

THE LEGISLATIVE ASSEMBLY OF MANITOBA

8:00 o'clock, Monday, April 15, 1968

MR. CHAIRMAN: (c) passed.

MR. SPIVAK: Mr. Chairman, Before we begin, I'd just like to inform you that I've arranged with the Clerk to have sufficient copies delivered to the Members of the House, of the Interim Report of the Commission on Targets for Economic Development to 1980.

MR. CHAIRMAN: The Member for Elmwood.

MR. DOERN: Mr. Chairman, if the Minister isn't going to say anything on what the Leader of the Opposition said, I'd like to make some more comments along those lines. Or is he prepared now to reply on some of those points.

I think that the Leader of the Opposition was getting at a very interesting point when he talked about whether or not there was duplication being permitted in regard to the TED Commission or the former COMEF Commission and the Manitoba Economic Consultative Board. It would seem that rather than duplication, there is what one might call eradication. I would like to know if the Minister can tell us what the costs of these two commissions, in the one case what the cost was; he indicated \$200,000, if he could also tell us what the TED Commission might cost. It seems to me that one of their first targets must be to complete their study and I think that they're going to fail on that account because if they only have one year to undertake all that the Minister outlined it seems to me that that is most unlikely.

COMEF said that the key to Manitoba's future, its economic future, was the increased secondary industry and I just wonder whether the Minister can first of all, indicate that this has in fact been recognized as the problem and whether he feels that his department has in effect done anything about it. We were given an Order for Return that the Member for Logan asked for recently, asking for how many new industries were established in Manitoba in 1967, and the answer was 60 firms with something like 600 employees. But, Mr. Chairman, if you look at the list of new manufacturers, I don't think it's too impressive; the number of people involved and the amount of the expenditure is not that significant. And when one looks at some of the list of new manufacturers including Ernie's Bakery and Coffee Bar in Lac du Bonnet, Migard's Bakery in Winnipeg and Sally's Bakery in Brandon, I don't know whether these are major achievements or whether they're just small new services which have been established. My honourable friend says it is more employees than Churchill Forest Products, perhaps.

The Department of Industry and Commerce did have a good research department which now apparently has been diverted to promotion and since they only have limited resources, I think the Minister would have to justify this shifting emphasis from research to promotion. And the question really is, what happened to the research department? And in particular, what happened to the Manitoba Economic Consultative Board? They were required to table an economic report, I think, by statute and the department today is almost non-existent. Apparently, it's no longer independent, it made a number of embarrassing reports and now it's had its heart cut out. There has been staff leaving and quitting, retiring and not being replaced. I asked the First Minister about this and he pointed out that its, in a question before the Orders of the Day, that quite a number of the staff of the Manitoba Economic Consultative Board have not been replaced, and arrangements are being made to provide them with additional help from the staff of the Development Authority. I take that to mean that they may be given some temporary assistance and as I say, there have been retirements and no replacements.

So, the question comes again, which I think the Minister has to justify, is whether the Economic Consultative Board, if it was doing its job, would we need the TED Commission? He maintains yes, and I still would like to hear him give a more detailed reply to that.

The Leader of the Opposition suggests that as he reads the statute, it could do the work of the TED Commission. The Minister claims it was setup for a different reason. So, the question might be rephrased as would it be possible to use the Economic Consultative Board on a yearly basis, to do the work, the kind of work that the TED Commission is doing? I seriously doubt, Mr. Chairman, that there will be a report of the Economic Consultative Board this year. The Member for Lakeside asked where the report was; I myself, asked for it; but I think the answer is, there won't be a report because the department is dead. -- (Interjection) -- TED is dead. No not TED is dead, the other ...

I also wonder whether the Minister can justify the expense of the COMEF report, on a

(MR. DOERN cont'd.) point for point basis, or on a general basis. It was a very ambitious undertaking; the goals were laid down and did we succeed? I mean, did we really cover these points, or are we just going on to another study, and then that will be replaced by another study and so on, ad infinitum. The impression I get in regard to one area, rural economic development or growth, has been a miserable failure.

