

THE LEGISLATIVE ASSEMBLY OF MANITOBA
8:00 o'clock, Thursday, May 1, 1975.

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MR. SPEAKER: The Honourable Member for Fort Garry has 10 minutes.

MR. SHERMAN: Ten minutes? Thank you, Mr. Speaker. When the House rose for the dinner hour adjournment at 5:30, I was making the point that there were indeed troubling problems in the field of industrial relations and labour management relations for which there were no easy solutions, and I don't think any of us on this side have suggested that there are panaceas or easy solutions. But I was also making the point that there are a number of areas in which the government has at least hinted and at least suggested indirectly at action, at initiative, and in none of those areas to date has there been an evidence of such initiative or such action. I cited some of those particular areas for imaginative constructive action on the part of the government in the labour relations field, and asked the question rhetorically but meaningfully - and I repeat it - as to when and how and in what form might we expect some initiative and some action by the government in this troubled field.

Not the least of those areas is the one involving the Industrial Relations Committee of this House, and I was making the point, I think, Mr. Speaker, that an appeal had come from this side of the House and a direct inquiry had come from me as to when the Industrial Relations Committee would be convened to take a look at some of the problems in the field, and so far we'd had nothing but sort of a nonchalant acknowledgment in a verbal way of the fact that there perhaps might be some purpose served by having the Industrial Relations called, and the government would do so within a very short period of time. Well, nothing has come of that acknowledgment, nothing has come of that suggestion, just as nothing has come in the whole area of initiative and the whole area of constructive idea, the whole area of constructive new development in the field of industrial relations generally.

Now, Mr. Speaker, I think I was quite emphatic in the time before 5:30 in suggesting that the requirement for action and for leadership in this field lies squarely on the shoulders of the First Minister, and I make no bones about repeating that at this point in the debate, with the First Minister available to be here at this time. I suggest to him that the leadership must come in this area from him and it is an absolutely urgent responsibility facing him that he take hold of the industrial relations situation in this province now, before there's further deterioration and decline, before there's further difficulty, and before problems reach an insoluble state. I don't look for easy solutions and, as I've said, I've never suggested and we have never suggested that there are easy solutions, but there is a requirement to try to restore some harmony in the field, and most of all, there is an urgent requirement to establish some proper communication in the field between this government, between the First Minister and his colleagues, between the Labour Minister or whoever is serving in that portfolio, and the working community and the labour community in general. And I believe, sir, that fundamentally this is what we have asked for and stood for on principle in this discussion and debate on industrial relations in this province since the beginning of the life of this particular Legislature. We have not asked for miracles. We have not asked for solutions. We have simply asked for communication, for responsiveness, for an indication on the part of the government that they acknowledge there are problems there to be met, to be discussed, to be coped with.

The Minister of Mines and Resources, the Minister of Consumer and Corporate Affairs, the Minister of Labour, and perhaps some others, have been trying to say that we have been advocating interference by government in the process of free collective bargaining. Well, sir, we have been advocating nothing of the kind. We have been advocating nothing of that sort. We have simply been asking this government to ensure that collective bargaining really is taking place. We have not asked for interference in that process; we have asked for a guarantee that that process actually does exist, de facto. We have been asking for a demonstration on the part of the government, particularly in those areas where the government functions in the role of management, functions in the role of employer, functions in the role, even though perhaps once removed, functions in the role, in effect, of one of the bargaining parties, one of the parties to the bargaining condition. We have asked for assurance that there is meaningful collective bargaining going on, and we have not been assured that that has taken place in many of the instances that have given rise to difficulties in the industrial relations field, and I reject and repudiate, without fear of contradiction or challenge, the assertion that we have asked for

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(MR. SHERMAN cont'd) interference by government in that process. We want an underwriting, we want a verbal underwriting, a verbal guarantee by government, that process does exist, that the government is listening, and that the government in those areas of dispute in which, as I say, it really is one of the disputants, one of the parties to the dispute, even though in terms of the Establishment they may be once removed from direct contact with the working force, in those areas in particular, we want an assurance that the government is listening, is responsive, and is guaranteeing that there is meaningful communication.

One of those areas, of course, is the area of dispute and difficulties surrounding the University of Manitoba, the difficulties that already exist on that campus and the difficulties that are incipient by virtue of the climate and atmosphere that exists there now, and by virtue of the fact that there are six or seven other bargaining units due to negotiate with the University administration and, by definition, with this government, for improved contracts, improved conditions, before the end of this year. And, sir, I have made no bones of my distress with which I think the University of Manitoba, as an institution, has been treated, has been regarded - or perhaps I should say disregarded - by the administration of this province in the context of the current difficulties there, and I urge this administration and this First Minister to rise to the challenge of securing the standard of excellence achieved on that campus in past years.

Another First Minister, in another era, in another jurisdiction, observed that he did not feel that he had been elected to preside over the slow disintegration of the British Empire. And I ask this First Minister and his colleagues whether they feel that they have been elected to preside over the slow disintegration of the University of Manitoba and the standard of excellence achieved there in past decades under previous administrations and, at least from an intellectual point of view, a verbal point of view, guaranteed really and promised by the election of this government. I think a great many people in the university community, in the intellectual and academic communities, in the communities generally, felt that this government was perhaps, because it has been telling us so as a party long before it was elected, much more sympathetic to, much more enthusiastic about higher education, post-secondary education, particularly university education, than other parties and previous governments in this province. And I think that there was an implicit promise there, although perhaps not specifically spelled out, but an implicit promise that the University of Manitoba and the other universities in this province were going to enjoy a particular, a particular rapport with this particular government. Well, I suggest, Mr. Speaker, that at least --(Interjection)-- I think I was very careful to say that perhaps it was not spelled out but I think it was implicit in the posture and the attitude of this government and the New Democratic Party in Manitoba politics, that it was a party and a government of promise of improved rapport, with an improved sensitivity to higher education. Well, that certainly has turned out to be an error. If it's an error on my part, it is certainly an error on the part of the university community and it's certainly an error on the part of a great many Manitobans generally. That has turned out to be a disappointment, and I think this is one particular area on which this government faces the challenge of guaranteeing proper communication. This specifically, sir, is the one thing we ask for from them in the industrial relations field: understanding, communication, and responsiveness to the problems that exist.

MR. SPEAKER: The Honourable Member for Wellington.

MR. PHILIP M. PETURSSON (Wellington): Mr. Speaker, I feel that I should stand and make my contribution to the debate on the budget without expecting particularly to add very much to what has already been said, and said many times - that is, the constructive matters that have been said rather than the destructive, because too often an effort is made to downgrade the government and what the government is doing and also what some people have tried to do to the government.

Just as an opener, the newspapers have been referred to in an earlier speech and I saw a little item in the paper here tonight that misled me a little bit until I read into it and discovered that it wasn't quite what I had thought it was. There's a headline that says McKellar Smooth, Assured, and I won't read the whole thing but it goes on down here and it says, "Mr. McKellar was generous with his time, and he was so splendidly attired the audience gasped when they saw him." And then skip a line or two, it says, "There's something very dashing about a man wearing a kilt, and the sophisticated figure he cut belied the simplicity of his manner." This important document can be tabled if the member wishes. In mentioning

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(MR. PETURSSON cont'd) this, in sharing it with one of the other members, the thought was that this man McKellar that they referred to, in wearing his kilt might feel very uncomfortable if he were to walk through a field of thistles if he wore it as it should be worn.

Now the debate so far may have been scintillating and oratorical, but not to any greatly marked degree. There are few who have risen to the heights that some of the orators of earlier times have risen, and I think of one who I never saw or heard, but heard about, one of the great old-time orators down in the United States, William Jennings Bryan. He was giving an election speech in Chicago in the early 1900's, whether it was 1904 or thereabouts, he was running for the office of President, and this was the speech that has become known as the cross of gold, the speech on the cross of gold. It was a money matter that he was dealing with mainly, but he grew very enthusiastic in his oratory, rose to great heights. The auditorium in which he appeared was packed. There were not only hundreds, there were thousands of people present. There was only standing room for those who had come late. He used all the tricks of oratorical style, and the atmosphere was charged with emotion. The papers described it the following day and said that so great was the emotional build-up in the speech that women fainted and strong men cried, shed tears. But then the speech itself appeared in the paper, written word for word as he had given it, and it was a big disappointment to everyone who read it because it was little more than froth and bubble. And it seems to me that some who attempt to speak here, particularly from the Opposition benches, deliver their speeches in the same manner - not oratorically, but making it full of froth and bubble. They skirt around issues; they make charges without having any foundation, and wind up nowhere, almost where they started from. Now, this style that William Jennings Bryan indulged himself in has come to be known as the "grand manner of speaking", that is of being able to say nothing in a very long time, in a grand manner, in great style. And that's what happens here in our political debates too frequently.

In the same way, the Leader of the Opposition makes a valiant effort at the grand style but he just doesn't have it. He fails miserably every time he tried it. He's not an orator and probably never will be. He . . . Well, some of his friends think so, think not, think that he isn't. But he continues to sing the same song, to saw away at the same string on his one-stringed violin, which is on co-ops and all the things that are wrong with co-ops as they have been represented and built up, sponsored by the government. He seems to live in a never never land and he chastizes the government for not doing enough, and appears to expect the government to have, in a few short years, produced a Utopia on earth, and when it has not produced an instant Utopia in the short period of these five years that it has been in power, then he charges it with dereliction of duty. He forgets the hundred years from the time that the province was formed, in which Conservatives and Liberals have alternated in power in Manitoba, and in that time they never produced a Utopia or anything near it. As a matter of fact, the provincial matters, conditions, were in such a bad state when the present government took over that it has taken it some time to begin to get things rectified and on track.

MR. GRAHAM: Now that's a new version.

MR. PETURSSON: I didn't get what was said but it doesn't matter. I don't think it was important.

But much as the government has done, the government recognizes the fact that there is still much to do. It hasn't created perfection but is striving for it. The Opposition agrees in the same way, that much must still be done in many areas, but they satisfy themselves with pointing out what they consider to be flaws in government policy rather than pointing out definite and specific steps that can be taken, and they don't offer co-operation or help with the government to carry on the work. They continue to hammer at the same old things and they run out of material and come back over and over again, repeating what they had already said and hoping that it had been forgotten from the first time and it would have double impact when they repeat it the second time.

