

THE LEGISLATIVE ASSEMBLY OF MANITOBA  
2:30 o'clock, Wednesday, May 14, 1969

Opening Prayer by Mr. Speaker.

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

REPORTS BY STANDING COMMITTEES

MR. SPEAKER: The Honourable Member for Winnipeg Centre.

MR. JAMES COWAN, Q. C. (Winnipeg Centre): Mr. Speaker, I beg to present the second report of the Standing Committee on Private Bills, Standing Orders, Printing and Library.

MR. CLERK: Your Standing Committee on Private Bills, Standing Orders, Printing and Library beg leave to present the following as their second report:

Your Committee has considered Bills:

No. 26 - An Act to Grant additional power to Rossmere Golf and Country Club Limited.

No. 31 - An Act respecting Societe Franco-Manitobaine.

No. 38 - An Act to incorporate The Talmud Torah Foundation.

No. 39 - An Act to amend and consolidate the Acts incorporating The Fidelity Trust Company.

No. 45 - The Manitoba Municipal Secretary-Treasurers Association Act.

No. 58 - An Act to amend An Act to incorporate The Brandon Community Chest.

No. 65 - An Act for the Relief of Janet Pearson Morton Alexander.

No. 66 - An Act respecting Victoria General Hospital.

And has agreed to report the same without amendment.

Your Committee has also considered Bills:

No. 40 - An Act respecting Misericordia General Hospital.

No. 41 - An Act respecting Les Soeurs de Misericorde.

And has agreed to report the same with certain amendments.

Your Committee recommends that the Fees paid with respect to the following Bills be refunded, less the cost of printing:

No. 9 - An Act to incorporate The Brandon University Students' Union.

No. 38 - An Act to incorporate The Talmud Torah Foundation.

No. 40 - An Act respecting Misericordia General Hospital.

No. 41 - An Act respecting Les Soeurs de Misericorde.

No. 58 - An Act to amend An Act to incorporate The Brandon Community Chest.

No. 66 - An Act respecting Victoria General Hospital.

All of which is respectfully submitted.

MR. COWAN: Mr. Speaker, I move, seconded by the Honourable Member for Souris-Lansdowne, that the report of the Committee be received.

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

MR. COWAN: Mr. Speaker, in accordance with the report, I move, seconded by the Honourable Member for Pembina, that the fees paid with respect to the following bills be refunded, less the cost of printing:

No. 9 - An Act to incorporate the Brandon University Students' Union.

No. 38 - An Act to incorporate The Talmud Torah Foundation.

No. 40 - An Act respecting Misericordia General Hospital.

No. 41 - An Act respecting Les Soeurs de Misericorde.

No. 58 - An Act to amend An Act to incorporate The Brandon Community Chest.

No. 66 - An Act respecting Victoria General Hospital.

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

MR. SPEAKER: Notices of Motion; Introduction of Bills.

INTRODUCTION OF BILLS

MR. SPEAKER: The Honourable Minister of Education.

HON. DONALD W. CRAIK (Minister of Youth and Education) (St. Vital) introduced Bill No. 87, An Act to amend The Public Schools Finance Board Act.

MR. SPEAKER presented the motion.

MR. GILDAS MOLGAT (Leader of the Opposition) (Ste. Rose): Could the Minister

(MR. MOLGAT cont'd) . . . indicate when we might get the printed copies of this bill?

MR. CRAIK: As soon as possible, Mr. Speaker.

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

MR. CRAIK introduced Bill No. 104, An Act to amend The Public Schools Act (2).

MR. SPEAKER presented the motion.

MR. MOLGAT: Mr. Speaker, I have a question of the Minister. Could he indicate when we will receive printed copies of this bill?

MR. CRAIK: As soon as possible, Mr. Speaker.

MR. MOLGAT: Mr. Speaker, a subsequent question then. Have these bills been printed yet?

MR. CRAIK: They're in the printing stage, Mr. Speaker.

MR. LAURENT DESJARDINS (St. Boniface): What stage is being printed?

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

#### INTRODUCTION OF GUESTS

MR. SPEAKER: I wonder if I might take a moment and introduce our young guests today. We have 48 students of Grade 5 and 6 standing of the Central School. These students are under the direction of Mrs. Perry, Miss McCorrie and Miss Mitchell. This school is located in the constituency of the Honourable the Leader of the New Democratic Party. We also have 18 students of Grade 12 standing from the Elmwood High School. These students are under the direction of Mr. Lywak. This school is located in the constituency of the Honourable Member for Elmwood. We have some young people from a long way north who I'm very pleased to welcome today. There are 40 students of Grade 5 standing from the Gillam School. These students are under the direction of Miss Dumas and Miss Settee. This school is located in the constituency of the Honourable Member for Churchill. On behalf of all the honourable members of the Legislative Assembly I welcome you all here today.

#### ORAL QUESTION PERIOD

MR. SPEAKER: Orders of the Day. The Honourable Member for St. George.

MR. ELMAN GUTTORMSON (St. George): Mr. Speaker, I'd like to direct a question to the Minister of Agriculture. Is it true that certain areas of Greater Winnipeg are not being sprayed for mosquitoes, and if so, does this in any way involve the Department of Agriculture through the University of Manitoba?

HON. J. DOUGLAS WATT (Minister of Agriculture)(Arthur): The only indication that I have that the Department of Agriculture are involved is through a T. V. report last night. I'm having it checked out.

MR. GUTTORMSON: Mr. Speaker, I have a supplementary question. If the mosquito abatement program is financed through a metro levy does he feel that it is fair that certain areas should not be sprayed while others are under the same levy?

MR. WATT: Mr. Speaker, I don't think it's fair that anybody should be bitten by mosquitoes but I'm checking the matter out.

MR. GUTTORMSON: Mr. Speaker, the Minister may think it's very humorous but the people of Winnipeg don't think that the situation is very humorous.

MR. WATT: I don't think it's humorous either, Mr. Speaker.

MR. SPEAKER: The Honourable Member for Inkster.

MR. SIDNEY GREEN (Inkster): Mr. Speaker, I'd like to direct a question to the Honourable the Minister of Transportation. Yesterday in answering a question by the Honourable Member for Churchill concerning the building of a bridge, he indicated that it would be paid for by the Province of Manitoba. My understanding is that the flooding program involves the building of three bridges and would all of these bridges be paid for out of the Consolidated Treasury of the province rather than by Manitoba Hydro?

HON. STEWART E. McLEAN, Q.C. (Minister of Transportation)(Dauphin): Yes, Mr. Speaker.

MR. GREEN: A supplementary question. Is the Minister able to give us an estimate as to the total cost of the three bridges?

MR. McLEAN: No, Mr. Speaker, although I can say, as I did during the time of the estimates of the Department, that the estimated cost of the road from Lynn Lake to Provincial Road 391 is estimated, and that includes the necessary bridges, at \$12 million.

MR. GREEN: Would I be correct in assuming that when the Minister of Finance says that there is a \$5 million capital cost difference . . .

MR. SPEAKER: Order please. I wonder if this is not developing into a debate.

MR. GREEN: No, Mr. Speaker.

MR. SPEAKER: I believe the question was asked. Does the honourable gentleman have another supplementary on bridges?

MR. GREEN: No, it's on the same subject, Mr. Speaker, but I assure you it's an entirely different question. I'm asking the Minister of Finance, who indicated that there is a \$5 million difference in capital cost between the flooding of the lake and the next best alternative. Would the three bridges that are being built because of the flooding not offset the \$5 million capital cost?

MR. McLEAN: Mr. Speaker, I'm not aware that we have made any enquiry into that specific matter and perhaps that would be a matter the Honourable Member for Inkster might wish to pursue when the Committee on Public Utilities and Natural Resources is sitting.

MR. GREEN: Mr. Speaker, then may I now put a question to the Minister of Finance? Is he then not able to tell us -- as the Minister of Transportation now says -- that the flooding program wouldn't cost just as much as the next best alternative when we take the capital cost of these three bridges which will be necessitated by the flooding program?

HON. GURNEY EVANS (Minister of Finance)(Fort Rouge): Mr. Speaker, I'm not prepared to discuss a complex matter of this kind. The \$5 million difference I referred to was the difference in certain structures that had to be built. I'm not prepared to discuss a complex matter of this kind off the top of my head.

MR. GREEN: Are you able to say that it didn't include the three bridges?

MR. SPEAKER: Order please. The Honourable Member for Assiniboia.

MR. STEVE PATRICK (Assiniboia): Mr. Speaker, I wish to direct my question to the Honourable Minister of Tourism and Recreation. It is my information that the Federal Government is considering to establish a second national park in Manitoba. Has the Minister made any recommendations on the site of such a park; and if he has can he let the House know?

HON. J. B. CARROLL (Minister of Tourism and Recreation)(The Pas): Mr. Speaker, my understanding is that two possible sites have been discussed with the Federal Government; one in northern Manitoba in the Cranberry Portage area, one in eastern Manitoba east of Lake Winnipeg. It's been some months since we've heard from the Federal Government with respect to a national park. We understand that we're awaiting a proposal from the Federal Government with respect to what they think is a desirable area for such a park.

MR. PATRICK: Mr. Speaker, my question is: Has the Minister made any recommendation which site should be considered to the Federal Government.

MR. CARROLL: No, Mr. Speaker, we haven't.

MR. SPEAKER: The Honourable Member for Selkirk.

MR. T. P. HILLHOUSE, Q. C. (Selkirk): I'd like to direct a question to the Minister of Tourism and Recreation dealing with mosquitoes. In the interests of tourism and recreation would your government give consideration to the advisability of spraying the Lower Fort Garry area?

MR. CARROLL: Mr. Speaker, I believe that this is an area of land that comes within the jurisdiction of the Federal Minister of Indian Affairs and Northern Resources and I would think that your question might better be directed toward him.

MR. HILLHOUSE: Doesn't the Government of Manitoba own about 24 acres south of and adjoining the Lower Fort?

MR. CARROLL: I believe that we have leased all of the land that we own in that area to the Federal Government over a ten-year period. It's now within their jurisdiction.

MR. HILLHOUSE: You've a mosquito clause in it have you?

MR. SPEAKER: Order, order please. I believe I mentioned yesterday about this period getting into an area of debate and I wondered if the honourable gentlemen would conserve themselves.

The Honourable Member for Gladstone.

MR. NELSON SHOEMAKER (Gladstone): Mr. Speaker, before the Orders of the Day are proceeded with I would like to direct a question or two to the Minister of Mines and Natural Resources. Will the Minister confirm or deny that the Forebay Committee at Grand Rapids spent the \$3 million allotted to them by 1966?

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HON. HARRY J. ENNS (Minister of Mines and Natural Resources)(Rockwood-Iberville): Mr. Speaker, I'll accept that question as notice.

MR. SHOEMAKER: A subsequent question, Mr. Speaker. Will the Minister inform the House what the expenditures of this committee, that is the Forebay Committee, have been since 1966.

MR. ENNS: Mr. Speaker, again I'll accept the question as notice.

MR. SHOEMAKER: A final and subsequent question. Will the Minister inform the House what the committee's expenditures are estimated to be for this year?

MR. ENNS: Mr. Speaker, ditto.

MR. SPEAKER: The Honourable Member for Elmwood.

MR. RUSSELL DOERN (Elmwood): Mr. Speaker, I'd like to direct a question to the First Minister. Has the agenda for next month's federal-provincial conference on the constitution been drawn up?

HON. WALTER WEIR (Premier)(Minnedosa): Not that I know of, Mr. Speaker.

MR. DOERN: A supplementary question. Is the Manitoba Government preparing any position papers in anticipation of what will be discussed, that may be available to us, or are you just waiting for the agenda?

MR. WEIR: Mr. Speaker, we're continually working and what's made available and what isn't will be determined following conference I'd expect.

MR. SPEAKER: The Honourable Member for Lac du Bonnet.

MR. OSCAR F. BJORNSON (Lac du Bonnet): Thank you, Mr. Speaker, I thought you'd never notice me. May I say to the Honourable Member for Hamiota that I am sorry that I was so vociferous in the debate the other night. However, I didn't get my message across, particularly -- even -- (Interjection) -- May I speak before the Orders of the Day, Sir?

MR. SPEAKER: I wonder if the honourable gentleman has leave of the House to?

MR. BJORNSON: May I have?

MR. SPEAKER: The honourable gentleman does not have a question, I'm afraid he must resume his chair - does not have leave of the House.

MR. BJORNSON: May I put it as a question, Sir? How in the world does the press get so confused when we think that the -- (Interjection) -- all right. Have I or have I not the privilege, Sir?

MR. GUTTORMSON: Are we allowed to ask questions at point of privilege?

MR. SPEAKER: Order please. The Honourable Member for St. George. The Honourable Member for Lac du Bonnet promised me that he was going to ask a question.

MR. BJORNSON: Mr. Speaker, I'll do it during the estimates.

MR. SPEAKER: The Honourable Member for Hamiota. On the same theme?

MR. EARL DAWSON (Hamiota): No, Mr. Speaker. Mr. Speaker, I'd like to direct a question to the First Minister. In view of the fact that we're having the 1970 World Championships in Manitoba in '70 --(Interjection) -- hockey championships, I wondered if the First Minister would use his influence to urge the Federal Government and the Post Office to put out a commemorative stamp in honour of the games being held in Manitoba?

MR. WEIR: Mr. Speaker, negotiations have been going on with Ottawa for some time about commemorative stamps. I'm sure we'll only be entitled to so many and what the negotiations will bring we'll have to wait and see.

MR. DAWSON: A supplementary question. Is hockey one of the ones you are negotiating?

MR. SPEAKER: The Honourable Member for Burrows.

MR. BEN HANUSCHAK (Burrows): Mr. Speaker. I wish to direct my question to the Honourable the Minister of Consumer and Corporate Affairs. Is it his intention to present to this House a Consumer and Corporate Affairs Department Bill?

MR. CARROLL: Mr. Speaker, there will be legislation dealing with the reorganization of government that does include this department.

MR. SPEAKER: The Honourable Member for Assiniboia.

MR. PATRICK: Mr. Speaker, I wish to direct my question to the Honourable Minister of Health and Social Services. In the last short while there's been an increasing number of young people charged with possession and trafficking of marijuana. I wonder has the Minister considered any special program to rehabilitate these young people?

