

## THE LEGISLATIVE ASSEMBLY OF MANITOBA

8:00 o'clock, Tuesday, April 9, 1968

MR. SPEAKER: Before we proceed, I wonder if I might take a moment and introduce our young guests with us tonight. I should like to direct the attention of the honourable members to the gallery where we have 29 of the First Brunkild Pack Brownies and Guides. These guides and brownies are under the direction of Mrs. Hinkelman. These youngsters are located in the constituency of the Honourable Member for Morris. We also have with us this evening 31 of the 87th Winnipeg Company of Girl Guides. These guides are under the direction of Mrs. J. Wootten and they are from homes in the constituency of the Honourable the Attorney-General. We also have with us this evening 29 of the Centennial and Transcona Cub Pack. These cubs are under the direction of Mrs. C. Mol. These cubs live and make their homes in the constituency of the Honourable Leader of the New Democratic Party. On behalf of all the Honourable Members of the Legislative Assembly, I welcome you all here tonight.

MR. LYON: Mr. Speaker, I wonder if you'd be good enough to call the motion to go into Ways and Means first.

MR. SPEAKER: The adjourned debate on the proposed motion of the Honourable the Provincial Treasurer. The Honourable the Leader of the Opposition.

MR. MOLGAT: Mr. Speaker, I would ask that the debate be allowed to stand please.

MR. LYON: Mr. Speaker, would you then call the Committee of Supply please.

MR. EVANS: Mr. Speaker, I beg to move, seconded by the Honourable the Attorney-General, that Mr. Speaker do now leave the Chair and the House resolve itself into 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 Arthur in the Chair.

COMMITTEE OF SUPPLY

MR. CHAIRMAN: Committee proceed. Department XIII - Industry and Commerce.

MR. SPIVAK: Mr. Chairman, this is the first occasion on which I'm going to be presenting the estimates of the Department of Industry and Commerce and I'm inclined to think that my first suggestion should be followed which was simply to stand up and say to the members on the other side, "Sock it to me" and then sit down. However, I would like to, as an alternative and as more appropriate, in the most appropriate way, to deal with the estimates of the department in my preliminary statement in the following manner.

I would like to first of all deal with a review of the growth in the Manitoba economy in 1967 and some projections for 1968, and then deal with the strategy of the Department of Industry and Commerce by dealing first with the challenge to the Manitoba economy, the strategy of the department itself, and our strategy for tomorrow. And thirdly, to deal with what I would consider program highlights for 1968 of the department. It will be my intention to furnish to all the members of the House notes in connection with the program highlights and I will just try to deal with them in a very simple manner rather than reading them in detail, so that in fact they can be made available and be available for the discussion purposes of the estimates itself.

Now the performance of Manitoba's economy during 1967 showed vigor and progress. The advances registered in terms of statistics placed Manitoba above the average for Canada as a whole. The establishment of new industries and other developments set the stage for an even better performance during 1968. Manitoba's achievement is particularly remarkable in the light of uncertainties which characterized the 1967 world economic scene. The repercussions were felt throughout all the Canadian regions and became evident in reduced demand and activity in certain industries, notably the transportation and construction material sectors. Despite these slowdowns, Manitoba moved ahead in all facets of economic activity.

Population growth showed a steady increase in 1967. At the beginning of the year the population was estimated at 959,000 and by December the figure was estimated to have reached 968,000, a gain of 9,000, an average increase of 750 people per month. Expanding opportunities in Manitoba kept more of our people in the province as net out-migration dropped by 54 percent. The province's population received a boost from the arrival of over 9,300 immigrants who settled in Manitoba during 1967, and this represents an 80 percent increase over the previous year.

Employment in Manitoba stood at an all-time high in 1967, and while the rest of Canada

(MR. SPIVAK cont'd) . . . experienced rising levels of unemployment, Manitoba's average level remained in the previous low level of 2.5 percent, further attesting to the high level of economic activity and virtual full labour utilization. Manitoba's unemployment rate encountered an increasing trend in the last quarter of 1967 but remained level in January and February of this year at 4.8 percent compared with an increase in the national level of unemployment of 6.4 percent in February. And this reflects, in general, a slight downturn in the level of economic activity and seasonal influence particularly in agriculture, construction and transportation. Labour force employment in Manitoba's manufacturing sector increased by 1.7 percent in 1967 over the previous year, and growth industries were machinery and transportation equipment manufacturing, metal fabricators and the slaughter and meat processing segments.

The gross provincial income, as has already been referred to by the Provincial Treasurer, is estimated at \$2,800,000,000. In 1967, manufacturing gross output amounted to an estimated \$1,007,000,000, and this 2.4 percent increase over 1966 is particularly striking when projected against the picture for Canada as a whole. Manitoba's performance exceeded the national average again in 1967, the second year in a row. Industries that showed notable increases included those manufacturing electrical products, transportation equipment and paper products.

And here, Mr. Chairman, I would like to express my thanks to the members of the committee who yesterday, by asking questions, allowed the Attorney-General to complete his estimates yesterday and not allow me to begin as was expected, for it gave me the opportunity to be able to provide the House this evening with the newest statistical information that's furnished by the Dominion Bureau of Statistics as of this afternoon, and they augur well for Manitoba's economy.

Manitoba manufacturers report an investment of capital in new and expanded facilities in the magnitude of \$65.8 million during 1967. Anticipated investment by the manufacturing sector is estimated at \$67.6 million for 1968. This represents expanded or new facilities for some 420 manufacturing companies in Manitoba during 1967 and in 1968. Our manufacturers indicate that this investment will create an estimated 2,700 new job openings for our labour force during the current year and an additional 2,000 jobs in 1969.

The manufacturing sector of Manitoba made a notable showing in the export field as well, shipping a record 19.6 percent - almost 20 percent - of its output to the United States and overseas countries. Manitoba now ships 57 percent of its manufacturing output beyond her borders.

In 1967, 60 new firms established in Manitoba with a capital investment of \$31.8 million; 38 percent of these plants were in rural areas.

In 1967, the total investment for new capital assets and repair expenditures was \$950 million, up 10.6 percent over the preceding year and ranking Manitoba's rate of increase as the highest of any province in Canada.

Similarly, construction in Manitoba reached a value of \$576.9 million during 1967 or an 18.9 percent higher than 1966. Construction forecast for 1968 is estimated at \$665 million or an increase of 15.3 percent over 1967.

Investment in new facilities alone, excluding repair expenditures, reached \$734 million during 1967, and this figure is an increase of 11 percent from \$656 million in 1966.

One must be courageous at this time in our history, and even in the light of the forecasts that have indicated some downtrend in the economy of Canada. Based on the Dominion Bureau of Statistics figures, the estimates place the total capital investment for 1968 at \$1,073,000,000 which would be an unparalleled record and an increase of 13 percent over this year, and the 1968 figures place Manitoba's projected investment growth rate in the No. 1 spot among all the provinces in Canada for the second year in a row.

Retail trade in Manitoba is estimated to reach \$1,083,000,000 during 1967, and this represents an increase of roughly 8 percent over the previous years, a performance unmatched by any other Canadian province.

Economic uncertainties of national and international scope currently pervading all activities make it difficult to forecast future progress for any one region. However, key developments under way are planned in Manitoba, accompanied by a persuasive optimism throughout the Manitoba business community, augur well for continued progress and striking advances within the provincial economy. For example, Northern Manitoba is witnessing a period of unprecedented activity. The Hydro Development on the Nelson River has progressed well into

(MR. SPIVAK cont'd)...the first stage.

The \$100 million expansion of the International Nickel Company's mining and processing facilities at Thompson, and other major resource developments in the north, are unlocking Manitoba's rich resources and creating a substantial number of new job opportunities, and they will have a major impact on the province's output and growth. Major new developments in the southern part of the province including the \$8 million chemical plant at Brandon, which is now almost completed; the \$14 million for the two distilleries located at Gimli and Minnedosa; and outstanding new commercial facilities which are highlighted by the \$40 million Lombard Place complex in Winnipeg; are examples. The dynamic expansion of our existing Manitoba industries is best evident in the substantial expansions made in steel production, bus manufacturing, machinery wire and cable production, and the food processing industries. And given a benign resolution of national and international trends, Manitoba's new developments and predictions for major advances in capital investment warrant, I suggest, Mr. Chairman, an optimistic outlook for the future.

Now before outlining the highlights of the programs to be undertaken by the department, I would like to describe the basic philosophy that underlies the strategy for development of our department.

Manitoba's manufacturing industry contributes some 46 percent of the total net commodity production, and although manufacturing is partly to satisfy demands within Manitoba, as I have already indicated, 57 percent of the production is shipped outside of the province to other parts of Canada and to abroad. Manufacturing contributes very considerably to Manitoba's exports and is therefore by definition a basic activity. In the 15 years from 1949-51 to 1964-66, the value of Manitoba's manufacturing shipments increased by 81 percent and it is to increased manufacturing that Manitoba must look to to ensure an expanding economic base.

The Committee on Manitoba's Economic future, which reported in 1963, fully recognized this and I'd like to quote from that report. "The economy," it said, "is at a stage of development where the manufacturing sector will be the major generator of new jobs in the province between now and 1975, and will also be the catalyst which will stimulate development in other sectors of the economy such as the service industries and construction. This opportunity to produce for export makes possible an expansion of manufacturing on a scale adequate to provide more additional employment than can be provided by agriculture and the other primary industries concerned. Moreover, expansion of manufacturing has an important multiplier effect on the development, growth and employment in other industries. For example, growth in manufacturing will induce further development in industries which supply raw materials such as agriculture, forestry and mining, and in industries which distribute its products such as transportation and wholesale and retail trade. The development of these other sectors, in turn, stimulate a host of other industries, including business, professional, personal services and finances."