If the Opposition party, when in power, had done what it was its duty to do but which it didn't do, and which now heaps bitter criticism on the government for neglecting, if they had done even those things while they were in power along with all the other things that they now demand of the government, if they had carried out these programs in their day, the ones which they point to and say the government has forgotten and others that they are bringing along, then there would perhaps not have been any need for the appearance of this party ever to

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(MR. PETURSSON cont'd) come upon the horizon. If the Opposition should take over and commit itself to the present government's programs, then we would all be on the same side, doing the same work, and pulling together and able to work towards the fulfillment of a destiny for Manitoba beyond anything that at the present time is now dreamed of.

I mention this, but I recognize the impossibility of the realization of that particular dream. Because, of course, we understand why the Opposition opposes the government. They are not supporters of our policies, they are the defenders of a policy known as free enterprise, capitalism and so on, and so closely are they still wedded to that philosophy that they can't be brought to face new times, new needs, new policies, except with protests and with kicking and screaming. They still protest at every forward step which is not in agreement with the position that they take, and at the same time they give lip service to the needs of the times that we live in. They pretend to abhor the slowness of achievement. They're critical of every step; and yet, if the authority were put in their hands, they would recoil with horror from even the things that they themselves are now proposing on behalf of the province and on behalf of the people in the province.

But they come by their position, I would say, honestly. It is their conviction as adherents of the free enterprise system, the capitalistic system as opposed to social democracy, and I won't dwell on this but wish rather to indicate the kind of background against which the philosophy of the Progressive Conservative Party and its adherents is set. And I wish to refer to an address given by a man who at the time was the president of the National Association of Manufacturers in the United States. This dates back some years to 1931. The name of this man was John E. Edgerton, the president of the National Association of Manufacturers. He gave an address in Washington in 1931, in January 1931. There was a conference called in the beginnings of the Depression at that time; there were men from all over the continent who were called in to attend this conference and make their contribution to see whether there wasn't some way, or couldn't be some way of solving the problems of poverty, of unemployment and other ills.

He objected to unemployment insurance mainly. There was no such thing as unemployment insurance in those days, and that's just a short 40 years ago. He objected to unemployment insurance in a time when millions in the United States were unemployed, and he regarded it as a charity that should not be offered or given to those who were unemployed, and he referred to it as the bleeding of one class to bolster up another. Some of his words are interesting, mainly because they even now reflect the thinking that still persists in the outlook of members opposite and many of their friends, even while at the same time they mouthed words of sympathy for the disadvantaged and the forgotten, and a good question is, where were those who were disadvantaged and forgotten when the party opposite was in power and able to do something if it had only had the will? --(Interjection)-- Sorry, I can't hear what the honourable member says. It's probably not important.

The other day when the Honourable Member for Souris-Killarney was speaking, he was quoting from the People's Republic of China, a book that is published there by the Communists, where it says in the part that he read, "He that does not work shall not eat." Now, the President of this Manufacturers Association said, "The duty to relieve unemployment is plain, but not even the unemployed have a right to what they do not earn. Charity is self-existent. Employer and employee are on a business, not a charitable relationship." Never, I think, was a sounder doctrine from a clearer thinker than that suggested by these words of the sage of Northampton, and the sage of Northampton at that time was Calvin Coolidge, the President of the United States, or the later president. And here you have the capitalist thinking and communist thinking coming together. They mesh, apparently, in their outlook very easily and very simply in the sentiments that they are expressing in regard to the disadvantaged people, the neglected and the disadvantaged, a they have been called.

There are other excerpts that I would like to read because they reflect quite clearly the thinking of the members opposite, and they have persisted in their thinking even down to the present day and they are unchanging. The name itself, the name "Conservative" indicates that people who follow the philosophy of the Conservative Party are people who wish to conserve things, retain things as they are and never change them, and some wise man has said somewhere - and I don't remember who it was or where it came from - that a Conservative is a man who never wants to do things or do anything for the first time. And it doesn't surprise me that

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(MR. PETURRSON cont'd) the ranks of the Conservatives are diminishing, because it takes a man with vision and understanding and thought to do something for the first time.

Now, this President of the American Manufacturers Association had said, "To an increasing extent, the spirit of philanthropy has been growing in our land, and more and more those who have more are sharing with those who have less." That's meant, of course, on a purely voluntary basis. "Another of the natural effects", he says, "of public unemployment insurance, would be to discourage those philanthropies for which our nation is becoming increasingly famous. And in this connection, he says, "it is not strange that God and the Church lose caste among the people in just about the proportion that they become communistic and socialistic."

And then he says, "What need, it may be asked, have the people for a God and a Church when human government is undertaking to do everything for them that both God and the Church promise?" And it seems to me from these words that this man would rather have the Church prosper and the people starve than to receive the beneficence of charitable giving. He goes on to say, "If government is to protect them against the consequences of economic misfortune and will play Santa Clause to them in their days of want, then why should they worship any other power than that of the government which coddles them? If it is to be said that the Church is a capitalistic institution, then it may be said with more truth that it has no chance to be any other sort. Under no economic system has it ever been known to thrive. The Church thrives", he says, "under the capitalistic system and represents the capitalistic system. The Church prospers only as the commonsense of dependency upon God develops among men. As human government, therefore, undertakes by the expansion of its powers over its constituency and by the assumption of paternalistic functions to substitute itself for God, so does the consciousness among the people of their relation to the supreme source of help grow weaker and their instincts of worship take new directions."

And he continues, and I feel that some of these quotes are far too good to leave out. He says, "There are some things worse than being hungry or cold or out of a job, and misfortune is not always the curse that it appears to be, and so it is that I always particularly regret to see the Church, under the excitement of its natural sympathies, lend itself to the processes of its own undoing." And here he's giving the people a choice of helping people who are unemployed and in need, the disadvantaged and the neglected. He says, "It is better to see them disadvantaged and forgotten or neglected than it is to see the Church go out of existence." And he says, "Misdirected charity may, and often does, accomplish the relief of the giver from the prickings of conscience, but it frequently does much more harm than good to the receiver. And I'm sure that in this context there would be many people who would prefer to be done a little bit of harm if at the time they receive some help. In answer to these observations, it might be said that Public Unemployment Insurance is a process of justice and not a charity, and that depends of course upon what is understood to be justice. Personally, I think of it as a very cold thing to which partiality, favoritism, discrimination, and other manifestations of preference are not known. Economic conditions should play no part in its processes and decrees except insofar as it affects equal opportunity. Only the quality of mercy furnishes relief from the exactions of cold justice."

Now I don't know how long a speech this man made or how long it took him to speak. It would be interesting to be able to quote the whole thing but I am afraid that either I would run out of time or the members would run out of patience.

But farther on down the page that I'm reading from, this man, the President of the American National Manufacturers Association, says: "I look with fear and doubt, therefore, upon the manifestly growing reliance of the Church upon political instruments of compulsion for the accomplishment of its great and necessary end." And of course by compulsion he means that they are pushing the government to give support to the people who need it most, the neglected and the - and I forget the formula.

I'd like to continue because this is so pertinent to just about everything that we represent, pertinent to just about everything that we don't represent but which the Opposition represents. And he continues, saying: "When, therefore, government in America . in any instance goes into business in competition with private enterprise, or by any act curtails the free opportunity for individual initiative, or in any other way tries to do for the people what they can best do for themselves" - he sets himself up as the judge of how well they can do it for

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(MR. PETURRSON cont'd) themselves - he says, "it does serious violence to the spirit, if not the letter, or our incomparable instrument of political control. Public Unemployment Insurance would be not only in conflict with, but subversive of these tested theories of government. With one hand, the government would be wringing money from one class of citizens" - you know the class he means - "and passing it on in doles with the other hand to other groups of citizens, and the other groups of citizens at that time were the unemployed, the dispossessed and the poor."

Then he plays on the cupidity of his listeners. He says: "New and unparalleled opportunities for graft and political self-perpetuation would be created for politicians already too fat upon misappropriated power." I think we could match ourselves, pound for pound, against the members of the Opposition. --(Interjection)-- Pardon? I can take a question. I don't guarantee to answer it.

MR. SPEAKER: The Honourable Member for Lakeside.

MR. ENNS: Would the honourable member kindly tell me which political party instituted the Unemployment Insurance Act of Canada.

MR. SCHREYER: The Liberal Party.

MR. PETURRSON: I didn't guarantee to answer it because offhand I didn't know. I take the word of my leader.

He said: "Whatever the amount of the dole to start with, it would undoubtedly increase as candidates for public office would contest for the franchises of the people by promising larger slices of cake from the public pantry. We have witnessed just this unsatisfactory working of the proposition in Great Britain." I don't know whether they had witnesses anything of that sort or not, but he says it was so and it may therefore have been. But it was the Conservative Party that was in power in Britain during the time of the Depression.

He says something about wanting to give sufficient reason for the rejection of unemployment insurance schemes. He says, "It would involve the use of public funds for such charitable purposes, as has been indicated, or the increase of power in government to bestow favours upon one class or group at the expense of another."

Then down at the bottom of that page, he says: "In fact, there are literally thousands of those who have been classed as employers and yet who are in as helpless and needy a condition today as many of those whom they employ and others who are in the breadline." He had, just prior to that statement, he had been talking about a man who had been running a \$50 million corporation and the corporation had gone broke, and he had come asking for employment. And then he said: "Would justice permit discrimination against this particular class of unfortunates in the matter of doles from the public treasury?" And I think we could judge in our own minds about how unfortunate a man is who had operated a \$50 million corporation and went broke. He would surely have had a few dollars left somewhere in a sock or in a bank; whereas a man who had lost his job, his only source of income, and the income cut off, would have been in a much worse state. But he feels that if we neglected the rich or discriminated against them, as he says, to help the poor, that we would be guilty of discrimination.

He says . . . I can go on. It gets more and more interesting as I read. I have some pages here that I have probably lost. No I haven't. I have read this. I don't want to repeat it; it's on the record for once, and represents the thinking and the background from which the party that is so critical of the government has sprung. I don't know that anything very much more has to be said. We will judge their words by their philosophical background and let it go at that. --(Interjection)-- Sorry, my ears aren't what they used to be about 50 years ago, so I have difficulty in hearing.

Now the man who made these statements would find comfortable association, it seems to me, in the benches across the way, except that he would be on a higher social scale and he'd be much richer, have more wealth than any of the men across the way, but his thinking is just about the same. His thinking is on the same basis as the thinking on the other side, and reveals what would lie ahead here if they were ever to come to power or if his thinking were ever to be introduced as having the authority in this House. --(Interjection)-- I can't hear you.

