking a risk position I should add, if the company exercises its option. Now let me qualify because this may not come to pass. I've been listening to the Honourable Member from Lakeside too much because he was insinuating that we already had an equity position which is not the case. But supposing this did come about and we have indicated that we are prepared to take our option on an equity

(MR. EVANS cont'd.)..... position if necessity arose, and that is if the company was not in a position to repay certain loans made by the Development Fund. But I think -- and I'm sure the honourable member can't disagree with this -- that we have done something on behalf of the health of the economy of this province and I would simply ask him, or I would simply point out first of all we have shown our confidence in this company, in the agricultural implement industry in this province, we have shown our confidence in it by supporting it as we've done and I would ask him simply -- and I don't expect a reply -- what would he have done if he was faced with the same problem.

Now he refers to the problem of efficiency arising from the question of government equity positions in certain companies. This is a legitimate concern and I think he has every right as a member of the opposition, as I would if I were on that side, to question every policy of the government's from every angle to insure that the best interests of the people of Manitoba were being served and I congratulate him on his concern.

I would point out, however, a couple of things. First of all the equity action which the Development Fund is now taking is only made possible because the previous administration, the Tory administration, passed The Manitoba Development Fund Act, created the Act and passed what was known as Part 2 which would enable the government to undertake equity positions. So we're simply doing, we're simply taking action under legislation which was initiated, which was nurtured, which was conceived and passed under the previous administration. -- (Interjection) -- Oh we conceived it, okay. All right. I'm informed by the Honourable Minister of Finance that it was conceived by the New Democratic Party when it was in opposition. However, we persuaded the government of the day of the merits of the legislation or of that aspect of the legislation and therefore there is a Part 2 to the Manitoba Development Fund Act and it is being used, and has been used in the past incidentally.

Now with respect to competition I would point out that, you know if he wants to get down to specifics about boat competition certainly there is very little competition usually between the one company he is referring to and the other company or the other boat or ship which he is referring to. They're operating in different areas; they're providing different types of service and I really don't think that this is a serious problem. There is a very fundamental question though which arises when he says or suggests that we as the government, because we have significant purchasing power, which is indeed true, that we would tend to favour those companies which we have an equity in. Well I would suggest, Sir, that in many, many industries you will find if they're individual companies few of which -- there are very few bona fide Manitoba companies, and I would relate this, Sir, therefore to a more fundamental question which is: do we as the Manitoba Government support a Manitoba company as opposed to a company which is producing goods and services outside of the province for sale within this province? So there's really a more fundamental question at work here too. I suggest to you, Sir, that in most cases this problem will not arise and I for one, as one Minister, not talking for the Cabinet, am prepared to support, any day, am prepared to support any day and to buy from, any day, providing that reasonable service and price is offered to favour Manitoba companies and give the jobs and the income to the people of Manitoba as opposed to those companies who are located outside.

MR. ENNS: Mr. Speaker, just one supplementary question to that. Obviously I wasn't quite getting my message across. The one thought that I'd like to leave with the Minister is that we have the ability to eliminate the risks in this Chamber to a great extent and that to me was the fundamental part of my argument. We have the ability in this Chamber to a great extent to eliminate the risk that we take when we move into equity positions in various firms. I'm not suggesting that it's the policy of the present government to do so. Again in a hypothetical situation though I suggest it becomes a very realistic, very understandable thing to do so if we find our equity in fact being threatened.

MR. CHAIRMAN: The Member for Crescentwood.

MR. GONICK: Did you have a question . . . ? I'm sort of surprised to hear the Member for Lakeside being worried about the government's position with regard to Versatile. Not that it isn't a legitimate concern, but coming from him I'm surprised because it seems to me that the government that he was part of put the people of Manitoba into a much more difficult situation than this government has put the people of Manitoba in, at least in regard to the company that we have invested in. We know who the owners are, and we still don't know who the owners of CFI are. At least we know that they have produced a successful product and the people up in The Pas, we don't know that they can produce a successful product; in many of their ventures around the world they've gone bankrupt. This company has had some experience. We don't know exactly what experience this other group has had because we don't know frankly who they are. You talk about the situation we've put the public in. I suggest to you that when the public loans a company \$100 million it must worry a great deal about the success of that company just as much as if there were equity invested in it, and we must no matter how we regard that investment, how unwise we regard that investment on this side, we must hope that they will come through because the people's monies are involved. So I say that it seems to me that the situation that he is critical of with regard to Versatile -- and there may be some cause for concern there -- one can find examples which are far more dangerous than the one that he cites and I'm surprised that he mentioned it because I don't recall his speaking up when the question of CFI arose with regard to the dangers that that government placed the people in. -- (Interjection) -- Well we hope they'll pay it back but we don't know, we don't know.

Mr. Chairman, I have some remarks to make about the general debate on the estimates of Industry and Commerce and I have been waiting to this late date because I hoped that between the remarks of the former Minister of Industry and Commerce and the present one we would somehow have advanced the knowledge that the people of Manitoba have about the state of our economy, about where we are going, about what we should do, and yet I fear that after all this debate, all this discussion, we're not very much advanced at all. Not any more that we were before the debates began. From my point of view it seems that what we've had is the former Minister deploring what he considers to be the fact that this government is not doing everything that he did when he was the Minister to attract industry, that we aren't giving away all the things that he was willing to give away, all the gifts, all the subsidies; that we weren't providing all the research to industry that he provided as former Minister of Industry and Commerce; that we weren't training labour for the industries the way that he was able to do it, the Minister of Industry and Commerce; that we weren't giving business all the things that they demanded the way he was able to do. He flew around the world 279 times offering goodies here and there and he wonders whether this government is flying around the world 279 times offering goodies here and there. And then we have on this side the present Minister of Industry and Commerce assuring the House that he is doing everything that the former government did in regard to attracting industry to Manitoba, in fact he is saying that he is doing some new things, that the people of Manitoba are financing some research on behalf of the fashion industry. We are doing a transportation study for them, \$6,000 I understand, something to that effect, because apparently they haven't got that kind of money around to do a study on transportation so the taxpayers have to do it for them. We're doing that just as the former Minister would have done apparently and we're doing something more.