So, I would like to ask the Minister then, to see whether he can justify whether TED is in fact necessary, if the Economic Consultative Board did its report; or are you going to bring in TED and allow the Manitoba Economic Consultative Board to wither away and die, because that is the impression. Perhaps, he will answer those.

MR. SPIVAK: Mr. Chairman, as I already indicated, the Manitoba Economic Consultative Board is operating. I'm quite convinced and sure that they will produce a report as they have in the past. I am also convinced that TED, when it completes its findings, will produce a report. As I've tried to indicate to you, the objective of the Manitoba Economic Consultative Board is to present an objective appraisal of conditions with respect to the economy of Manitoba. This is to be a fair and objective report. The object of the TED Commission is in fact, to present challenges, targets, until 1980. Its terms of reference are different and I would like to refer the Honourable Member to the Interim Report which has been filed with him now, and I think if he makes a comparison of the items that have been mentioned there, some of which I have already mentioned in my remarks and compares it with the various statutes and various undertakings, you will find that there is not the duplication that you suggest.

With respect to COMEF and with respect to TED, COMEF sets certain guidelines, certain goals, certain objectives. Many of them have been introduced, some have not, some have not been successful. And as I tried to indicate in my few remarks, one of the objectives of the TED Commission will be to review the COMEF guidelines, and in the light of either changing conditions or successes or failures, to re-evaluate some of those guidelines and add new guidelines so that both the private sector and the government will have a clear definition of what to do in the next period, in the next decade.

No with respect to the challenge that COMEF mentioned, of secondary manufacturing, certainly this has been recognized by the government, and if you listened to my opening remarks in connection with the presentation of the estimates, I indicated that this was in fact a challenge. And this becomes extremely important at this point in our history because the Kennedy Round Tariff negotiations which commenced as of January 1st, offer both new opportunities and will present new competition to our people. And in the light of our historical development of our manufacturing, it comes at a time when we are geared and on the threshold of the kind of expansion in our secondary field which will develop to take care of our requirements for new job opportunities, for our people that are growing up in this province and for others who will come here, and at the same time it will give us the opportunity, the real opportunity, to be able to expand our export opportunities and our export markets so that we can become more productive and achieve the degree of scale and specialization that we are going to require to be able to compete in our own markets, in the years to come, in the national markets and in the new markets we have in front of us. So, insofar as the government is concerned, there is no doubt of the commitment or the understanding of COMEF, and all our efforts are geared to that purpose and our programs in connection with productivity and design development are programs to try and attract new investment. The investment in advertising to try and promote this province, is all part and parcel of the recognition of this basic fact, that the development of Manitoba to a large extent will be dependent on how we meet the challenge and how we develop our secondary manufacturing in this province.

MR. CHAIRMAN: The Member for Hamiota.

MR. DAWSON: I wonder while we are on the subject of TED if the Minister could tell me what his intentions are with Mr. Bergman who was the president of the Manitoba Chamber of Commerce when you appointed him? Now was it your intention when Mr. Bergman was hired in the new position to work with the civil service, was it your intention to leave him with TED or have you another suggestion for his job. And while you are on your feet answering those particular questions, I wonder if you could run down your list, it runs from (a) to (p) with different people who have been appointed on the TED commission, if you could give us a little background to justify the fact that they have been appointed.