I think that I have pretty well said all that is necessary to say to account for the way our honourable members think across the way. I don't hold it personally against them. They

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(MR. PETURRSON cont'd) are permitted to think as they will. There's one little item just handed to me a few minutes ago that would be very enlightening as an example of free enterprise medicine and health care. It is labelled "Free Enterprise Medicine at Work", and this is an incident that took place in Orlando in Florida, where a small boy was on his death bed and his parents, because they were unable to meet the unheard of hospital and doctors' bills, which amounted to \$14,000, the house was sold - the medical bills and hospital bills came to \$20,000 - the house was sold for \$14,000. The boy died and the parents were left to pay the funeral. And the man said, "I earned too much to get help and yet not enough to pay the bills."

This is a very, very enlightening illustration of what can happen in a place where they do not have Medicare as we know it. --(Interjection)-- It's called freedom of choice. Yes. Private enterprise. That boy's parents would still be in their own home if he had lived here, and the Medicare would have taken care of the hospital bills and medicine. I have a brother who, foolishly or not, spent the winter down in Phoenix, went to Florida, and developed an ailment that required surgery. He went to Houston where there was a specialist for that particular problem that he had, and while he was in the hospital there he was paying \$100 a day, entirely apart from medical expenses, which emphasizes to me the importance of living in a place like Manitoba where we have these things taken care of. --(Interjection)--

MR. SPEAKER: Order please. Order please. The Honourable Member for Wellington has five minutes.

MR. PETURSSON: I like the Member for Lakeside very much. We often meet on friendly terms, and have earlier on, and I hope will continue in the future, but if he lets me speak then I'll finish very quickly and sit down.

As a closing, this man, the President of the American Manufacturers Association, said, "America needs nothing today" - in 1931 in the depths of the Depression - "neither food nor clothing nor employment nor anything else, so much as a general getting back to God and a re-baptism in the faith of our fathers." Now I can read that with a certain sarcasm because it doesn't happen particularly to be the faith I represent or follow. And then his closing sentences are - he says: "My interpretation is that the accountable American citizen is best balanced when, with upturned eyes, he is on his knees, having under one arm the Holy Bible, under the other arm our immortal Constitution, and in his heart the content of both. Such a citizen will never go far wrong, and the more of them we have, the more secure will be the future of the land we love."

This little booklet is entitled "Permanent Preventives of Unemployment" - addresses delivered at the conference on permanent preventives of unemployment, January 26th and 27th, 1931, Washington, D. C. My time is up.

MR. SPEAKER: The Honourable Member for Gladstone.

MR. JAMES R. FERGUSON (Gladstone): Thank you, Mr. Speaker. I followed the last speaker with great interest with his propulsion or presentation of his socialist views, and you kind of have to wonder how some of the things came to happen. It seems that in Canada we have Workmen's Compensation, we have Unemployment Insurance, that we have Family Allowance, and these have all been accomplished without the benefits of a socialist government in Ottawa. One would be led to believe that if at some future date the socialists were installed in all levels of government, that we would only have to look to the fact that possibly someone, somewhere, would be able to start drawing out the loaves of bread and the fishes and feeding the multitudes, because this, I think, seems to be one of the thoughts that seem to be a little prevalent across the way.

My constituency, unfortunately, is not composed of this many socialists and maybe just not this many dreamers. We seem to find that some place along the line we have to go to work and we have to produce, and I find that in the Budget of \$1.5 billion, that the spending of course is up to the government and the government chooses on which particular categories they wish to spend the money. Consequently we have a government that has promoted a lot of social welfare and a lot of social benefits to our people, and this also has been done by every other previous government, but due to the inflation, due to the fact that we have hit a period of very high revenues and we're spending a billion dollars in the Province of Manitoba with a million people, there has got to be some benefit that rubs off on the people. We've got to get some value for our dollars. I was very pleased to see that agriculture basically led the way with a 17.8 percent net increase. I think that this shows that the southwest, the western half

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(MR. FERGUSON cont'd) of the province, is hitting the ball. They're producing.

The unfortunate part of it, Mr. Speaker, is that we find ourselves in a position whereby, not through our volition, but through the strike situation, we find that we're practically in a non-tenable position. We seem to end up in a farm economy as a third party all the time, and unfortunately we are starting to find that a lot of our young people are starting to say, "Well, you know, maybe we should be doing what the former Member for Crescentwood said. We should be working a 32-hour week." Because I can see no point in us producing a product.

We've had a perfect example in this past year, the Port of Vancouver, our only clear water, or open port in the winter - 42 clear days of deliveries. We had a comparison on the front page of the Free Press Weekly about two or three weeks ago, showing how the Port of Seattle are loading grain, I think it was 4.5 million bushels, loaded by a staff of under ten. In the Port of Vancouver we had one million bushels loaded in 30 days with a staff of between four and five hundred people. So this has had a very pronounced effect and it's going to have a very pronounced effect on our economy. We've lost our markets, we've lost a period of high prices, we've lost a reputation of being able to deliver a product. We now find ourselves in a position of falling markets; we find ourselves in a position of having a very large carry-over, and we're quite aware of the fact that the buying public of the world know that we have not delivered our product, consequently it's still here, so we're more or less set up in a pretty precarious position, and I think that if we find that over one more year that we are not being able to deliver our product, the farmers of the three western provinces would be very well advised to consider cutting back acreages to any degree, 30, 40, 50 percent, because we would be very foolish, for the cost of input when we start buying \$30,000 and \$35,000 combines, tractors, etc., we would be very foolish to be wearing our equipment out to store more grain, have it on our hands, pick up the losses that comes with handling it two or three times, spoilage, etc. Not that our particular input will affect the market this much, but I think it's high time that if the other side of the picture, which is our labour, will not pick up the ball and deliver our product, that we should start thinking about possibly not producing it.

Now the Member from Thompson in his speech spoke of a confrontation, that the Norths and the miners were not going to be hammered around. They had their rights and all the rest of it. Their rights are very well protected and I'm quite sure that if they were in the position that the farmers of this province are in, and in the other two western provinces, that they wouldn't be taking it for two minutes. There'd to a confrontation an awful lot quicker than what he might realize. And I can tell him that from our side of the fence, we basically have no quarrel with labour, but if they aren't able to go to work and deliver our product, then they can't say that they're not getting a fair shake in wages. It's got to the point where it's gouge, gouge, gouge, and we just can't absorb it any longer. --(Interjection)-- Well that's very nice. Thank you, Mr. Member from St. Johns.

We now find ourselves also in a position, not because of our Minister of Agriculture but in spite of it, that we are in complete chaos in our cattle markets. Of course, again, you can't in all fairness blame it entirely on him, but where is the advisory staff, the people that were predicting that by 1980 we couldn't feed the people of North America enough red meat? We went through a comedy of errors and we've gone through this before but I'll go through it once more, whereby the President of the United States put a price freeze on; our friend in Ottawa, the Prime Minister, put an embargo on. We backed the product up. It hit the market and we've never recovered. Consequently, this has shown what happens when government starts sticking their nose into businesses that they have no business being involved in. And if the Minister of Mines and Natural Resources was in his seat, he'd be saying, "Well, there's the free enterprisers crying again." And I can assure you, Mr. Speaker, that as a cattle producer in this province, I would like nothing better at any time than to throw the market between us and the United States open and have a North American market. We're quite willing to compete. We'll take our lumps when they come and we won't come crying to government either. We're in a position now that there has been, there has been an element of our industry that has, but this again boils back to government; young farmers being sucked in by incentive programs, by forgivable loans, etc. They got themselves off base and they're trapped, and undoubtedly they're going to get out of business. We'd all find ourselves - the Minister has mentioned several times - the hundred dollar stocker, and in the cattle industry, Mr. Speaker, it's been known that your first loss is your best loss. You can go down to the

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(MR. FERGUSON cont'd) stockyards and talk to any cattle buyer and this is what he'll tell you. And I would venture to say right now that those cattle that they have received a hundred dollars on, have fed all winter, they may take less money for them next fall. Unless we see an opening of the market and the removal of the embargo between here and the United States, they are - we're working on a 200 million-plus in the United States and a 20 million population in Canada. Consequently they're going to eat themselves out an awful lot quicker than what we are.

Again, I have to bring up the fact of the land-lease program, the valiant effort that's been made on the part of this government to go out and try and hoodwink the public through a program that possibly, with a few amendments, might not be that bad. And I'm very happy to at this time be able to say that the Member for Lakeside and I have had the privilege of being mentioned in the papers for participating in the lease program, and I think I would like at this time to point out that there is a considerable difference between Class I, II, and III land than there is in IV, V, and VI. IV, V, VI, of course, are unimproved lands. They're lands that are suitable for grazing possibly, and most of them really will only look after about eight head of cattle per quarter section or something along this line. So, in his usual manner, the Minister of Agriculture has twisted things to his advantage, saying that we're participating in a lease program, and I would like to point out that over the period of the past 15 months, that when a government moves in and takes over 73,000 acres of prime agricultural land, not Class IV, V, and VI land, that they are not out to further the interests of the young farmer. They don't have to run around the province of Manitoba holding schools and explaining that this is the finest thing under the sun, old farmers are ready to retire, zip in, sell to us quickly; we'll have the deal over in ten days; we'll lease it to some young farmer. And I'll tell you, Mr. Speaker, that this program came in in 1972, roughly, and by 1977 when some of these young farmers wake up and start reading those leases, all hell's going to break loose and there's no way that it isn't.

Some of them now are starting to realize what they've signed themselves into. They've signed themselves into bondage; they're the serfs of the state and they will never be anything better than that. The only thing that would change the thing would be an amendment to this lease whereby in that period from one to five years they were able to buy at any time. Without that, that lease is nothing but strictly a government takeover. It's not a lease deal at all.

We could take a deal that was made in 1972. If you figure the 5 percent lease value plus the subsidized interest value, plus the fact that the land possibly has gone up \$50 an acre, you're looking at a 100 percent increase. On a \$50,000 deal at the end of the five years, that particular individual is going to be looking at \$100,000. He has to pay his taxes, he has to live, he has to buy his machinery out of the rest of it. There's no way that he's going to bail himself out. If he happens to decide he's going to buy the land, it's got to be bought within six months, and I can assure you, Mr. Speaker, that there is no young farmer in the next five years . . . I shouldn't say "no", but I will keep it below ten percent, and I would be quite willing to take bets that there will be less than 10 percent of the young farmers that are now presently leasing land will ever own that land.