HON. GEORGE JOHNSON (Minister of Health and Social Services)(Gimli): . . . during my estimates. We are concerned, we are working, as I said at that time with the medical

(MR. JOHNSON cont'd) . . . profession, with the federal government; we've had conferences at the national level and the Federal Minister as I have pointed out is laying the ground rules for a conference on this matter. I think the feedback that we've got to this stage is that the main emphasis through our department, the profession and agencies is one of informational material being made available to young people to point out the dangers of drugs and it's a matter we will have to continue to pursue.

While I'm on my feet Mr. Speaker, two questions were asked in the last couple of days. One by the Member from Inkster as to whether, when people phone the corporation to find out if a doctor's opted in or out, why do they ask for the patient's name. I understand the corporation have not been asking this, but some people phone the MMS Claims Division and they have a list of the opted-out doctors and if the name isn't on the list they ask the name so they can phone the person back. However, I see no great harm in asking a person who's speaking; the corporation have no strong views on it and tell me this is the case.

Secondly, with respect to the member from -- the Leader of the Opposition mentioned the matter yesterday. The pattern is that by the 10th of each month following the month of service, all claims are to be in. This has been the pattern of MMS for many years and the one that is being followed. So the claims in April have to be in by the 10th of May, payments are made by the 15th of June. Now with respect to people who pay, the corporation -- I discussed this with them since the question was raised and the corporation is going -- if that claim does not come in until the 10th the honourable member will understand it may be hard to process in time to get a quick payment back to the individual, but if the claim goes in forthwith, the corporation are going to look at ways and means of speeding this up; you know, if the claim comes in at the time of service it may not be necessary to wait as long as it now is planned.

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. MOLGAT: . . . ask a supplementary question of the Minister and I thank him for his explanation. Will claims by private citizens who have paid a doctor be treated in the same way as claims by doctors who have opted in and are waiting for payment?

MR. JOHNSON: Yes, the claims are treated in the same way as I understand it.

MR. MOLGAT: So April claims must be in by the 10th of May and will be paid for by the 15th of June?

MR. JOHNSON: . . . try, Mr. Speaker, and speed up where the kind of problem was brought up by the member yesterday. They're going to look at the machinery to determine - if that claim goes in at the time of service say, the 15th of April, there may not be that need to wait that length of time.

MR. SPEAKER: The Honourable Member for Portage la Prairie.

MR. GORDON E. JOHNSTON (Portage la Prairie): Mr. Speaker, my question is for the Honourable the Minister of Health. On March 5th I had an order approved asking information on the costs of the Special Committee on Dental Services. I would like to know if the answer is going to be produced this session.

Also, on April 2nd I had an Order for Return passed by this House regarding the dumping of sewage and industrial wastes in rivers and waters in Manitoba. I'd also like to know if the answer to that will be forthcoming this session.

MR. JOHNSON: Yes, Mr. Speaker, I hope to have them very shortly.

MR. JOHNSTON: I also have a question, Mr. Speaker - and I believe it would be the Honourable Minister of Finance. I had an Address for Papers approved on April 2nd with respect to monies owing by San Antonio Gold Mines to the provincial government or any of its agencies. Can I expect the answer to this this session?

MR. EVANS: Mr. Speaker, I'll enquire. I'm not able to say at this moment. There'll be no delay; I'll bring it forward as soon as we can.

MR. SPEAKER: The Honourable Member for Inkster.

MR. GREEN: Mr. Speaker, I'd like to direct a question to the Honourable Minister of Mines and Natural Resources. Is there any reason why land which was withdrawn from staking in the vicinity of the South Indian Lake flooding, why it was put back for staking in January of 1969, that is this year, and is now being permitted for staking purposes.

MR. ENNS: Mr. Speaker, I think just a brief answer. In anticipation of the accelerated work being done by the Department of Mines and Natural Resources in connection with our geological survey in that area, we have anticipated additional staking or mining activity in that general area and of course this is the reason why we are gathering this information to make

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(MR. ENNS cont'd) . . . this available to the private companies or individual prospectors who, with this additional geological information, move into these areas for that same purpose.

MR. GREEN: Well, Mr. Speaker, a supplemental question. Why would the land then originally have been withdrawn from staking as the Member for Churchill was advised by the Acting Minister some months ago that land had been withdrawn from staking, and then it was put back in January of this year. At least that's my understanding.

MR. ENNS: Right. This was done in an attempt to marshal our forces in anticipation of the million dollar geological work survey that's being undertaken there. It was an attempt to bring the land all under the same status that would enable us full and free access to the kind of surveys and geological data gathering that we felt was necessary. We could not count on the fact that this work would be done even if the land was staked; in other words, lands held as staked privately are not under necessarily the same time scheduling to have exploratory or the kind of geological surveys undertaken that we felt as a department we should have of this whole general area. So that this land was withdrawn to enable us to blanket the area with this survey program that we have undertaken subsequent to further discussions that, this being understood by the different mining interests involved, we have quite willingly agreed to open it up to staking again.

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

MR. DESJARDINS: Mr. Speaker, I'm sure that you'll be pleased to learn that upon a request of the Portage la Prairie Committee of MAWD the Honourable Member for Portage entered and completed a 30 mile march for millions on Monday held in Portage. I think that he finished about 164 out of 1,085, and if he can't walk straight today you'll know the reason why, Mr. Speaker.

MR. SPEAKER: I believe I missed him from the House yesterday; he was probably resting. The Honourable Member for Burrows.

MR. HANUSCHAK: Mr. Speaker, a subsequent question to the Honourable Minister of Consumer and Corporate Affairs. Is it his intention to introduce legislation he has referred to during this session?

HON. STERLING R. LYON, Q. C. (Attorney-General)(Fort Garry): It's already in the House.

MR. SPEAKER: The Honourable Member for Churchill.

MR. JOE BOROWSKI (Churchill): Mr. Speaker, I'd just like to make one correction. The Member for Inkster indicated I illicited some information from the Minister of Education. It's not true. The information I received came from the Norquay Building, not from the Minister of Education.

MR. SPEAKER: The Honourable Member for Assiniboia.

MR. PATRICK: Mr. Speaker, I wish to direct my question to the Honourable Minister of Transport. To my question yesterday the Honourable Minister answered that the inner perimeter highway was the responsibility of Metro, Metropolitan Government. I wish to rephrase my question today. Has the province approved any purchase in expropriation of individual parcels of land for the proposed inner perimeter highway?

MR. McLEAN: Mr. Speaker, from time to time the Lieutenant-Governor-in-Council approves -- Oh, I'm sorry -- the Minister of Transportation approves the purchase of land which is part of a land bank. Whether or not it's related to what is commonly known as the inner perimeter highway or not, or indeed what particular project may be involved, we have no knowledge at the present time.

MR. SPEAKER: The Honourable Member for Carillon.

MR. LEONARD A. BARKMAN (Carillon): Mr. Speaker, I'd like to direct a question to the Minister of Agriculture and ask him a familiar question. Has the Minister, or can he tell us now whether the Veterinary Laboratory facilities will be built in Winnipeg; and if so, could he at least tell us during this session if not now?

MR. WATT: Depends on how long the session lasts, Mr. Speaker, but I think I've already said to the Honourable Member from Carillon that it will be commenced in 1969, in Manitoba.

MR. SPEAKER: Orders of the Day. Committee of the Whole House.

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

MR. SPEAKER presented the motion and after a voice vote declared the motion carried, and the House resolved itself into a Committee of Supply, with the Honourable Member for Souris-Lansdowne in the Chair.

COMMITTEE OF SUPPLY

MR. CHAIRMAN: 1(a)--passed. The Leader of the Opposition. --(Interjection) -- The Honourable Member for Inkster.

MR. GREEN: If the Leader of the Opposition doesn't mind, I raised the question yesterday which the Minister was in the process of answering, concerning the Czech immigrants, and if the answer could be given now or if it could be given after the Leader's speech. The Minister was on his feet answering it when we closed yesterday so I thought that he would want to resume today.

MR. WATT: Mr. Chairman, I'm quite prepared to answer the question but I think I will allow the Leader of the Opposition to make his comments and any others and in this debate I will answer the question of the Honourable Member from Inkster.

MR. MOLGAT: Mr. Chairman, I very much wanted to get into the debate last night after the Minister's speech, but did not have an opportunity to do so, because I wanted to deny categorically the statements made by the Minister; and Mr. Chairman, in particular to point out to the Minister that the very thing that he is apparently complaining about is the very thing that he was doing in this House, because he talked about innuendo and about general statements and so on. If anyone was making general statements it was the Minister. He got up in this House and made a blanket statement about members on this side of the House, the very thing that he supposedly was claiming had been done on this side. Mr. Chairman, I think the Minister is doing a disservice to his government when he takes that sort of an approach and I want to deny categorically the statements that he was making last evening. If he can show me one case where statements of mine have prevented industry from coming to Manitoba, I'd be delighted to hear from him, instead of the vague generalizations that he was using last night. I strongly recommend Mr. Chairman, to the Minister that he takes his own advice and be positive for a change, and instead of every time the questions are asked on this side of the House scurrying behind his familiar complaints that this is poor mouthing. He's even got some of his back-benchers now using the same terms, and this is the eternal defence of the Minister, Mr. Chairman. Well that just isn't good enough, and I want to make it very clear, Mr. Chairman, that we will continue to provide responsible opposition in this House and if the Minister thinks he will scare us off by his vague generalizations he may as well forget about it.

Mr. Chairman, this government has made it a point whenever they think that an announcement is of benefit to them to use it to the hilt, right to the hilt. My honourable friend was referring to one company last night - and he doesn't want company names used in this House so I'll refrain from using it - but he will recall that the Premier of the province, previously, used this announcement in this House, Mr. Chairman, for political purposes; went off on a trip to Switzerland, came back with great announcements just prior to an election. And then my honourable friend says: Ah, ah, but don't ask any questions, just let us carry on in this way; you're wrecking the economy of Manitoba if you dare ask some questions about this corporation. Just let us give them one-fifth of Manitoba as a private preserve, let us grant them that under rules that we set up but don't ask any questions. Mr. Chairman, we would be failing in our responsibilities to the people of Manitoba if we allowed that sort of argument to deter us from asking the necessary questions which have to be asked in this House. It's not a question of pursuing any company, Mr. Chairman. It's simply a question if the Minister wants to make statements in the House that are going to be used for political purposes then he can expect to have political questions asked of him. But far beyond the pure political aspects, Mr. Chairman. We have a responsibility on this side insofar as the development of Manitoba, and I quite agree with the Minister that people must be positive in this province and I'll gladly refer him to my speeches in this House on many occasions when I've taken exactly that point of view that we need to be much more positive. So Mr. Chairman, I say to the Minister, let's discuss the matter on merits, let's not discuss it on general statements and innuendo as he was doing last night.

Enough of that, Mr. Chairman, I want to return now to the TED Commission report. I stated in my reply to the budget address, which came very shortly after the TED report was submitted to us, that my Party accepted the general basis of the TED report. We were not in a position at that time to take every single item -- and as in any report I don't expect the government to accept every single item in it; I think that's reasonable -- but it seems to me that the TED report established a reasonable base from which we now move forward in Manitoba. The goals are ambitious, but I think we must have ambitious goals if we're going

(MR. MOLGAT cont'd) . . . to reach the development that all of us want to see in Manitoba regardless of what side of the House we sit on.

Mr. Chairman, I had hoped that having reached this point with the Minister's estimates before us, the Minister would have been in a position to state clearly the parts that the government was now prepared to accept and move on. At that time I pointed out that the first statements of the government dealt with what Ottawa was supposed to do. Out of four points mentioned by the First Minister, the evening when he was entertaining the men who worked on this committee, three called upon Ottawa to do something, and one upon Manitoba. It seems to me that the basic recommendations that we should be starting on are those dealing with organization for development. And surely if we are going to proceed with development, then we have to take care first of all of the organization required to produce that development. And in that area, Mr. Chairman, there have been four specific recommendations by the TED Commission. The Minister, I'm sure, knows the pages by heart, but in case not, Page 398 and 399. Now it seems to me that this is the first step, that if we are going to have the development envisaged by TED, the development that the government is committed to, the development which I accept is the proper goal, then we have to first of all set up the organization to do it, and to be jumping into other parts without at the same time at least doing the organization, can only lead, it seems to me, to the thing failing or it means that the Commission is making improper recommendations.

Now when the Minister was asked this earlier in the debate, and I read Hansard, the statements really run around the subject. The answer is that "sometime in due course," the government will announce what it is going to do. Well we are familiar, Mr. Chairman, with the statement "due course." We get that one occasionally; we get the statement "soon" on other occasions; we get the statement "when government policy is established" on other occasions, but I don't think that that's good enough at this stage Mr. Chairman. It's now well over a month since the TED report was tabled. When the Minister was asked at that time what he was going to do he said he would be announcing his actions later, and yet we find now that he's not prepared to announce any action in this area. So, Mr. Chairman, I ask the Minister, can he tell us whether or not at this session of the House the government will move on these four recommendations: that is, the creation of a Standing Committee on Economic Development of the Manitoba Legislature; the appointment of a high level advisory council on Economic Development, with membership drawn exclusively from the private sector. The third - the establishment in Ottawa of an office of Manitoba Economic Affairs, headed by a senior Manitoba Civil Servant of Deputy Minister rank; and the fourth, development of applied technical and economic research capability for industry in a new institute.

My question is, will the Minister be moving on these at this session? In particular, will he be moving on establishing a standing committee of the House on Economic Development, so that all of the members of the House, who he says have a responsibility to be positive and progressive, and which I accept and I'm prepared to do, setting up this standing committee so that we can in fact have the vehicle whereby this can be done; will he do this at this session? And if he is not going to do these things at this session, Mr. Speaker, then will he tell us what his view is on this section of the TED report. Is the government in fact rejecting the TED recommendations with regard to organization for development? Is it saying to us that that section of the report it does not accept and that he has other plans for doing something different than TED in this regard?

MR. CHAIRMAN: The Honourable Member for Elmwood.

MR. DOERN: Mr. Speaker, I'm happy that the Leader of the Opposition went over this point again because on the opening statement made by the Opposition by the Member for Hamiota and myself, we dealt with this very section and I can only feel that the Minister's answer to it at that time was inadequate, because I recall he picked up the TED report, said that that section was only four pages out of some 550 and therefore was, I guess, less than one percent or three-quarters of one percent and consequently was relatively unimportant.