Now, although progress has been impressive in the industrial development of Manitoba, Manitoba's manufacturing industry is still very modest by the standards of Ontario and the Province of Quebec. In 1966, Manitoba accounted for only 2.7 percent of all Canadian manufacturing shipments.

Agriculture is still very important in the province and Manitoba accounted for 8.7 percent of all Canadian farm cash incomes. Manitoba agriculture is now producing more than it did 15 years ago, with considerable lower inputs. Productivity per man employed has increased very substantially and the achievements are very considerable indeed.

However, throughout the Canadian economy, other sectors of the economy are increasing more than agriculture, and this is inevitable, for as standards of living increase, consumers tend to spend a lower proportion of their income on food. This is an economic fact which has been recognized for some 200 years. It's true of every economy in the world, ranging from the United States to the underdeveloped economies of West Africa.

The export demand for the products of Canadian agriculture has not been sufficient to maintain agriculture's relative importance in the Canadian economy. Manitoba has a greater share of the agricultural sector of the Canadian economy than it has of the expanding manufacturing sector, and Manitoba's challenge, Mr. Chairman, is to create the best possible climate for growth in the manufacturing sector. As the COMEF Report stated - and I quote - "Manitoba has no advantages such as mineral resources on a vast scale to attract economic growth in their way. Anything she has, she has by her own efforts. Only through a successful effort to achieve

(MR. SPIVAK cont'd). . . growth can Manitoba provide work for its increasing population, secure the advantages of the economies of scale in producing for larger markets, and spread the overhead burdens of taxation and public utility costs over a large economic base."

This Mr. Chairman, is a massive challenge. To realize these goals will not be easy and it is a big job, and I suggest, Mr. Chairman, that government cannot do it alone. Success will require the co-operative efforts of all sectors of the economy.

Not so many years ago, the major concern throughout Canada was one of creating enough jobs so that full employment might be provided. We in this government, along with other governments, pursued policies and programs geared to the reaching of the objective of full employment. We have done very well, but as a result the focus has now changed, and today our challenge is to expand as rapidly as possible the economic base of this province and to increase high productivity employment. Our objective now must be not only to provide more employment but to provide employment of a type that sustains rising incomes. This change in focus is extremely important because it increases the responsibility, the direct responsibility of the private sector to explore every means available for increasing productivity. Manitoba shares this challenge with the rest of Canada. Manitoba also shares with other provinces a wide range of problems involved in expanding its economic base and increasing its productivity.

But Manitoba, Mr. Chairman, also has particular opportunities arising from the facts of its history, geography and resources, and the task of government is to make the most of these opportunities to maximize growth and to sustain high income for all our people, and this task is two-fold. First, to do everything we can to broaden the economic base of this province by facilitating the diversification and expansion of existing industries and by attracting new industries to Manitoba. This will help us maintain a growing work force, more jobs for our people throughout all the province. Government has a direct responsibility and is in a unique position to identify and to stimulate new industrial development. In Manitoba this responsibility has been carried out in a highly practical manner. The cornerstone of this government's past success in this field has been the preparation of thoroughly researched and well-documented industry studies pinpointing specific new opportunities. These describe dollar and cents feasibility for the expansion and establishment of new manufacturing, and this technique forms the best basis for defining and aggressively promoting new and expanded manufacturing activities.

However, the identification of these opportunities must go hand in glove with a strong campaign to bring Manitoba's potential to the attention of investors, and here let us not forget that we are in competition with other provinces and many of the states to our south as well as many countries abroad. Our second task is to be concerned with productivity, to provide better jobs and higher incomes for Manitobans. Here may I quote the words of John Deutsch, the past Chairman of the Economic Council of Canada, and I quote: "The Economic Council has emphasized very strongly that the achievement of all our goals of full employment, rapid growth, reasonable price stability, a viable balance of payments, and greater regional participation in national growth, will be much more feasible if we can accomplish rising levels of productivity. In short, improvements in productivity are the essential means for real advances in living standards. There is no other way." Let me repeat that. "In short, improvements in productivity are the essential means for real advances in living standards. There is no other way."

I'm not suggesting that our efforts to attract new industry aren't important; quite the contrary, but I do want to emphasize the need for co-operation in the very substantial and real partnership that must be expanded between the public and private sectors in our economy in identifying more correctly the specific measure that must be taken to cope effectively with technological change. Productivity gains, Mr. Chairman, are made in the production and distribution process through a multitude of decisions by individual firms. While government activities are important in this regard, we must not lose sight of the fact that it is the individual entrepreneur who is the principal agent for change. It is equally clear, however, that individual firms are caught up in a process of scientific advance that must be dealt with through the joint efforts of the public and private sectors.

The government can help introduce new ideas and management techniques, production design and production methods in our industries, and this is a function that is of utmost importance in the Manitoba context. We have many smaller firms throughout our province, both in our rural and urban areas, and very often because of their size these firms are not able to afford the trained specialists they need to accomplish these aims. So the government has a

(MR. SPIVAK cont'd)...proper function to act as a catalyst in introducing new ideas and techniques to Manitoba industry, but these efforts must be the joint efforts that I've been speaking about. The government may act as a catalyst and take the major lead, but the private sector should quickly accept its full responsibility and involvement.

To achieve success, our efforts must be carried out with the enthusiastic co-operation and assistance of all those who have a concern with the development of industry in this province; for example, the Chambers of Commerce, the Industrial Development Board, Regional Development Corporation, municipalities, and representatives of local communities. Ultimately, it is through the vigour and the effectiveness of such local groups that these opportunities will be finally realized, and it is for this reason that we will continue to give every practical assistance to help our communities organize themselves to promote the continuing development of our regional areas.

There are already outstanding examples in Manitoba today of action today taken on a joint basis between the public and private sectors. The Manitoba Export Corporation and the Design Institute are two such examples. It is to foster just such enthusiastic co-operation in the joint effort of the public and private sector that Manitoba's total community involvement program for economic development, the spirit of '70, was introduced at the Business Summit Conference last January.

Our challenge is to meet the opportunities before us, created by a changing world. The opportunity is to use all our province's resources and materials and knowledge and skill and technology to meet changes taking place in our communities and province. It's apparent that change will continue to come as certain as time passes. It is, I suggest, with our own resourcefulness that challenges can be met most effectively so that new developments can be seized on as opportunities for new enterprises, meeting whatever requirements face us in our community. It is for this reason that a sense of enthusiasm and purpose is important.

This was brought out by Dr. Ryber who was the lead-off speaker at the Business Summit Conference. Dr. Ryber, as many of you may remember, is a professor and is head of the Department of Economics at the University of Western Ontario, and he concluded that industrial development is based upon the initiative, ideas, sacrifices and resources from within a community, adding that assistance from outside will be largely of a supplemental nature. And I'd like to quote from him further. "Economic development", he said, "can almost be characterized as an attitude of mind. If it is to succeed, I believe it is essential that there exist a deeply rooted optimism and a sense of purpose among the residents of the area regarding the prospects for the region. It is also necessary that there be an enthusiastic willingness on the part of the residents of the region to take up the many tasks that need to be done."

Mr. Chairman, if our economic development comes from the resourcefulness of our own people, it must be based upon a sense of purpose and common endeavour concerning the future. It is important that there must be a spirit of willingness among us to accept the effort that must be put forth in order that our opportunities become developed. Thus, as our communities change, we can with enthusiasm, and a spirit of pride and endeavour, make the best use of our resources.

It's abundantly clear, however, that enthusiasm alone is not enough. We must be sure that our common efforts are directed efficiently towards intelligent goals, and this is why we must plan today our strategy for tomorrow. Five years have passed since the Committee on Manitoba's Economic Future was convened to carry out an impartial analysis of this province's growth potential and to recommend programs to create the jobs required in the future. This approach to solve economic growth problems of a particular region was unique in North America and was widely acclaimed as a major positive step towards better government, business, labour, education and agricultural co-operation for economic progress. The report provided a blueprint for action for all sectors of the economy to bring about an increasing standard of living for all Manitobans. In covering a time span from 1962 to 1975, the report set forth fundamental principles and programs for the growth of the Manitoba economy.

I think that it's important at this time, Mr. Chairman, that I point out the commitment of the government to both the spirit and recommendations of the COMEF report. The scope and degree of the co-operation between all sectors of economy in this effort was unprecedented in Manitoba's history and probably cannot be matched anywhere else. The work of that committee captures in every way the essence of the climate that is required of modern society if it is to cope successfully with change, and we have been guided by the results of those investigations

(MR. SPIVAK cont'd)...and those recommendations.

It's now the beginning of 1968, roughly five years since the COMEF report was completed, and it is increasingly clear that this province faces in the decade of the '70s an array of swift and far-reaching changes in the economy of Canada and of the world that were not contemplated five years ago. Many of these changes will occur because of the increasingly explosive speed of technological development in products, processes, communications and transportation. Others will arise out of already foreseeable shifts in the economic and power structure of our world, impinging on Canada as a whole as well as on Manitoba in particular. And still others must be expected from events that are still shrouded from our eyes but are sure to occur - world population growth, the tide of rising expectations in the lesser developed countries, armed conflict and civil strife, and the changes indeed in the aspirations and attitudes of Canadians themselves.

Certain major changes in recent years in the economic environment of Canada and of Manitoba have particular significance. Among these are, first, the 1965 auto agreement with the United States on tariffs for automobiles and parts which affect farm machinery as well. Secondly, the international Kennedy Round tariff reductions which commenced in 1967 and which will have the effect on the manufacturers in offering both new opportunities and providing new competitions. Thirdly, the continually gradual shift from a primary to a secondary manufacturing economy in Canada as a whole. Fourthly, the increasing importance of new markets for Manitoba's products, particularly the market of the mid-western United States, the mid-west sub-market of the North American Continent. Fifthly, the changing wage differentials and increasing labour mobility among provinces and between the United States and Canada. And lastly, changes in world monetary - the world monetary system.