Over and above that, Mr. Speaker, we have had the Minister of Agriculture state that they're not wanting to buy land, that they're not wanting to buy the land. He said that we only are buying 41 percent, or 41.5 or something along this line, of what has been offered to us. This may be a fact, but if it is, why are there people running all over the area? If there's a farm comes up for sale the first fellow is there. I'm not saying they're hired by the Minister of Agriculture, possibly they're not, but "Would you sell, would you sell to the Manitoba Agricultural Credit Corporation?" is the first question that they're asked. And I know it's happening because I have an individual in my area who is checking every farm for sale and even going around to the older farmers and giving them offers now. He hasn't got two cents in his pocket but he's got some backing from somewhere, and I know where it is. --(Interjection)-- You bet your boots. You come into Gladstone next Saturday and I'll take you around the show you. --(Interjection)-- This we don't mind but we do not like the opportunity of a government competing against us for the farm land of Manitoba.

Another thing that we have to face here is the absolute power of the chairman of the Board. There's no appeal. It's an ideal opportunity for political patronage. And don't tell me

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(MR. FERGUSON cont'd) it isn't happening because we're already having instances of individuals coming in and talking to us, of deals that have been made, and what's going on.

I will leave the land-lease deal now, Mr. Speaker, and go on to something else. I think that another thing that is affecting my particular area very much is our highway program. We find ourselves in a position whereby our road system has gone virtually - well, just to pieces. Some of the roads are impossible, impassable. And we hear a great to-do from across the way from our honourable friends, but I would like to point out that under the Conservative government, the access roads into villages and towns, paved roads, they were a step in the right direction. We find now that there's nothing going on as far as highways go. We've been involved in extending Number 1 highway from Portage to Brandon for the last three years. We haven't laid an inch of hardtop on it yet. We haven't even completed a lot of the land acquisition along the way. And the fumble-mumble that's going along there is the simple fact that the government doesn't want to complete the deals too fast because they know that they're dragging their feet in building the road. In my particular area, in the Carberry area, we have about 8 fatalities a year due to the fact that it's rolling land. If there's a heavy snowstorm, slippery roads, you can be assured that there will be two or three people killed on that road on that weekend.

MR. SCHREYER: The roads weren't slippery before?

MR. FERGUSON: The roads were slippery before but the traffic wasn't as heavy before and consequently there's been ample time to complete that stretch of road. This is all I'm saying, Mr. Premier. A great to-do has been made of the automobile insurance. This I don't want to touch on, except the fact that it seems to be that the big argument from across the way is, well, you know, the private companies are losing so much money. Well so what? If the private companies were still here in competition with public auto insurance and they were stupid enough to lose money, God bless 'em. I'd love to buy from them. But I also would like to keep this outfit that we have here, a little bit honest too. Because consequently you make a mistake and all you do is just run and pick up the bucks. And you're borrowing from somewhere. Consequently if you're borrowing, the money's got to come in, we've got to be paying interest out, so it's certainly not any great benefit to the province as far as I can see.

The succession duty increase that was announced is, I don't know whether you'd say it's a step in the right direction. I know our friends across the way are always saying, well, if you had \$200,000 in your pocket, they'd have nothing better, all the rest of this sort of jazz. But I think they fail to grasp the fact that, over the past two years, the price of a tractor has almost doubled, the price of a combine has almost doubled. If you took a tractor, a combine, a drill and a swather, you'd be looking at \$100,000 without any capital extra outlay in land, so consequently when you start adding the picture up, it doesn't take very long to get up to \$200,000 and that may appear to be a lot of money. But if you start paying succession duties on it, saddle a family or an estate with this - and they say, the Minister from St. Johns will say, "Well, have you never heard of estate planning?"

Under the present program, with the \$300,000 exemption the Province of Manitoba is basically going to take in \$4,200,000. They're dropping \$800,000, according to what the budget says. Now I'll bet you that in the Province of Manitoba, with the so-called estate planning, setting up limited companies, and the gifting, the usual jazz that goes on, that it's costing the small businessman or the farmers of Manitoba in the neighbourhood of possibly two or three times that. Not only that, but the inconvenience and the turmoil that goes on in setting these things up. And once they're set up possibly you can't change them overnight, they're there for awhile, and the fear that seems to be expressed from my honourable friend from Ste. Rose and several others, that, you know, there's going to develop a great big group of land-owners.

You know, over the years, Mr. Speaker, it's proven out that somewhere along the road, it may not be in this generation but it may be in the next generation, but there's a soft cog in the wheel, and all of a sudden the thing blows because of the fact that the business acumen isn't there, deaths or something may happen. So I don't think that there needs to be any fear expressed that there's going to become any great landlords in the Province of Manitoba. This is a fear also of the Minister of Agriculture. He said that where his family came from, the land was owned by huge land barons, so he, as a second generation, comes over to Manitoba and says, "Well, look. Let's make the Government of Manitoba the huge land baron." Sure,

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(MR. FERGUSON cont'd) we don't care, but you go in and start talking to some of the bureaucrats that are running the MACC, some of the stories that we're starting to hear. Give them another three years and they're going to wonder who the land barons are. If the young farmers of this province had been given an interest-subsidized loan, they'd have found themselves bailing out an awful lot quicker in buying the land. The government knows this also, but they never will - as I've said before, they never will under the present inflationary setup ever buy that land. They reckoned without the fact that the price of land over the past three years has probably doubled. So consequently, Mr. Speaker, plus equipment, plus fertilizer, plus the whole issue, there's just no way out. And if the government is so sincere, and the Minister stands up and says, "We don't want the land," then let him start bringing in some amendments. Let's start changing that lease whereby the young farmers do get a chance to bail themselves out. And if he's not willing to go along with this, then we'll be able to judge by his actions and by his efforts what basically is on his mind.

I also feel, Mr. Speaker, that I should mention the possible fact that we have in my area possibly one of the better, biggest ore deposits in the province, that may at some future date prove to be one of the most valuable assets that the Province of Manitoba has, and I would hope, Mr. Speaker, that the government will be talking to the Federal Government, possibly some DREE grants can be arranged whereby this mine can be developed, it's not in that position yet --(Interjection)-- I've just been informed that one of my colleagues have been already speculating, has made a few dollars, and this I would think would be a terrible thing to have happened, but consequently if he's willing to share some of the profit, why we'll be quite willing to go along with that - but I think that enough funds possibly can be raised to complete the exploratory work that will have to be done this summer, then I think there will be a pretty good indication of what the success ratio of this venture may have, and we can possibly go from there. But I would hope that the government will see fit to at least discuss this with Ottawa, and if possible a DREE grant can be arranged, and possibly this industry developed into something that Manitoba will really be proud of and will really benefit the people of the province.

And I think, Mr. Speaker, that that is about all I have to say on this Budget Speech. We all have had our little hang-ups, we've all talked about what we seem to have bothering us; it seems to have settled into a clique whereby the Minister of St. George of course talked of auto insurance, some of our fellows talked about taxation, and city problems, but I feel again that our biggest problem, our biggest fear right now in the Province of Manitoba is government take-over of lands, and if the Minister, as I said several times, will see fit to adjust his lease agreement, give the young farmers a chance, we're not that hard-nosed that we won't certainly go along with it. If we find the young farmers are able to buy back and get into the business of farming, we'll be the first ones to support it. I certainly will be the first one to stand up and congratulate him if he does this. But under the present setup he doesn't have to call it a land-lease, he can just call it a complete government take-over. Thank you, Mr. Speaker.

MR. SPEAKER: The Honourable Minister of Education.

HON. BEN HANUSCHAK (Minister of Education) (Burrows): Mr. Chairman, would the honourable member permit a question. I've listened to the honourable member with interest but I'm somewhat at a loss to know whether the position expressed by him when he speaks of the trade union movement gouging the public is the position of his party, or that expressed by the Honourable Member for Fort Garry when he spoke on behalf, or presumably in support of a union presently on strike in his constituency.

MR. FERGUSON: Thank you, Mr. Speaker. No, I will just point out to the Minister of Education that what I was speaking about was the fact that we were paying \$18 million in demurrage in the Port of Vancouver, plus what's going on right now on the eastern seaboard. --(Interjection)-- I would say that - I'm speaking for myself and I'm speaking as a third party --(Interjection)-- I hope that answers your question.

MR. SPEAKER: Are you ready for the question? The Honourable Member for Pembina.

MR. GEORGE HENDERSON (Pembina): Mr. Chairman, I move, seconded by the Honourable Member for Virden, that debate be adjourned.

QUESTION put, MOTION carried.

MR. SPEAKER: Shall I follow the Order Paper - Address for Papers. The Honourable Minister of Industry and Commerce.

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

MOTION presented and carried, and the House resolved itself into a Committee of Supply, with the Honourable Member for Logan in the Chair.

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COMMITTEE OF SUPPLY - DEPARTMENT OF INDUSTRY AND COMMERCE

MR. CHAIRMAN: Page 30 of your Estimate books. Not the ones that were issued the other day, but the original.

Department of Industry and Commerce Resolution 66 (a). The Honourable Minister of Industry and Commerce.

MR. EVANS: Thank you very much, Mr. Chairman. I have a few people in the House whom I'm sure would be interested in a few remarks of introduction to the Estimates that I do present to the House for its consideration.

I had the opportunity the other evening, Mr. Chairman, of making a few remarks about the provincial economy. I don't wish to repeat some of those statistics and some of those statements, but I would say again that 1974 was probably one of the best years in the economic history of the Province of Manitoba. And I just invite honourable members to look around this world of ours and make any comparison that they like, and I think by and large they would have to agree with me, in a very non-partisan way I'm sure, that Manitoba fared fairly well in 1974.

The outlook for 1975, as I indicated, may not be quite as rosy, quite as good as the past year has been. In 1973, our level of unemployment on average in Manitoba was 3.9 percent, considerably below the national average. In 1974 that average dropped to 3.1 percent; so by and large we reached the state of almost full employment. In fact, in many many categories, in manufacturing in particular, and in construction, there were quite severe shortages of skilled tradesmen.