We understand now that a new industry is coming to Manitoba, Boeing Company, and we understand from the remarks of the Minister that the people of Manitoba are financing a full time man to work for Boeing, at our expense, so as to allow them to adjust to the weather in Manitoba and to the working conditions in Manitoba and so on. Here's a company whose assets must number at least \$2 billion a year - \$2 million, probably their assets are as great as the assets of those of the Province of Manitoba -- perhaps that's an overstatement, that may be true -- and not only are the people of Canada required to build their plant for them, which we are doing, but the people of Manitoba are required to give them a man for a year so they can adjust to our conditions. And we are doing that. Of course the big prizes go to the foreign firms, the big foreign firms. But there are some goodies available to local firms as well. They get some prizes too. We give them awards for designs, for export markets, for finding new export markets, we do management consultation for them free, we do some research for them for free, so they have some goodies as well. Not only do we give these things to good old private enterprise, but lo and behold they even accept it, they even accept it, even from a

(MR. GONICK cont'd.) government dominated by the red radicals and the unhealthy pinkos, and lo and behold they'll even take more welfare from the people of Manitoba. They've even said to us that they will accept more from the taxpayer. In fact they'll do everything they can to shift their costs on to others, they always have. They shift their pollution on to the people of Manitoba; they shift their lay-offs of labour on to the people of Manitoba; they shift the dislocations which they cause by technological change. The taxpayer pays for those usually. They need skilled labour; the taxpayers pay the labour force for them. They need roads; the people will build the road for them. So the fact that they normally do their damndest to get out of paying taxes, which is a normal phenomena, should not really surprise us. The fact that they will accept free consultation from the people through their Department of Industry and Commerce, that shouldn't surprise us. They'll accept the roads that we'll build for them. They'll accept the prizes we give them; they seem to have no fears or no worry about that, they'll accept any welfare we'll offer them. I suggest that that shouldn't be surprising to the members because these people have been mooching off the taxpayer for centuries; and we can go back perhaps to the greatest moocher of them all, the CPR, and even before that to the Grand Trunk Railway Company, and before that perhaps too. They've always been mooching and they always will mooch off the people and in Manitoba they're doing what they can to get as much welfare as they can extract from the people through this department.

So the present Minister of Industry and Commerce has told the former Minister of Industry and Commerce that he should not be worried, that all the things he has done, this government is going to do; that if he travelled around the world 279 times, we'll travel around the world 279 times; if he had his conference on economic development, we'll have our conference on economic development. If he gave his goodies away, we'll give our goodies away. Now that seems to me what -- at least that's what I got from this debate so far. The former Minister groaning on and on about the TED report and "growing to beat '70", and you gotta dig in, and you gotta find industry, and you gotta have enthusiasm, really, go, go beating the drum for industry in Manitoba. And the present Minister saying for the moment that he really is digging in, that he's going to make any deal to get industry, that he is travelling around the world, that he's got goodies to give away, and that seems to be where we're at, roughly where we were before the debate began, and not very far away from where we were before June 25th.

Now the Minister has said, however, that he wants balanced economic growth, not just economic growth for the sake of economic growth, he wants ideal industry, not just any old industry. He's not presented his plan yet as to what is meant by ideal industry or what is meant by selected industry, but I think all the members will understand that since he's been in this portfolio for only three or four months that he is not expected to present an economic development plan at this early stage and that we are prepared I think, most of us, certainly I am prepared, to wait until the next session for an economic development plan which will make these objectives more concrete and more specific.

But we do have the TED report and though the Minister has, I think with wisdom, told us that he's not prepared to accept the TED report as an economic development plan, - I think it still might be useful to look at this just a little bit further to see whether or not it could be used, maybe revised as the Member for Assiniboia said to us, if it isn't perfect now maybe we can revise it a little bit and if you want to make changes, sure make changes, but maybe the report could be used as a proper economic development plan. So I think that it behooves this Assembly to examine the plan seriously, the TED report seriously, to see whether or not it really does offer us a plan; because if it does why go to the bother of having to do all the work required to come up with another one if all we have to do is maybe revise this one, fix it up a little bit.

First of all I think we have to get in our minds what is an economic development plan to see if the TED report fills the bill. An economic development plan must set forth objectives, first in the most general terms, and then in more specific terms. It must specify, it must define the priorities of government. It must set forth targets. It must match resources against the targets to make sure that the targets can be realized with available resources. It must make sure that the targets are mutually complementary and not contradictory to each other. It must define the means by which the capital and the labour and the technology will all come together to ensure that these targets are going to be realized. This is the minimum requirement of any economic development plan.

Now, the TED report does specify some general objectives which I think everybody would

(MR. GONICK, cont'd.) agree with: full employment, rapid economic growth, balance of payments in the national economy, equitable distribution of income, as income rises it should be distributed equitably. These are broad goals which I think everybody would agree with. The TED report sets them forth in four lines at the beginning of the book and they're never referred to again except for one, namely economic growth because apparently the authors of the TED report are persuaded that just this one goal really counts, that with economic growth will come full employment, will come equality of income or more equal distribution of income. They drop all the others and then they deal with economic growth. So they recommend growth targets for population, for jobs, and targets for each of twenty different industries.

The first thing that one would expect in an economic development plan is that the plan is realistic in terms of past performance and expected trends. So let's just look at one industry study that the TED report has done, and I refer to the industry study on agriculture, that's the first industry study. The total value of farm income in 1967, the year cited by the report, is \$375 million, and the 1980 target set by the TED report is \$800 million, that's their target. If you break that down for each farm, the target's net income per farm is \$10,000 and that the TED report says could be obtained in 1980 - per farm, net income of \$10,000.00.

This compares to a \$3,000 net income per year on the average over the last five years. This is a rate of growth of 15 percent for 14 years, each of 14 years the growth rate has to be 15 percent in order to achieve this target. This has never occurred in the history of Manitoba before, so one would expect some explanation as to how this phenomenal rate of growth will occur, a rate of growth which has never before occurred in the history of this province in this particular industry. And they do offer an explanation, in fact they offer two explanations in the report.