Because of the implications of these recent events, and sensing the rising tide of future change, it is clear that a further effort to set out the broad framework of a program for economic development for the decade of the '70s was required. Specifically, they call for the best capabilities of both the private sector and of government for ensuring the continuing healthy economic development in Manitoba to 1980. And so there has been established the TED Commission, the Targets for Economic Development till 1980.

The job of the TED Commission is to update the COMEF guidelines to 1980 and to set new targets for ourselves. More specifically, the TED committee is charged with these duties: to determine how our industry has performed in the light of the COMEF goals; what are the prospects for new development to 1980; consult all the sectors of our economy, consider our problems and suggest solutions and programs for Manitoba's maximum economic growth; determine how industry will be affected in its own home market by the Kennedy Round tariff reduction and how we can meet this new competition; consider how we best can take advantage of the new opportunities for export given to us by the Kennedy Round; recommend how best to encourage rural economic growth; recommend measures to expand urban manufacturing and selected commercial activity; examine the trend in differences in industrial and commercial wages in Canada and in Manitoba as it affects and will affect the industrial growth of this province; relate the comparative and specific levels of capital investment, adequacy of management, and skills and mobility of the labour force in a province to productivity and the levels of salaries and wages as compared with other areas; and report on how the private and public sector can best work together to achieve the economic growth of this province.

Seventeen responsible public-spirited and able Manitobans have agreed to serve on the TED Commission. The 17 men are made up of Manitoba Government, labour, education, business and agriculture -- representatives from Manitoba from government, business, education, labour and agriculture; representatives from rural and urban areas; representatives from the northern and southern part of our province. We earnestly hope and expect that this Commission will result in the further strengthening of our province's economic development.

The years ahead hold much challenge. Competition for new investment is stiffer and the international situation holds many uncertainties. Nonetheless, our consistent efforts to provide an encouraging investment and an economic climate have brought for Manitoba satisfying results in 1967 and sound predictions for 1968, and I'm convinced that by continuing our efforts to expand our economic base, by placing special emphasis on the need to increase productivity, by meeting in a co-operative spirit the challenges that will be forthcoming, that we will meet them with enthusiasm and realism and that our future development will be both

(MR. SPIVAK cont'd)...sound and effective.

And now, Mr. Chairman, I would like to deal with some of the highlights of our program. As I've indicated, the notes in connection with the various programs - and these are not all the programs - are to be distributed to the members for their reference in dealing with the specific programs under the categories that will relate to the strategy that I've already referred to. The department will carry out of course many of the programs that it has carried out in the past. We will try to continue those programs that have proven effective. We are going to adjust others to increase their effectiveness and we're going to introduce brand new activities designed to accelerate our progress in the light of changing conditions with which we are faced today.

Manitoba's industrial development programs will continue to be practical and direct. We're not going to scatter our efforts in any particular direction, rather we are going to narrow the field by studying where our best industrial development opportunities lie. In this way the province can take the lead and seek investors to undertake individual projects which have been identified, investigated and found to be sound.

In our business development program we have a category of programs that are referred to here - investigation of new business opportunities and two major undertakings that are now underway in the department. (1) A food industry opportunity study to take advantage of Manitoba's tremendous food production potential and the huge developing world markets. This comprehensive analysis of the food industry is now being undertaken to give us a direction in connection with the industrial activities that may take place in the agri-industry business.

The second major undertaking is a space industry study to provide and prove out opportunities for the establishment of space-age industries in Manitoba. A search of research-based industries is now being carried out, and the examination by professional consultants will evaluate specific feasibility of either expansion of existing firms or attraction of new ones.

We are going to continue our search for industrial prospects and we are going to continue the program of business development missions that were conducted in this past year, particularly to the midwestern part of the United States. We will be joining with our own businessmen who will give up of their time and their money to assist us in selling investment opportunities in this province in the cities of St. Louis, Kansas City, Denver and Milwaukee.

Reference has already been made in this House to the business development mission that will be coming here from the United Kingdom to plan for the British Trade Week in our centennial year. We will also be taking a task force of the department to Japan, for rapidly growing opportunities for business and trade development with the Orient have been recognized by a number of Canadian provinces, and the department is carefully researching potential industrial and business opportunities, and we'll send a fact-finding group to Japan this year to make contacts with investors, industrialists, brokers and agents of Japan who are interested in establishing business relations with Manitoba.

We will continue our business development activities in eastern Canada. We are going to continue a program that was conducted last year of representations to international representatives of Canadian banks. Representatives of Canadian banks are stationed in business centres all over the world, and to make sure that these officers are well informed about Manitoba's investment opportunities, a series of presentations will be made in eastern Canada when these officers are recalled to Canada for briefing.

We are going to continue our Business Information Centre, and we are going to conduct two seminars in the business development field that we think are extremely important for this province. The first seminar is a "Financing for Development" seminar. Sources of credit responsive to the particular needs of our province are vital if our industries and our commercial undertakings are to expand and purchase the capital equipment necessary to increase productivity. To create greater mutual understanding and co-operation between the business community and the financial community; to stimulate a more informed use of credit by Manitoba entrepreneurs; and to encourage greater confidence on the part of Canadian financial institutions in Manitoba's business; a "Financing for Development" seminar will be held in the autumn of 1968.

We're going to hold an Agri-Industry seminar. New developments in recent years call for a new perspective on the part of both our agricultural and industrial sectors if Manitoba is to take maximum advantages of the opportunities in the Agri-business. The seminar will be of vital importance to both producers and processors of food products and this will be held this

(MR. SPIVAK cont'd)...coming winter. The topics at this event will include: specialized commercial, financial and operating requirements of the agri-industry; developments in national and world markets; challenges and expanding opportunities for producers in light of the new agri-business trends; and specific changes required to equip Manitoba producers and processors to expand and sell in world markets.

In addition to the mission that will be coming from Great Britain and the members of the Minneapolis Chamber of Commerce who will be coming with the Governor of the State of Minnesota in June of this year, we are going to have incoming business development missions. The members of the Toronto Stock Exchange will be coming to Manitoba to view the industrial development that has taken place. We in turn will have a representative group of the Chicago Association of Commerce and Industry which is the equivalent of the Chicago Chamber of Commerce who will be visiting us either in the early summer or the early fall.

We are going to continue our international advertising and promotion campaign. We are going to continue our "Operation Manitoba" program; the "Spirit of '70" program; and we are going to conduct a purchasing and packaging survey. The large merchandising companies operating in Manitoba are going to be surveyed to identify products purchased in quantity which could be manufactured in Manitoba. To help Manitoba firms fully utilize and expand their capacity and facilities, a survey will be undertaken to assess the potential and feasibility of custom packaging in Manitoba.

Mr. Chairman, growth of exports provides the most important basis for a long-term development of our economy. This is a goal we share with the rest of Canada and our efforts to date have been rewarded with substantial results. The department and the Manitoba Export Corporation will continue to work to increase exports in the coming year. Here we can provide very real assistance particularly to our small firms, and those in our rural areas. Frequently such companies are simply not large enough to engage their own export staff, and programs of the department help them compete on equal terms in selling their goods in world markets. We have already taken an inventory of export capacity in this province and every manufacturer has in fact been interviewed. We have now identified some 500 to 550 firms who are capable of doing business in export, and it is our intention to work in the next period of time to try and encourage them to either expand their activities or to enter the export market.

We have held just recently in this past week when some other members were present in another city, an export opportunity seminar which provided information to our manufacturers on the impact of the Kennedy Round tariff negotiations and on the Adjustment Assistance programs conducted by the Federal Government. In cooperation with the Canadian Export Association we are going to hold a seminar on export finance and air cargo, and this will be held in May. We are going to continue to provide to our manufacturers market information in connection with foreign import tariff regulations and documentation for exports and freight forwarding information, to allow them to be able to deal with their export markets in the most expeditious way.

We are going to assist our manufacturers in the Kennedy Round Adjustment Assistance program which was announced at the beginning of the year by the Federal Government.

Enhanced export opportunities as a result of the Kennedy Round tariff reductions will be pointed out to our Manitoba manufacturers and they're going to be given tangible assistance to gear up their production to take advantage of such opportunities and to deal with increased competition from foreign imports. To enable more Manitoba firms to modernize and expand to meet new export opportunities or to meet stiffer competition from increased imports, the Province will share with our firms a portion of the cost over the 50 percent provided by the Federal Government of consultants' technical assistance for preparations of applications to the Adjustment Assistance Board. Where applicable, cost sharing will be as follows:

For the first \$1,000, the province will pay 75 percent, the firm, 25 percent.

For the next \$4,000, the province will pay 50 percent and the firm 50 percent.

For the remaining \$15,000 the province will pay 25 percent and firm 75 percent.

The maximum shareable amount under this program for any one firm will be \$20,000.

We have undertaken a comprehensive market profile of the Upper Midwestern part of the United States to specifically identify what sales opportunities exist and what Manitoba manufacturers must do to take advantage of those opportunities, particularly in the field of food products, agricultural implements, furniture and clothing. We are going to conduct a two-day seminar late in September for Manitoba food products manufacturers. We are going to encourage



(MR. SPIVAK cont'd)...incoming buyers to come to Manitoba.

We are going to have an incoming mission of farm implement dealers, distributors and salesmen who are going to participate on October 21st of this year on "Marketing Farm Equipment in Upper Midwest."