The manufacturing sector of Manitoba fared very well. The fact is, Mr. Chairman, that 70 percent of the exportation of Manitoba products, that is, 70 percent of our exports go to the prairie region, and the prairie region has been blessed with high flows of income into its resource sector, agriculture - not agriculture, both, and because of that our manufacturing industry continues to be buoyed up.

According to Statistics Canada the value of factory shipments in Manitoba rose by 23.6 percent in 1974 to a total of \$2,250,000,000. Now, Mr. Chairman, the important point here is that this rate of growth in output of Manitoba industry, of Manitoba manufacturing, was 2.4 percentage points higher than the Canadian average, and in fact - and this is rather remarkable - in fact our factory shipments rose by 4.6 percentage points higher than the Province of Ontario, which is known as the industrial heartland of Canada. So, by and large, the Canadian, or rather the Manitoba manufacturing sector did much better than the Canadian average, and indeed out-paced by a considerable margin the performance in the Province of Ontario. --(Interjection) -- This is 1974 over 1973, based on Statistics Canada information.

Average weekly wages in Manitoba, average weekly earnings, rose 12.7 percent in 1974 over 1973. Again, when you compare this with Canada, we look very well. Canada as a whole saw the average weekly wages rise by 11.2 percent while Ontario's weekly wages increased by only 9.6 percent. So, I repeat, Manitoba 12.7 compared to Ontario 9.6 makes us look fairly good indeed.

The inflation, of course, is something we all are concerned about. We have had double-digit inflation. We would hope that it is going to lessen in the year ahead, but we cannot be certain of this at all.

With regard to investment in the Province of Manitoba, I would just take a moment to quote a couple of other statistics before proceeding, and that is, that the level of public and private investment in total in 1974 in Manitoba amounted to \$1.8 billion approximately, \$1.8 billion, or more specifically \$1,797,000,000, and this, Mr. Chairman, was 4.4 percent of the total Canadian investment picture.

The outlook for 1975 again, according to a survey conducted by Statistics Canada, a survey that is based upon returns submitted by industry and government, would indicate that the level of investment in Manitoba will rise to \$1,976,000,000 for this year, which means that we will be approximately a little over 4 percent of the total Canadian investment picture, about 4.2 percent. And Mr. Chairman, for the past several years we have averaged just a little over 4 percent, so it would look that the relative amount of total investment in Manitoba will be approximately the same percentage of the Canadian total as it has been for the past several years. But it is encouraging nevertheless to note that in totality the total of capital and repair expenditures in the province will increase by 10 percent in 1975 over 1974.

What happens in 1975, as I indicated the other day, a couple of days ago, will depend upon many factors. Not least of which will be what the future holds for the United States economy,

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(MR. EVANS cont'd) the extent to which the ailing American economy will come around and recover. Unfortunately the United States is undergoing the most severe depression or recession that it has ever suffered since the great depression of the 1930s. Mr. Chairman, this recession is not just a cyclical phenomenon, but it is based on some very profound structural problems that the American people are now facing. So not only do we have to be concerned, not only do we have to be concerned, however, about the future of the American economy, we must be concerned about the Canadian federal fiscal policy, what it holds for us in the future, and of course what will happen to the prices for our raw material output, including our agricultural output. All of these are pretty fundamental factors when you talk about the future of the provincial economy and provincial industry in 1975.

The thrust of the Department of Industry and Commerce in the past few years has changed considerably from the thrusts that were evident about six or seven or eight years ago. I would use two or three elements of our program and of our spending to illustrate the changing thrust of the Department of Industry and Commerce under the Schreyer administration. Members opposite indicated - I believe the Honourable Member from Souris-Killarney - about the amount of money the government was spending on advertising and promotion - I think he specifically referred to Industry and Commerce. I'd like to point out that in the fiscal year 1968-69, 16 percent of the total budget of Industry and Commerce was spent on advertising and direct promotion, 16 percent. Mr. Chairman, by policy direction this percentage has been reduced to 6 percent in the past fiscal year, in the year 1974-75, and it will be even a smaller percentage in the forthcoming year, 1975-76. Mr. Speaker, what I am indicating is, that we are less of a hoopla department than was the case under the Leader of the Opposition, the then Minister of Industry and Commerce. We are not spending our funds for drummer boys and flags, etc., we are spending our funds for increased services to rural Manitoba, increased services to small business, and increased solid industrial research.

The Member from Roblin today expressed his great concern about the fate of the small businessman and asked, "What are we doing for small business"? Well, Mr. Chairman, I would indicate that all of the programs of the Department of Industry and Commerce throughout the past several years have been restructured in order to be geared to the very small businessman that the Member from Roblin is so concerned about. We are not providing grants of assistance, we are not providing technical assistance in an indiscriminate fashion, as was the case previously, but in a very selective way we are concentrating on our assistance to small business in Manitoba. I could quote many of our programs, and the figures are in the budget for this coming year, but I will only briefly refer to programs such as the Community Management Development Program, which I believe a number of members opposite should be familiar with because such Community Management Development Programs took place in their communities. As a matter of fact, the Member from Roblin - who I'm sorry is not here with us - I believe we carried out a very successful program last winter, last fall in the Town of Roblin.

We have a program to complement the Federal CASE Program which is the federal program for small enterprise assistance. We both financially and administratively assist Manitoba business to take an opportunity, to take full advantage of this federal program. We have a program whereby we encourage university students of business and commerce to be available and to work in small enterprise. We've had a series of productivity improvement programs, particularly throughout rural Manitoba, where in the past year or so we've given direct assistance to 154 small companies. And by small companies I'm talking about those firms that normally have fewer than 50 employees, normally have fewer than 50 employees.

The Small Business Assistance Centre was set up in June of 1974, which is located in the Lakeview Building at 185 Carlton Street, and provides a one-stop shopping centre, if you will, but a major single point of contact, or initial point of contact for businessmen who wish to obtain assistance from the department. This centre, Mr. Chairman, is planned to provide information to small businessmen, to provide advice, counselling, and it is also a referral service. The firms that we deal with have less than 20 employees, and with less than half a million dollars worth of investment.

Since the Centre was opened, we've dealt with over 1,400 enquiries - so I'm glad to see the Member from Roblin in his seat, and he will be glad to hear that we have dealt with over 1,400 enquiries. We also have of course the Regional Development Branch, and I could quote you a number of figures on the various activities, but perhaps we can do that as we get into the

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(MR. EVANS cont'd) estimates, if the honourable members are so interested.

-(Interjection)- Well, not direct tax relief, but I can assure you that we've given a lot of assistance to businessmen as to how to more adequately conduct their business so that their profit does increase. --(Interjection)-- That's right. If they made more profit, then they should pay more tax. If they make more profit--(Interjection)--Well, you know, the Honourable Member from Morris says we make sure they don't. I would like him to come with me to some of these Community Management Development Programs, where we've had businessmen in the various towns get up and state categorically the success that they've had with the counselling provided through the Community Management Development Program, and where they have increased, if I may use the word, "substantially" the profit of their particular little enterprise.

The Member from Souris-Killarney is not here at the moment, but we were in Killarney last winter, and again I had the pleasure of meeting several businessmen who found this program to be very valuable, and indeed who made more profit because of the program. Now this is what they've told me. Now I'm relating to you what they have told me, this is not my story, this is not my imagination, this is the testimony of these people who have had some assistance from the program.

In conjunction with our thrust, our increased thrusts to assist small business in Manitoba, we have, as one of a series of pamphlets that we will be issuing, we have now issued a small brochure or pamphlet entitled "Starting a Small Business in Manitoba - A Guide to the Basic Legal Requirements" and this contains a lot of very fundamental, and I think very useful information for people interested in starting a small business in Manitoba. And as a matter of fact, Mr. Chairman, I have some copies here and perhaps when the pages have a moment or so they can distribute some of these to the honourable members so they might peruse them and inform their constituents thereof.

Mr. Chairman - oh yes, there's another pamphlet here on a guide to the programs and services of the Manitoba Department of Industry and Commerce. It relates to various items; buying your materials, the putting in place of machinery, materials and manpower, the problem of selling, marketing, obtaining finance, and so on. I would hope that we would have sufficient copies that the members might have an opportunity to peruse them during the next few days or so, and perhaps pass on the good word to their businessmen constituents or would-be businessmen constituents.

Another thrust in the department, Mr. Chairman, has been the increased emphasis on industrial research. We have signed a Planning Agreement with the Department of Regional Economic Expansion in Ottawa under the General Development Agreement that was signed between the Province of Manitoba and the Federal Government. We are engaged in a rather extensive and intensive series of industrial planning schemes involving specific projects, such as potential for agricultural equipment manufacturing, an expansion of that area. Also another area comes to mind, and that is the area of transportation equipment. This is a very selective industrial planning process and it's based, Mr. Chairman, on solid sound industrial research using very competent and knowledgeable people.

We are also putting far more emphasis on transportation research and transportation consultation with the Federal Government. As members may have read about, heard about in the media, we have established the Federal-Provincial Committee on Western Transportation whereby my counterparts in the other western provinces meet with the Honourable Jean Marchand, the Federal Minister of Transport, and we have been attempting to zero in on the many freight rate anomalies that we are confronted with and which act as a detriment to the enhancement and progress of Manitoba industry.

We're also very concerned about the whole area of rate making, railway rate making, and we are hoping that we will, in fact we are hoping that we have convinced the Federal Government to act in a major way to allow at least on a selective basis changes in the rates that will enhance manufacturing in western Canada

In conjunction with our transportation efforts, Mr. Chairman, we are particularly pleased with the results we've had in developing Churchill as a resupply centre. We've worked on this for at least the last three to four years and at last the resupply centre operation at Churchill is about to become a reality. And when the pages get a moment, I'm going to ask them also to distribute the 1975 shipping schedule of the Northern Transportation Company Limited. The Northern Transportation Company Limited is a Federal Crown corporation which has had

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(MR. EVANS cont'd) extensive experience in shipping in various parts of the North-west Territories and the Yukon, and in the Arctic Circle in general. The Minister of Transport, the Honourable Jean Marchand, authorized the Northern Transportation Company Limited to establish a marine resupply facility at Churchill a year ago. As I said, the NTCL has operated in the Mackenzie River System in particular for a number of years, as well as along the western Arctic coast, and it has a very fine reputation and I think it will bring a very high level of operation to the Hudson Bay region.