First of all they say that the average family of four in Manitoba by 1980 is expected to earn about \$13,000.00. So if the average family in the Province of Manitoba is expected to earn \$13,000, it only makes sense that the average farm should earn about \$10,000; and that even is conservative to suggest that they will earn \$10,000 when the average family in Manitoba will earn \$13,000.00. That's one of their explanations as to why they think that this is realistic. I would suggest that if one compared the income of professors or accountants in 1980 with the \$10,000, it would be very conservative. And if one compared it with business executives and doctors and dentists, it would be very, very conservative. I would suggest that this kind of an explanation is totally irrelevant to what is a realistic farm income for 1980 and it should be totally disregarded.

So we turn to their second explanation for this target. The second one is that it is now, 1967 possible, when this report was first studied, to earn more than \$10,000 per farm, and what is their justification for that statement? Well they say that in the annual report of the Western Manitoba Farm Business Association and the Carman Farm Business Association, their annual report, they say that none of their top five farms earn incomes of less than \$20,000; so if none of the top five farms in these two areas earn incomes of less than \$20,000, well of course it makes sense that the average farm should therefore be able to earn an income of \$10,000.00. That's their second explanation; and those are the only two that are offered, and I say that both fly in the face of common sense and it must be totally disregarded as any kind of an explanation at all. I say that no self-respecting first year economic student, you know, would submit a paper with this kind of reasoning; and I say, too, that if you go through the industry studies, one for one, through the 20 of them, there's the same kind of sloppy procedure to the point where each of the targets becomes suspect for each of the 20 industries. And I could go on with this one - there are other inconsistencies here - and I wonder how a government can take a report seriously which has these kinds of questions to be answered.

But then if we go with the Member for Assiniboia, we can say that these can be revised. If the targets are wrong they could be revised and the report can be saved. So we have to look at some other aspects of the report because in fact the targets could be revised with more work. I suggest that there are other problems. The authors of the TED report haven't even bothered to add up the individual targets for each industry to see if they total up to the same targets that they set in the aggregate for output and jobs and per capita income and population, they haven't even done that; and if they did do that they'd find that they didn't add up. But even if these adjustments could be made, and they could be made, one could add them up, one could make adjustments, the totals could add up presumably with some more work, there are

(MR. GONICK cont'd.) still other problems. The report has no discussion whatever as to how much it will cost to implement the targets. There's no discussion of cost. They don't discuss how much it's going to cost the taxpayers of this province to implement the report. They talk about a pig in a poke. They didn't even make an effort to estimate the cost of implementing the program. Apparently the authors simply weren't interested in how much it would cost.

Now we could agree that we could estimate the cost, we could make all those adjustments in the targets, we could make the adjustments to make the whole thing consistent if we wanted to do that. We could estimate the cost, all this would take a great deal of effort but we could do that to save the report, so we have to look at finally one other aspect of the report. We have to look at the underlying assumptions of the targets, and here we go to examine the population assumption which has been raised a number of times in the estimates and I think I want to raise it again.

The underlying assumption of the entire report as far as I can understand is that Manitoba needs more population so as to get a higher per capita income; that we will not achieve a higher per capita income, which everybody says is what we want, without having more population. Now all of us know that with more population we get bigger cities, with bigger cities we get more noise, we get more traffic, we get more congestion, we get more roads, we get more urban poverty, we know that, because we look at other cities in North America; so there are all kinds of extra costs involved, we need more schools, more housing, more population is very costly, and we know that. We can probably even identify the costs. So one would presume that if we know that more population is going to be so costly to us we presume that the benefits of having more population would be very carefully studied, so there would be no question that they would far exceed the cost. Now the only benefits that are mentioned in the report as far as I can tell is that with more population we would have bigger markets and with bigger markets our industries would have bigger economies of scale, they'd have lower costs, they'd be more efficient so we would be able to attract more industry and that each of the industries would be more efficient. That seems to be the basic explanation, the justification for having more population so far as the report goes into it.

But what evidence does the report offer that such increased markets are required for greater efficiencies if these greater efficiencies will be such as to more than compensate for the extra cost of the extra population. There's no evidence at all. They don't specify one industry in the Province of Manitoba who would benefit from a greater population in order to get the efficiency, or that one necessarily would require greater population in order to get greater efficiency. In fact if you look at the industries in Manitoba, on the face of it I think you come to the opposite conclusion. The basic industries, agriculture, mining, even tourism, would not benefit in any way from a greater domestic population. The local population is totally irrelevant to the efficiencies of these industries because they depend on the populations outside the province. In many instances in the province we do have small businesses, too small, they are inefficient, they could be made more efficient, and this could best be handled, I would suggest, by a process of rationalization. I think the former government began to do that in one particular industry at least, namely the fish industry, and we are apparently going to be doing this in another industry, namely the auto insurance industry. There will be efficiencies obtained through this rationalization, that's the major purpose of it, and I say that this seems to be a much more common sense approach to getting more efficiency than to expanding population with all the extra cost that this involves, so there certainly are industries which can do with greater efficiency.

I say that the most common sense approach is to rationalizing industry the way the former government began to do with the fish industry, which could be done in other industries as well, without the extra cost of increasing population, so all I'm saying is that the underlying assumptions of the report, namely that we need increased population in order to obtain higher per capita incomes - and all their targets are based then on the increased populations that they say are necessary; all their targets -- I'd say that the underlying assumption, the basic reasoning, is totally without foundation and they hardly offer an explanation, or certainly any evidence, any reason. It's simply an empty assumption, which I say on the face of it anyway, flies in the face of the likely. Maybe they could prove it but they don't really make much of an effort to prove it.

So I say that the TED report, from my examination of it, is sloppy in its industry studies.

(MR. GONICK cont'd.) to the point where all of them would have to be done over again, I think. The report makes no effort to see that the targets are internally consistent and actually add up. The report makes no effort to undertake to estimate the cost of implementing the report, the targets. The underlying assumptions of the entire operation are subject to the most profound criticism, that they are without foundation. And finally, there are no priorities stated in the TED report; that is, there are no distinctions made between this industry and that industry. They don't take into account that some industries are better in terms of jobs, in terms of capital requirements, in terms of input by government. Every industry is good. Every industry is welcome. There are no distinctions. We'll grab them all. So I'd say that as the Minister prepares his economic development plan for Manitoba, I would think that the TED report will be of little use to him.