Well, Mr. Chairman, anyone who has read the report knows that there are certain key portions of the report, mainly perhaps some 3 or 4 key areas, and I personally having studied the report regard that as one of the major keys, if not the major key, because it is the section which really deals with the question of the community's involvement in Economic Development. It deals with the question of giving the public a forum to debate; with giving the members of the Legislature who aren't privileged to see some of the personal reports an opportunity to debate; with opening it up to the Department of Industry and Commerce people, MDF people,



(MR. DOERN cont'd) . . . regional development people and so on. What happens right now is that when complaints are made, quite frequently they never become public; and sometimes I suppose this is good and other times I think it's unfortunate. But I think that if we're going to have economic development in Manitoba, we have to have the entire community involved - like in the Old Pan Am days of two years ago, the total community involvement idea - because the report continually points out how Manitobans often have a negative attitude towards their own province, towards investment and so on.

So I agree with the Leader of the Opposition, it's just not good enough, the kind of answer we've had from the Minister up to date. He has sort of passed over this section of the report and I would ask him to go over it. There's only I think four or five points; I think he touched on one or two of them, but he almost totally ignored the question of the standing committee, the advisory council and so on, and I think he owes us an explanation there.

Mr. Chairman, I wanted to deal with some of these Targets that have been set because the Minister gave us his glowing report on how already we are over-shooting our target and this, that and the other thing. I don't know where his statistics came from and they may very well prove to be accurate, but I would like to point out the TED report itself first of all sets targets and that they are making projections to 1980 and that some of those targets that are being set, even if we meet them, will not bring this province up to the national average. Also the COMEF report, there is a section in the TED report showing how well the government has done in its eleven year stay in office and it shows that there have been significant government failures in terms of economic development. I would like to point out, for example, that some of these targets - for instance, we have a target on population of 1,200,000 people in 1980.

A MEMBER: How do we meet that target?

MR. DOERN: How do we meet that target? More babies, and less out-migration.

MR. LYON: What are you doing to help solve that problem?

MR. DOERN: What have you done lately to help solve that problem?

MR. LYON: I'll put my record against my honourable friend's anytime in that regard.

MR. DOERN: Mr. Chairman, I would love to answer that, but I'm afraid that it might have bad repercussions for me. The population target that Canada has for 1980 is a 25 percent increase, but if we look at Manitoba, we're only projecting a 17 percent increase. And this is a target, this is not in fact, what will happen, but it's what may happen if we are able to live up to the goal we have set - a 17 percent increase compared to a 25 percent increase for Canada. Well we may only hit 10 or 12 percent. In terms of personal income per capita, again we have a target. There's a very key sentence in the TED report in this regard, as follows: "The province is four percent below the Canadian level and the projection of past trends shows the gap widening to 1980." So I would like to hear what the Minister has to say about that. If we stay with our present projection and our present target, we are going to get a widening gap to 1980. Well that is not encouraging. And then our Labour Force Target is 8 percent less than what it will be for Canada, so on and so on.

Our net output for employee target is 2 percent less than Canada. So to be able to live up to what we are setting for ourselves, there is going to have to be a tremendous effort. I'm sure the Minister's figures that he gave us in the past year are encouraging. I hope they're correct, I hope they're DBS statistics; or I hope they prove to be dead on target. I take his word for it; he agrees. But the point is that this is only one year and that we're talking about another 11 years in the future; and if we meet it this year, what about the following? There's no guarantee it's onward and forward.

Mr. Chairman, I'd like to look at some of the facts because I've talked briefly about what we are hoping to achieve, but I'd like to point out that COMEF in the TED Commission report gave some of the hard facts. There were ten or eleven areas that the COMEF report dealt with and on the first four or five the government had some pretty significant failures. I have to say "the government", because ultimately they must bear the responsibility. They are willing to take the credit so when there are unfortunate events then they must be willing to take the blame.

For instance, the standard of living - it was reported since COMEF, since COMEF first got going, our standard of living fell short of the national increase from '61 to '66 - in those years, for 5 years, we fell short. On employment we were more fortunate; we were able to meet the COMEF goal but there is a catch involved in terms of employment and that is another point namely the serious out-migration of people in the 25 to 44 age group. And if you look at

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(MR. DOERN cont'd) . . . that particular group, 25 to 44, that's a key position in life. Up to that time, these are the years when presumably you are getting into your occupation; you've established yourself and so on; you're making your name or your career. This is the area where people are frequently leaving our province in too large numbers. I would say in alarming numbers. From '61 to '66, in the - shall we say the "peak" of this government, before they started to decline -- I guess they were in decline in that period - but the first few years they were quite robust; lately they're not looking quite as dynamic -- and in that period of five years, that age group declined by some 30,000 people. Perhaps I'm making a mistake here, Mr. Chairman, I have two statistics, one says that 11,500 people left in that period - I guess that's the five year period. Perhaps the figure of 30,000 deals with the period in which the government was in office in the 11 years, that would be correct - we lost that many people from that particular age group. -- (Interjection) -- In that age group?

A MEMBER: 240,000.

MR. DOERN: And then, Mr. Chairman, on a final point here, the share of national growth, when we look at the gross provincial income, our share fell - if we take our share and compare it to the national average, we had a 4.9 percent gross provincial income in 1961, that was relative to the rest of the country. In 1967 we had shrunk to 4.7. So we declined .2 percent in those six years. In other words, our relative position in the country slipped. So if you look at the COMEF report - I'm not talking now about TED itself, which talks about the future, I'm talking about a review of COMEF - then we can see words like "fell short" and "decrease" and "decline"; and these are the things that the Minister must attempt to justify. He has given us a program for the future. I support most of that program but I'd like to hear him explain how come his government, either in his term of office or prior to him taking that portfolio, was unable to reach these goals. These are very serious failures on the part of the government. For example, COMEF forecast a population increase in '61-66; they said that our population would go up 7.9 percent. Our population went up 4.5 percent, so we significantly fell short of that.

So, Mr. Chairman, if we look at those important years when the government was run under the premiership of the Honourable Duff Roblin we can see that they didn't quite live up to their reputation. They talked about being a businessman's government, they talk all the time about a businesslike approach, about fiscal responsibility, about economic development, but the record does not bear them out. The record says that when you look at personal incomes per capita, between Manitoba and Canada, it did not significantly improve and it also says that our personal income continued to approximate the Canadian average but has frequently been below it. These are some of the things that I think the Minister has to answer for.

Another point is that when we talk about disparities in economic development between Manitoba and the rest of Canada or between the rural areas and the Metro area and so on, TED itself said that very little has been accomplished either by the provincial government or by the federal government in reducing long standing disparities. Now there's a direct line from page 424. That is a direct, I suggest, criticism and pointing out another failure of this government to improve our standard of living.

I guess one of the Minister's favorite sentences - I think I'll leave that 'til later; it's a sentence to do with attitude. He said he memorized the sentence himself about the inward-looking, faultfinding, etc. etc. I don't know if that's his own statement but I'll pass on that for the moment.

Another area that I think deserves some consideration is the question of immigration. I can deal with this from a number of points of view, but the Minister dealt with this yesterday, and the Member for Inkster and other people talked about Immigration. Mr. Chairman, I'm not satisfied with the government's program in this field. I've never quite understood it. I've listened to some of the programs, I've heard the statistics, but when you look at what they are doing, and you look at our own province, you sometimes wonder why in fact we are going out of this province for immigration. The Minister has given us some answer on this. I'm going to ask him a few more questions in this regard. He talks about bringing in people who have certain skills and I asked him a question about the amount of unskilled immigrants that are being brought into this province, because I do find that hard to understand in view of our own provincial situation. The Minister says, well these people meet the federal point system. Mr. Chairman, I don't know what the federal point system is. I know you get so many points for education, so many for this and so many for that, but if the immigrants from other

(MR. DOERN cont'd) . . . countries are meeting this federal point system to get them into the country, I suggest there are many people in Manitoba who meet the federal point system, who have more points than are necessary who are right here in this province, who need help, thousands of them, and I wonder whether it is worth the expensive promotion that this Minister carries out, the government, the Federal Government carry out to bring in unskilled immigrants - talking of that particular category. We have to spend money to send people over to England and to other countries; we have to pay for the publicity; we have to pay for their travel expenses; we have to pay for their maintenance; we have to educate them and so on. And the question is - we're putting out all this money, it's a very expensive thing. I think it's even greater than what the Minister's estimates will bear out. I think his estimates last year showed a figure of 800 something thousand dollars and this year it's down to 450,000 or so, but that's only I suggest a very small part of the real cost of bringing in people from other countries. The cost, of course, is ours but the benefit quite frequently is to certain segments of the economy. And I'm not opposed to that, I'm just saying what about Manitobans themselves?

But the major point, the major point is this, Mr. Chairman. We are bringing these people in and we are losing people from our most important group -- in a 25 to 44 age group -- most important in the sense that this is the growing group. These are the people who have finally grown up and are now really moving into their careers, and that key group too frequently goes either east or west in this country. I think the emphasis should be put here and the TED report bears that out. They say that the retention of young educated Manitobans deserves the higher priority. And I agree 100 percent. And I put that to the Minister. Is that true in your opinion? What are we doing to retain people in that age group; and shouldn't that have the highest priority, and shouldn't immigration of unskilled people have a lower priority. Because I'm talking about the brain drain.

Mr. Chairman, in this province we have a large number of people from the Indian-Metis community. There are approximately, to take a round figure, about 37,000 people who are of Indian descent and about 33,000 of Metis descent; by 1980 there's going to be about 55,000 in each group. So I'm talking of one-tenth of our province, 10 percent of our people are Indian-Metis, and I think that this government should re-examine some of its policies to attempt to help some of these people to upgrade themselves. I wonder whether we're doing enough relative to our policies in terms of attracting new immigration. When we look at our low income levels in Manitoba, well they're pretty shocking, because 300,000 of our residents, nearly a third of our population, is classified as low income in 1961. I suggest that's a very significant total of people, and the question is "well what about them." If one-third of our people are low income shouldn't we be directing our policy in that particular area. Mr. Speaker, I have other points to bring up but I'll end at that point.

MR. CHAIRMAN: The Honourable Minister.

HON. SIDNEY SPIVAK, Q. C. (Minister of Industry & Commerce)(River Heights): Mr. Chairman, I'd like to reply if I may to the Honourable Leader of the Opposition and the Honourable Member from Elmwood and in turn answer the question that was asked by the -- or make comments in connection with the statements made by the Honourable Member from Inkster.

To begin with, I'm one who is quite amazed at the fact that the Leader of the Opposition on the first day that the TED Report was filed in this House, or within a matter of days -- I'm not sure whether it was necessarily the first day -- was able to stand up on behalf of the Liberal caucus and say that they accept the general basis of the report without reading it. I'm happy that they did and I think it was very important that there is some recognition by the Opposition that the TED Report is a significant document in the economic history and development of this province. But it was amazing to me to be able to sit here and watch a performance which indicates either some prior knowledge, which I do not think was the case, or just a general desire to try and advance something that they felt would be probably very good for the people of this province and which they were prepared to accept without necessarily looking it over.

Now with respect to the various items under Organization for Development that have been brought up by the Leader of the Opposition and brought out by the other speakers, I think I will repeat what I've said before. My statement did not go round in circles. I think it was pretty simple. This matter is under consideration by the government; there will be a policy position on this; it will be announced. Whether it will be announced in the House or not is

(MR. SPIVAK cont'd) . . . something that I cannot say. But it would be foolish for anyone to suggest that these items are really the key or the more important items insofar as the report is concerned. The reference that was made to the Honourable Member from Elmwood that this is only four pages was not to take away from the importance of the suggestions that have been made, because I consider them important, and on one of them particularly action has already been taken and was indicated in the 20 points that had been mentioned by myself in the opening statements. But obviously it refers to four pages of the 550-page report and the other pages refer to the industry sector. And there's an acceptance - and maybe those in the New Democratic Party are not prepared to accept it - that the private sector are going to be the ones who are going to be initially responsible and the ones who are going to help advance the economy of this province with the input by the municipalities, the provincial government, the federal government, when necessary. That there has to be a recognition that first things come first and our obligation as a department was to get the private sector working in those areas to try and be able to develop the change that has to occur, to be able to relate the objectives, specifically the industry sectors, and to try and get them organized to do the things for themselves that they themselves must do. -- (Interjection) -- And this is in effect what we have done -- I wonder if you'll allow me to continue and then I'll answer any other questions you may have. And we've done this. The other matters will be dealt with. They're policy matters; decision will come very soon.

Now with respect to the statement of the Honourable Member from Elmwood in connection with the statistics. The statistics were the Dominion Bureau of Statistics and they bear out a number of things. I'm very interested to hear what COMEF said. I read the report. I don't remember the details of it but I again am quite convinced that he's read them correctly. COMEF was tabled in this House, if I'm correct, in 1963. This happens to be 1969. TED's forecasts were based on 1966 statistics. That is to say, carried on from 1966 to 1970. All I simply tried to do is relate the statistics that are available to us for the year of 1968 and see how they relate to the projections that were anticipated by those who wrote the TED Report to see how we're going. And obviously we're not going too badly. At the same time, if you recall what I said in the House - and if there's any question of it I would ask you to read Hansard - you will find that I specifically indicated that this is an ever steepening road as we travel along the TED program and TED pathway, for the simple reason that the increases that are going to be expected in Manitoba in population and in personal income and in any other major target are going to be very substantial and higher than the first period of 1966 to 1970. We are going to have to work very hard in this province. And it's not just the government; it's industry and every facet of it is going to have to work very hard to be able to achieve those goals. Some of these things are within our control. It may very well be that the population goal cannot be achieved. I'm not sure of that. This is dependent on the very obvious births over deaths. I have to help, and I would suggest the Honourable Member of Elmwood has a God-given chance to help, and I would expect and hope that he -- and certainly from my knowledge of him and from my observations of him I would expect that he will be helping in a very substantial way.