I might advise members of the House that the Northern Transportation Company Limited will be installing a fully modern materials handling system which will involve palletized operations utilizing a tug barge marine system; faster turnabouts or turnarounds, and less damage to cargo will be ensured by voiding the previous ship to lighter type of operation that was utilized to unload cargo at the northern ports. And a further projection will be the shrink wrapping of all package merchandise of suitable size at Churchill.

The NTCL, the Northern Transportation Company Limited, is investing over \$7½ million in this new operation out of Churchill. This includes marine equipment specifically designed for use in Hudson Bay. There is a tug, 225 feet long powered by three 1,125 horse-power engines; there will be four barges each with a 2,000 ton capacity, but two of them will be open barges and the other two will be half covered. The equipment is to come to the Bay area this summer and for that reason the shipping season from Churchill will not start until the end of July, as is indicated on the schedules that are being passed around. However in future years the equipment will be over winter at Churchill which will allow for a much longer shipping season compared with the season for Montreal-based vessels, which of course has been the historic pattern, that is shipping goods through Montreal to the Hudson Bay instead of shipping them to the Hudson Bay via Churchill. So the opportunities for Manitoba businessmen to participate in resupply contracts for the Keewatin region will now be greatly enhanced by this new service. In fact earlier this year my department organized a very successful meeting between suppliers of the new transportation service and some of the users of the service, which includes both those in the North who will be buying and those in the south who will be selling. And we are very optimistic, Mr. Chairman, that Manitoba manufacturers and suppliers will attain a substantial portion of the market which is estimated to be at least \$5 million per year.

In the area of energy, we have another new thrust or a stepped-up thrust, is energy research, Mr. Chairman. We have engaged in considerable research and in considerable interventions before the National Energy Board. As you can appreciate there is a very serious problem of gas supply for our province, and we have gone to great lengths to make Manitoba's needs and requirements known to the National Energy Board, both in written and in verbal arguments before the Board at various hearings into supply and requirements of natural gas in various places in Canada. We have urged the National Energy Board to change its calculation basis of what is known as surplus requirements of gas for Canada. We believe that the system that the National Energy Board is now using is totally inadequate. We believe that it is just unconscionable that the National Energy Board allow the vast amount of natural gas export from Canada - I think it's still in excess of 40 percent, perhaps 45 percent of Canadian production - to go to the United States while places in Canada, such as Winnipeg, are experiencing what amounts to a shortage. In effect, the Greater Winnipeg Gas utility last year could not service all the potential customers in this area and this is very unfortunate. Also, a number of its interruptible customers were cut off, as I think most members of the House realize.

We've also been involved in hearings before the National Energy Board with regard to Trans Canada Pipeline rate setting, and we are currently in the midst of a major hearing on rates as they are affected by accelerated depreciation and new income tax accounting, which if they go through will greatly increase transmission costs to Winnipeg.

The Energy Council has also established an office of energy conservation and has prepared materials for various papers, magazines, in Manitoba answering requests for information. We are also pleased to note that there is an advisory group set up of experts who advise us on energy conservation matters. I'll be glad to discuss this at greater detail later in the estimates.

Another thrust is further emphasis on interprovincial co-operation for industrial development, not only with our western neighbors of Saskatchewan, Alberta and British Columbia, but also on a federal-provincial level. Finally after at least three years of presentation and

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(MR. EVANS cont'd) argumentation, we have convinced the Federal Department of Industry, Trade and Commerce to establish an industrial strategy for Canada which was complementary to the industrial strategy under which the Department of Regional Economic Expansion is supposed to be operating. In other words, we finally got it through the powers that be in the Department of Industry, Trade and Commerce to change their policy direction from enhancing the status quo of industrial concentration in southern Ontario, Montreal, the St. Lawrence region, and so on, and to put regional development, regional economic expansion as its No. 1 priority. In other words, we want this major Department of Industry Development to complement the efforts and not to contradict the efforts or work against the efforts of DREE, the Department of Regional Economic Expansion.

Mr. Chairman, I would conclude these brief opening remarks by freely admitting that the development of industry in Manitoba, the development of commercial activity in Manitoba is a very difficult job. I think that this is nothing new, it has always been a difficult job. Nevertheless we are proceeding; I think our staff have done an excellent job in the past year. I've heard many favourable comments on their efforts, and I would take this opportunity to compliment the staff of the Department of Industry and Commerce for their very fine efforts. I think with our attempt of providing these best efforts, we will do what we can to enhance the industrial and commercial development of Manitoba, given the constraints under which we operate.

And indeed we in Manitoba operate under a number of constraints. We have a very relatively small market, our market size is limited; we are at a far distance from other major markets; we have to contend with the Canadian tariff structure, which does not always work to the advantage of Manitoba industry. We have a rail transportation system which has a rate-making procedure which is not favourable to enhancement of industry in Manitoba, and of course we have a particular resource base which is quite limited in one way and yet very rich in another way. We have very rich resources in northern Manitoba, not only Hydro but also of course nickel and other base metals, but unfortunately we do not have all that oil and gas that Alberta is blessed with, and therefore I would say in many ways we are limited by our resource base. But perhaps, perhaps that is a truism. But nevertheless, Mr. Chairman, having said all that, I think today there are more Manitobans at work than at ever before in the history of the province, and they are paid better wages than they've ever been paid before; they have real incomes at a level better than ever before, and for this we should be very grateful.

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

MR. MINAKER: Thank you, Mr. Chairman. I wonder if the Honourable Minister would advise this . . .

MR. CHAIRMAN: I think we would go on to the next item . . .

MR. MINAKER: Oh, I'm sorry.

MR. CHAIRMAN: . . . to carry on the way that we would. And I'll call the next item and then recognize the honourable member. We are on Resolution 66, Item (b)(1), Salaries. The Honourable Member for St. James.

. . . . continued on next page

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MR. MINAKER: Thank you, Mr. Chairman. I wonder if the Honourable Minister of Industry and Commerce would advise the House . . . We notice that for the executive portion of the budget we're looking at some in total \$1,336,300 this year, which I believe represents close to, oh, some 20 percent of the budget, possibly a little more, closer to 25 percent of the overall budget is 6.4 million, whereas if we look at Health and Social Development the same department for executive services is \$351,700 on a total overall budget of 308 million, and it represents somewhere in the order of about 1 percent of the overall budget for the department, and almost 30 percent of the estimates that we will deal with in total this year in the House.

I'm wondering, because of the fact there seems to be such a great difference in terms of the numbers of dollars for executives in the Minister's department, I wonder if he could advise us the number of executives that he has and their duties, because it seems odd that out of an overall budget of \$6.4 million that almost 25 percent of it is for the executive portion of his department.

MR. CHAIRMAN: The Honourable Minister.

MR. EVANS: Yes. Well, Mr. Chairman, I think that's explained if the honourable member would only look at the detailed breakdown of the Department of Health and then look at the detailed breakdown of the Department of Industry and Commerce under the executive item. I'm afraid the departments do not have a consistent way of classifying executive payments. So you will note therefore, that under Executive of Industry and Commerce we have our Promotional Service Branch which spends \$192,800, or will be spending in the year ending March 31st, 1976. That perhaps could have been other than executive. Also, our Information Branch - this is a group that edits the various pamphlets and magazines that the department issues - is included here, and all of the economic research is included under this item. Whereas in the Department of Health you'll see that research, for example, is included not under the executive function, but I think, and I would defer to the Minister of Health but he is not in his seat, but I believe you'll find that type of research, economic and departmental research under the Resources Division. So I simply say that there is, in answer what I understand to be the question of the member, there is not an undue expenditure or a number of personnel under Executive in the ordinary sense of the term, but that we have various functions that happen to be classified under Executive, but they could be classified under other groups.

MR. MINAKER: Mr. Chairman, I wonder if the Honourable Minister would advise us in the salary of \$100,800, the number of employees and the number of executive assistants that would be included in that, on the Minister's staff.

MR. EVANS: We'll get you that information in half a minute. Yes, this includes, yes, it includes the Deputy Minister of course, one executive assistant, it includes five secretarial and clerical support, and it includes one program adviser on contract, that's seven people. Seven people.

MR. MINAKER: I wonder, Mr. Chairman, if the Minister could advise . . . he sort of highlighted the various positions, if I've understood him correctly, or if I did, there's a Deputy Minister, there's five secretarial assistants and one program adviser, if I understand him correctly. I wonder if he could, you know, describe basically their duties; also I wonder if he could advise if they're all located in Winnipeg; and thirdly, would all of their expenses be charged under here, this particular figure, their travelling expenses, etc., would they be included under this particular section, or what section would that expense be covered under?

MR. EVANS: Yes. The travel expenses and those miscellaneous expenses would be under Item (1)(b), sub-item (2) Other Expenditures, \$10,000. My executive assistant, as is well known, is located in my constituency in Brandon serving the area of south-western Manitoba and other people that come into the Brandon government office, the provincial office there, there is one secretary at that location, who also works for other staff of the Department of Industry and Commerce. So you might say, really it's a half secretary or a third secretary, or whatever the expression is. The other secretaries, I would say that the duties of the secretaries are the duties that secretaries normally have. So the duties, the responsibilities, the functions are normally what secretaries are expected to perform, answering telephones, typing and shorthand, and filing, and etc.

MR. MINAKER: Yes. I wonder, if I understood the Honourable Minister with his first answer, that this figure covered seven staff members, and I didn't hear the executive assistant's name mentioned in that figure. I wonder where his salary would be shown, and also the

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(MR. MINAKER cont'd) secretaries that come under him in Brandon. Would that be under this section as well?

MR. EVANS: Yes, Mr. Chairman. I did mention the executive assistant, and all of that would be included in that item.

MR. MINAKER: And that, also under that section 1.(b)(2), that would cover all travelling expenses incurred by those people that are under the salary in all other expenses, under the salary of (b)(1) there, that would cover Brandon office expenses and everything else.

MR. EVANS: That covers all the transportation expenses and all these miscellaneous expenses. This is an allotment, that doesn't mean that this is the amount that is actually spent. It's usually under that amount, but that's typical of all these items, of course.

MR. MINAKER: Thank you. I wonder if the Honourable Minister could advise us where the expense for the office in the Brandon constituency would be shown for his executive assistant. Would it be under this particular area?

MR. EVANS: Yes, I believe it's true for all government departments that rental of office space for provision of office space is in the Department of Public Works.

MR. CHAIRMAN: The Honourable Member for Roblin.

MR. McKENZIE: Mr. Chairman, I wonder if the Minister has been in touch with the Farm Machinery Board, or has his executive been in touch with the Farm Machinery Board who are basically closing up some small businesses out in my constituency?