MR. SPIVAK: I could do this, Mr. Chairman. I can simply say that in the case of Mr. Bergman and other representatives who are on the TED Commission that the organizations that they represented, because they held some executive capacity, selected them to be the Members of the Commission, and the Manitoba Chambers of Commerce appointed Mr. Bergman. Obviously he now cannot represent them. He is now in government and so therefore there will be in fact a new appointment from them. The Winnipeg Chamber of Commerce appointed their individual; the Canadian Manufacturers appointed their individual and the Labor Organizations who were involved here appointed their individual and this is how the representative group were selected. In the case of the University, the individuals were selected by the government to sit as the members representing the academic field. Dr. Duckworth who is the vice-president has been on the research council and been active in the relationship with government selected Professor Mundy from the School of Commerce. The individuals representing - one representing the regional corporation was selected, the president of Westman was selected as a representative of one of the regional organizations; the other individuals who were selected were selected on the basis of the geographic location where they came from or the particular industrial activity or the involvement in one sector or segment of the business community.

MR. DAWSON: What I have in mind was, you mentioned Mr. Minister that the president of Westman was elected. Was the president selected because of his position or -- what I meant was in the course of another election, which we are sure to have before 1969, are you using the person or the title?

MR. SPIVAK: No. In the case of the president of Westman it was the president of Westman at the time and it was he as a representative, one of the regional corporations, because rural economic development is part of the terms of TED and obviously he would be well qualified on that.

MR. DOERN: Just a brief question. Aren't some of the people on the TED Commission also on the Manitoba Economic Consultative Board? If so, aren't you drawing away from one to fill the other?

MR. SPIVAK: There may very well be a few. I'm not sure of that.

MR. CHAIRMAN: (c) -- passed; (d) -- passed. Resolution 46 passed.

MR. MOLGAT: Mr. Chairman, we had quite an extensive discussion on TED. Where does the actual item come - the expenses for TED comes under which heading?

MR. CHAIRMAN: On Business Development. Under item (c) -- 2 (c). Resolution 47. (a) -- passed ...

MR. DAWSON: Is this the area where we can discuss the Minister's business promotions along the lines of the business summit conference, etc.?

MR. SPIVAK: This would be in 2 (c) as well.

MR. CHAIRMAN: (a) -- passed; (b) -- passed; (c) -- passed ...

MR. DAWSON: Mr. Chairman, my leader has already mentioned prior to the dinner recess that COMEF and TED were very much the same, but when one reads over the report -- and it's your report from the Department of Industry and Commerce on page 17 -- when we read the Business Development Branch - I shouldn't have said page 17, I'm sorry - but when you read over the business development branch, you can see that COMEF and TED are all tied into the same thing, and I wondered if we have full-time people doing the job, if you could give us some explanation on what your thinking is to appoint other people on a special commission to do the same job as what you have already got a full-time staff to do.

MR. SPIVAK: Mr. Chairman, I don't understand the question.

MR. DAWSON: The question was quite simple, Mr. Chairman. The question was that under business development it says what their job is - I'm sorry I can't find it because this thing has fallen apart - and under business development if we take page 8 it says that, I don't want to read it all, but the second paragraph says "in addition to these specific development efforts, an extensive general business development program was carried out by calling on expansion, mixed companies in North America with a view of inducing them to establish or expand business activities in Manitoba. This work in many cases included the collecting and presentation of information on possible site locations, availability of labour, wage rates, training programs, data on utilities, legal requirements, and similar material on location. "Economics" - and then we go on to say, "Extension work was directed at existing firms in Manitoba with a view to assisting in a wide range of topics including product diversification,

(MR. DAWSON cont'd.) plant re-allocation, training of supervisory personnel, raw material and equipment, supply, etc." And then it goes on to say "to stay abreast of the current industrial development activity in Canada and the world, the branch maintains close liaison with financial institutions, investment houses and federal government departments and agencies and provided statistical data and background information on Manitoba to news media and publishing houses." Then it goes on to say "the branch arranged several conferences" But my point is that as my leader pointed out, COMEF and TED are the same thing and when we come to Business Development Branch we find out that we have full time people and they are doing the same thing as what your Commission has been appointed to do.