Nevertheless, there is a significant item with respect to population and I think it's important, because the TED Report recognized that immigration was needed and indicated that if we are going to achieve this goal of population that there had to be at least a minimum rate I believe of 7,400 or 8,000 a year in terms of immigration, and we of course have achieved that this year. And I think this is important, the recognition of the out-migration had to stop and that immigration was necessary. And because the issue of immigration has been mentioned and the problem of unskilled workers has been mentioned and because there has been some questions raised on the Czech refugees, I think it's important for this House, because we are concerned in the committee in talking about the - you know - the principles on which this department is operating and you are concerned with policy, to make at least some contribution to your thinking in connection with immigration, and I am therefore quite prepared and I feel that it is very necessary to make a statement which would indicate the position of the department with respect to immigration.

But before I do that I'd like to, if I may, deal with the specific issue of the Czech refugees because this was a particular problem. We don't have to recite it, I think we're all aware of it, in which there was a tremendous degree of co-operation between the federal government and the provincial government officials in trying to handle the situation here and in handling the situation elsewhere. There are certain statistics that I think are important and

(MR. SPIVAK cont'd) . . . . I'd like to refer to that. Based on our experience in this situation and our experience to date in immigration, there has been a change in position with respect to the handling of immigrants from our departmental point of view and it's reflected in the estimates, and I think it's important that the House be -- at least the committee be made aware of it.

To begin with, we received 1,077 Czech immigrants last year, and this 1,077 would represent approximately 12 1/2 percent of the total immigrants that came into the province last year. The head of families and independent adults amounted to 663 and the dependants were 414. Now in terms of the breakdown of categories of professions and skilled workers, I think it's important to note that of the group that came in there were professionals of 8 percent, technical people of 24 percent, agricultural of 3 percent, construction of 7 percent, manufacturing of 23 percent, service industries, 27 percent and miscellaneous 8 percent. There were various programs that were conducted in terms of trying to provide English to the groups, and this was worked out with the federal government who have the primary responsibility and who have assumed this and who I must say have worked in the most sincere manner to try and make the immigration program work for this province and for Canada. And in this respect - and I'm now referring to federal people - we owe a debt of gratitude in this province to the federal officials. They are small in number but they are doing, I think, a fairly effective job.

We had organized and made arrangements with the Citizenship Council prior to the Czech refugees coming in here to try and work a liaison with them to be able to handle the obvious situations that would arise where people had problems and they had difficulties of adjustment that the civil servants, both federally and provincially, were not able to handle, and be able to give them a contact with those of their ethnic background with whom they could possibly come in contact, who would deal with their human problems and see the problems of schooling of children, problems of food or any other matter that may affect them, and general problems of adjustment itself. We had made an arrangement with the Citizenship Council and made a very token contribution to them and they undertook this responsibility. With respect to the Czech refugee problem, we had a major impact in that we had a number of refugees coming at a given time and we found that the resources that were available and the people that were available did work, and they worked diligently to try and help, but maybe we're not sufficient and maybe some of the things -- it led us to believe, at least, that some of the things that the Citizenship Council had asked us to consider were worthy of being considered and therefore we have taken action on them.

Now when the Czech refugees came here the department officials met them when they landed here and greeted them. This in itself is not too important but the liaison was established initially with them. Information was obtained on a daily basis by our department officials from the Canada Manpower Centre respecting the work experience of the employable immigrants. We discussed the hiring of the Czech immigrants with various Manitoba firms and we did our best to try and see whether we could place them. We worked along with this with the federal government. We had a number of meetings with the federal government people and also with the Czechoslovakian National Committee of Canada, the Citizenship Council, the Voice of Women, the City of Winnipeg Chamber of Commerce and the Metro Corporation of Greater Winnipeg.

As a result of our experience there, and as a result of the experience in connection with the immigrants who have come in here already, we have now determined that we are prepared to support the Citizenship Council's request for an international centre to be established here in Winnipeg as a centre for the immigrants to be able to know that there's an area and a place where they can go, where their problems can be dealt with on a day to day basis, those problems that cannot be handled by the departmental people and cannot be handled by the Federal Manpower; that is they're not structured to handle them. And in the estimates that are before you there is a sum of \$5,000 that will be given to the Citizenship Council for the operation and for the establishment of the centre, and this we believe will at least start it and will give us the opportunity to try and work with them, and for them to be able to operate a place in which they will be able to handle the various problems that the immigrants have, and in this way I hope that we will be in a position to correct some of the - not errors - but some of the very real problems that were difficult to settle during the period of time and some which still remain. The Honourable Member from Churchill knows of a specific case that he mentioned in the House and he's dealt with it with our department. They're difficult situations and we,

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(MR. SPIVAK cont'd) . . . as a department, are trying to do our best, but it is better to have the various groups as the Honourable Member from Inkster has suggested who are concerned, that is the ethnic groups who are concerned, who are prepared to be able to bring the resources of their organizations and the resources of their people to bear in any given situation which requires both short term and long term assistance.

Now with respect to immigration, the Honourable Member for Elmwood is out of the House but I think it's important that I -- (Interjection) -- Pardon? I'd like to, if I may, now deal with the position paper of the department with respect to immigration.

MR. GREEN: Mr. Chairman, just before the Minister leaves the subject of the international centre, I am very pleased to hear that there is a positive approach being adopted with respect to not only the Czech incident, which of course precipitated the problem in my mind, but with regard to an on-going process. I'm sure if the Minister is involved in an immigration program that this will not be a one-shot effort, that it will be something which will be available to any group that comes, and seeing our country was made by immigration of this kind, that this type of centre is certainly a positive step. But, Mr. Chairman, the sum of \$5,000 is mentioned, and it just doesn't seem to me that you can do anything with \$5,000.00. Can one staff person be hired of a calibre to even offer one guidance counsellor? I indicated yesterday that they are going to school, the students in our schools who speak English and who are already in society, have available a guidance counsellor - and I'm sure that the guidance teachers are earning in the neighbourhood of the regular teachers' rates - which means that we're talking about an entire immigration program and a centre, and the allowance that is being made is \$5,000.00. Can the Minister indicate just how this centre can operate with that kind of a grant from the government.

MR. SPIVAK: Well, this is another problem, and I'd like to answer this and then deal on the other statement that I have.

Obviously, the Citizenship Council are going to undertake a co-ordination and utilize the existing services that are available to them from the various organizations and various bodies that are set up in the community. The money that is now being proposed for them will be added to whatever monies they now are able to draw from other organizations, and others, to be able to set up a center and to be in a position to be able to co-ordinate and draw from the various organizations who make up the Citizenship Council, and other groups who are not part of the council but are prepared to work in this, and be able to draw their professional help and their guidance. The problem today with respect to the immigrants is that there is really not a place for them to go to be able to get the kind of assistance that's available in the city. We know that. The problem is how do you co-ordinate it? The Federal Manpower Department is not set up to this; their job is to bring the immigrant in, get him settled, get a job, and really at that point they leave it. Our responsibility is to try and deal with that and try and deal, if there are some specific problems - and we have had some, you have been aware of them, some professional bodies are not prepared to recognize certain standards and we have had problems in connection with this - but the day to day operations, to be able to deal specifically with the kind of personnel that would be available to assist them and help them will be handled out of this center, which will be a place for them to come, an address that they would know, contact that they would have, and then from the various voluntary organizations and other professional organizations in the community there would be drawn together the people that are required in the specific cases and the follow-through would then be made by them to see that these things are handled. This was basically their proposal and we hope and we believe that this is going to be one successful -- well we hope and we think, and I'm sure that this will be the case, that we'll be successful. Whether we are going to meet every situation or not, I don't know, but this was their suggestion to us, which we now have accepted and which we are quite prepared to work with.

MR. GREEN: Is the Minister saying that the suggestion of the Citizenship Council was for \$5,000, because the concept I agree with wholeheartedly, and as the Minister knows, I spent a good ten years of my life in this type of work and I just know that for \$5,000 they won't even be able to get one staff person. Is the suggestion that -- the recommendation comes from the Citizenship Council, the concept that is suggested I agree with, but if the Minister expects it to get off the ground then I just don't know how the token allowance of \$5,000 is going to do anything.

MR. SPIVAK: On this one item, I should mention that the \$5,000 is what they asked the provincial government for, that's all. They expect money from the municipal government, from the United Way, but just as the Honourable Member for Inkster in his capacity as a

(MR. SPIVAK cont'd) . . . professional was available to assist, so there are many others in the city today who are also available to assist, and it would be their attempt to try and draw on these people in the specific cases that come before them to help them in these situations. Without repeating myself, this would then be the center in which the immigrant who has, whatever problem there is that cannot be settled by the Immigration Department, the Federal Department of Manpower and Immigration or by the Provincial Manpower Immigration Department, would be able to channel and direct it and he would have it dealt with on a day to day basis.

Now let me talk about the advantages of immigration to this province. In a static economy with fixed capital and land and unchanging techniques and no ability to exploit the economies of scale, immigration is generally undesirable, producing a lowering in the average standard of living measured as real income per head. Now this is summarized in the old adage, "with every mouth God send a pair of hands but not a supply of capital and land", and it's from such a static analysis that fears arise - and they have been expressed in this House already - in respect of immigrants taking away jobs from Manitoba born workers. However, a static analysis of this type is very much an economist's distraction, for Manitoba is a dynamic economy - and the statistics that have been already presented in this House prove this - and immigrants add to the dynamism of the economy and give very real advantages. Immigration tends to be selective of a large number of people who are particularly able to contribute to the Manitoba economy.

Now I am going to give you a breakdown of statistics, and the sources of the information is the Department of Manpower and Immigration in its 1967 Immigration Statistics and it makes its comparison with the 1961 census. This is the latest information we have to work with. More recent data than 1961 does not appear to be available on occupational structure. Now the number of immigrants in 1967 intending to take up work total 4,890 - we had a much larger amount, approximately 9,000, but 4,890 intended to work - and for Canada there were 119,539 who came in. Now the percentage distribution of the immigrants by intended occupation, that is the occupation they intended to fulfill when they came here, were as follows: Managerial were 1.6 percent of the immigrants coming in; Professional and Technical were 24.5 percent; Clerical was 10 percent; Transport and Communications was 1.4 percent; Sales were 2.9 percent; Service and Recreation were 5.4 percent; Farm workers were 2.2 percent; Loggers, Fishermen and Miners were 1.2 percent; Construction was 11.8 percent; Manufacturing was 35 percent; General Labourers was 2.9 percent; and the occupations that were not stated were 1.1 percent.

Now of the immigrants coming to Manitoba in 1967, 25 percent intended to take up professional and technical occupations, roughly the same proportion as Canada as a whole, and even if all of these immigrants did not realize their intentions, this was a considerable professional and technical input, in view of the fact that the 1961 figures showed that only some 11 percent of the total Canadian labour force were employed in professional and technical occupations. The inflow of immigrants to manufacturing industry was particularly high for Manitoba, which demonstrated the need of the province and of the industry for skilled labour from abroad. The proportion of general labourers in the Manitoba inflow was very low and numbered in absolute terms only 142 immigrants. There were only 142 immigrants that were classified - and this is for the benefit of the Honourable Member for Elmwood - who were classified as general labourers. The intended occupational structure of immigrants does not suggest competition for employment with those who are unemployed or under-employed. However, the upgrading and the widening of employment opportunities for these people is necessarily a long term project and no solution to the immediate needs of manufacturers for skilled labour.

The average earnings of the working population in Canada in 1961 was \$3,196.00. If the 1967 distribution of intended immigrant occupation is applied to the 1961 distribution of Canadian earnings, the average 1961 earnings for immigrants would be \$3,340.00. The average earnings for immigrants were \$3,340 against \$3,196 for the average Canadian. This is 4 1/2 percent higher than for Canada as a whole, and is attributable mainly to the large professional and technical element in the immigration. A similar comparison for Manitoba gives an even larger excess of 7 percent. Now this comparison is crude. It assumes that immigrants will follow their intended occupations and that they will do as well as native born Canadians in these occupations, yet the figures still support the presumption that the average immigrant will earn at least as much as the average native born Canadian and, by implication,

(MR. SPIVAK cont'd) . . . make at least as substantial a contribution to the economy. Now immigrants, especially single workers, tend to produce more than they consume. The average 1967 immigrant to Manitoba was accompanied by .9 dependent non-workers, mostly wives and children. This is roughly the same as the figure of .86 dependents for immigrants to Canada as a whole. On the other hand, the average worker in Canada was matched by 1.62 dependents in 1966. This differential in favour of immigrants is not surprising. Immigration is selective of young adults, many of whom have not commenced their families, and there are very few dependent old people among the immigrants.

MR. DOERN: What about unskilled?

MR. SPIVAK: I already indicated 186. This high ratio of workers to dependents gives at the very least a temporary boost to the Canadian economy.

Now immigration increases the size of the Manitoba market. Immigration increases the population and hence the size of the home market. This allows the adoption of new techniques and exploitation of economies of scale, thus giving scope for a reduction in costs per unit of output. It's important to note that the highly skilled workers must be made available to manufacturers as the resultant rise in production efficiency is often reflected in the higher wage rates that management is able to pay to semi-skilled workers employed. In addition, the tradesmen can be used by management as instructors to help upgrade the skills of the general factory labourers.

Immigration is desirable for the Manitoba economy and fulfills the basic requirements of economic development, which is to improve the standards of living of all the people of our province. The statistics of immigration to Manitoba and to Canada show that the campaign that was carried out by the province has had considerable success. The immigration program is therefore not only desirable but demonstrably capable of implementation, and a large number of Manitoba employers have recognized that high productivity employment can only be maintained in their plants through the recruitment of workers from overseas. And I suggest to you, and I think there is probably general agreement, that Manitoba gets good value from its immigrants. The recruitment of skilled workers overseas facilitates industrial expansion and allows increasing employment opportunities at higher wage rates for native born Manitobans.

Now the Honourable Member for Elmwood asked about the federal government's point system, and I think it's important because -- it's unfortunate that he did not check on this before he asked the question because that information I am sure would have been available by the federal authorities, but I think it's important to mention this in the House to understand exactly how this works. As a result of the White Paper that was presented in the House of Commons, subsequent legislation was introduced by the then Minister of Manpower and Immigration, the Hon. Jean Marchand. This bill then set up a point system. This eliminated the basic requirement of skill and educational qualifications that were the sort of minimum requirement which would allow immigrants to come into Canada and which provided some very real hardships, particularly in those countries where the educational standards were not necessarily as high as the standards set by the federal department, but nevertheless the education requirements for the particular skill that they had was desirable, and in turn, the skill was needed in Canada, let alone Manitoba. So they set up a point system and they have rated the point system and I would just like to read this very quickly to you.