MR. CHAIRMAN: The Honourable Minister.

MR. EVANS: No, Mr. Chairman.

MR. McKENZIE: Well then, can I ask another question. Does the Minister intend to get in touch with the Farm Machinery Board and get them to change their direction, or is it the intent of the Minister to let that go, that small businesses can be closed up by the Farm Machinery Board and the Minister of Industry and Commerce is not concerned?

MR. EVANS: Mr. Chairman, you know, every day, every day, every day of every week of every year, of every month of every year, the department deals with virtually hundreds of businessmen all over the province, and I daresay there may be some businessmen, such as those that you seem to know about, that may have some problems with a particular board or other, and if they can be of assistance within the legal framework of the province, then they certainly will be.

MR. McKENZIE: Mr. Speaker, then I come to another question of the Honourable, the Minister. I wonder, like, if these executives here that we have for the \$100,000, if they're of the same philosophy as the Minister who believes in monopolies.

MR. EVANS: Well, Mr. Speaker, I think that question is very inappropriate and casts aspersions on certain staffs. But I would also - well, there are many people that work in executive branches of this government of all political faiths, and all political philosophies. And I would correct you, sir, I do not believe in monopoly, particularly private monopoly.

MR. McKENZIE: Mr. Chairman, I find it very difficult to have these two pamphlets in my hand. One is "How to Run a Small Business and Still Sleep Nights" and the other is "Starting a Small Business in Manitoba" when we have a minister and a government that doesn't believe in starting a small business. They believe in state control and a monopoly, and my question I think is a fair question and one that deserves the attention in this debate of the committee: Do these executive assistants and the Minister support the same concepts of government as the Minister, which is state control? The Minister himself will admit he doesn't believe in a small business - sure if the government runs it - but I'm wondering, who are these executives, are they businessmen, small businessmen or are they socialists?

MR. EVANS: Well, Mr. Speaker, I don't know whether we're on the comedy hour of television or not, and how serious I should take the member's questions; I really don't know. Too bad Jack Benny wasn't still alive. I know a few comedians that need some joke writers.

The fact is, Mr. Speaker, that if this government did not wish to help a small business in Manitoba we obviously wouldn't be publishing that pamphlet; if we did not wish to help the private sector in the Province of Manitoba there would be no Department of Industry and Commerce. We'd eliminate the whole department. But we haven't eliminated it. We have done what your leader objects to, we've doubled the size of the department and we've doubled the expenditure. But your leader objects to that. So I ask you, ask your leader whether he believes in assisting small business in Manitoba, ask him, ask him.

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MR. CHAIRMAN: Order please. Order please. Order please. Order please.
 --(Interjection)--Order please. The Honourable Member for Roblin.

MR. McKENZIE: Well, Mr. Speaker, then let's go back to the speech that the Honourable Minister made in the House here in the last couple of weeks on state control farms, where he said they not only should be state controlled, they should be people wearing green overalls working for wages, labour-controlled as well. So this is where I get up tight on . . . my farm machinery dealers and blacksmiths are being put out of business, where the Minister himself has said it right in the debates of this session, he believes in state-controlled farms with labour state-controlled to run these state farms. Now, how can my machinery dealer at Roblin or my blacksmith in Inglis survive, when the Minister doesn't believe that they should exist?

MR. EVANS: I don't know where the honourable member was the other evening a couple of weeks ago when we discussed this particular agricultural program, either he was asleep or he wasn't listening, but I would invite him to read my speech because I said to him, and to the other members of the House, that actually our particular program is of assistance to maintaining the family farm in Manitoba, and that without this particular program the trend towards larger farms would continue. I never said that I believed in monopolistically-owned farms or state farming. I did not say that. I said that this program, this particular land-lease program was giving the farmers in Manitoba an option, and if anything was a conservative program designed to help maintain and enhance the family farm. But obviously the honourable member didn't listen or didn't hear because I would invite him to read Hansard. In fact, you can get up and quote me in Hansard. I'd like you to read it.

MR. McKENZIE: Well, Mr. Chairman, I have another . . . I think that pamphlet there, would it not be better if the heading of that was, "To Save Those Small Businesses Who Have An Existence in Manitoba Today" rather than starting new ones.

MR. EVANS: Well, maybe so, Mr. Chairman, maybe so. But at any rate we have a number of programs that are designed to help existing industry. As a matter of fact this is another emphasis that we have developed in the last couple of years, and that is to give more assistance to existing indigenous Manitoba enterprise rather than looking for that Pot of Gold over the mountain, the Alps over in Switzerland over there, where the previous Minister was very - or his predecessor perhaps was very engaged in.

MR. McKENZIE: Well, Mr. Chairman, I just have one more question for the Honourable Minister. --(Interjection)--No, this refers to the service station operators in the greater Winnipeg area who were . . . we met with them the other day and they told us they'd been in the Minister's office, they'd been also in the Minister of Consumer Affairs office, and I think if there's ever a place where the Department of Industry and Commerce can come to the fore and save some small businesses right in this city, I think that that deserves the attention, not only of that Minister and the Consumer, but all the government to see if we can't, some way save those - they're small business people - and I've looked all through these pamphlets to see if the Minister or the department have some solutions to this very very serious problem, and it's my understanding, Mr. Chairman, and the members of the committee, that these small businesses only have I think one month, otherwise I think there's a third of them that's going to be closed up. So I wonder if the Minister can elaborate on that subject matter, or give us some idea of what his executive assistants, who are involved in this item, have been doing to help these small service station operators solve their problem.

MR. EVANS: Well, Mr. Speaker, part of this problem relates to federal jurisdiction, and we have written to the appropriate authorities in Ottawa, the Federal Minister on Consumer Affairs with regard to restrictive trade practices, and this is being investigated in Ottawa. But we are conducting our own investigation. We've had extensive discussions, not only with one group of retail petroleum operators or service station operators, but with two groups. We've also contacted, and have had extensive discussions, with the major companies that are involved in the picture, particularly the Gulf Oil Company and the Shell Oil Company, and they have agreed to provide us with answers to a series of questions that we have submitted to them.

They assure us that the fears of some of the small operators are perhaps not as well founded as one would think. Now this is what the major oil companies tell us, that they are making some changes but it is their intention to provide for their lessee operators. Now this is what they've told us, but as I said, Mr. Chairman, this is a matter that's under way at the moment.

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MR. CHAIRMAN: Resolution 66 (b) (1) The Honourable Member for Roblin.

MR. MCKENZIE: Well, Mr. Chairman, these are little people, and Tory people are not and never did support big corporations pushing little people around, and we're not going to let anybody label us because I think it's a terrible thing what the oil companies are doing to these little service station operators. I think it's a tragedy --(Interjection)-- no, but I sincerely think, and I hope the Honourable Minister takes me seriously because I am serious, that I don't think that we in this province should let those big oil companies and push those service stations. In fact I am told, Mr. Chairman, and I'll tell members of the committee, those who are on a lease basis are backed into a corner that they can't talk because if they speak they'll lose their lease. And that's going on right in this province. We have a Minister of Consumer Affairs and a Minister of Industry and Commerce and a government. We're the opposition, and we haven't got all the vehicles nor the staff, but I think it's a very very serious matter and I think it deserves the full attention, not only of the government but us in the opposition and the committee, to see if we can help and hopefully resolve. So I do offer my help and our caucus to the Minister, and I hope we can help those little guys that are verily being pushed back into a corner by these major oil companies.

MR. CHAIRMAN: Resolution 66. The Honourable Member for Morris.

MR. JORGENSON: Mr. Chairman, it's always refreshing to hear the Minister when he comes bumbling into the House and giving us his exuberant and optimistic outlook on the conduct of businesses in the Province of Manitoba. He must be a very lonely man, however, because the enthusiasm with which he speaks of businesses in this House, and how much he is doing to encourage small businesses, must be of some dismay for example to the Member for Thompson and other members of this House who continually rise in their place and berate businesses in the Province of Manitoba. The Minister, you know, very frequently reminds me of the madam in the bawdy house who continues to lecture the girls on the virtues of chastity when he continues to tell us how important the businessman is to this community, and yet the very nature and the very attitude of this government towards businesses, has been exactly the opposite. I find it difficult to understand how he can stand up in this Chamber and continue to tell us that this government is going all out to help businessmen, when at the same time every single roadblock that can be possibly placed in the way of a business in this province is being constructed.

I refer the Minister to this pamphlet that he - and I haven't had the opportunity of reading it, but the very first line, start with marketing, it says, if your product or service isn't competitive in the marketplace, then obviously you don't have a viable product or service, therefore to survive you must compete. Now that's real sound advice to the businessman, and I don't know of the businessman who doesn't know that. And that's the basic problem that the businessman has, is attempting to compete with all of the roadblocks that are being place in their way by government. And they keep talking about - well now my honourable friend mentions Imperial Oil - and they keep talking about monopolies. I want to tell my honourable friend there's only one way that a monopoly, a private monopoly, can survive, and that is by assistance from the government. And it is the kind of legislation that purports to stop monopolies that actually creates them, because it's a kind of protective wall that they hide behind and which they can carry on their operations. It's freeing the market, and freeing the businessman to use his initiative and his ability, and his ingenuity, and indeed his own money, that enables business to survive in this country. And it's the very thing that the government is not doing; they'll do everything but give him the opportunity to conduct his business in the way that he wants to conduct his business, in a way that he can and will compete against others. If the government could only recognize the roadblocks that they're placing in the way of businessmen coming to this province, developing this province, employing labour, and using the resources of this province in order to develop it. But I fear that any businessman that thinks that they're going to come to this province and simply reading pamphlets . . .

MR. ENNS: And staying up at night.

MR. JORGENSON: . . . and then as a result of reading those pamphlets, sleeping at night, if they think that that's the way that they're going to help business in this province, then I think the Minister is very sadly mistaken. It's going to take a great deal more than that.

Now the Minister has not told us, he has said that there are a good many things, and if we only could imagine, if I could only follow the Minister around - I would have one heck of a

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(MR. JORGENSEN cont'd) time following that Minister around, I would have been to Cuba just recently if I had --(Interjection)-- But I would like to very much.

MR. SHERMAN: I think Ed said it was the USSR.