We are going to be working closely with the furniture industry in the support of the Manitoba Furniture Show in May, and we are going to stage for the first time in Canada a one-day presentation of the program: "Your Changing Consumer" that was put on in Washington, D.C. in 1967 by the United States National Retail Furniture Association, and this outstanding presentation is expected to attract top buyers and retail industry representatives from across Canada to the show that will exhibit Manitoba furniture products.

We are going to continue the Trade Directory and we are going to add to our list of individuals to whom the Directory will be sent, particularly prospects in the Upper Midwestern part of the United States.

We are going to continue a program that was started last year of the promotion of professional services. I may say that we are the first province in this country to take this lead and to add and complement the federal program, and we're going to follow up the Manitoba Mission to the Caribbean of last year by having further activities to promote the services of Manitoba's architects, consulting engineers and contractors. Consortia have already been formed to enable Manitoba services to be offered as a package on overseas jobs, and assistance has been provided to enable Manitoba organizations to tender on airports, roads, public buildings and services installations throughout the Caribbean and other lesser developed countries. Representatives will attend the Caribbean Hotel Association in June to offer the services of the Manitoba consortia in the design, construction and equipping of hotels.

We are going to conduct sales trips to the United States, and we are going to participate in trade fairs, particularly in the Midwestern part of the United States. We've already had a successful showing of Manitoba furniture in a presentation in February of this year. We will be exhibiting boats in the Northwest Boat, Sports and Travel Show in Minneapolis. Manitoba food processors will be assisted by the Department to exhibit their products at the Supermarket Institute Show in Cleveland, and in a major supermarket chain in-store promotion in the Upper Midwest Hospitality Exposition in Minneapolis. Manitoba's electronic products will be exhibited at the National Electronics Conference in Chicago, and a successful program to exhibit Manitoba's farm implements at state fairs will be repeated at Fargo, N.D. this year August 17-24; and in Huron, S.D., August 30 - September 5. Manitoba goods will also be displayed at a number of overseas Trade Fairs in the coming year including a Winter Sports Show in France and a Children's Wear Show in Germany.

Now dealing with productivity. If we are to expand our production and improve the well-being of our workers and our companies, our manufacturing plants must organize and operate so that each individual worker is able to produce more. In this way, both the employer and his company will benefit. However, many of our companies are not large enough to carry out the research or do other things necessary to plan and develop more productive operations. The following programs that I am going to refer to are offered for direct, practical assistance to encourage and help our companies to increase their productivity.

We're going to continue the TAG Program - the Technical Assistance Grants program - and rather than read it out, it'll be referred to in the notes that you'll have. We're going to continue our program of new products search. We are going to offer advice and assistance in plant layouts so that our manufacturers, especially our small ones and the ones who are located in the rural areas who cannot afford to hire their own engineering staff, will have professional, competent advice available to them.

Emphasis on product design and development will continue under the programs carried out by the Department and the Manitoba Design Institute, and here again our small companies, individually unable to afford their own product development staff, can benefit from advice and assistance through this activity.

We've held a case study conference on product development and this is referred to in the notes. There are a series of design seminars that will be held next Fall, and they're going to focus attention on new advances in manufacturing and production techniques that can lead to higher productivity and more competitive products. We will be holding a workshop for farm machinery and the plastic fabrication industry.

The Product Review Board will continue in operation. A package design clinic will be

(MR. SPIVAK cont'd)...held in the fall of 1968, and the Design Improvement grants will be continued and the formula is the same as the TAG Program and is referred to in the notes that you have before you, but grants will be made to Manitoba manufacturing and processing firms who retain professional consulting and advisory service to improve or develop new products, to re-design existing products, for product testing and evaluation, for cost reduction, for product simplification and standardization of components, and for design of packages. And to assist Manitoba firms to organize and plan for new product development, the Manitoba Design Institute will this year prepare a brochure on the topic of product planning. Directors will visit the National Design Council in Ottawa, and we will continue the Design Research Mail-Order office.

To help our firms take advantage of new technological developments, programs will be carried out by the Department and the Manitoba Research Council. And here may I refer to research and development grants, which are new for the coming year and which will operate under a formula similar to the Technical Assistance Grants and the Design Grant Program that I referred to. The aim of this program is to help Manitoba firms to adapt and apply new technological methods and innovations to make their products and processes more competitive. Technical information services will be offered and, as explained in my notes that will be forwarded to you, we hope that we will be able to complete with the Department of Industry of Ottawa, a numerical automatic control seminar which will offer means of increasing productivity on short runs.

I'd like to now deal, if I may, with regional development. Programs will be continued to ensure that employment opportunities are developed in all parts of Manitoba, and that our communities flourish and grow with the province as a whole, so that our young people will be able to enter employment and prosper in the areas where they were brought up. As indicated in COMEF, secondary manufacturing and the service industries offer the best opportunities for creating more jobs, and there have been notable achievements in the attraction and location of important industries in the rural areas of our province. In here we are proposing new grants for the regional development corporations, and rather than read the details I may simply say that you will have this information in the notes that will be forwarded to you.

We are going to be conducting regional development workshops and this will be a new program for the Department. The first program will be conducted in May in the Pembina Valley development region, with three others to be held in June in Western Manitoba, Central Plains and Parkland areas; in the fall, the teams of experts will visit the Northern, Eastern and Interlake regions.

We will continue to offer community assistance and provide the community reports and I've made mention in the notes - I think this is important - of the Interlake Regional Industrial Park which is being conducted as part of the FRED program.

It's an important responsibility of this government to ensure that our people now living in our province are afforded every opportunity to work and to progress in their employment. This responsibility is being carried out through a wide variety of programs in such departments as Manpower, Labour, Education and Welfare. The Department of Industry and Commerce is carrying out training programs designed to increase the skills of and the well-being of our work force, and supervision, to increase the efficiency and production of our plants.

We are going to continue the in-plant training program. Manitoba's on-the-job in-plant training program has provided skill training and improved employment opportunities for more than 1,800 Manitobans since its inception. Particularly important is that it has brought new skills and new employment opportunities to many Manitobans who were primarily unemployed or without a skill. Under this program 153 courses have been held in such industries.

The Federal Department of Manpower took over the previously cost-shared in-plant training program during 1967. To eliminate certain "gaps" in the Federal program which affect our manufacturers, the Department has introduced a supplementary in-plant training program as a temporary measure. This program will supplement, and not compete with, the Federal program and make the in-plant training more effective for Manitoba manufacturers.

Reference is made to the technical training for supervisors and reference is made to our immigration program. Manitoba's immigration program commenced late in 1966. It is not just a short-term solution to immediate shortages in our work force, but rather I suggest, Mr. Chairman, is part of a wider program of development to ensure maximum growth not only of our industries but of our whole province.

(MR. SPIVAK cont'd)...

Manitoba's brief which was submitted in January, 1967, to the Special Joint Committee of the Senate and the House of Commons on Immigration, stressed the need for realistic Canadian immigration policy oriented to the nation's regional requirements. Planned immigration of skilled and semi-skilled workers to fill specific jobs in Manitoba will make a significant contribution to all aspects of Manitoba life.

We are going to continue to determine what our manpower needs are. We will participate in employer recruiting programs. We are going to enlarge and expand our overseas promotion campaign - the campaign that was conducted last year - because we are now in competition, particularly with the provinces of Quebec, Alberta and Saskatchewan who were not basically in the field before. We are going to continue our financial assistance program, and I may say we have the participation of the Citizenship Council of Manitoba who are going to be set up as an immigration service and to assist our immigrants in the settlement of the many problems they experience when they arrive in this province.

Mr. Chairman, the last item in connection with the notes that I have before me, which will be furnished to the members, deals with transportation, and I suggest, Mr. Chairman, that transportation remains as one of the most important responsibilities of the Department of Industry and Commerce. The Branch will continue to provide information and transportation techniques and rates to Manitoba firms, and will continue to provide economic data on transportation and distribution for Manitoba firms and prospective investors considering expansion or new location in Manitoba.

The Department will continue to strive to create the conditions necessary to strengthen Winnipeg's position as a regional, national and international air centre. We will continue to urge the Federal Government to establish an overhaul base with jet and turbine capabilities in Winnipeg. Winnipeg's position as a gateway to the continental midwest and as a regional air service centre will be promoted. We shall encourage the Federal Government to obtain for Manitoba direct air connections with Chicago and California. We shall press for passenger and cargo fares to Europe which reflect the shorter distance to the United Kingdom via the polar route compared with the long routing via Montreal.

Manitoba has undertaken extensive studies of the costing procedures established under the new Transportation Act, and meetings have been called by the Canadian Transportation Commission to discuss rail cost line procedures. And we will be making our submissions in connection with this.

The Northern Transportation Commission is studying the Province's northern transportation needs, including particular examination of the needs and potential of Churchill. Fuller use of this seaport will continue to be encouraged through Churchill Sub-Committee of the Prairie Economic Council, and attention will be given to other aspects of transportation which will enable Manitoba to benefit from its geographic location.

In closing my few remarks, Mr. Chairman, I should like to, if I may express certain remarks in connection with the Deputy Minister and the members of the Department of Industry and Commerce. There is a new Deputy Minister in Industry and Commerce. He was appointed almost at the same time that I was, my appointment to this Cabinet. I may say that Mr. Lorne Dyke has proven himself to be a very capable and efficient person. He is a person who was one of the new immigrants to Manitoba. He has become very much enthused and concerned and interested in the development of our province, and I would suggest, Mr. Chairman, that we can look for continued good work and solid results from the leadership he will show in the Department as the Deputy Minister. I would also on this occasion like to express congratulations on the efforts and assistance, the assistance provided by the Assistant Deputy, the new Assistant Deputy for the Department of Industry and Commerce, Mr. Blicq, who has made a significant contribution to the Department's activities and has been involved in the Department and was elevated to the position of Assistant Deputy at the time of Mr. Dyke's appointment.