That doesn't mean that there's nothing of value in the TED report because I say that I've yet to read a book of 500 pages where I haven't found a few good ideas and this one has a few good ideas. For example, this section on public housing seems to be sensible. But overall, I think that he will find it unreliable in its detail, sloppy in its procedure, just plain wrong in its underlying assumptions, and without any consideration for costs and priority, so when we on this side of the House pooh-pooh the TED report, the kind of crude growthmanship which is reflected in the TED report, you know we are accused of being idealistic and unrealistic and naive, but just listen to the realism of the authors of the TED report. They say they have a vision - this is the quote: "a vision of the opportunity for Manitoba, a Manitoba in the forefront of Canada, and Canada in the forefront, a leadership role in the world of 1980." So there we are, you know, the final vision; Manitoba leading Canada, Canada leading the world. I say that with such visions of grandeur, who needs LSD?

Now the TED report, I know, is very concerned with economic growth and I think all of us are concerned with economic growth, and we know that the Minister of Industry and Commerce is responsible for economic growth in this province, but this obsession, you know, with crude, its crude statistical performance, on the part of the Member for River Heights, reminds me very much of the obsession with crude production statistics that can be found in the Communist parts of the world. I say to him, surely we have advanced beyond that point, where these slogans and this ranting and the monolithic concern for one pure goal would be entirely inappropriate.

I know that the Member for River Heights would like to see Manitoba lead the world in economic growth. Maybe all of us would. But let me say to him that I'm afraid that even if we achieved the rate of growth of 10% a year, 12% a year I'd say, you know I've heard that we'll still be passed by, we'll still be beaten, because I have heard that the Japanese have read the TED report, and the Japanese have said that if we grow by 10% they are going to grow by 12%, and if we grow by 12%, they are going to grow by 15%, so there is no way, I'm afraid, I must tell the former Minister, that we're going to be able to be the leader in the world, and in fact we may have to accept the possibility that we will be passed by. I know that may come as a shock to the members of this Chamber but perhaps it's something that they will have to learn to live with.

Now, as the Minister sets forth his economic development plan, I think he'll have to make some hard decisions. He'll have to develop a plan for industrial expansion. He'll have to decide whether he's going to allow his department to be used as a welfare agency for business, or whether he'll put free enterprise to the test and allow them to do their thing without mollycoddling them, and my advice to him is that as long as they are not earning exorbitant profits, as long as they are not exploiting the people, I'd say let them alone. Let them invest their money - I say their money, not our money. Let them do their own research. Why should we pay for their research? Let them do their own marketing - why should we find the markets for them, spend our taxpayers' money, a lot of people running around the world looking for markets for them? In other words, if they want to have their profits, fine; let them earn their profits. Let them risk their money to make their profits. Why should we invest our money to allow them to make their profits?

So that's one hard decision that the Minister is going to have to make about the future of his department, but he'll have to make other hard decisions as well. He'll have to decide whether he is prepared to wait for private enterprise to develop this province, to develop the resources, to develop the manufacturing industry. Of course, if he's willing to give them the resources, you know - to give them the capital, to arrange everything for them, to do the market study for them, maybe he won't have to wait so long, maybe they'll come. Not that they

(MR. GONICK cont'd.) have come running even with the former government with all the goodies they had to offer, but maybe they would come. But I assume, I judge that he has decided that he is not prepared and the government is not prepared to continue to offer these goodies so that the people have to take the risk, so that the companies can earn the profits, and if he's come to that conclusion, therefore, I would expect that he'll have to come up with an alternative mechanism for developing the province. So he does face a dilemma.

Sure, we can rely on our local businessmen to do some things, but I would say that they have not been great pioneers in the past, they have not been great risk takers in the past, they have not been great entrepreneurs in the past, and unless there is a sudden change I don't see any reason to expect that they'll all of a sudden become great entrepreneurs and great risk takers in the immediate future. This doesn't mean that they won't have important things to do. They will. And nobody would discriminate against them, but in order to be able to undertake great industrial undertakings, to provide those jobs which everybody knows we must have, I'm afraid that they will not be of that much assistance because they don't have the capital, they don't have the know-how, they don't have the technology, they don't have the resources to be able to undertake major undertakings. So the Minister will have to face up to this reality. He'll either have to give in, which means to do what the former government did, and the government of Saskatchewan is doing, the government of Ontario, and that is giving our resources away so as to be able to attract big enterprises who can, who do have the ability to undertake these major resources; that's one option he has; or he'll have to come up with an alternative and the alternative must be, and I've stated it before, that the people through their government will have to be the entrepreneurs, will have to undertake the major developments, will have to bring together the technology and the capital and the resources so that these great undertakings will be taken.

I think that the Minister doesn't have much choice. He'll have to do one or the other. He does have one other choice, come to think of it. He can do nothing. That is, he can decide not to undertake, through the public, great industrial projects because that's too controversial and too risky. He can decide that he won't give goodies away to private enterprise because that's against the philosophy of the party. He can fly around the world 279 times but not have anything to give away, but I would suggest that this is a policy of paralysis and stagnation, and that if he follows this pattern I'd rather have Sidney back.

Now the Minister has, it seems to me, at least three other hard decisions to make and I'll describe these very briefly. One is he has to decide whether or not at the provincial level anything can be done, or what can be done about exorbitant pricing, about monopoly prices, which we know exist in certain industries - not every industry but certain industries - whose prices are not subject to the so-called law of supply and demand - you know, competition - but are administered by some managers who more or less feed themselves from the forces of competition because of the strength they have in their particular market. Now we have cases like this in this province, we have cases like this all over the country, and I think the Minister will have to decide and the government will have to decide whether or not there is something that can be done about this real problem of people paying prices which are exorbitant because the products are produced by monopolies or near monopolies. Now perhaps the province can't do too much about this. Perhaps this must be within the federal jurisdiction. But maybe there is something the government can do.