(1) Education and Training - There is a unit system in which the person who actually does the interview, that is the immigration officer of the federal government who does the interview, actually rates the person who is applying and he must achieve 50 out of 100 assessment units in order to be able to qualify to come into the country. There is supposedly no discrimination on the basis of race or religion, but nevertheless they must qualify on the basis of 50 out of 100 assessment. Education and training is up to 20 assessment units, and it's to be awarded on the basis of one unit for each successful year of formal education or occupational training.

(2) Personal Assessment - Up to 15 units on the basis of the immigration officer's assessment of the applicant's adaptability, motivation, initiative and other similar qualities.

(3) Occupational Demand - This is up to 15 units if the demand for the applicant's occupation is strong within Canada, whether the occupation is skilled or unskilled.

(4) Occupational Skill - Up to 10 units for the professional, ranging down to 1 unit for the unskilled.

(5) Age - 10 units for applicants under 35 with 1 unit deducted for each year over 35.



(MR. SPIVAK cont'd)

(6) Arranged Employment - 10 units if the applicant has a definite job arranged in Canada.

(7) Knowledge of French and English - Up to 10 units, dependent upon the degree of fluency in French and English.

(8) Up to 5 units if the applicant has a relative in Canada able to help him become established but unprepared or unable to sponsor or nominate him.

(9) Employment Opportunities in the Area of Designation - Up to 5 units if the applicant intends to go to an area of Canada where there is a general strong demand for labour.

Now records are maintained by the Department of Manpower and Immigration. These records are furnished to the immigration officers, the immigration officers rate these people based on the record that they have, and these records are maintained daily. The Immigration Officer of the federal government, wherever he is situated, who does the interviewing, rates the individual, and if they qualify for 50 of 100 assessments they are entitled to come in. Now this is the basic plan and there are of course ramifications of this, and actually alterations in connection with sponsored relatives and I don't want to get involved in that, I think it is unnecessary at this time, but to indicate to you that in terms of those who come into this province, they come in only by consent of the federal government and only if they can qualify under the rating that I have just referred to.

MR. DOERN: Mr. Chairman, I'd like to ask a question of the Minister in regard to his whole topic of immigration and also his topic in regard to the Czech refugees or whatever they are described as. A number of doctors came in with the Czechs - I don't know how many came into Manitoba - and the government apparently has been trying to bring them into the medical profession and they are doing certain things like assisting them in terms of learning English and so on, but I get the impression from what I hear, and given that we need doctors in this province and so on, I wonder if the Minister can tell me if there are negotiations going on with the Manitoba Medical Association and whether there is some real crash program to get these people to meet people say who have the qualifications of medical doctors, to get out and be able to practice, or are they simply winding up in hospitals doing very mundane tasks. What is the Department of Industry and Commerce or the government doing for the Czech doctors?

..... continued on next page

MR. MOLGAT: . . . to interrupt the Minister while he was speaking, but I get up once again to object, as I did earlier today, to the misrepresentations of the Minister. He was misrepresenting last night and he was misrepresenting again today. Misrepresenting and saying that we haven't read the TED Report and yet we accept all of it. A deliberate misrepresentation, Mr. Minister, deliberate misrepresentation on the part of the Minister, and I'd suggest to the Minister that if there's one thing that's going to discourage industry from coming into this province it's the Minister of Industry and Commerce in whom they can't have any faith. The first element is for the Minister to be believable, and if he can't be believable then he's not going to get any industry here.

Mr. Speaker, I make no apologies whatever for the things I said about the TED Report. In fact, a good number of things in the TED Report were things that we approved of at the convention of my party in the month of January, long before the TED Report came out.

If the Minister wants to have sections of them read back to him, I'll gladly do so, but this is the sort of nattering in this House, Mr. Speaker, that the Minister is great at. I think really he doesn't want members on this side to accept the TED Report. He's disappointed that we are favouring it. — (Interjection) — That's right. He would like members on this side to say we are opposed to progress. That's what he wants.

Well, Mr. Speaker, let's cut out that kind of nattering and let's get down to the facts of the business, and I want to come back to the specific questions of the Minister regarding the TED Report. Once again he went through a circle route. Let me ask him: if one sets out to achieve an objective, what's the first course of action? To jump at details in that objective, or to set up the organization to reach that objective? Surely any sensible plan is to look at the recommendations for organization to reach the desired goal, and if we accept that the goals of the TED Report are desirable goals for Manitoba, then isn't it logic to start off by setting up the organization to achieve those goals and then deal with the details after that? But if you start off by jumping helter-skelter and don't set up your basic organization to reach there, I don't know what sort of a plan the Minister has. I don't know how he operates, either his department, or how he intends to achieve the objective if he doesn't start off by the organization. Now if I misread the TED Report and this isn't what they are saying, then I ask the Minister, tell the House that he doesn't believe it, but the TED Report says, and I'm referring again to page 398, "The magnitude and complexity of the task facing Manitoba in reaching the targets for 1980 requires new measures to strengthen and focus the efforts of the Provincial Government and related organization on the crucial job of economic development, and to link provincial programs more closely with those of the national government." That's what TED says. It's so important and it's so complex that we require new measures. What measures do they say?

Well, the first priority government must give to the economic development of the province merits the creation of a standing committee having development as an exclusive responsibility. Further on, "The Government of Manitoba does not seem to have an instrument for obtaining rigorous, independent appraisal of policy matters relating to industrial expansion and economic development." In effect, the appointment of the TED Commission itself is a recognition of this problem and so they say — (Interjection) — Well, that's fine — (Interjection) — You did! No, I'm not objecting to it. I'm saying get on with the job. Get on with the job!

So they recommend then, first of all, a Standing Committee on Economic Development; secondly, an Advisory Council. The third point, the office of Manitoba Economic Affairs. "The Government of Canada has a heavy responsibility for the economic health of Canada generally and also a distinct role in encouraging regional development," and so they recommend a Manitoba Office of Economic Affairs in Ottawa. Well, Mr. Speaker, one need only listen to this government, the Minister of Finance when he gives his budget, the various Ministers when they deal with any problem, you would think that Ottawa was responsible for everything here. TED doesn't say everything, but it says it's a major one and let's have a liaison set up.

The fourth point, Applied Research and Development for Industry. "It is widely accepted in Canada that the nation's economic growth is strongly dependent on continued expansion in expenditures for applied research and development. For Manitoba the need is even more pressing. The province is deficient in over-all effort on applied research and development when compared by any measure with the leading industrial provinces."

So, Mr. Speaker, I return to the point. If we accept as a House the goals set out by TED, then surely the place to start is with the organization to achieve those goals and not with other details in the program. Now if this is not the right organization for those goals, if the Minister

(MR. MOLGAT cont'd.) . . . says TED is wrong and we shouldn't accept these recommendations, let him say so, but if he accepts that the goals are right and organization is the first way to start, then he owes this House not to tell them. "In due course I will let you know. I don't know when it might be; it may not be during the session; I can't tell you." Surely the place to start is to set up the organization to achieve the goals. Now I ask the Minister, is this organization right as recommended, or is it wrong?

MR. SPIVAK: I wonder, Mr. Chairman, if I could ask the Honourable Leader of the Opposition a question.

MR. MOLGAT: Mr. Speaker, it's not normal but I have no objection at all.

MR. SPIVAK: When he stated in the House today and he stated in the House as well, I think, the first or second day after the report was filed, that the Liberal caucus and he accept the general basis of the report, may I ask had he at that time read the report?

MR. MOLGAT: Mr. Chairman, I said so at that time. I said I hadn't read the whole of the report. I said it was impossible to read the whole of the report and I make no bones about that, and I said at that time I don't necessarily commit myself or my Party to every single detail in the report but I accept the principles of the report. I accept the basic approach of the report, and that's what I said, and for the Minister today to get up and say that I claimed to have read it all or that I'm accepting it without reading it all, it's suggesting that all of it I'm committed to. I didn't say that. I said the general principles, the approach, and certainly the place I went to is the basic recommendations, the goals, and how do you get there, and to reach the goals you have to start off by getting the organization. So Mr. Speaker, I make no apologies whatever. Basically I accept the principles. I think that the goals are desirable; I hope we can reach them; but I know this, that in order to reach them we have to start off by setting the organization to do it.

MR. SAUL M. CHERNIACK, Q. C. (St. John's): Mr. Chairman, I wonder if I may say something before . . . . As long as he doesn't ask a question, that's what I feared.

MR. BJORNSON: No, I would like to interject here and make a correction. I made a very feeble little speech on Monday. However, reading the news media I find that I have been promoting the San Antonio Gold Mines which we all know is defunct, is in receivership. I made it very clear to everyone that I was talking about a very exotic and wonderful mine that we have 35 miles away from Lac du Bonnet. We have the personnel building some 24 homes for their people. I have tried to get the message across that they were very sincere in investing an awful lot of money - I think they had over three million dollars invested so far, and they are well based; and the name of the company is the Tantalum Mining Company of Canada, and they have these exotic. . . . —(Interjection) — I have to tell you this because evidently whoever — I must have confused someone because they thought that I was talking about San Antonio Gold Mines and I can see people investing money like crazy, buying shares in a defunct mine, and my responsibility, you know, my responsibility. I bobbed up like a bobbin and tried to correct this as soon as I could. I am not speaking of San Antonio Gold Mines. I am speaking of the very virile and wonderful people in the Tantalum Mining Company who are going to be heard from in Canada, believe me. And thank you, Mr. Chairman, for letting me speak.

MR. CHAIRMAN: The Honourable Member for St. John's, then I'll call on the Honourable Minister of Agriculture.

MR. CHERNIACK: Mr. Chairman, thank you for recognizing me. I unfortunately have not been well the last few days and I've missed most of the debate on this department. Unfortunately I missed hearing the Honourable Member for Lac du Bonnet and could only learn from the newspapers what he had to say, and in due course I will send him a statement indicating my investment and my loss in San Antonio Gold Mines. Had he only listened to his Honourable Minister and refrained from mentioning names, then possibly I would not have found myself in the position in which I appear to be now.

I also heard the Honourable the Leader of the Official Opposition comment on whether or not he had read the TED Report at the time he first spoke about it. I would say that obviously Dunc-CAN and Dunc-DID and informed him of the contents. I enquired from various members of the House as to whether or not the Minister dealt with the program of the Manitoba Development Fund insofar as expansion of its activities, and although he is nodding his head I'm informed that he indeed did not deal with it to the extent that it was thought he ought to, and therefore I want to ask of him to point out to me exactly where I could find reference to what he said other than in his opening statement, which I have just finished scanning, which does have some

(MR. CHERNIACK cont'd.)... comment in it. In regard to that, I must say in passing also that I noticed that he and his Deputy and the General Manager of the Manitoba Development Fund are planning next month to travel to Japan and the Far East. I think that's an interesting comment. I don't know whether he's actually going to make it or not but if he does it may be worth my while to brush up on my former linguistic powers and he might want the company of a Manitoba interpreter. Failing that, I think I'd like to comment on what he had to say on the Manitoba Development Fund, and I'm referring to Page 2092 of Hansard and I invite him now to interrupt me if he can point out any larger or expanded reference to what the Fund is planning to do.

He says that the Fund "has been asked to review the TED Report," - which is worthwhile. I should think that the chairman of the Development Fund will find it valuable to read the TED Report, "and, with the consent of the government, will take action on the following recommendations." He then indicates a number of areas in which the Fund will work. I wasn't aware that it required the consent of the government to do that. Indeed the Minister says -- not the Minister says, but I believe that the TED Report points out that these powers are now contained within the Development Fund Act and that it is not necessary for any legislation, nor am I aware that it's necessary for any consent by the government. Nevertheless, I am sure it's useful for the Manitoba Development Fund to know that the government smiles benignly on its activities.

But I've read through again what it is that the Fund is planning to do, all of which is worthwhile, and I see it includes providing management assistance to firms in which it has an investment, and in the light of what the Minister said later I assume that the words "an investment" mean a loan, because he was interrupted by the Honourable Member for Elmwood who asked whether the Minister mentioned equity investment as part of the MDF's new role and the Minister said: "No, Mr. Chairman, because that is their power right now." Well, we all know that that is their power right now, but the fact is that up to now I, for one, am not aware that it has exercised its power in any way in that respect and that is investment in equity in projects, and that being the case, although they have the power I'd like to know what they're doing about it and what the Minister responsible for that work is prompting them to do, and I do refer back to the reference to what has been said before about this part of the program.

With the annual report, 1967-68 report, is a letter from Douglas Fullerton, dated December 18, 1968, where he speaks about the impressive statistics of the absence of bad loans and suggests that more risky loans would be undertaken -- the Minister does refer to that. But then he speaks of, and I'll read from Fullerton's letter: "For most developing businesses the great need is equity capital. Loans at subsidized low interest rates or on an interest free basis are in many respects equivalent, but I've no doubt some loans by the Fund are at a much lower rate than the borrower could hope to get from normal channels, if indeed he could obtain money at all. Might it not be simpler in some cases to authorize the Fund to take on an equity position in an enterprise, and that is the point that I think we have to deal with. I know that this is not very palatable to the Liberal Party; at least I'm pretty sure it's still not palatable. I recall well that the Member for Lakeside had adverse views on Part 2 of the Development Fund and I believe his Party supported him in that approach. He is indicating that he is not certain of it, or maybe he's also saying he's not surprised that they would, but in any event my impression is that the Party or the caucus did support him, but indeed he spoke vigorously on his own behalf in opposition to it.

I also did not make particular note of it, but I am under the impression that I read of or heard the new Leader of the Liberal Party being interviewed prior to his election as new Leader, wherein he indicated that he thought that the loan was going a little overboard in the risk it was taking, and that he thought it ought to be more cautious, investigate more fully. When it was pointed out to him that the suggestion had been made that more risk should be taken at equity investment, I think he sort of back-tracked a little but indicated in a very conservative vein that he had grave doubts about whether or not this ought to be done without very, very, very full investigation and assurance that money was not being risked foolishly. Unfortunately, of course, he is not in a position to stand up and correct any misapprehension I have as to what he said, but he has certainly competent and too numerous members of his Party in the House who are able to correct me if it is necessary to do so.