MR. JORGENSEN: I would like very much to accompany the Minister and hear just one of those businessmen who lauds this program to the skies. I would like the Minister to tell us just precisely what it is they're doing besides giving this kind of advice. What kind of help are they giving the small businessman in order to help him survive? One of the criticisms that I hear time after time is the necessity that is forced upon the small businessman to fill out so many forms that they have to hire extra help just to fill out forms for the government alone. Now that's not helping them. And I wonder if the Minister could give us some idea just precisely what it is that is so great and wonderful in this department that is helping so many businessmen get started and on the road to success. We'd be very happy to hear that from the Minister.

MR. CHAIRMAN: The Honourable Member for Sturgeon Creek.

MR. J. FRANK JOHNSTON (Sturgeon Creek): Mr. Chairman, I would just like to follow up with what the member from Morris has brought to the attention of the Minister with this brochure. This brochure the one that says, "Starting a Small Business in Manitoba" and the first page is an introduction. Page 2 and 3 has the Minister's picture on it and a message from him, then we have an introduction.

Then it starts, (1) Obtaining Licenses and Permits, and we have 5 pages of different licenses that would probably have to be obtained to get in small business. We have, you know, provincial licenses - it starts with city, municipal licenses, city licenses, provincial licenses, and then obtaining a business - I've mentioned the City of Winnipeg - Regional Development Department of Industry and Commerce is in Winnipeg, Provincial licenses, Department of Finance, provincial licensing functions, are distributed among many departments of government. Finance, contact the different departments. Contact the Manitoba Consumers Bureau. And you have fur dealers licenses; and then a person that would go into the hotel restaurant business, by the time he gets through the Health Department and every other department with licenses, and the Liquor Commission . . .

Then we turn around and we get to business registrations of names - that comes on Page 17. Then we get what facts you must supply to get all these licenses, changes in your business registrations if necessary.

Then we come to Page 19 - this gets rather unusual, it tells you the four different types of businesses. No. 1, Sole Proprietorship. A sole proprietorship is a business owned exclusively by a single individual. Now isn't that amazing. Very revealing. Then we've got Partnerships, you see about a partnership, it says a partnership is a business owned by two or more persons. You know, the book . . .

And then we get to No. 4 on Page 20, Provincial Sales Taxes, and we've got to learn to collect provincial sales taxes.

5, Wage deductions and Unemployment Insurance, Canada Pension Plan and Employees' Income Tax.

You know, this book may - it's probably true in what everybody has to do, but why isn't the Minister of Industry and Commerce trying to figure out a way to make it easy for a man to get into business instead of going through all this junk, all this junk that he possesses.

Now, How to Run a Small Business and Still Sleep Nights. I run a small business and if I read this I wouldn't sleep nights, I'd wonder who in the hell would be crazy enough to put out a thing like this; it's an insult to a man's intelligence. You know, it says, start with marketing; that's fine. Finding money; that's possible too. Buying your materials - and I imagine that has to be done - machinery, materials and manpower and selling.

There's only one good thing in here, it says a good salesman's worth his weight in gold, and I'll back that up. But really, you haven't done that much for small businesses and to stand here and show the small businessman enough problems to get into business is one thing, and not try to solve them is another thing, and then this little brochure really says nothing. Thank you, Mr. Chairman.

MR. CHAIRMAN: The Honourable Minister.

MR. EVANS: Mr. Chairman, maybe this little small brochure, as the member says, solves nothing, but the point is that it does itemize some very fundamental factors, which the

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(MR. EVANS cont'd)honourable member admits and has stated just now. This is simply an introduction to some of the problems that a small businessman has to confront himself with. There are a series of pamphlets being prepared which we believe will be very useful practical manuals for the businessman in these various areas. I don't want to go into detail but there is a series being prepared.

The honourable member complains loud and clear about the basic legal requirements that you have to face in the Province of Manitoba. I want to assure the honourable member that if he moved to the Province of Ontario, good old Tory Ontario, or any province in Canada, or any state in the United States, or just about any country in the world --(Interjection)-- Well, just give us a moment - that you would find that you have some of these same very basic requirements to fulfill. There is such a thing as a corporate structure. There is such a thing as having to get yourself incorporated. What am I doing about it? You want us to abolish the laws of incorporation? Do you want to abolish income taxes? It may be a very nice thing to dream about at nights, but I suggest that you wouldn't want to be party of a municipal council that abolished municipal licenses because there's such a thing as maintaining standards within municipal structures. I think if the member would only think about it for a moment, he would find that this is really a very helpful guide to a person who's interested in getting into business. As a matter of fact Mr. Chairman, the Companies Branch of the Department of Consumer and Corporate Affairs has found that there's very great interest in this and have asked us for many copies, and they're being asked for it all the time by businessmen. The Royal Bank just phoned us up very recently and asked for 100 copies. They find it very useful, and the small businessman that goes to the Royal Bank likes it. The Member from Charleswood - is it Charleswood - may not like it but I can tell you - Sturgeon Creek, I'm sorry - the Member from Sturgeon Creek may not like it but I can tell you there are hundreds of small businessmen around Manitoba that are finding it most useful.

MR. CHAIRMAN: The Honourable Member for Assiniboia. The Honourable Member for Sturgeon Creek.

MR. F. JOHNSTON: Mr. Chairman, I don't want the Minister to misunderstand my remarks as to the information within the pamphlet. I'm saying that the Minister of Industry and Commerce should be looking towards less red tape and expense for a small businessman to get in business, or even expand. If you want to have a one-man business today that wants to expand, and he goes out and he starts hiring people, almost has to hire an accountant and an office staff to take care of the red tape before he even opens his door. Now that is discouraging, and there has to be a way around it. And I'm saying that your booklet basically says that. It gives him all cost to getting into business, and it's cost that's not productive, and he needs breathing room to get going. And I'm sure the Honourable Member from Churchill can verify that.

MR. CHAIRMAN: The Honourable Member for Assiniboia.

MR. PATRICK: Mr. Chairman, I wish to ask the Minister a few questions at this time. I listened when he introduced his estimates and he talked about western industrial planning, and I'm somewhat disappointed because either the Minister is taken very lightly, or the Minister has been taken, as far as we could see from this end, because we know that in British Columbia now they have established a bus plant, in Saskatchewan there's a steel plant and I wonder what's coming to Manitoba. I would like to ask the Minister did he have or his executives have any negotiations with Bonar & Bemis people that were supposed to establish a plant in Manitoba, in Winnipeg, and which was going to employ very many people, somewhere in the neighbourhood of 200 to 300. I know he's had some negotiations, or his department, and I wonder what is the status now because I'm told as recently as this morning that they have changed their mind and are going to Alberta, and surely . . . I'm also told that there's many other people that are looking to invest money in Manitoba, and the Minister must have some research, some data and some information, what industries can be adaptable, what they can manufacture, and what can be done in Manitoba.

The other information that's coming to my attention also that they can't get that kind of information from his department and from his executive, and I would like to find out if this is true. I can't understand why some of these people are not locating here and perhaps the Minister can tell us, why aren't they coming to Manitoba? And why, after they decide to come here then after some negotiation, they don't seem to come here, they change their mind? So surely

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(MR. PATRICK cont'd)the Minister can give us some indication what's happening while we're on this point, because I know he talked about the co-operation between the western provinces and then there was a breakthrough and we're going to manufacture and produce what we're capable of, or capable of doing, and more recently we're finding that everything's going by and nobody's stopping here, so I wonder if the Minister can indicate to the House.

MR. CHAIRMAN: Order please. Before the Minister answers, I would remind members that we're on Resolution 66(b)(1). Maybe some of the points that are being raised would be better brought up under other headings in the department. The Honourable Minister.

MR. EVANS: Yes, Mr. Chairman, this is really an item under Trade and Industry. Well, I won't answer completely, I'll just answer very briefly, since all of our - I imagine the curiosity of members are aroused. But on this one company, Bonar Bemis per se, they applied for a DREE grant. We helped them get the DREE grant. We have a program to help companies to get DREE grants. But unfortunately our friends in Ottawa in the Department of Regional Economic Expansion took so long that the company decided to go elsewhere. Now --(Interjection)-- And they stated in writing that this was the reason. My deputy got in touch with the appropriate people in the Department of Regional Economic Expansion in Ottawa and we complained bitterly. But I must say, and I'm sorry to say that this is the case, that DREE took too long, and we have urged them in no uncertain terms to examine the entire setup in order to speed up the process. You know, recently, that is within the last year, they have decentralized their operations. I'm sorry to say this, but that so-called decentralization has actually slowed the process of DREE applications being approved.

MR. PATRICK: Mr. Chairman, but if the DREE grant was taking too long can the Minister be specific and tell us how long, and if that grant would still not be available to those same people in Alberta.

MR. EVANS: Yes. They applied in June '74 and withdrew their application in February of '75. There is no grant as you know for Alberta, but that is the choice they made, but there are no grants, to my knowledge, available in Alberta.

MR. PATRICK: How many companies have done the same thing, Mr. Chairman?

MR. EVANS: It's very difficult for us to say how many companies have had the same experience because one would really have to have access to all the DREE records and, you know, we're not apprised of all of the operations of DREE. We are familiar with many of the major ones but not all of them, so you'd really have to ask that of DREE. But I do repeat, the so-called decentralization of the DREE operation that was supposed to speed things up and bring it closer to the local level has actually, thus far at least, resulted in a slowing down of the approval process, and this is something that we are bringing to the attention, and have brought to the attention of the Minister.

MR. PATRICK: Has the Minister made any protest to . . .

MR. CHAIRMAN: Order, please. I would again bring to members' attention that we're on Resolution 66(b)(1). The Honourable Member for Assiniboia. The Honourable Minister for Urban Affairs.

HON. SAUL A. MILLER (Minister for Urban Affairs) (Seven Oaks): This is a very opportune time since the questions being asked are not related to the estimates number, I move committee rise.

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

Mr. Speaker, the committee has considered certain resolutions, reports progress and asks leave to sit again.

IN SESSION

MR. DEPUTY SPEAKER: The Honourable Member for St. Vital

MR. D. JAMES WALDING (St. Vital): Mr. Speaker, I move, seconded by the Honourable Member for Churchill, that the report of the committee be received.

MOTION presented and carried.

MR. DEPUTY SPEAKER: The Honourable Acting House Leader.

MR. MILLER: Mr. Speaker, I move, seconded by the Minister of Agriculture, that the House adjourn.

MOTION presented and carried, and the House adjourned until 10:00 a. m. tomorrow morning. (Friday)