Secondly, the Minister will have to decide something about where the capital is going to come from to undertake major economic development. We of course have the possibility of taxes, we have the possibility of borrowing funds. I say that these resources are limited, especially with regard to taxes. The tax load is already heavy. We could phase out programs which are least important, government programs which are least important - the Member for River Heights has some, I think, interesting ideas there. We could find some capital there. We could undertake to do what the premier of Saskatchewan has decided to do, and that is earn profit on Crown corporations on the utilities; there may be some sense in that. The people should earn a profit on their enterprises for future economic development. The idea of gaining equity in businesses is another source of capital, through the profits that are earned, and then there is the whole idea of new Crown corporations, which are profit-making hopefully, and from them will come a steady flow of capital for future development. So that's the second hard decision that the Minister has to make, but where is the capital going to come from to finance future economic development?

(MR. GONICK cont'd.) Finally, the third decision I think is this whole question of equality. He can assume, if he wants to, like the former government, that as long as we have economic growth somehow it will trickle down and affect everybody, and that everybody's income will improve, not just the wealthy; and the people in the north, their income will improve, the people in rural Manitoba, the people - they'll get something out of it; and one doesn't have to have a special policy towards poverty and towards equality, but equality will come through economic growth. Well, he can assume that if he likes, but I say to him that the experience over decades and decades would prove otherwise; that to a large degree poverty seems to be outside beyond the ability to be affected by crude economic growth, and there will have to be some shifting of resources away from the affluent, and towards the less affluent, and he'll have to decide how to do that and where it's going to come from. I don't mean just welfare, of course. I mean providing better educational opportunities for the people on low income; I mean providing better housing, providing vocational training, providing recreation opportunities and so on. I think that if we are going to make any impact at all, the whole question of equality, and I say to the members here, who must know that this government, this party who has no other purpose, it seems to me, except to provide equality for the people of Manitoba, he'll have to find some mechanism to bring that about other than crude economic growth, which I think he would agree has never been sufficient although it's necessary, but it has never been a sufficient means.

So I say to the Minister that he has some hard decisions to make. I think he is aware of that, and he has a great opportunity before him because I believe that he is in a position to bring about a major improvement in equality of life and in the quantity of life for the people of this province, and I would hope that he would shut his ears to the recommendations, most of them, coming from the Member from River Heights because I don't think you'll find on reflection that they'll be very useful to him as he sets about in his difficult task of developing a plan for economic growth for Manitoba.

MR. CHAIRMAN: The Member for River Heights.

MR. SPIVAK: Mr. Chairman, I listened with great interest to the Member from Crescentwood and his remarks. I must say that the Minister has already indicated that he's working day and night, and I think that it's a little bit unnecessary to suggest now that the major decisions which he has referred to as the three items which he must consider should be added to his burdens. They are really too great for him. The words that the Honourable Member for Crescentwood finished in his remarks, those words were as stirring as the words he quoted from TED as an objective to be carried out by the Minister, and I would suggest that, if anything, it is the responsibility of government, and that I think it would be a mistake to shift this emphasis in this particular proposal on to the Minister's shoulders. He's carrying a big burden and he can't carry all of this. It's not his responsibility. If the government, of which the Honourable Member for Crescentwood is a member, feels as he does and as sincerely as he does, they have it within their power to accomplish some of his objectives, albeit there will be an experiment, but we'll never know whether that experiment is going to work unless the government's going to be prepared to do it. So far the government has indicated that they're not prepared to do it, and so far in every course of action that's been brought forth here we have a rhetoric which tries to indicate a difference in emphasis but when we examine the facts behind the rhetoric we find that the situation is very much the same and that we really have a government who are basically continuing on with the old programs but calling it something new. And that's what the Minister has been doing. -- (Interjection) -- Yes, now we're going to come to auto insurance because I think this is a very interesting thing because the Member for Crescentwood seems to be in error in one respect. He seems to think that the government has not come up with its economic development plan and I suggest to the Honourable Member from Crescentwood that they have come up with the economic development plan, and it's just the words that he used, the rationalization of industry which ultimately means the nationalization of industry and taking away jobs of people who are now employed in industry. Because realistically he suggested that the only way in which -- (Interjection) -- Mr. Chairman, I listened with great interest to the Honourable Member for Crescentwood and I hope he'll allow me the opportunity because frankly at this point I'm not interested in quarreling with him with respect to TED. TED is dead insofar as the other side is concerned and this is fine. You've given us your reasons and I think those reasons have in fact been accepted by the members on the other side, although I do not think that they have the same gut to stand up as the Member from Crescentwood did and explain it. First, you think they're unrealistic; secondly, you believe that

(MR. SPIVAK cont'd.) they do not have in fact a cost relationship or any explicit cost information which gives you a basis for judgment; and thirdly, you're not prepared to accept the population statistics nor are you prepared to accept the population projections as a means by which Manitoba can achieve a better quality of life or a higher rate of growth than it now has. TED was projected on those population figures and I've already indicated in this committee that there was no doubt that there is a quarrel and you're not prepared to accept it and that's fine. I accept the Member from Crescentwood's statement and I accept his conclusion. I don't agree with it but I accept it. But I also accept that the Member from Crescentwood said, but we have a plan and that plan is the rationalization of industry. We are going to take our small businesses, we are going to rationalize them -- he said we're going to take our small businesses and we're going to rationalize them just as we've rationalized in the auto industry.

Mr. Chairman, that's what he said and, Mr. Chairman, I tell you that is the economic development plan of the government. We don't have to wait two or three months, not at all. And I'll say that a year from now if the government is still in power and we have the Minister -- if he's still the Minister, and both those cases are questionable -- if in fact he delivers his economic development plan when we go ahead and we, you know, go behind the rhetoric we'll find what we're talking about, rationalization of industry, nationalization of industry, knocking out people who are in industry now and who are employed, working for the government. This is your plan. Because really, really, this is the only ante to have to the inevitable conclusion that in Manitoba's situation, if you examine realistically, all you can basically do, if you want to be able to stay in one place, not go behind, because that's all we basically could do, and I never once -- and I would ask the Member for Crescentwood to look over my speeches -- ever suggested that we would in fact be in the forefront in Canada. I say to you that all we could possibly do is keep running as hard as we can to stay at least in the position we are so that at least there will be some benefit to our people and the only programs that we could in fact carry out were the programs that we were carrying out. If you want to, if you want to experiment as you are, that's fine. But I suggest, Mr. Chairman, that there is no moratorium allowed in connection with this because the people whom you stand up and talk about are the very people who are directly being affected because of your inaction, and because of the fact that you're not prepared to in a very aggressive way continue the programs of the past.