But the TED Report which, as indicated, is accepted in principle, I think probably by all members of the Liberal Party and of course by the government, speaks of risk and of venture capital, and I note on Page 320: "Venture capital from private sources for development purposes, whether in the form of loan or equity, has not been as accessible as it should be in the

(MR. CHERNIACK cont'd.).... province. The major development burden has been borne by the Industrial Development Bank and the Manitoba Development Fund, both quasi public agencies. These deficiencies can be remedied." Then the next sentence is important: "First, however, present passive attitudes towards investment will have to be replaced by more venturesome and aggressive points of view. 2. A number of opportunities for expanding Manitoba's financial markets will have to be actively pursued by both the private and public sectors." And I turn now to Page 336 of the TED Report and I read, dealing with the Manitoba Development Fund which is referred to on that page, where they say, "Until now the MDF has usually restricted its activities to making loans of relatively conservative turns. Important as this practice has been, and will continue to be, bold measures are now needed to provide an expanded supply of equity capital." And I see no reference in the Minister's speech to that, the induction of equity capital, because Mr. Chairman, I don't mind the Manitoba Development Fund taking risks in order to support the growth of industry, but I do mind very much if the risk that is taken by the Development Fund does not carry with it a commensurate return on the risk, and a return on behalf of the people of Manitoba who are actually putting up the money. And that, I think, is vital. I think that risk capital is proper for this government to get involved in through the Development Fund. I think it's important that we do enter into those fields where private capital is fearful of entering in, but to do so not on the basis of low interest or on the basis of high risk as to return of investment, but a high risk which carries with it a partnership in the project, a partnership which will result in the people of Manitoba sharing in the profits as well as in the losses, and in the speech I referred to I find no reference to that by the Minister other than his statement that they have the power. Well, they've had the power for quite a while, and I repeat that I'm not aware that they have used the power.

Now I would like the Minister firstly, I've invited him already to interrupt me had he spoken about this on some other occasion which I have missed or about which I have been misinformed, and I now invite him to correct me and to fill me in, and other members of the House, as to the efforts being made along these lines rather than as is suggested by his first statement that they're going into higher risks and more aggressively engaging in research and major projects, all of which I approve of. But I want to make sure that, along with it, the people of Manitoba are partners in the project.

MR. CHAIRMAN: The Honourable Member for Lakeside.

MR. DOUGLAS CAMPBELL (Lakeside): Mr. Chairman, I was going to wait until the Honourable the Minister of Agriculture had spoken because he had indicated that he wished to get the floor a short time ago and I would have enjoyed hearing from him before I spoke, but I'm sure that my honourable friend the Minister of Industry and Commerce is so all-pervasive in his sphere that he can answer for Agriculture as well. As a matter of fact, he's already been attempting to do that, I believe.

Mr. Chairman, the discussion on the Minister's salary ranges far afield, and on this occasion I'm going to go as far away as Regina to bring my honourable friend the Minister greetings from one of his friends up there with whom I had a little visit late last summer. This young man had been a great friend and classmate of one of my sons all the way through, pretty well through school and university, and so when my wife and I went to visit this young man, who now occupies a prominent position in Regina, we were naturally talking about several of the mutual acquaintances of this young man and our son, and after discussing several of them this young man said to Mrs. Campbell and me: "As a matter of fact, another classmate of ours at the university was Sid Spivak." And he said, "He's in the Legislative Assembly now." And I said, "Yes." He said, "You know, when he was in university he was the quietest, shyest, most backward little fellow that you could ever imagine." And I said, "Well, you know, if that's an indisposition then I must report that he has had a completely successful recovery." And our mutual friend said, "I rather gathered that from the amount I see about him in the papers."

Well, I think that is a fact that my honourable friend has come out of any shell that he might have been enveloped in at one time, and now his influence is certainly spreading far and wide and I think it does apparently reach into the field of agriculture which is the part of the TED Report that I have paid most attention to. I have read everything in that report that I can find - everything - dealing with agriculture, but I state now, as I have previously, that I have not read all the rest of the report. And while I, like others who have spoken, am of course in agreement with the general objectives of the report just as I certainly am with those of the Honourable the Minister himself - I sometimes find the line of reasoning by which the report,

(MR. CAMPBELL cont'd.)... as with the Minister, appeared to be moving toward the objectives - I think no one who is acquainted with my honourable friend the Minister would ever challenge his motives in being interested in getting the development of Manitoba to achieve its very fullest potential, and I think that's the idea of the report and certainly we all can agree with that. As my honourable friend mentioned a moment ago, the Honourable Member for St. John's, it's the road that we travel to achieve that position that I sometimes find myself in disagreement with. And without in any way criticizing the objectives of the report, I cannot help - and this was why I was hoping that perhaps the Minister of Agriculture was going to mention this same subject - I can't help paying some attention to individual statements that have been made, and rather than quoting from the report itself, which as everyone knows is very voluminous, I'm quoting from the May issue of the Manitoba Business Journal, Page 16 which, as honourable members will know, gives a very comprehensive report of different parts of the TED Report. Here's a paragraph that I would like to read, a couple of paragraphs, from Page 16.

"TED members also call for redefinition of the role of Manitoba agriculture. For the past 100 years the task assigned to prairie agriculture has been to provide a staple product, wheat, for export markets. This assignment must now be reassessed and new goals must be established or confusion in agricultural policies will continue to exist." TED apparently feels that there is confusion and it will continue to exist unless this assignment is reassessed. And the next paragraph: "The successful growth of Manitoba agriculture will depend on reduced dependence on production of commodities such as wheat, in favour of industrial raw materials such as livestock and special crops for further processing."

Mr. Chairman, you, as an actual farmer, and others in this Chamber know that so far as Manitoba is concerned that that is the development that has been taking place for many years, and certainly it has been the recommendation of the Department of Agriculture and it's been successful in general. Now it probably is true that so far as the great wheat-growing province of Saskatchewan is concerned, that likely wheat outranks to a great extent all other lines of agricultural activity. But so far as Manitoba is concerned, we have not been a one-crop-producing province, and I am sure that the people who were in charge of the report, of the agricultural sections of the report, should have been familiar with that situation.

Mr. Chairman, I think you'll agree with me that we had as large a wheat acreage back in 1921, or soon after the close of World War I, as we have ever had since, so we're not the culprits of being a one-crop economy, and many times -- well several times -- there have already been, so successful have the policies of the various departments of agriculture been, that on more than one occasion the total value of livestock production in Manitoba has been greater than the value of the wheat crop, and if the TED commissioners had simply looked at their own statistics on Page 56 they would have seen that the most recent figure given there for the cash receipts from farming operations totalled less than 120 million for the wheat crop in Manitoba and more than 174 million for livestock. So, in fairness, I think it should be pointed out (and I thought perhaps the Honourable the Minister of Agriculture was going to do this) that the efforts have not been by any means unsuccessful.

Livestock production has been growing. There were times back in the dim dark days of the past when our government was in office, there were times when agriculture was so unfortunate as to have me as the Minister, when livestock production in total outranked the wheat crop. Those times were, of course, in response to the demand for meat products during World War II. If you go back to some of those years also, you will find that livestock products in total actually outranked the total wheat crop on more than one occasion. Not the total grain crop - I'm not talking about that - I'm talking about wheat. But that's what this report is talking about too. So I suggest to my honourable friend the Minister that we should keep a proper perspective and not blame the Manitoba farmers for the situation that exists. And when they talk about the increases in agriculture that should come, according to them, they quite properly say that markets are essential, markets at remunerative price are essential if these targets are going to be reached, because you can't keep on, Mr. Chairman, with the situation as it is at present and expect the farmers to achieve their best potential. Quite frankly, I think that they are in this report less than fair to what agriculture has already done, because they suggest that increased efficiency in productivity is necessary, and I think that no group, absolutely no group in the economy has shown a greater increase in efficient production than have the agriculturalists, and those of Manitoba do not rank behind the rest of the country in that regard.

(MR. CAMPBELL cont'd.)

But there's a particular matter than I wanted to get the agricultural advice of my honourable friend the Minister of Industry and Commerce on, Mr. Chairman. I have in my hand a news service bulletin issued by the Public Information Branch of the Manitoba Government, dated May 9th, 1969, and in view of the discussion of last evening, Mr. Chairman, it's interesting that this bulletin gives the name of the business firm that it's talking about. It — (Interjection) — Well it does. Instead of just standing up and cheering, as they should have done, with a hip hip hurrah for the Minister of Industry and Commerce, they — (Interjection) — No, no, no. This actually gives the name, and it not only gives the name but it couples in the report the names of both the honourable and charming Minister of Government Services and the Minister of Industry and Commerce, so that one would think that they were at least accessories before the fact of this great error in presenting a story to this public in Manitoba.

"Mrs. Forbes said," — I'm reading from the report — "Mrs. Forbes said," and I couldn't quote a better authority, "Mrs. Forbes said an agreement between the Province of Manitoba and . . ." — and get this — "George Loeppky of Carman, President of Plain Agro Corp Limited." It even gives the name of the — and this is Mrs. Forbes said this — (Interjection) — "calls for the leasing of the lands and premises of the former R.C.A.F. station at Macdonald."

But the part that I wanted to come to, Mr. Chairman, and where I want to get the assistance of my honourable friend the Minister of Industry and Commerce, is that "Industry and Commerce Minister Sidney Spivak said the new operation is the result of several years of planning and organization by Mr. Loeppky with the co-operation of the Department. When fully operational it will provide an important stimulus to the economy of the area, Mr. Spivak said."

Now is the time, Mr. Chairman, for me to stand up and cheer for my honourable friend the Minister of Industry and Commerce, and let it be distinctly understood that I am not attempting to criticize either the operation or the gentleman who is named in this statement or the corporation that is being established. I haven't the pleasure of knowing the gentleman whose name I shall not mention again, nor the corporation. I am glad to see, according to the published report, that a personal friend of mine and an excellent farmer, a devoted public servant, is one of the directors of the company and I can certainly say that if I were a shareholder in the company I would be pleased to see that gentleman as a director of it, so I have no criticism of the person involved or the corporation as such. But I have criticism of the government for having not protected the interests of some private farmers in that area whose land had been taken away from them by expropriation back at the time of World War II, and I think that even though I'm very much in favour of increased industrial activity, that even when we are so anxious to get that activity going, that we should at least have protected the position of these farmers whose lands had been taken against their wishes and who had been promised by the Federal Government — and it was the Federal Government not the Provincial Government — had been promised that they would get them back again if ever the airport was closed down.

Now I know that verbal promises perhaps are not as binding as those that are in writing and I know that people would be well advised to get any agreements of that kind reduced to writing, and I am quite aware of the fact that it is not anybody from the Manitoba Government that gave that undertaking, but I still say that this is one of the kinds of things that brings governments into disrepute, all governments, and public people. When you get undertakings of that kind made and not implemented, albeit that there has been a transfer of ownership in the meantime, the Federal Government in my opinion was completely at fault in not writing that provision, that undertaking, into the contract when they disposed of the property to the Manitoba Government, but even though that was not done, the Manitoba Government was also at fault in not implementing the undertaking anyway. But . . .

MR. GREEN: . . . Samuel Goldwyn once said that a verbal contract isn't worth the paper it's written on?

MR. CAMPBELL: Who made this statement?

MR. GREEN: Sam Goldwyn.

MR. CAMPBELL: I'm not acquainted, I'm afraid, with the authority, but I'll give him a better authority. That has been my experience too, and unfortunately it appears to obtain even though you are dealing with governments where verbal contracts I think should carry through, even though they were not reduced to writing.

But this raises the other question, Mr. Chairman. It raises the question of the future of the family farm, and I think that we have here an evidence that some of us have already seen in

(MR. CAMPBELL cont'd.)... the Department of Industry and Commerce, that they are so interested in what might be termed "big business" - and I have nothing against business just because it is big - they have such an interest in big business and development generally that they are, if not willing, at least do not resist riding roughshod over the private individual. We have had many discussions in this Chamber, Mr. Chairman, about the future of the family farm, and our friend who used to be here, George Hutton, used to declaim most emphatically that he was a friend of the family farm; he had no doubt at all about its survival; and I always shared his views with him. As a matter of fact, Duff Roblin also was a supporter of the family farm.

I have here the publication of the Department of Agriculture at the time that George Hutton was the Minister. It's the Farm Outlook, the report of the Farm Outlook Conference of 1964, and an address was given at the beginning of that conference by George Hutton and a little later by Honourable Duff Roblin. Both of them are interesting reading. I won't take time to read from Mr. Hutton's statement but I will from Mr. Roblin's. It's on Page 6 of that particular report, or Farm Outlook. This is quoting from Mr. Roblin. Incidentally, I think this was the last year that the Minister and the Premier, or either of them, made statements of this kind. They caught on it was better to leave it to the officials from then on. I'm sure that the present Minister of Agriculture is much too wise. Wasn't it Job, I think, Mr. Chairman, that said, "Oh that mine enemy had written a book." Well, when people make speeches at conferences of this kind and they are recorded, then it becomes similar to writing a book, and here's what Mr. Roblin said at that time, 1964.

"I am confident that the next few years will see us forging ahead greatly in agriculture." Well, after the discussion we had here the other day, with everybody, with every solitary member who spoke, and I think there were eleven or twelve of us, everyone admitting that agriculture was in crisis, a position of crisis, this doesn't read so well. "As proof of our faith in the industry, our province has started the Manitoba Agricultural Credit Corporation. Since 1959 it has granted more than \$20 million in long term credit. Some people fear this program will bring the demise of the family farm. On the contrary, the farm credit program has the two-fold objective of supporting the family farm and assisting young farmers to get established."