MR. SPIVAK: Mr. Chairman, that's not so, the Honourable Member from Hamiota answered his own question by reading off the details of what the Business Development Branch does. It has nothing to do with the TED Commission who are involved with trying to set the targets and objectives for the next ten years or the next twelve years, for the decade of the 70's, the target which will be a realistic appraisal of where we stand and what we can achieve. This has to be based to a large extent on information that's current but also on projections and studies of the changes that are going to occur and the changes that have occurred already and the likely prospects that will occur in the future. One deals with the next decade; the Business Development Branch deals with current matters, to keep information up to a current level, to be able to communicate that information to our existing businesses in Manitoba and to other businesses who may in fact want information on Manitoba. We are constantly involved in situations where there are requests by consultants, requests by specific organizations, requests by real estate concerns, requests by financiers for information on specific areas of activity in Manitoba; specific costs, specific information that's required for a corporation or for a business or for some entrepreneur to make a decision. We keep this information current and we supply it -- this is the job and function of this Branch; it's not a function of economic planning and it is not dealing in terms of the objectives of the future or the challenges that we face in the next decade.

MR. DAWSON: Mr. Chairman, that's exactly the way I wanted the Minister to answer. This is exactly what I'm saying, that if these people have all this information at their fingertips right now, they can make the projected figures for you, there's no difficulty -- but the TED Commission have to start all over and do exactly what these people have at hand. My question is, why aren't we using these people to do the job instead, they can make the projected figures. And if you read in the fourth paragraph, it says: "Stay abreast of current, industrial development activity in Canada and the world", and this is exactly what you're telling me TED is to do. These people can make the projected figures.

MR. SPIVAK: These people cannot give evaluations of what the Canadian dollar would mean in terms of the potential of Manitoba manufacturers, nor what new competition would occur; these people cannot deal with the problems of the GATT agreement or the extensions of the Kennedy Round or any other new agreements that will rationalize industry on the North American continent. Now we are dealing with two separate things -- we are dealing with current information that's maintained by the Business Development Branch to be able to accurately project information that is requested by businesses who are either doing business in Manitoba now or to Manitoba concerns or in fact others who may be interested; and TED is dealing with the future, and in this we have an element of scholarship in addition to the maintenance of this research that is continually brought up in dealing with the problems of tomorrow not of the problems of today, and any suggestion that these people are qualified to do that is incorrect. The specific studies are going to be maintained, are contained in the report that which we file with you today, or this evening, and I would suggest that you read them and you'll find that in them they indicate the element of change in new technology and new requirements that will take place in the next decade which the TED Commission will be dealing with in their report.

MR. DAWSON: Mr. Chairman, I don't want to continue the argument, but I still think that I am correct as the Minister thinks. He is telling me that the people that are on the Business Development Branch staff are not capable of assessing the worth of a dollar - and I'm sure that you said that. I think that they are. I believe that they have all the figures at hand and they can do the job. Are you telling me that people that you bring in -- we have, I don't know how many of them, 16 or 17 people that are in radio and etcetera, I'm sure that each of them knows their specific job and their area perfectly -- but you're telling me that

(MR. DAWSON cont'd.) these people that you bring in so to speak off the street, can do a job better than the people that are employed in this business full time. This is what you're saying. I am saying that I think that the business -- Did you want to reply now and then I'll continue? Well I'm saying that the business development people that you have employed in that particular branch can do the job that you're asking people that you've brought in from all over Manitoba to do. And I would say that if I was working in the business development branch I would feel a little hurt at the way that you just replied in the manner that you replied to me. You said that these people don't realize the value of a dollar, they can't do this and they can't do that. These are the people that are close to the figures and they can do it.

MR. SPIVAK: I wonder if I could ask the honourable member a question? Are you referring to the 70 members who make up the TED Commission and suggesting that the members of the Business Development Branch should form that committee? Is that what you're referring to? Because if that's the case I misunderstood your question before.

MR. DAWSON: That's exactly what I'm saying. I'm saying that instead of forming another commission which I feel is unnecessary at this time, my Leader has pointed out that the COMEF people have done the job that you're asking them to do, or are set up to do that particular job, and I'm pointing out to you that the Business Development Branch could also do that job equally as well.