You may want to change the Department of Industry and Commerce, and I'm sure that the members from the department, the directors who are up in the gallery will be very happy about this, because I think they themselves would like to know, and it's important that at least this sort of conflict that exists between the Minister of Industry and Commerce and the Member from Crescentwood at least come out in the open, but I think as well for everyone's sake so they can make their plans because their jobs are in jeopardy that at least they now know what direction or what changes if any you are going to be dealing with. Now let me say this. I have been one who has looked at our situation with some realism. I also have been an optimist, and I continue to be an optimist about our prospects; but I must say that if you examine the past ten years we have made great progress despite some very significant weak spots in our economy. We have small manufacturers employing few people; we have an industrial mix of great variety; we have not yet become that adaptable, we have not been able to maintain our competitive position and we are not yet achieving our very limited potential. And unless we achieve these things, unless we are prepared to be able to recognize realistically our situation and attempt to achieve it, the difficulty will be that the smaller businessmen will go out of business and the employees who are employed by them will in fact have no jobs and they are going to have to be absorbed by the labour market or by the industry that's then available, and if there is no new industrial activity of any significance they're then going to have to leave the province and the over-all effect of this will not be standing in one place and try to be in the middle of Canada, our situation will be like the situation of other provinces. Now this has happened in other provinces. It did happen in Saskatchewan. Saskatchewan lost 250,000 people in 20 years of the moratorium on economic development and I'm suggesting to you that we in this province can't afford it.

Now I spent three years as the Minister of Industry and Commerce and I think I have something to say and it's not doom. I think that I can talk with some accuracy about danger signals that exist now, and I say as well to the Honourable Member from Winnipeg Centre that when I talk about these things -- and I'm going to quote some statistics and then I'm going to offer some very constructive criticism to the Honourable Minister -- that I quote these not in terms of doom and gloom but at least let's not anyone on that side or on this side be unrealistic about our

(MR. SPIVAK cont'd) situation today and the critical position and when those on the other side who will be forming the Cabinet to make the decision, and will be the caucus who are going to make the decisions, have got to come to those decisions, at least recognize that we cannot afford the procrastination, the basic moratorium that has existed towards economic development because in the course of this we are going to slip behind.

Now if we recognize the realistic position of where we stand then I think then we can deal effectively with the kinds of suggestions that I will bring forward to you. Now these are the kinds of suggestions that I would have undertaken as if I was Minister, and they're not going to satisfy the Member from Crescentwood. I know that, but I don't think that very much on this side will ever satisfy the Member from Crescentwood and so I'm not particularly concerned about him because if I was to try and satisfy the Member from Crescentwood the overall effect of what would happen in terms of our economy would be a continued downward trend, because there is just not enough money that the public can marshal today and there's just not enough businesses of any significance that the government can go into that will in any way offer the job opportunities or take care of those people who will be out of work if this basic economic pattern continues.

Now the government is in a funny position. It can take credit for the things that are good; it can be blamed for the things that are bad. We have an economic situation in Canada which impinges on Manitoba and we have an inflation policy that's being followed through by the present Federal Government, by the Prime Minister, which has directly its effect on the economy and the employment situation in Manitoba. So therefore at this point for anyone -- including myself -- to stand up and suggest to the government that you are to blame entirely for this would be incorrect. And there is not any intention on my part to suggest that. But as I indicated to you before there are danger signals.

Let's just look and examine some of the recent statistical information from DBS and see where those danger signals exist. In March of 1969 the labour force in Manitoba was 372,000; in March of 1970, one year later, the labour force is 368,000. We're down 4,000 in the labour force. Now that's significant because the previous year we had a rise of 12,000. Now employment in March of 1969 was 358,000; employment in March of 1970 is 352,000. We know that unemployment in the last month was 4.6 and we then have to examine the participation rates of male and female to try and determine effectively what has happened in terms of total family income in this province as a result of the lack of job opportunities and as a result as well of the fact that there is not the female participation in the labour force as it existed before. Now in December of '69 we had 73.1 of the male participation in the labour force, 73.1 percent. In 1969 female was 33.9 percent. However, in the same period the previous year it was 40.2 percent. So in effect what has happened is that there are less people in the labour force now, essentially they are women - notwithstanding the fact that there are not sufficient job opportunities for some 17,000 people who are unemployed - we have less women in the labour force because if you examine the industrial mix of Manitoba with its service industry, with its tourist industry, with its wholesale industry and with the nature of the small business activities, you now must realize that instead of the economy developing a momentum that in fact it has slowed down with the result that women have left the labour force and with the result the total family income, which we have to address ourselves to and cannot ignore, is essentially down.

Now although wages and salaries in 1968 went up 9.3 percent in Manitoba compared to an average of 6.9 for Canada, in 1969 wages and salaries went up 7.1 for Manitoba as opposed to 7.2 for Canada. Now if we really are going to improve the conditions of our people in Manitoba our wage scales must in fact rise higher than the average for Canada. The problem of population is real. Now the Honourable Member from Crescentwood may not like the population statistics. He may say we do not need them. But the truth of the matter is that without a growth in population the likelihood of being able to attract the major intensive, catalytic industries in the more sophisticated and high wage fields will pass Manitoba by, because when we talk of these industries we talk of industries which are major employers. I've already mentioned in this Chamber that there was one which would have had a tremendous effect if it was to come to Manitoba, but it's not going to come unless you're going to be able to have a growth factor in the labour force. Now the point about these industries and the significance is not the fact that they may employ 500 or 1,000 or 1,500 people, and in turn there may very well be another couple of thousand people employed as an indirect effect of the industries, the most significant thing of these industries is that they are major producers and in turn will take our smaller firms and give the opportunity for a smaller firm to have a

(MR. SPIVAK cont'd) new market so that they in turn can expand.