MR. CAMPBELL: Mr. Chairman, on a point of order, I would like to ask you under what rule or practice was my honourable friend allowed to speak more than 40 minutes.

MR. CHAIRMAN: Well I was of the understanding that the 40-minute rule did not apply to the leaders of the different parties of the House. I could be wrong on this ...

MR. CAMPBELL: Is my honourable friend already leading that party?

MR. CHAIRMAN: I beg your pardon - the department.

MR. LYON: Mr. Chairman, on the point of order, I think the rule would relate to a Minister making a statement, but, as we know, in Committee if my honourable friend could have been called under the old rule of 40 minutes, all he would have to do is sit down and stand up again. It's rather an academic question but I think in any case by reference to the rule it would indicate that a Minister making a statement, the Leader of the Opposition, the First Minister, a Leader of an acknowledged party, that the House rule applies in the Committee.

MR. CAMPBELL: Would my honourable friend quote the rule to me, please?

MR. LYON: Yes. Rule 33, subsection (2): "No member, except the Leader of the Government, Leader of the Opposition, leader of the recognized Opposition party, the Minister moving a government order, a member making a motion of no confidence in the government, or the Minister replying thereto, shall speak for more than 40 minutes in any debate."

MR. CAMPBELL: What does that help the situation, might I inquire?

MR. LYON: Well, Mr. Chairman, with the greatest of respect, the whole situation is academic in any case.

MR. CAMPBELL: The whole situation is not academic in two respects. My honourable friend said that the Honourable the Minister was entitled to do this. I have merely asked him to quote me the rule that entitles him, and as far as it means being academic in the other respect, the difference is that the 40-minute rule is so that somebody else gets a chance to speak. Of course my honourable friend could get on again in Committee, but he doesn't keep on going for the whole evening.

MR. LYON: Mr. Chairman, my honourable friend - on the point of order - from Lakeside has been here four times and more longer than I have, but I have never in my short experience here, and I've heard many ministers go longer than 40 minutes, I've never heard it questioned before because of Rule 33.

MR. CAMPBELL: But Rule 33 doesn't cover the point. Would my honourable friend tell us where Rule 33 covers that point?

MR. LYON: ... moving an order.

MR. CAMPBELL: This is not a motion that my honourable friend is speaking on.

MR. LYON: Of course it is. It's on his salary, the first motion that's before the Committee. It has to be passed.

MR. CAMPBELL: He's not moving that as a government order. No.

MR. LYON: We have to pass each one.

MR. CAMPBELL: Yes, but that is ...

MR. CHAIRMAN: ... getting anywhere in the committee on this argument anyway.

MR. CAMPBELL: We're getting just this one place, that if my honourable friend has the right to speak more than 40 minutes, so have the rest of us.

MR. CHAIRMAN: Well, before we proceed, I think probably that we should at least attempt to alter the pattern that we have been following in this committee. Members of the committee have been actually on the Minister's Salary ranging all over the items on the particular department, and I think that this only lends itself to repetition. I think that it makes it difficult for the Ministers to answer questions which range completely over the whole estimates and we have to go through them to the particular items, and I think it would be in the interest of all members of the committee if we tried to stay through the particular items. I recognize, of course, that the leaders of the Oppositions parties reasonably expect to make general statements on the opening of any particular department, but I think that by and large that we could stay pretty well with the items. As far as the 40-minute ruling is concerned, I have in the past allowed members on both sides of the House to go over the 40 minutes, rightly or wrongly. Whether we can establish any fixed rule now or not... probably not aware of this, actually that it is laid out specifically here in our own rules.

MR. FROESE: Mr. Chairman, normally if I go over the 40 minutes there's a request whether I can get leave of the House to do so. I think this should be applied in this case too.

MR. PAULLY: Mr. Chairman, I think in all fairness, though, that I should say

(MR. PAULLEY cont'd.) . . . . something on the matter of one of the rules that is honoured usually in this House, and that is the rule of what has been established by precedent, and I've never heard this particular matter raised before as to the limitation of a Minister on the introduction of his estimates. I may be wrong, but it does seem to me, at least in the comparative few years that I've been in the House, that there never has been a limitation of the Minister on the introduction of his salary. I agree with my honourable friend the Member for Lakeside that it doesn't appear as though there's any precise rule governing this, and of course, Mr. Chairman, as you're aware of the fact, that where there is no rule what has been established by past practice becomes the guide for the Chair or Mr. Speaker. So, if it is indeed a contribution and I'm not sure whether it is or not, this is the first time that I've heard of this particular point being raised. As a matter of fact, I'm sure my honourable friend from Lakeside will recall, as I recall while we're discussing this particular matter, the former Minister of Agriculture I think established a record or two of speaking for about an hour and a half or two hours on the introduction of his estimates. Now whether he was right or whether he was wrong, in accordance with the rule is one thing, but the fact is, however, that it did establish a precedent, and while I'm sure it's a very interesting point that my honourable friend the Member for Lakeside has raised, I've never heard of it being raised before.

MR. CAMPBELL: Mr. Chairman, the reason it's never been raised before, I would think, is that it is very unusual. I never recall a time when a Minister spoke 40 minutes on the introduction.

MR. LYON: Last year. The Provincial Treasurer spoke for an hour or two last year.

MR. CAMPBELL: The Honourable Minister, former Minister of Agriculture, used to speak about 40 minutes on every question that was asked of him. It wasn't that he took a particularly long time in introduction. All I'm interested in, Mr. Chairman, is that what applies to one, applies to another. That's all.

MR. PETURRSON: Mr. Chairman, as one of the more recent members in the House, it does strike me strangely that the rule is being broken. We are told that there are rules, and the rule is 40 minutes for an address; regardless; with no exceptions. And we have been pressed each time that the estimates have come up with the information that we have only 80 hours in which to deal with the estimates. If the Ministers who are presenting, each one presenting his own department, go half an hour or so over the 40-minute time limit, it simply offers the other members that much less time. In effect, what they are doing, they're stealing time from those who would otherwise perhaps wish to have the opportunity of speaking.

MR. CHAIRMAN: Resolution 46. 1 (a) . . .

MR. DAWSON: Mr. Chairman, I think the point that the Honourable Member from Lakeside was trying to make, that had the Minister delivered this speech it could have well taken two hours, but we're very fortunate that he read it and he read it very quickly; he cut down on the time.

I hope, Mr. Minister, that the remarks I make will not be taken as poor mouthing the Province of Manitoba because I'm very proud to be a Manitoban, as everyone in our group is, and I think that everyone in our group in some way or some how have shown that they have made a contribution to Manitoba, not particularly in politics but in other realms of business or sport or recreation or in some basis.

I think, Mr. Chairman, in my personal estimation, that Winnipeg has to be taken as one of the show places in Manitoba and really built up. When one travels across Canada every province has a show place, and when one does travel around the country, as I have done and I'm sure many of you on the other side have done, we just wonder a little bit about the City of Winnipeg. But when I say that Winnipeg should be built up, I don't think that Winnipeg should be built up at the expense of the rural area. I think that the rural people would be very proud to have a capital city that is comparable to Montreal or Toronto or Vancouver in that comparison. And this would be one of the things that could attract industry and people to the Province of Manitoba.

I think another thing that one of the departments of the Minister could do in so much as he has the Information Branch, would be to dispel the business of the attitude of the rural people and the Winnipeg people to one another. This is something that I'm sure that the Minister has travelled around the province and he has seen, that if Winnipeg is to get something the rural people are upset, or if the rural people are getting something Winnipeg gets upset. I think that this is a very important thing and instead of using information centres for

(MR. DAWSON cont'd.) . . . . the betterment of the government, that we could use this information centre in some way that we could be bettering the relationship between the rural people and the City of Winnipeg.

There is one thing that I was pleased to see, as the Minister wound up, I know it's not in his remarks, in his written remarks, but he did pay tribute to his staff, and I was very pleased to see that because for a moment I thought that he had been running the department by himself and he had forgotten all about the people that had been working with him. But I know from my own personal encounter with people such as Mr. Dyke and any others that have been working in the Manitoba Development Fund and other departments, that these people have been very courteous; they're well-mannered and they always receive the delegations very well, and I think they're an asset to the Province of Manitoba. And I'm very pleased that the Minister did include them, even though he did wait until the very end before he mentioned anything about it.

I noted that the Minister was talking about the trips that are to be made in the future, and it kind of made me laugh because there have been many trips that have been made beforehand, and he's talking about a trip to Japan, etc., but I think that one of the mistakes that the Minister makes is the fact that he takes along his friends and forgets to take along people that count. There are 57 members in this House and I'm sure that the Leader of the Official Opposition or the Leader of the New Democratic Party would be some of the people that he should be including on these trips and try and dispel some of these rumours where he is going around the countryside trying to sell himself instead of the Province of Manitoba. Maybe if he had the Leader of the Liberal Party and the Leader of the New Democratic Party, they may be able to confirm the fact that this is not true. However, the fact does exist in the Province of Manitoba that the only reason why these trips are made is to show off the delegation in so much as that they are some of the hierarchy of the Province of Manitoba, and I'm sure in many cases this is not true. And I wonder if we do get something out of this. And when one heard the Minister's two hours of reading, I'm sure here, because I'm not as fast a reader as he is, that everything seemed to say, "Everything is for the future." There was nothing what we're going to do now; it's we're going to do this and we're going to do that, and I think at this time it would be very appropriate to paraphrase the Leader of the New Democratic Party when he says "Poppycock." And that's the way it sounded to me. -- (Interjection) -- Everything was for the future; not anything about what has happened or what we're going to do now. Everything is: "We're going to do this when. We're going to do this when." And to me, it struck me exactly as a repeat of last year's Throne Speech, everything as was. It sounded as though it came right out of the Information Centre, it was all news and nothing else. The Information Branch, I should have said.