MR. SPIVAK: Mr. Chairman, this is a co-operative effort of government and the private sector, and it was never intended to be a government commission. It is not. It's intended to be able to draw from labour, from the academic field, from the manufacturing field, from the agricultural field, people who have some degree of expertise in their field and for them to be able to coordinate and rationalize all the information that will be brought to them. For that reason this effort was done. We're not living in a state, or a society in which the state does everything. This is a co-operative effort between the private and public sector.

MR. MOLGAT: Mr. Chairman, isn't the Manitoba Economic Consultative Board exactly that? A co-operative development between the business and the economic and every elder sector, isn't that what the Economic Consultative Board is?

MR. SPIVAK: Yes, Mr. Chairman, but as I've already indicated to the Leader of the Opposition, its objectives are not the same as TED.

MR. DOERN: Mr. Chairman, turning to some other business. I wonder whether the Minister could specifically point out some concrete examples that his department has researched, identified and then promoted so that we can have a better idea as to their success. For example, that Order for Return listing 60 new industries in Manitoba doesn't really tell us what part the Department of Industry and Commerce had to play in it because some of these obviously sprung up on their own. I want to know in more detail just what the department has done.

I now want to also raise the question of some of the kinds of promotion that the Minister is engaged in because I think it's in this area that the Minister is at his best and -- at least in terms of, this seems to be his element, promotion itself. One doesn't know whether he's dealing with Reveen here, the hypnotist, or Dr. Norman Vincent Peale in Positive Thinking or whether it's with The Great Leap Forward. But in any case, I would like to ask if he can indicate what has come out of the Manitoba Business Summit Conference. I think some two months ago I submitted an Order for Return and I'm still patiently waiting to find out just what this particular promotion cost. Those of us who went received this nice little briefcase or portfolio whatever it was crammed with excellent but expensive material which I wager to say cost as much as the price of admission alone -- undoubtedly \$5.00 to \$10.00 apiece, and we ourselves paid \$8.00 for entry. So I would like to know what came out of that meeting because some people feel that the Minister's Department and the Minister himself is simply wasting money and resources on a bunch of hoopla. The question is: does the business community respond to this kind of approach? They're obviously abandoning to a certain extent specific promotion for general promotion and I think, Mr. Chairman, that some would say that the Department has abandoned a business-like approach to industrial development.

I'd also like to know whether the Minister is using the University of Manitoba, the University of Winnipeg, Brandon and so on. Are they involved in some of this economic research and development? If not, why not? They have the economists and the department and they're doing research work for the Federal Government. What about the Provincial Government? Another question is, if the government is finding out these wonderful opportunities

(MR. DOERN cont'd.) . . . that exist in our province, as I believe there are very many, and not succeeding in them, why doesn't it then consider doing it as a provincial project? Part 2 of the Development Fund I think made provision for that.

I'd also like to know whether the Minister has done any special research about Manitoba's particular problems: our lack of large population centres, our transportation difficulties; whether he has studied the kind of plant and technology that would be best suited to Manitoba's market, because we can't build the kind of large massive capital project that might be suitable in Ontario and other regions.