If we examine Versatile, the most significant thing about Versatile's activities is not Versatile as an employer of 5 or 6 or 700 people; the most significant thing about Versatile's operation is the fact that they purchase their materials and supplies to a large extent from many of the small firms in Manitoba, who have been able to develop and grow, who in turn have been able as a result to pay higher wages to their people, to employ more people and to have greater opportunity to invest in more efficient equipment and to diversify their operation, and in turn to be able to meet other market needs in other areas outside of Manitoba. So we have to encourage these major industries to come in and notwithstanding anything the Member from Crescentwood says, if the government is going to have to deal, to try and make something happen in Manitoba, they better understand that they're going to have to do that because if they don't do that nothing is going to happen in Manitoba.

Now there are some interesting statistical information in connection with capital investment intention which I think have to be considered when we talk in terms of what kind of economic development plan we're going to develop in Manitoba, and I look at the construction machinery equipment expenditures of new capital investment intentions of DBS.

MR. BUD BOYCE (Winnipeg Centre): I wonder if the member would permit a question before he goes on with his next point?

MR. SPIVAK: Well I'd prefer making the points if I can, before the end I will allow the honourable member. The construction machinery equipment expenditures, the new capital investment intentions of 1969, were estimated at \$861 million. The revised estimate was \$892 million. That was 1969 and that was a good year and we have something to say about that year. 1970 is estimated at \$833.5 which is 60 million less than the forecast of construction machinery and equipment expenditures of new capital investment in Manitoba in '69. It's about seven percent down. Now in that, if you examine it, you find that manufacturing is down 12 percent, utilities are down 30 percent.

And here we have to talk about the Nelson River project. The Honourable Minister of Transportation has already indicated you're going to flood South Indian Lake. You're now still making the study and determining what you're going to do, but in the course of it, what's happened? There is less capital expenditure in this utility area with the result that you have now 900 people less employed than you had last year under construction. Those are 900 jobs. The Honourable Minister of Finance comes in asking for a capital authorization to be able to assist in what the Premier said would be priming the pump when necessary, prime the pump when necessary in terms of the economy. And yet -- (Interjection) -- You said - I said that the Premier said it, I never said the Minister of Finance said it.

MR. CHERNIACK: No, you said I came in for that.

MR. SPIVAK: He came in for that, the Premier indicated that in fact we would be coming and asking to prime the pump. There are 900 jobs less now. And where do those people go in the heavy construction field? If there are not opportunities here they leave the province. One of the problems of the development of the north was to have the ability to be able to hold those people there, to be able to create enough opportunity not just for the construction of the Nelson River project but to be able to stay and find a permanent home there, to be able to contribute in the other things that would happen, in the mining developments and the forest industry and the other construction that would occur in that area.

We had the Minister of Industry and Commerce stand up and say we have 63 new manufacturing established in '69. Well in '68 we had \$86 million invested in new plants and expansion; we had 240 expansions in '68; we don't know how many expansions we had in '69, but we know that we only had \$50 million as a total. We were down 35 percent in '69 over '68. One wonders how much we'll be down in terms -- we're down as a matter of fact a forecast of, I believe, 12 percent right now for next year which will give us a total of about 47 percent down over '68. We know that farm realized net income in '66 was \$168 million; in '68 it was \$121 million, and we know that this has also had a direct effect in terms of our economy.

So all I'm indicating, Mr. Chairman, is that the statistical information we have would say to anyone who is given the responsibility of trying to direct the government in its economic development plan, that Manitoba is in a pretty serious situation; that the danger signals are very real; that constructive aggressive action must be taken, and so what do we have? We have the Economic Development Plan. We have the nationalization of the auto industry, the potential of several thousand jobs being lost, and even though the members on the other side

(MR. SPIVAK cont'd) will say that isn't so, there isn't one of them that can stand up, not one of them that can stand up with any degree of accuracy . . .

MR. GONICK: Not even you.

MR. SPIVAK: . . . any degree of accuracy, and indicate that there is any meaningful study that has been completed or they have any meaningful knowledge which would indicate directly how many people will be affected. -- (Interjection) -- All right, I do not know, but I do know what Mr. Tatlock said, the insurance agent, and this is in answer -- (Interjection) -- oh yes, he's as prejudiced as Mr. Pawley is. Let me just indicate what he said in the Brandon Sun of Tuesday, May 12th. Yes, it's very interesting. I read the Brandon Sun and I was very interested in the comments of the Honourable Minister who said he was spending most of the time trying to save businesses rather than find new businesses. And I quote: "Asked to comment on Mr. Pawley's remarks, Mr. Tatlock told the Sun Monday in a telephone interview from Winnipeg, that about 500 auto insurance agents in Manitoba will be affected. Along with them, their staff will be affected. Our calculation is so that for every two auto insurance agents there is a staff of three secretaries and office clerks. This will mean that along with 500 agents, about 1,250 other jobs will be lost. We're speaking about 1,750 jobs." Now, Mr. Chairman, 1,750 jobs.

MR. BOYCE: 1,750 jobs.

MR. SPIVAK: Yes, that's right.

MR. BOYCE: 1,750 jobs.

MR. SPIVAK: One thousand, seven hundred and fifty jobs.

MR. BOYCE: 1,750 . . .

MR. SPIVAK: Well, I don't know whether the Honourable Member for Winnipeg Centre is really that hard of hearing.

Well I want to say to the members on the other side, you don't know how many jobs are involved, and the fact of the matter is that people's jobs are involved and people's living is involved, and there has been really no indication by anyone that you're seriously considering the involvement. The Honourable Member from Crescentwood, and he appeared on a television broadcast I think many of us saw, indicated to an insurance agent when he said, and tried to describe the situation, "Well, you can find another job," and that, generally speaking, is the attitude: "You can find another job." So then I say to the Minister of Industry and Commerce, you don't have to try and, you know, create any flimflam to tell us that you've got an economic development plan that you're thinking about that you're going to deliver. You've already given it to us. The Economic Development Plan is very simple. You are going to try and nationalize some industries. You're going to tell the people, "You're going to fend for yourselves," the people that are affected, and if you can make a job, get a job here, that's fine. If you can't, leave the province, because what we're going to do is we're going to create a new society for the objectives, the lofty objectives that the Honourable Member from Crescentwood just indicated.