Mr. Minister, there's one of the many items I want to touch on, and one is the Manitoba Development Fund. As we have stressed on this side, we would like to do away with the secrecy and dispel the rumours that exist about the bad judgment and the bad loans that are made in the Manitoba Development Fund, and of course we have a resolution that states that we would like to see an Auditor-General. Well I'm sure the Auditor-General would do this particular job. But I feel that the Manitoba Development Fund is not being used properly in so much as the people that live in Manitoba hardly know that it exists. I'm amazed that a town in my constituency came up with a couple of people that were prepared to invest money in Manitoba and they didn't know that the Manitoba Development Fund existed, nor did they know that funds were available from the Province of Manitoba to use in investing in Manitoba.

And I was amazed to learn of the second example, that when there was an opportunity for some industry to enter into my constituency, that the Manitoba Development people were going around trying to buy up land, they never made one attempt to contact any of the people in that area who may have had some influence and assisted them in obtaining this land; they simply went directly to the people; and of course there was the old business about, "well, these are city slickers and we're a little frightened of you so we're not going to do business with you." And I'm sure that this could very well have been done away with had these people come to, say, the Mayor of that particular locality and asked him, "Will you assist us with purchasing this land?" But they went direct to the people and they frightened them a little bit and there was no deal made. I should mention at this time that this was Dryden Chemical. Dryden Chemical ended up in Brandon instead of one of the rural areas. And I know that the Minister in all probability will come back at me and say this is not true, but I'm positive that it is true, and if he likes me to take him to the source of the information I can very well do

(MR. DAWSON cont'd.) . . . . that tomorrow morning.

The Manitoba Development Fund, to my mind, is not being used properly because it's not being advertised to the people of Manitoba. They don't know about it. They don't know about the things that they can have access to. I think one of the things that the Minister should be working on instead of spending money uselessly in many other ways, is to try what Ontario has done. Ontario has come up with an equalization of industrial grants and they have set up development parks. I know that we are trying to set up development parks, but whether they're successful or not remains to be seen. We have West Man and we have the Pembina Valley Association and I'm sure that they're making strikes in the right direction, but they need some assistance in so much as equalizing the industrial grants, and I'm sure that this is something that if the Minister would look into, it's been very successful in the Province of Ontario.

One of the other things that I believe we should be doing - the Federal Government has set up designated areas, and I think this is fabulous, and it has worked. We can show that it has worked in Brandon. But I firmly believe that once it has worked for two or three industries that the Provincial Government should urge the Federal Government to move that designated area to some other spot in the Province of Manitoba, such as Portage la Prairie. It amazes me to see that Portage la Prairie is not a designated area and I can't understand why. The City of Brandon has benefitted greatly and I'm very happy to see that. I live so close to it, and I can almost say that it's dear to me because we can almost say that it's our town, and we're glad to see that it has worked. But I think that there comes a time when a town or a city or an area gets so much and the designated areas should be moved around.

And I think one of the other things that the Minister should be working on, he should be fighting the Federal Government and pointing out to them that how unfair their system is on a Dominion basis or a national basis, in so much as that Ontario, who is a "have" province, and Manitoba's considered to be a "have not" province, are both designated areas, and Ontario in particular has really benefitted by the designated areas; and I think the time has come where the Minister should point out to the Federal Government that maybe some provinces should be left right out of the program of designated areas and we should put Ontario's share into the Maritimes and Manitoba.

Now I know that the Minister has a tremendous program of advertising going, and I'm very happy to see it operating in the manner that it is because it's one of the suggestions that I made last year. I feel we should be selling Manitoba. But I think that the Minister is making a mistake. You don't have to sell Manitoba to me; you don't have to sell it to anybody sitting in this room. I think money is being wasted right here in Manitoba. When one listens to the radio every day, you don't have to sell Manitoba to me. I'm proud to be a Manitoban. And I think this is a mistake we're making; that the money we're spending to advertise Manitoba to Manitobans is being wasted. The billboards we see as we drive out on Portage Avenue, they make you wonder. Why couldn't that money be used in some other place where people that don't know anything about Manitoba would be glad to hear something about Manitoba. I think that you're not handling it properly, but I'm not a Dalton Camp; I'm only offering the opinions of one person. I think that this advertising of Manitoba should be combined with the advertising that is done with the Tourism and Recreation Branch. -- (Interjection) -- However, I do think that the advertising that the Industry and Commerce Department of Manitoba is doing should be combined with tourism. We're spending in excess of 700 and some odd thousand dollars on tourism to advertise Manitoba, and I'm not quite sure of the figures that we're spending to advertise Manitoba through Industry and Commerce, and as I said before, I don't think that Manitobans have to have Manitoba sold to them. The majority of the Manitobans are proud to live here and are proud to be Manitobans.

One of the things that I wondered about when I read the report from the Minister that he laid on our desks a couple of weeks ago in the Business and Development Branch, was the fact that one of the jobs they have is collecting and making a presentation of the information on possible industry site locations. Now the thing that ran through my mind was this. How do they arrive at what site is suitable for an industry? How do they arrive, this group, how do they arrive at that Gimli should have - to give you an example; I'm not knocking Gimli for having a distillery - but how do they arrive at the site that Gimli should be a distillery, Minnedosa should have a distillery? How do they arrive at this? Does the government have a file on every village and town and city? I know you're going to tell me they do have, but I'm going to tell you that it's about two years old, because I saw one of these. They're up-to-date

(MR. DAWSON cont'd.) . . . . books not too long ago, and in this I note that in my own town of Rivers that they list the Secretary-Treasurer as being someone who has been deceased for about a year and a half; they list the population of the town as being under; they list some of the businesses that are operating in there, some of them are defunct and there are many others that are in that. So my question is, here: how do you arrive at these sites? Does somebody in the Minister's office say he thinks he should have a look at Gimli, or he should have a look at Minnedosa, or is the proposition wide open? Does everybody have a chance?

And while we were going through, I noticed that the Minister said, when we were in Business and Development Branch, he touched once again on the fact that we have Simplot in Brandon. Now I've only been sitting here for my second session, but I've heard Simplot for two times around. I think that Simplot is established and that we should be concentrating on something new instead of the old things, which proves what I was saying, we either tell what we've already got or we tell what we're going to do when; and I think that the people in Manitoba are getting a little fed up with hearing what has happened or what's going to happen in the future. They want to know what's happening right now.

When one looks over the report of the Trade Development and Marketing, where we spend \$170,843, and this report dates back to May of 1966, we see that we had six incoming buyers and trade missions come to the Province of Manitoba, and out of all that we had the French delegation buy some meat. And one wonders if it's worth \$170,000, almost \$200,000, to have some French buyers come in and buy some meat. I understand that their job is to search for foreign markets - that's part of their job. Well, they had this delegation in and they made one deal. But I also noticed that this same group made 834 calls throughout the businesses in Manitoba to assess the export potential, and I was amazed to see that out of 834 businesses that they called on to look for exports, that they decided that there were five items that could be exported from Manitoba. And this is not me talking; this is the report that I have right here. And of that five that were chosen to be exported, there was some concrete production, there was some wall panelling, there was some dock levellers, there was some aluminum sign card holders and some aluminum windows. Now I think that if we're going to handle this thing properly, that for that \$200,000 that we're spending, that we could very easily set up what we had in 1957 - or I think it was about that time - where the previous government had set up trade missions - they had one in England at the time - that probably this thing could be rectified if we had this office in England again, USA and France.

The Engineering and Technical Services Branch of the province, which in my mind is another duplication of some other services that we have, have spent \$158,300, but the thing that they've failed to do is to tell the people of Manitoba that this service is available. People don't know. I think that rather than run the large ads telling the people of Manitoba about beating the drums for '70 - which I am in favour of - that they should be telling the people about the advantages that the Industry and Commerce Branch offer to the people of Manitoba, because this whole structure is based on helping the people of Manitoba. But they can't take advantage of it if they don't know anything about it.

You have a duplication again when you have the Engineering and Technical Services Branch. In many instances they duplicate the work of the Economic and Business Research, which spends \$380,000. They prepare reports on manufacturing opportunities in the Province of Manitoba; the other group do the market studies. Now the thing that gets me is that if you send an engineer or an interviewer into the town - we'll use the Town of Hamiota - why can't the same man do the same job? Why do we have to have three different fellows follow one another to interview that person to get the same information? It's simply duplication of the job.

Then we have the Regional Development Branch which spends \$287,000, and they're very much like the Business Development Branch. They go around and they do exactly the same thing, and if one reads Page 17 of your report you can see it. It goes back to what I first said, location reports and similar material - and you're saying it, not me. "Similar material were prepared during the year for businessmen interested in establishing in rural Manitoba. The add-on taxation, land and utility costs, labour supply and rates, living conditions in various towns in Manitoba, was included in these reports. The community data sheets, four page summaries of the important economic data of a community, which are used extensively for this service, were again brought up-to-date." Well, this is not true. They're not brought up-to-date at all. They're two years old right now. I think one of the things that we have to



(MR. DAWSON cont'd.) . . . . realize is that the Minister, when he was talking about the Regional Development Branch, was saying that they're creating jobs for the people of Manitoba. Well I'm sure that one of the things that the Minister realizes is the fact that right now in Manitoba we have more jobs than we have people for, and the very fact that we have more jobs than what we have people for, is the fact that people are moving out of Manitoba. We educate them. They leave.