MR. SPIVAK: Mr. Chairman, just answering the last question first. The object of the TED Commission is in fact to discuss the question and to try and give the answers to the question of population and transportation difficulties and site locations and all the other matters that you've already referred to. With respect to the question of the industrial development that occurred and particularly where the department fitted in. I can tell you that of the 60 new industries that came to Manitoba, 19 of them were assisted directly by the Department of Industry and Commerce. And if I may without naming the firms I'd just like to give -- and some of these firms names may come out simply because you'll know the nature of what happened -- just let me tell you what we did. In one case we provided technical assistance and tariff information before they entered into Manitoba. Trade and export assistance, tariff information and liaison with the Industrial Development Bank who financed them. In another case we gave them assistance in the establishment here, in every aspect of establishment, that is site location, cost, contracting, etc., and everything else. We dealt with source of water and raw material, we dealt with trade and marketing assistance, tariff assistance, transportation assistance -- by that I mean working with the railways to be able to get a freight rate which would allow the industry to come here. So that is would be at least competitive, that is our area would be competitive with the rest of Canada or with other areas in Canada where they were examining it -- liaison with the area development agency, and I may say that in almost all these cases where the ADA grants have been given, our department have worked hand in glove with the ADA Department in liaison to try and establish the grants and to facilitate the procedures which are necessary to determine whether such a grant would be available or whether it would be a sufficient amount to encourage the industry to settle here as opposed to other areas. Market survey in another one, liaison with the area development agency, technical assistance, site location assistance in another one, trade and tariff assistance, transportation information, sales tax information which was requested at the time, technical assistance re products. Trade and marketing assistance in another one, technical assistance, site locations assistance. This one received a TAG grant under our TAG program. Market research, trade tariff and export assistance, again liaison with the ADA authority. This liaison isn't just a matter of one meeting or one letter, this is a constant detail because the ADA people are in here from Ottawa constantly almost every week and they examine the prospects, this information has to be compiled and prepared in their form and this takes time and requires a certain amount of expertise as well. Technical assistance, market research, trade and tariff export, close work, trade and export assistance, market research, site location survey, source of water, raw materials, information coordinated with the Department of Agriculture, transportation survey, market information, liaison with the ADA agency, general business information, liaison with the ADA agency, in-plant training program, trade and marketing assistance, general business information, marketing assistance, general business information, technical assistance, sources of raw material, a survey made to be able to indicate that we had the raw material to justify them coming in. Trade and export assistance, technical assistance, liaison with the area development agency, source of raw material, market survey, transportation information, and technical assistance as well.

Now, with respect to the Summit Conference. There's an old expression, it's a Chinese expression but some in this House are aware of it: "Never show a fool half a job." And I suggest to those who would deprecate the Department of Industry and Commerce for the Summit Conference and to those who would expect that we can achieve an immediate result that you are not looking at it objectively or correctly. The object of the Summit Conference was to try and instill within this province a degree of confidence in our capability and to mobilize all the forces that are in this province to the economic development of Manitoba on the basis that we develop enthusiasm and created the interest that we would have something going for

(MR. SPIVAK cont'd.) this province that no other province has. And I may say that to that extent and in that judgment with the response that we've had from the hundreds of organizations who voluntarily on their own have adopted the slogan and have in fact carried on some activity consistent with the Summit Conference and with the degree of co-operation and the attitude of the Chambers of Commerce of the other groups that are involved in development agency that I think we have succeeded. But I may say it's more than that and more than a question of pride in our province and confidence which I consider essential. We just went only a matter of a couple of weeks ago through a situation where the gold standard, the monetary world was in fact faced with a situation which reflected only on confidence. We had a situation where the dollar, the American dollar was in jeopardy, the Canadian dollar was in jeopardy and it was based entirely on confidence. So confidence is a pretty important factor.

One of the other objectives was to try and get those who have investments in this province, those who could conceivably be interested in coming to this province, excited about Manitoba. And also give our own manufacturers who in fact are dealing with people outside of this province interested enough to become salesmen for Manitoba, in fact all our people become salesmen for Manitoba.

And I may say to the Honourable Member from Elmwood that very shortly I'm going to announce the first industry that has come here directly as a result of one individual contacting the department and saying, "I understand that this industry is going somewhere else, out of its present location, and I think maybe they could be interested." And as a result of the involvement and contact of the department and because we had the information available this industry is coming to Manitoba.

A MEMBER: Is this supposed to be the breakthrough?