Well, Mr. Chairman, I want to say that I find this extremely interesting when someone says about a red herring. I have an ad in front of me, written by the Federal Government in the Wall Street Journal on Friday, April 3rd, and I want to read this. It says, "Can you get twelve million dollars for creating new jobs? The Government of Canada is prepared to pay cash grants up to \$12 million or a maximum of \$30,000 for each job created to companies establishing new plants in designated regions of Canada." Now this is a give-away program that the Member for Crescentwood is against. But it's interesting; it's terrible but it's interesting that the Federal Government has made an assessment and they're prepared to give away \$30,000 for each job; give away, that's exactly what it says - give away. They will give \$30,000 up to a maximum of \$12 million.

MR. GONICK: It's terrible.

MR. SPIVAK: \$12 million dollars . . .

MR. GONICK: Where do they get the money from?

MR. SPIVAK: This is what they intend to do. They're going to give away \$30,000. Their measurement of a job directly created is \$30,000. Now if we take Mr. Tatlock's argument that there are 500 insurance agents who are directly involved - and we're not talking about the people indirectly involved - and we multiply that by \$30,000, we're talking of \$15 million. Well, if anyone seriously can think on the other side, that anyone on that side is considering paying the insurance agents of this province \$15 million, no siree. You're going

(MR. SPIVAK cont'd) to try and get away with as little as possible because frankly you don't care about them, and you realistically have now accepted that in terms of government intervention and government involved in a business, the dislocation is something that the people involved will have to be concerned with, not government.

Now, I would like to, if I may, offer some contributions to the Minister of Industry and Commerce in connection with his department. First, I don't believe there should be a moratorium. With 17,000 people today looking for jobs, and that's how many are looking, with the thousands of students who are still unemployed and will not find jobs this summer, I suggest to you that you influence your cabinet and your caucus not to take away the jobs of the auto insurance industry. I suggest to you that you consider influencing, as a person responsible for economic development and responsible for the thrust, that you consider that they now maybe re-think their position of directly affecting so many people who earn a living in this industry. I think as well, Mr. Chairman, that the Minister of Industry and Commerce should try to influence his colleagues to speed up the Nelson River project . . .

MR. GREEN: Should we each hire another . . .

MR. SPIVAK: . . . because the speed up of the Nelson River project is needed to be able to continue to offer some job opportunities, otherwise we're going to have a greater movement out of this province than we now have, and it's significant and it would be wrong to discount it.

Three, I'd suggest to the Honourable Minister of Agriculture, to the First Minister and to the Minister of Industry and Commerce, get off the back of the processing industry in the agricultural field. You need them, and so does Manitoba, and I want to tell you that the constant debate taking place here and outside by the Minister of Agriculture in connection with the threat of what the processing business means to Manitoba, is harmful and it not in the interests of the people of this province nor is it in the interests of the farmers whom he's allegedly speaking and whom he's allegedly trying to protect, because the truth of the matter is that the agricultural industry will grow if the processing industries settle in this province. Now, if you're against vertical integration, if you want specific controls, just as in the auto insurance situation, you have the power to regulate, you have the power to legislate, and you should be spending your time and energy on that rather than bringing up the bogey man of agra business as a reason for inaction or a moratorium while you make up your mind of how you're going to enter in this field.

I would suggest as well, Mr. Chairman, that the Department of Industry and Commerce be revised and become the Department of Economic Development, that in fact Tourism and Recreation, Tourism, not Recreation, Tourism be taken out of the portfolio it now is in and be brought in as part of the Department of Economic Development, because tourism is now an economic matter and requires the concentration of and the promotion the Department of Industry in fact can give. I suggest as well . . .

MR. EVANS: Are you aware that they were together a few years, Mr. Chairman?

MR. SPIVAK: I'd like to finish my remarks if I may before 5:30 -- (Interjection) -- I would also suggest that Youth and Manpower - Department of Education Youth and Manpower be handed over to the Department of Economic Development, and I would suggest as well that the Department of Economic Development which would be the former Department of Industry and Commerce become the main agency concerned with economic development in the province.

I would suggest that a Manitoba Development Corporation be set up but not on the terms that you suggested. Rather as a mutual corporation in which private business, those dollar-a-year men if the Minister of Industry and Commerce is interested, will come in and run so that in fact the people of Manitoba through the Development Corporation of their own volition and choice, not as a result of a government action, can make a decision as to whether they are prepared to invest in a development corporation that will undertake specific projects in Manitoba so that there will in fact be the creation of new industrial activity.

I would suggest as well that the Minister of Industry and Commerce recommend that the government immediately authorize the expenditure of money for the convention centre in Winnipeg. The tourist business is an important part of our economy and it really can't wait until the major developments occur downtown. It really is not an instrument to develop the court area downtown; it is necessary for the economic development of this province. I suggest as well that the convention centre - we don't need more time on this, we need action. We're not talking of a large sum of money, we're talking 3, 4 million dollars, and if it's necessary

(MR. SPIVAK cont'd) to borrow it, let's borrow it, but let's at least recognize that tourism has a significant impact on our economy and that there should in fact be movement on that.

I would suggest as well that the Manitoba Development Fund now be given instructions to loan money for the major commercial developments in the court area of Greater Winnipeg. I suggest that one of the problems that the developers and commercial people are having in developing the downtown area is that mortgage money is not available and it's necessary for the Fund to become in as a lender of first resort to them so that in fact those developers, many of whom are Manitobans, will have the opportunity of now carrying through to fruition the projects that they visualize. This will accomplish two results: it will assist in the development of the downtown plan and in turn it will mean that our own people will not have to look outside of this province, as they now have to look, for development purposes but can apply their energy and private enterprise then will be able to do their thing here in Manitoba.

I would suggest as well that a Credit Counselling Board be developed by the Minister, in which he would take the chartered banks, he would take the department people, people from the Minister of Finance and people from the business community, who would then sit down and chart the things that have to be done so that credit would be made more available for our industrial and commercial activities. This would mean that there has to be a development of a greater understanding, and we had I think achieved some success in this, between those people who in fact are the priority sources of credit in the province, as to what is really taking place, and if in fact there is a rapport in connection with this and some understanding, there would be the opportunity to be able to develop a greater understanding, and from them greater involvement in our economic development.

MR. CHAIRMAN: I wonder if we could at this time call it 5:30. I'll return at 8:00.