Everyone, just everyone was agreed at that time, I think, and since, that the family farm as a viable unit should be encouraged and maintained, but here, Mr. Chairman, my honourable friend the Minister of Industry and Commerce, with the co-operation of his department, has completely ignored the claims of at least two family farms in that area that had had a promise made to them that they would get their land back and resisted all attempts, on their behalf, to do so. And I maintain, Mr. Chairman, that regardless of the operation which is envisaged taking place there, and I have no criticism of it as such, that the fact that the government had an opportunity to show its faith in the concept of the family farm, the government had an opportunity to give some encouragement and support to two people who have suffered through the years because of the fact that this land was taken away from them in wartime, were not enabled to get it back, and my point is that there are times when progress of this kind is too costly to the well-being of the body politic in general, because it would have been better, in my opinion, even if it had meant this corporation going out and buying some land in another area, or not as conveniently located as this. Even if it had added costs to the establishment of this enterprise, it would have been much better, in my opinion, that the family farm principle should have been encouraged, and particularly that an undertaking given by representatives of one government should have been implemented by another. I am not attempting to defend the federal government. Theirs was the primary blame in my opinion. They should have protected these people themselves, but when they didn't do so, then in my opinion this government should have taken over that responsibility.

However, Mr. Chairman, and I have spoken longer than I intended on this, but I would like my honourable friend the Minister to tell us in detail of just how this project will provide an important stimulus to the economy of the area. I am aware from the dispatch that they expect that 20,000 tons of feed per year will be used when the plant is fully operational. Will they pay more for that feed than the market price is going? Is that how it will be a stimulus to the local community? Or will they guarantee that they will buy it locally, so that the local people get the primary benefit of it, or just in what way will it be done?

Now I see that the Honourable the Minister of Agriculture has returned and I hope that he has something to say on this matter, Mr. Chairman, and I will await both his remarks and



(MR. CAMPBELL cont'd.) . . . those of the Honourable the Minister.

MR. CHAIRMAN: Does the Honourable Minister of Agriculture wish to speak now? The Honourable Minister of Industry and Commerce.

MR. SPIVAK: Mr. Chairman, I listened with great interest to the words of the Honourable Member for Lakeside and the story about the friend in Regina. I also have a story. It's far afield but I think it's rather appropriate. I have a friend, someone whom I grew up with, someone whom I went to school with for eleven years who happens to be very close to the Honourable Member from Lakeside, in fact happens to be his son-in-law and whom I have a very high regard for, and who in his days in high school was a leader and was what I considered a very progressive person, a man who today - that is until recently - held views which were very opposite to the Honourable Member for Lakeside, although without question respected very much the Honourable Member for Lakeside and his views, and certainly his integrity. Lo and behold, on Saturday I witnessed the son-in-law, who was progressive, supporting and in fact acting as the general campaign manager for the new Leader of the Liberal Party and supporting in a way the views of the Honourable Member for Lakeside. I'm not sure whether the Honourable Member from Lakeside's views have changed or whether in fact there has been a significant change in my friend with whom I grew up and who I considered very progressive and very enlightened in his views.

Now dealing with the Honourable Member from St. John's reference to the Manitoba Development Fund, specifically. May I, if I can, just read out to him Page 335, the recommendations of the TED Report with respect to the programs of the Manitoba Development Fund. "Specifically it is recommended that the fund enlarge and diversify its present programs by adopting a more aggressive policy towards capital supply, engaging research to develop major new projects; undertaking financial packaging and counselling; engaging in leasing of plant and equipment; providing management assistance to firms in which it has an investment; supplying financial support to export of manufactured goods; and creating a new pilot enterprise program with the MDF."

Now let me, if I may, just deal with this right at this point. The government has asked the Board of the Manitoba Development Fund to review the TED Report and to give its recommendations. We have received from them confirmation that they are prepared to adopt the recommendations with respect to this, and in the opening statement on my estimates I indicated explicitly that this was going to be undertaken. I can suggest to you as well that the fund will, and has the right, and will provide equity capital if this is what is going to be required to bring a viable project into being in Manitoba. This is not the same philosophy as the Member from St. John's philosophy insofar as the use of equity capital, but I think it expresses specifically our intention that if a viable operation has to be brought in through the use of the provision on equity capital it will be done. -- (Interjection) -- I said to you that this is the position insofar as the government is concerned.

MR. CHERNIACK: Well, it's your act.

MR. SPIVAK: Now, dealing with the Honourable Member from Lakeside's reference to Macdonald. Macdonald was a matter of public knowledge. It dealt with public property and therefore was something that was properly dealt with through the government and the government information service. I may simply say to him that the members of the department worked pretty diligently in attempting to put this together and to try and make this a viable operation. I would suggest that it would be in his interests, without getting into detail, to find who the members and shareholders of the Plain Agro Corporation are, and I think he will realize that there are many people in that area who in fact are part of this and who in fact will be benefitting as a result of this activity at this dormant airfield that has remained dormant for many years.

The Honourable Member from Lakeside is, I would say, probably a little upset with some of the recommendations of the TED Report with respect to agriculture, and I think it's necessary to read into the record for his information, in case he's not aware, of the people who worked on the advisory committee in connection with this aspect, and to point out the background of them and to show that there was a balance. The chairman was Ralph Hedlin, president of Hedlin Menzies. The secretary was Dr. J. H. Hare, vice president of marketing in National Grain. The members were Ken Singleton, president, Manitoba Farmers Union; Dr. Murray Cormack who is the Deputy Minister, Department of Agriculture; D. D. Stevens, the Director of Corporate Relations of Federal Grain; M. E. Searle, a professor, Division of Animal Sciences at the University of Manitoba; A. W. Wood, professor, Department of Agriculture, Economics and

(MR. SPIVAK cont'd.)... Farm Management, University; Geo. Heffelfinger, president and general manager of National Grain; W. J. Parker, president of the Manitoba Pool Elevators; Harold Clement, president, Russell Chamber of Commerce; A. M. Runciman, president, United Grain Growers Limited; R. J. Soper, professor, Department of Soil Sciences; Harry Dunn of Transcona; W. H. Jorgenson from Morris; Clint Whetter from Dand; Alex Stow from Carman, Lorne E. Parker from Ste. Agathe; Ken Edie from Dugald; J. H. Wilford, United Packing House Food and Allied Workers, Winnipeg; Gordon Graham, Newdale; Ron Hill, president, Manitoba Dairy and Poultry Co-operatives Ltd., Winnipeg; Rene DePape, Mayor, Town of Somerset; J. C. Gilson, head, Department of Agriculture, Economics and Farm Lands, University; Stewart Harris from Benito; John Murta, Graysville; and Don Baron, editor, Country Guide, Winnipeg.

These were the representatives who, on the Advisory Committee, came to the conclusions which the honourable member may very well disagree with, but which I would suggest really represents a consensus of where we stand today in respect to the agricultural community.

MR. CAMPBELL: Mr. Chairman, the thing for me to do, now that my honourable friend has read that list, is stand up and cheer. This is the whole thing.

Mr. Chairman, I have the highest regard for a good many of those whose names have been read but I have also seen a great many reports in my time and I have seen individuals named on the commissions who never saw the recommendations that were made.

MR. CHERNIACK: Mr. Chairman, may I ask the Honourable Minister, in the light of what he dealt with, with the program of the Manitoba Development Fund, and he said nothing more than he said when he first introduced it, so obviously I should have realized that he had nothing else to say about it, that is it a fair statement to make that the Development Fund has not yet found an occasion when it is feasible to develop an industrial enterprise that is urgently required for the economic development of Manitoba, or any region thereof, and which private industry is not ready to proceed with? Is that a fair statement that there is no occasion that the Fund has found an industrial enterprise feasible for the development in Manitoba that private industry is not ready to proceed with? Is that a conclusion that's a fair assumption from the statements made this afternoon by the Minister?

MR. CAMPBELL: Mr. Chairman, might I ask a question too? Is it also a fair assumption from what my honourable friend the Minister said to me in reply to my question about just how this operation was going to benefit the local area, is it a fair interpretation that because he told me that I should inform myself as to who are the shareholders, that he thinks their great contribution is going to be to those people as shareholders?

MR. SPIVAK: Mr. Chairman, in answer to the question of the Honourable Member for Lakeside, all I'm suggesting is that there are many local people in the area who farm in that area, who are going to become involved in this and who will be selling their products to the corporation of which they are a party in order to give them an outlet for the sale of their particular products, and in this respect they are conducting an enterprise which will, in fact, help them to grow and develop, and these are people that live in the area. My purpose in doing this wasn't in any way to be facetious; it was really simply to suggest that there is some merit, and in finding out the names of the individuals, it's not my purpose to mention them at this time. The original option was taken out in the name of the person who has been mentioned. He has...

MR. CAMPBELL: Don't you name him.

MR. SPIVAK: Well in this particular case, for your benefit, and I think this is important, this is a negotiation and a deal that was handled between the government in connection with an asset it had and another individual. I think it's vastly different than corporate names that are mentioned here indiscriminately without any cause, and as a matter of principle I believe this, there may be those who disagree with it; but however, let me point out to you this, that the individual who had the basic concept of trying to utilize the facilities in the way that it has now been established that he's going to proceed, required help and assistance to be able to determine its viability, its marketing potential, the capability of financing, etc., and in this respect the department worked along with him, solicitors, others whom we brought together, until this project has in fact now at least reached its first stage. It has other stages to achieve and hopefully it will achieve that as well, and there were other people from the area who were involved and I would suggest to you that for the people in the area, this is pretty important to them.

Now with respect to the Honourable Member from St. John's, I would simply suggest to him that obviously I don't know whether there have been any considerations by the Fund. It's

(MR. SPIVAK cont'd.)... obvious there hasn't been any action by the Fund.

MR. CHERNIACK: I appreciate that answer and I want to suggest now to this Minister in strong terms that I believe that it is the government that is not permitting this to go ahead, and the only reason I'm saying that is that the one phrase that I left out of the words that I used wherein I practically cited the section of Part II of the Act was the phrase, "Where in exceptional cases the Fund concludes that it is feasible." The Act indicates something which is not as extensive as this TED Report, and the TED Report is the report that the Minister says we should be working on; the TED Report is the one that he says is the blueprint of what we have to do. The TED Report is signed by the person who is the Chairman of the Manitoba Development Fund, and if the Chairman of the Manitoba Development Fund has to read the TED Report in order to find out whether or not he is prepared to do the work recommended there and then tell that to the Minister, then what is the meaning of the words that are used in the TED Report on the page which the Minister read to us, for I think the fourth time, but read to us just a few moments ago where it says: "Bold measures are now needed to provide an expanded supply of equity capital" - and then it goes on and I'm not going to use the Minister's technique of reading in length something which he and I could both read and of which we all have copies.

It is clear to me that this report, the TED Report which speaks under the section of challenges to economic development, which is signed by R. E. Grose, says that the MDF must go into it. And I read another sentence: "The MDF is the only institution in the province in a position to undertake these essential services to development." I want to suggest to the Honourable Minister that if indeed it was necessary to say it in the TED Report then indeed it must have been necessary for this government to give its approval, because you know and I know that under Part II the Development Fund must work with the concurrence of the Lieutenant-Governor-in-Council, and if the TED Report says that it is necessary to have bold measures, then either the Chairman of the TED Commission put his name to a consideration or a policy which is not apparently needed, because as Chairman of the Development Fund he has not approached the government for that kind of work, or else he didn't read either the Act or the report. Mr. Chairman, I have the greatest respect for Mr. Grose, the Chairman of the Manitoba Development Fund, and I have great respect for the gentleman who is also Chairman of the report of the Commission on Targets for Economic Development, and I cannot conceive that he would make a recommendation as chairman of a commission and not be anxious to carry it out as chairman of the arm which is to be used for that purpose, and I would think that an advisable step would have been the elimination of that portion of Part II which speaks of extraordinary operations and exceptional cases.

And I am not talking philosophy because I don't ask the Honourable Minister to acquire my philosophy or the philosophy of our Party in respect to development, but I am now talking about his report, not only the Minister's report but the report of Mr. Grose, and there is specific reference to work being undertaken that should be undertaken by the Development Fund which I don't think it could really do without the - well I'm sure it can't do it without the co-operation of the government. So I am now interpreting what the Minister said - and I admit that it's my own interpretation and he can and should correct me - that it's the government that is holding back, that the government must be the one that is preventing this kind of development, that it is the government that is giving a cold treatment to this kind of policy, otherwise it would not be necessary to talk about it in the TED Report.

MR. CHAIRMAN: The Honourable Minister of Industry and Commerce.

MR. SPIVAK: Mr. Chairman, I'm going to simply answer the fiction that the Honourable Member for St. John's has developed here, which it really is, by simply saying to him that if in fact action under Part II is requested by the Board of Directors of the Fund and the General Manager in connection with any specific proposal that they feel is worthwhile, that matter will be considered by the government. They may have in fact considered many matters; they have not obviously brought them to us for our consideration. You've already had the report. Whether they will in the future or not is something that I do not know, and it may hurt his basic socialistic instinct, but the Fund is only going to be prepared - and this I think I can say from my general discussion and understanding - to get involved in the equity capital situation where a viable project can not be brought in. There is no doubt that the report deals with the problem of venture capital in this province and of risk capital; and there's no doubt it has constant references to the necessity of trying to attract financial institutions to bring their head offices here; and there's no doubt, as I've continually mentioned, the problem of financing, because

(MR. SPIVAK cont'd.).... obviously we're not going to be able to grow unless there's sufficient capital that's available. If in fact as a result of all the things that are undertaken we still do not achieve the result in certain areas, and in fact if the Board makes a decision that there is interest and necessity in going ahead in this kind of a situation, I'm sure we'll consider it. Obviously, it hasn't happened so far.

MR. CHERNIACK: Mr. Chairman, I'm not going to make a speech. If I may, I just want to make a request of the Minister. Would he not consider my suggestion that the wording of Part II of the Act will actually frustrate the Board's attempts to work under the policy set out in the TED Report because of the reference to extraordinary operation, exceptional cases. It may be that the Minister has not received any requests from the Fund; it may also be that he didn't receive it because of the wording of the Act, and that it has to be made clear to the Fund that the government looks forward to that kind of expansion in the TED Report and not in the Act. Maybe that's why he's not getting that kind of request.

MR. SPIVAK: I'll answer that one question. May I again repeat, the report of the TED Commission was sent to the Fund and we asked them to examine this - that is the Fund Board of Directors and the General Manager - we asked them to examine it, to come back and indicate the action that they were prepared to undertake. The action that they were prepared to undertake I've mentioned, and that's their answer to us.

MR. CAMPBELL: Mr. Chairman, I have one further question that my honourable friend the Minister didn't answer. I think probably he prefers not to, but would he comment on the position that I have taken with regard to the two family farmers in that area that were effectively frozen out by the government's action. Doesn't he think that their rights should have been protected?