When I was looking through the report I ran through the Manitoba Design Institute, and at this time I think it's proper to congratulate the people who are directors of the Design Institute. I think this was a good idea that the Department of Industry and Commerce had. Their idea of giving out achievement awards annually is an excellent one, and I'm sure that it has created competition amongst the manufacturers of the Province of Manitoba. Not only has it created the competition but it has created the competition in design, which was what it was instituted for. I noticed that there were a number of things that I've had occasion to see in furniture, which they've done a tremendous job in Manitoba, car warmers, farm tractors, farm machinery, etc. But the one thing that I noticed was that this Manitoba Design Institute has not got a budget set up, and if they've existed for two years now - and I'm sure they have - that they must know what the operating cost is, why should they be paid out of the Consolidated Fund? This should be going into Industry and Commerce. There should be a set figure for it, and there's no reason why it can't happen.

And then when one continues reading the report, we run into the Manitoba Export Corporation, and as far as I'm concerned this could very well be combined by the Trade Development and Marketing, because they, in a sense, do all the work for this particular department. I know that they have four directors and they've met for -- I think they've had three meetings, and I'm sure that these people are very dedicated people, but I fail to understand why the grant that is given to the Manitoba Export Corporation, that practically all of it has to be given to the Manitoba Development Fund. I think that I would like the Minister to answer this question: why does \$15,000 have to go to the Manitoba Development Fund in the form of an administration fee which they must pay to the Manitoba Development Fund? The four directors spend maybe a couple of hundred dollars and in all probability it doesn't even cover their expenses, but the grant that is given to the Manitoba Export Corporation from Industry and Commerce is used up by giving it to the Manitoba Development Fund. It's beyond me why I can see what the connection is, and I think that once the Minister explains what the connection is, in all probability I'll be satisfied.

Then a little earlier, I was talking about the Tourism and the Industry being combined and why the advertising couldn't be all handled by the one department. We supposedly have the Information Centre which is informing the public of Manitoba, but with the competent staff that is down there, and I'm sure that they are very competent from the names and experience that these people have, that they in all probability could be handling all this, instead of Mr. - what's his name - Dalton Camp? They spend in tourism and promotion, they're spending in excess of \$700,000, practically \$800,000. And then when we touch down through the report, we see that the advertising publicity for the industrial promotion is over \$800,000 - up to a million and a half right there. And then we see the Displays and Exhibitions is \$57,000; Public Information Branch, \$122,000; other expenditures, \$26,000; Tourism and Promotion, \$722,000. We have a million 716 dollars, and we have a Premier that was elected a Premier because he said he wanted to curtail taxes and cut down on spending, and I am sure that this is one of the ways that this could be done.

I think that before I sit down there is one more thing that I would like the Minister to tell me, is that I think that as I mentioned before that those in my group are all very proud of the fact that we are selling Manitoba throughout the world. We think it's an excellent idea, but one of the things that bothers me is - it doesn't bother us - but we fail to understand where the slogan of "Growing to Beat '70" came from. It's hard for us to understand how you can grow to beat some thing that is not already here, but mind you I'm beginning to catch on, because in the Ministers --(Interjection)-- that's what I was going to say, I'm beginning to catch on because in the Ministers one hour speech here that he read to us, that everything is "when", and I'm sure that it's all geared for 1970. But I would say that if you wanted a slogan, and I'm not sure that it's an excellent one or because it's only one that has been suggested to me by a number of the rural people, that they feel that the slogan should have been "Growing to Beat 60." How can you grow to beat 70? We haven't even hit 70, and it seems to me that when they mentioned

(MR. DAWSON cont'd)... the fact that growing to beat 60, it made sense to me.

I think that in conclusion I would like to say to the Minister that I am sure that he realizes - and I know that he does realize because he's a pretty smart cookie in my books - that figures don't mean very much to the people in Manitoba. I know that they want action and they are tired of hearing what might happen in the future. This has been going on for two years, as I said, that I've sat here, that it's always we're going to do this and we're going to do that. But I think people want action. As a matter of fact, I think people want a change.

MR. MILLER: Mr. Chairman, tonight we were really treated to an eventful speech. I think the Minister has probably been saving this up for two years, at least it sounded like it. Now certainly we couldn't hope to keep up with the torrent of words, and although one tried to make notes, I found that I couldn't possibly keep up so I'll limit myself to some of the areas that we know of and that have been recorded in his statements of the past and some of the documents that have been filed with the House such as the annual reports, rather than try to, as I say, to think back on what he may have said in the hour that he spoke. He gave us a lot of figures and a lot of statistics, and the trouble with statistics of course is that you can prove almost anything you want to prove, depending entirely on what your approach may be. So I'm not even going to get into that argument with him.

On the other hand, we do have some statistics that he has given us, as I say, prior to tonight, and I'm thinking of the statistics of the annual reports of 1967 and 1966. And looking back in those we see some very remarkable things. We see, for example, that in the annual report of 1966, it stated that the total number of employees employed in manufacturing in Manitoba was 49,400, and this was a record because it represented 14 percent of the labour force. In 1967, the claim was 47,300 - a drop - and yet again the statement was this represents a record and a net increase, or a 4.2 percent increase over 1966. Now, it's true the Minister has changed, but I thought that the figures would remain constant.

Then dealing with construction, the 1965-67 report said that industrial construction represented an amount of 34.5 million and this had been an increase of 20.2 percent over the previous year. But if we actually compare the report of 1966 and the report of 1967, there is no increase. There is a drop of 12.5 percent, because in 1966 we showed 39.9 million and in 1967 the report showed 34 1/2 million. Now, no matter how you compute this, this is not an increase of 20.2; it's a decrease of 12.5.

And then to compound it, we came to the section on retail trade, and in 1966 we were told by the then Minister of Industry and Commerce that in the prior year the total value of retail trade for the first time in Manitoba exceeded the \$1 billion mark. It was a record of \$1,007,000,000.00. And on the 1967 report, lo and behold, these words: "The total value of retail trade for the first time exceeded the one billion mark, a record of \$1,005,000,000.00. They didn't even have the decency to go a little higher than the previous year. Both claimed a new record of over \$1 billion. They both couldn't be right. I'm not sure which of the Ministers was wrong, but certainly I would suggest that next year if you're going to issue an annual report, at least change the wording or put the figures in a different way so that it'll be tougher to spot. I was embarrassed at how easy it came. Frankly, I stopped after the seventh page because I felt that from here in I could learn nothing from these reports. I'm not sure whether the figures we heard thrown at us tonight had any more credence or any more substance than the analysis that I just read to you.

But listening to the Minister, it's quite clear that he's an excellent PR man. As a matter of fact, if I run for office again I'll ask him to be my campaign manager, because frankly he's promoting -- he's a great promoter and he knows exactly how to do it. I'm surprised that he hasn't been really grabbed up by some soap company because he could do an excellent job for them.

Now here in Manitoba we have the Manitoba Development Fund and this has always been a subject of great debate. There are many members who have spent many hours on it, and frankly I don't intend to re-open that whole problem again. I'm sure other members who debated it over the years know far more about its background and it'll come up again. But in reviewing the MDF annual report, I noticed a letter to the Minister on the very back page of the report and it was an examination and review of the policies and the operating procedures and it was by a firm of financial consultants from Minneapolis. We don't have enough good ones in Winnipeg or in Canada, we had to go to Minneapolis to get the best American brains. Maybe this is like the American training of the Minister here because his approach was the very

(MR. MILLER cont'd.) . . . typical big business rah rah American steamroller type of selling.

So, we went to the States and we got financial consultants because they would have the same philosophy, the same approach, and they said this, "It's a good fund and as a development fund, however, cannot seek the normal venture capital rates. It should meet this problem through equity participation." On the very last line they said: "The time has come to take a second step towards greater flexibility." Well, apparently our Minister has read it, just as I have, but he is not doing much about it. Part II of the MDF Act, I gather, permits government to participate in business ventures, that is through equity participation. I know we're always making loans. We make loans here; we make loans there; we're increasing the amount in the MDF Fund by millions of dollars; we're collecting interest on it; but I think the Minister will agree we will never get rich in Manitoba if we simply wait to accumulate the interest that the MDF loans are going to pay, because if Manitoba is going to put up most of the money, then isn't it high time that we share in the business that's generated through those loans?

Now the Minister may argue that because it's public money it has to be very carefully examined and we have to be very cautious about how we loan the money, and I wouldn't deny that you have to scrutinize every application, but the fact is, of course, the Minister himself claims that the losses are so very minimal they represent a very small fraction of one percent. So we're not really concerned on that score. But when you have the Simplot Chemical Plant, which you hear so much about, a plant which we are told represents a \$30 million investment in Manitoba, yet in 1965 the same plant receives \$20 million from the MDF; in 1966 they received \$3 1/2 million from the MDF; they subsequently received \$5 million from the Federal Government; so that, in total, the Simplot Chemical Plant represents, out of \$30 million, it represents an investment of Manitoba public money, or public money including federal, of \$28.5 million.

MR. CHAIRMAN, I suggest that Manitobans would like to get a piece of this action, and I suggest that maybe we should have bought some equity, or acquired some equity, instead of just lending out the money at minimal interest rates. Any banker can do that. Because, Mr. Chairman, there are many patterns of ownership and this government has to recognize this. If we're talking in terms of strategy for tomorrow, and vigorous and progressive measures and new approaches and new studies, then we've got to get away from just lending money and being money lenders through a Manitoba Development Fund. Why can't we adopt the attitudes of other areas, of hybrid or what's known as mixed composition investments? Why couldn't the MDF act as a government-sponsored Mutual Fund?