MR. SPIVAK: Mr. Chairman, may I simply say that in the three years that I've sat in this Legislature I've heard the same speech, and in my reading of Hansard over the Roblin years in this government I heard the same speech, so therefore I am very familiar with the presentation of the Honourable Member from Lakeside. I recognize that there in fact may have been some difficulty between the federal government and the others who were involved. The Macdonald Airport project was - it was a decision of the government to advertise the facilities for sale and to hope that there would be some industrial development. I can tell the Honourable Member from Lakeside that although this project appears to be the only one that came about as a result of the advertising, there are a number of major projects in this province that came about directly as a result of the examination of Macdonald as a facility for a specific project and the determination at that time that it wasn't exactly the right facility.

I may say as well that one of the big problems we had as a department in trying to develop a facility for industrial purposes was the fact that the ADA boundaries terminated approximately four miles away from the Macdonald Airport, and as a result the ADA grants which are available, the incentive grants, were not available for any industrial enterprise coming into this area. We attempted unsuccessfully and we negotiated at some length with the federal Department of Industry to try and see whether there could be some minor adjustment made in the ADA boundaries in some way, either through legislation or through Order-in-Council in the federal government, to be able to draw this through and we were told that this could not happen. As a result, this is the project we have.

The decision to use the Macdonald Airport for an industrial enterprise was made many years ago and advertisements were conducted. I think that was the time the decision was made with respect to the individuals whom you refer to.

MR. CAMPBELL: Mr. Chairman, I gather that my honourable friend's answer to me is that because he heard me speak about this matter several times and read where I had done the same thing even before he came in here, that that was the reason they didn't give any consideration.

MR. SPIVAK: No, the answers were given to you some eight years ago and they've been repeated every year that I know of.

MR. CAMPBELL: If my honourable friend had conducted that research, I'd like to know what the answer was. I must confess that I don't know what it is. What is the answer?

MR. SPIVAK: The answer is that it was a commitment made - if there was a commitment, it was a matter dealt with the Federal Government and this was a provincial matter, and the decision, the policy decision was to use the facilities to try and attract an industrial or commercial enterprise.

MR. CAMPBELL: Regardless of its effect on the local citizens who had been forced to give the land up.

MR. SPIVAK: Certainly with a view that the utilization of the facilities - with reference to the fact that the utilization of the facilities would in fact have some impact and some assistance to the people in the area.

MR. CAMPBELL: Even though there was lots of other land available in the immediate area?

MR. SPIVAK: Well, it's a question - the land is not the only thing involved in this, the land and buildings and runway and other items were involved in this. I don't think it's necessary for me to recite the very number of commercial enterprises that we examined for this, but I'm very happy that we have at least been successful in locating one there. We found tremendous difficulties in connection with this, but the primary responsibility of the department was to try and find an industrial and commercial enterprise and that's been undertaken.

MR. CAMPBELL: Mr. Chairman, I'm not objecting to this part of it. The two gentlemen, the two farmers that had had their land taken did not expect to get the site that the building is on. They were quite resigned to the fact that the land that had the airstrips on them couldn't be reclaimed for agriculture. They wanted the part that still was reclaimable for agriculture - and my honourable friend the Attorney-General is wanting to make some comment on this?

MR. LYON: It's such a hoary old subject...

MR. CAMPBELL: Yes, but a hoary old subject that has gone through all these years with the injustice continuing and continued by this government.

MR. LYON: If there was any injustice it was perpetrated by the federal government, not this one.

MR. CAMPBELL: And just because my honourable friends came into possession of the land without the federal government having discharged its responsibility, then this government takes the position that it's quite within its right in perpetuating that injustice.

MR. LYON: It was no injustice to start with.

MR. SPIVAK: Mr. Chairman, on this one point, may I simply point out to the Honourable Member for Lakeside, if we had been successful in being able to attract an industrial enterprise that would not have required the full use of the land, I am quite sure that the government would have acted in a way that would have satisfied the Honourable Member from Lakeside. However, in connection with this project, which became the only viable project for the utilization of the facilities and an over-all assessment in what would be the best value for the immediate area in terms of its economic activity, all the land was required.

MR. CAMPBELL: Other land was available in the immediate area.

MR. SPIVAK: Well, Mr. Chairman, if they were available, they were also available to the individuals that the Honourable Member for Lakeside is referring to.

MR. CAMPBELL: There's a little bit of a difference, Mr. Chairman, to a man to have the land that adjoins his own farm. It's not quite the same to a commercial operation.

MR. JACOB M. FROESE (Rhineland): Mr. Chairman, I'd like to make a few comments under the Minister's salary yet before we're leaving that item. No doubt the Minister will be very happy once we get finished with his estimates. I note that there is a considerable amount for winning and dining, hospitality under the Minister's Salary, an item of \$50,000 which has substantially increased over the previous estimates of 31,000. It would be nice to hear a breakdown on this matter later on if there is one, or probably join him as the member for Elmwood suggests - (Interjection) - Oh, you want to join him.

Mr. Chairman, I'm interested in the matter of capital investment and of all the Minister's opening statement that he made on this item, it's very short, he devotes one paragraph here to capital investment, and states that "in 1968 capital investment in Manitoba reached both these targets with an increase of 12.6 percent over 1967." Previous to that the figures were given. Then, "total capital investment in the province reached 808 million, which was 5.2 percent of Canada's total capital expenditures." I note from B. C.'s report that they have a capital investment averaging over the years from 1952 to 1966 of 8.4 percent. This is slightly below what Manitoba did this last year, but I am sure this as an average is a very good figure, and I would be interested to hear what Manitoba's average has been over the last 15 years or so because I think we have to look at this in long term range in order to assess or evaluate the matter of capital investment.

I would also briefly like to refer to the Manitoba Chambers of Commerce statement of

(MR. FROESE cont'd.).... policy and resolutions of 1968-69, and on Page 5 we have a statement or a resolution on the Business Investment and Profits, and it reads this way, and I quote: "Investment in private industry is made in the hope of earning a profit and at the risk of taking a loss. Profits are needed not only to provide a return on invested capital but also to assist in financing business progress and economic expansion. Only a continuing profitable business can attract the capital needed to finance expansion or the modernization of plant and equipment." Then the following paragraph: "The Manitoba Chambers of Commerce recognize that there is a need for a better understanding of business investment and profit, and urges member Chambers to take every opportunity to increase public knowledge of this subject."

Mr. Chairman, it is in this connection that I certainly underline what is stated in that particular resolution, in that I believe in the profit system and that we need a profit in our businesses to make a go and to expand. This is essential that we have this. We should not try and hide profits, I think we should speak of them freely, because if we do so people will tend to invest more readily, and this is where I think we are probably failing and I think this is where the TED Report is failing. Why do we not have a section, or comments in connection with businesses, with the various types of businesses, as to the return on investment. This is what I would like to see. We know from the Retail Dealers Association's annual meeting a year ago that they claimed at that time that the agricultural section, the agricultural community investment only had a return of between three and four percent. This is much too low, and when we hear of the people that have apartment blocks in Winnipeg in the city where they can get a return of 12 percent, well where's the investor going to put his money? For this reason I feel that we should have had more comments in this connection and enlighten the people where good investments can be made.

And this brings me to the other point. We were just discussing the agricultural development up near Portage and the considerable investment that is going to be made there in this agricultural business, but Mr. Chairman, I'm sure that the investment is not made simply just because of the return. I think the ADA program comes into the picture here, does it not, because of the whole line of businesses that they intend to promote in that particular business?

MR. SPIVAK: Just for the information of the Honourable Member from Rhineland, I indicated when I discussed the matter of Macdonald with the Honourable Member for Lakeside, there is no ADA Program available because it does not qualify. It is not within the ADA area.

MR. FROESE: No part of the total investment is subsidized? Well I'm glad to hear from the Minister giving me a reply on that. I certainly had no intention of misleading members of the House or the public in this matter and I am satisfied that he has given me this information, but I feel that we are not getting a proper return on many of the risk ventures that we have, and in particular in the agricultural community, because if we had a better return I am sure that people would be much more ready to invest in various ventures, and were it not for the ADA Program today and the government's large borrowings, we would be in a very sad situation in Manitoba, the way I see it, because we just had the estimates for Capital Supply tabled in the House yesterday which totalled \$285, 800, 000. 00. This is a very substantial amount that will be spent by this government and by which the economy will be benefitting. But mind you, these monies will have to be paid for out of tax monies later on, and it's not as rosy a thing as we would like to believe. Naturally it will bring a certain amount of prosperity for the short term period, but in the long run these investments will have to be paid for from tax monies. The same holds true for the ADA grants. This also is a government grant and which will have to be paid for by the taxpayers of this country, and I think that this gives us a lot of artificial prosperity which really in the long term will not hold out. These are, in other words, props to uphold the economy at the present time and that we should not build on these too strongly.

I was also interested in the matter of equity investment that has already been referred to by the Member for St. John's. I had made a note of this that I was going to question this part, because I know that not only does the Manitoba Development Fund mention this but we have the Province of Manitoba Economic and Financial Survey put out by Wood, Gundy Securities Limited, which gives a very good description and information, I think, on matters of finance in the Province of Manitoba and also in particular to the Manitoba Development Fund, and they, under these various items that the Fund will do or the potential of the Fund and the activities that will be and are possible at the present time, they mention under item 8 on page 18 of the report: "taking equity positions where experienced management is available to operate their business. This option has not been used by the Fund and will likely be used only under special

(MR. FROESE cont'd.)... circumstances."

I recall when the Manitoba Development Fund Act was passed that the second part had to do with public investment in public enterprises, and I also note that there is a page attached to the Manitoba Development Fund Report that no investments have been made during the year of the report. But if any have been made since, I would like to know from the Minister how many firms have received this benefit, and this I think also gives us the right then to question and probably criticize the -- (Interjection) -- Well, I still feel that we have a right to discuss matters pertaining to the Fund and I don't want to accept as readily that just because we're discussing the operations of the Fund that this is damaging to certain industries or certain companies in Manitoba. Naturally we have discussed companies such as Churchill Forest Industries in the past but, Mr. Chairman, we also made concessions to these people, and very substantial concessions, and I think just for that cause only, we have the right to make statements and give our opinions because we're paying for research; we're paying for replanting; we're paying for fire fighting; and there's other matters that come under that agreement which we, as a government, are paying for toward the Churchill Forest Industries, and I for one certainly feel that we are quite in our rights in discussing matters of those kinds and should not be criticized for doing so.

I was also interested on some of the recommendations of the Minister's statement, and on the back part where you have TED Action Underway and you have listed the various points - I think there's 20 points in all - that under Item 8 it mentioned that Chartered Banks and Industrial Development Bank and the Manitoba Development Fund, the Export Credit Corporation and other financial interests will be called together with the Manitoba Export Credit Corporation in June to discuss action on TED recommendations on export financing. Mr. Chairman, if we're going to get together with these financial concerns I think mention should be made as to the interest rates that are being charged today and whether they cannot get certain concessions from these people. Surely enough, they will discuss the whole matter, and just what is intended? I wish the Minister would enlarge when he speaks on financing of exports.

The other item, the following item on Page 2, Item 9, is also of interest which already touches on the matter that I just brought forward, "to diversify the present MDF programs adopting a more aggressive policy toward capital supply." Here again I would like the Minister to enlarge because under the items mentioned there, is the one of engaging and leasing of plant and equipment and there are other items listed under this article 9.

I think these are matters that we should have a little further information on. I feel that the matter of capital financing is one that is restricting our operations and is restricting growth in Manitoba. The cost is too high, and I think we should follow B. C. 's example and start a bank in Manitoba. We had the very unfortunate situation of the Western Bank but I think this should not deter us from trying to get a new charter, get another charter for a new bank, so that when applications do come forward that they don't have to go east but that they will be decided here in Manitoba. And the bank no doubt is a very successful venture in B. C. During the short period that they have been in operation they have shown good profits, and if ever there is an area where you can have a successful business I say it's in banking. Banks do not go broke, and surely enough it would just do us a good service here in Manitoba to have a bank that would have the head office in Manitoba.

MR. DOERN: Where does the word bankrupt come from?

MR. FROESE: Bankrupt? You never hear of banks going bankrupt in Canada.

MR. DOERN: Mr. Chairman, I'd like to ask the honourable member how the word "bankrupt" came about then.

MR. FROESE: I can just inform him that I haven't heard of banks going bankrupt in Canada for the last number of years. I can't recall in recent years going bankrupt. The Bank of Western Canada - that wasn't a matter of them having to go bankrupt; it was just a matter of fighting and jockeying for position and getting control, and this is what has caused the hardship in the Western Bank getting started.

MR. CHAIRMAN: Could I interrupt the honourable gentleman? I know he has a lot more to say. Maybe tomorrow night at 8:00 o'clock he could carry on.

Committee rise and report. Call in the Speaker. Mr. Speaker, the Committee of Supply wishes to report progress and asks leave to sit again.

IN SESSION.

MR. M. E. MCKELLAR (Souris-Lansdowne): Mr. Speaker, I beg to move, seconded by the Honourable Member for Morris, that the report of the Committee be received.

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

MR. SPEAKER: I wondered if I might take a moment and make a short announcement. I would like to take this opportunity to remind the honourable members, and through them those that are not here at the moment, that there is the official welcome tomorrow afternoon to Cardinal Flahiff, and honourable members are to meet in the vicinity of Room 246 (that of course is my reception room) prior to 2:30 and they will be ushered to reserved seats. I would hope that tomorrow will be a successful day on behalf of the Cardinal himself.

MR. LYON: . . . Wednesday night, Mr. Speaker. I believe you just adjourned the House.

MR. SPEAKER: It is normal for me to call the adjournment of the House but I am just wondering as to whether or not there should not be a motion from the floor by the fact that we are moving from procedure to 8:00 o'clock tomorrow evening.

MR. LYON: Mr. Speaker, if I might be permitted then. I believe there was the understanding made in the House that the House would not sit tomorrow afternoon, in which case I would be pleased to move that the House now adjourn until 8:00 p. m. tomorrow evening. I would move, Mr. Speaker, seconded by the Honourable the Minister of Finance, that the House do now adjourn.

MR. SPEAKER presented the motion and after a voice vote declared the motion carried and the House adjourned until 8:00 o'clock Thursday evening.