Just recently, the Investors Syndicate I believe issued a circular showing that, because the head office is in Manitoba, they have a larger part of their investment money come from Manitobans. And they're wise. They invest in this Mutual Fund and the Mutual Fund proceeds to invest all across the world. Why can't the Manitoba Development Fund become the Mutual Fund for Manitoba's money? We could invest the local interest. We could tap the savings which are now being garnered by private mutual funds and companies and diverted to other parts of the country, or outside of the country entirely. There could be a mix of private ownership with minority government participation, if nothing else. At least this way the government would have some voice in the management and some long . . . term direction in the firm itself, so that you don't have the problems of firms which come into being and after they find that they are not satisfied with the return on their money, simply pack up and leave, and leave us in Manitoba holding the bag, and the fact that towns become ghost towns.

So we are failing to get the greatest benefit from MDF because of our lack of inventiveness and our Minister tonight tried to make it a point, really, of the inventiveness of his department. But I suggest there's a lack of inventiveness. It's a rigidity of thinking. It's nothing like what he's trying to project or portray to us, and certainly a great lack of diversity in approach of how to develop this problem.

Now perhaps the basic difference between the Minister and members of my party is a general philosophy of what we're trying to achieve when we beat the drum. We're not interested, frankly, in making multi-millionaires out of millionaires that we might entice into Manitoba. The purpose, surely, of enticing people or investments, that the Minister talks about, into Manitoba, is that the population as a whole shall benefit. The attitude of this government seems to be that somehow if you bring investment in, the crumbs will fall off and somehow some of it will dribble down and people, the mass at large, will somehow get something out of it. Unless you aim for that, unless your policy is devoted to sharing that wealth, you're not

(MR. MILLER cont'd.)... going to achieve it.

Now the Minister went off to Ottawa, oh, I think it was last year, and made quite a fuss about the immigration laws, federal immigration laws, and presented quite a lengthy brief. Now I don't want to get into a completely useless argument with the Minister whether we've increased our population by a dozen or we've lost a dozen, because frankly, it gets us nowhere. We can take natural growth and birth into account, as the leader of our party did about a week ago; it doesn't matter. Suffice it to say that ever since I remember, Manitoba has been on the threshold of hitting one million population, and this goes back a few years. Well, we've been on the threshold, we've never reached that figure; and the trouble is that numbers in this numbers game we're playing, and the Minister continues to try to play, doesn't tell the complete story at all. Because what we're losing in out-migration are the people we can most ill afford to lose: the educated, the trained, the most qualified, the most versatile and the most imaginative. These are the ones that we're losing. And he doesn't disagree, because in his submission to the Department of Manpower and Immigration in Ottawa, the Minister in his brief did say that since World War II Manitoba has suffered in immigration into Manitoba, "that Manitoba has a relatively high requirement for the unskilled and the semi-skilled worker, particularly in the Manitoba mining and garment industries; and that Manitoba's concern was to obtain and retain a labour force adequate to attain full current and continuing potential of the province." These are his words. And without immigrants the future of Manitoba Development would be slow and costly, and he felt that the pattern of immigration to Canada tended to aggravate rather than diminish the disparities in relative regional growth.

He went on further to talk about the needs in the north particularly. He said -- and this was the Economic Council of Canada, as a matter of fact, who pointed this out. It said that in the north and to develop the north you need imaginative approaches, and special efforts would be required to deal with the particular difficulties of living and working on a permanent basis under northern conditions. And there's no doubt that going into the north is not like coming to Winnipeg. It is a problem. But it's not just the matter of overcoming inhospitable climate and supplying conventional amenities, but even more, of providing the kinds of advance -- and I'd like to stress the advance services and the social environment which would help to alleviate the sense of isolation from advantages of modern urban life. And unless these difficulties could be resolved, it was "hard to see how the human resources and human skills could be attractive and successfully held in the new community." I wonder how this brief and this statement by the Minister jibes with the attitude of the Attorney-General, when the other day, in some discussion in the House in reference to housing in Thompson, Manitoba, when it was suggesting that it was inadequate and it was completely not up to standard and insufficient for the people in Thompson, his answer was: "Well, all we have to do is get jobs for people. Surely it's up to them to look after their own housing." And yet, in the brief to the Minister of Immigration in Ottawa, our own Minister uses the argument and advances the argument that it isn't enough just to give some amenities, that an imaginative approach would have to be used, that we have to do more for in the northern areas in the way of social amenities than are required in southern areas as of Manitoba. And so, one Minister isn't quite sure, apparently, what the other one is doing or what their approach is.

What is the government's imaginative approach? What is their answer to all this? Is it: let's make our towns better to live in? Let's make our towns and cities exciting? Let's keep our people so that they won't want to move for another hundred dollars a month out of the province, because they say, well there are advantages to living in Winnipeg or in Manitoba? No, that's not their answer. The answer is a very simple one. You seek out unskilled around the world - you go all over the place - and you induce them to come to Manitoba, and you pay them as little as you can. That's the way to do it, he says. Mr. Speaker, they'll come for a while, but will they stay? I suggest they won't, because they will not put up with a lack of the advanced services which they need and the social environment that he talks about. They will not stay and the government acknowledges this fact, and again it's in an immigration brief.

It's complained that in prosperous periods, Manitoba loses out, they said. Because in prosperous periods there has been a high net out-migration to other provinces, and that in 1965 this out-migration reached a high of 12,300. This they admit, because they say, "As the Canadian economy functions at a full output level, Manitoba suffers a population drain." In other words, we're the last place people want to stay. As unemployment in Canada drops, the employment pull on Manitoba increases. In other words, when times are good in Canada,

(MR. MILLER cont'd.) . . . the employment pull on Manitobans increases, so that Manitoba's out-migration is the response to higher wages and higher wage levels in other areas. And again his answer - it's account of the garment industry. He says we need the unskilled; we must bring them in because the garment industry is a major industry in Manitoba and it's a well-established industry in our economy, and we can't do without it. But, he says, as a result of declining immigration and more attractive alternative employment and higher education - you've got to have a low education to be in the garment trade apparently - and higher education, there is a serious labor shortage. Well certainly there's a serious labor shortage and there will continue to be, because when you bring people, you lure people from Europe to work for \$1.10 an hour, which I think is the minimum wage today, is it not? \$1.15? Well April Fool's Day was another nickel. That's right. Yes, April Fool's Day was another nickel, that's right. Yes, yes. That's right.

MR. CHAIRMAN, the Manitoba Economic Consultative Board, which was quoted tonight, in its Fourth Annual Report of 1967, said the ultimate success of any region - and they were talking of Manitoba naturally - must be judged by its ability to provide the opportunities for each individual to improve his standard of living and to satisfy those social and cultural desires which he may possess. We are not going to do this by offering annual salaries of under \$2,400 or \$2,500 a year. How can a family coming to Manitoba be expected to satisfy these needs and stay here? They just can't. So, Mr. Chairman, if Manitoba's going to grow, and we in this Party certainly want it and everyone in Manitoba wants it, and if it's going to grow, prosper, then it cannot be done by simply replacing our skilled and our educated with unskilled and under-educated. The province may import workers from Europe and provide them with training, but when these immigrants become adjusted to their new land I can tell you they are smart enough, despite their lack of education, they're smart enough to realize the higher wages prevail in four other provinces, maybe five today, five other provinces across the country, and they'll leave. Just as surely as do our native-born Manitobans, they'll leave us, because low wages and low incomes will chase them from our area. And Mr. Chairman, low incomes and low wages also depress the buying power in this province and you're not going to attract investors with low wages and low incomes because you haven't got a buying market, and when you have not got a buying market you're not going to induce any investor to invest to a great extent. He's going to be leary about expanding. All he can hope to look for if he comes here is to produce something cheaply, sell it elsewhere, but the profit will accrue to the investor and not to the community as a whole, and certainly not to the people that work in the industry.

MR. CHAIRMAN, I see it is now time to -- 10:00 o'clock -- I have a minute left, I'll bring my remarks to a conclusion and I'll speak again later in the debate. I want to just say this to the Minister, that no amount of drum beating will convince an investor to come into Manitoba if all we have to offer is low wages and the kind of labour force which leaves as soon as the pull from outside the province is great enough. And the pull is very simple. It's better living conditions, a more enjoyable life, a higher standard of living, all of this generated by higher wages. We're not going to achieve it with a kind of soap-selling, frankly, speech we heard tonight, although he no doubt made a good case and if I was a shareholder in a soap company I might be delighted, because no doubt he would sell, but talking that this is the keystone province, we are, and I'm afraid we're going to continue to be, the revolving door province: They're going to come in and they're going to go right out again. Thank you very much.

MR. CHAIRMAN: Committee rise, 10:00 o'clock, Committee rise, Call in the Speaker. Mr. Speaker the Committee of Supply has considered a certain resolution, has directed me to report progress and asks leave to sit again.

#### IN SESSION

MR. DOUGLAS J. WATT (Arthur): Mr. Speaker, I beg to move, seconded by the Honourable Member for Springfield, that the report of the committee be received.

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

HON. STERLING R. LYON Q. C. (Attorney-General)(Fort Garry): Mr. Speaker, before moving adjournment, perhaps the House would permit me to seek their approval of the suggestion which I think has been canvassed in all quarters of the House, that the House meet next Thursday morning at 10:00 o'clock until 12:30 and then from 2:30 until 5:30 and adjourn at 5:30 on Thursday, in lieu of sitting Thursday evening. If there's agreement for that, then we could have that agreement registered now and all honourable members would be able to make plans

(MR. LYON cont'd.)... accordingly.

MR. SPEAKER: Agreed? (Agreed).

MR. LYON: I would move then, Mr. Speaker, seconded by the Honourable the Provincial Treasurer, that the House do now adjourn.

MR. SPEAKER presented the motion and after a voice vote declared the motion carried and the House adjourned until 2:30 Wednesday afternoon.