MR. SPIVAK: Not the breakthrough, but nevertheless it's consistent with what we're trying to accomplish. So I am happy with what has happened and I think the people are and I would say give ourselves a little bit more time and then you'll be able to make the proper judgment of whether the effort and the program was correct or not.

MR. DOUGLAS CAMPBELL (Lakeside): Mr. Chairman, this is really the point that I was dealing with a few days ago and I'm delighted that my honourable friend the Minister brings it up again now. I was pointing out a few days ago that this is exactly what my honourable friend the present Provincial Treasurer was doing when he was in that portfolio practically ten years ago now. Now does my honourable friend really think that after all the effort and money that has been expended up to now that he still is just starting on half a job? Is this the half a job that he's in doubt about showing to we fools? Well shouldn't it be more than a half a job by now? Shouldn't there be something to show to we poor stupid people? --(Interjection) -- After \$17 million - and ten years. I think that the former Premier of this province and the present one are to be congratulated on one thing that they succeeded in getting into that portfolio - which admittedly is a difficult one to show accomplishments quickly - they succeeded in getting people that at least believed in the job.

But I'd like to ask my enthusiastic and optimistic friend, the Minister, has he read the speeches that his predecessor made? Has he read them? Because he said exactly these same things, ten years ago. They passed the legislation that was read earlier and that was the second of the Acts. They passed one before that. As soon as my honourable friend came in. The present Minister can turn back and get the speeches -- I have some of them -- of my honourable friend the present Provincial Treasurer and he'll find that exactly these same things were said. The phrases have been embellished, the key chief speech writer remains the same but some new blood undoubtedly has been in and some has been imported and some new embellished phrases are there, but the arguments are exactly as they were ten years ago, exactly. And the program has been the same. And after ten years, can my honourable friend argue these questions now with conviction? Well it's remarkable that he can. He used a phrase just a little while ago as though this was just a start being made. What is the accomplishment of my honourable friend who sits in front of him then? Didn't he have these conferences, didn't he have these studies? Didn't he send expeditions to foreign and friendly lands to promote trade. Haven't all these things been tried. How does my honourable friend maintain his enthusiasm which he evidently does in the face of the lack of accomplishments.

Now please, even though we probably deserve the appellation that my honourable friend was suggesting to us, show us, show us even half the half job. Show us that much. Now just don't read off another list as you did a little while ago about all the things that they can do,

(MR. CAMPBELL cont'd.) that they gave somebody the freight rate, they explained the sales tax to somebody else, they told somebody about the water supply. This isn't really new. I must, I really must protest. If this is what we are getting for \$17 million and all the expenditure that we have got, please Mr. Chairman let's -- even if we're foolish, let's be shown the half job.

MR. SPIVAK: The Honourable Member for Lakeside the other day made reference to the fact that he was in England ten years ago and he was sort of apologetic because of the fact that he had to appear there simply because Ron Turner, who then I assume was the Minister of Industry and Commerce or the Provincial Treasurer, I'm not sure of his position at that time, was supposed to appear and he was leaving the Cabinet and I believe the House at the time, for private industry, and he had to appear for him. It's true ten years ago when the Honourable Member for Lakeside was Premier the Minister of Industry and Commerce did the same thing and probably said the same things that I've said. No doubt about it. But I don't think he has the statistics to back him up as we have today, of what really is happening. That's No. 1.

Now No. 2 -- (Interjection) -- well I think this is the case and if the Honourable Member from Lakeside believes that he has the statistics I would like to hear them. I would like to hear the statistics of ten years and five years ago and compare them to the statistics today. I have already indicated in my remarks before that credit is due to the Provincial Treasurer who was then formerly the Minister of Industry and Commerce for his effort and credit is due to the former Premier of Manitoba, the Honourable Duff Roblin for the effort that he's put forward, and there's no doubt about it. We have reached, I consider, a new plateau as you are bound to reach new plateaus in terms of your economic development.

The Honourable Member for Lakeside laughs. Well let me quote to you an article from the Information Service of the Ontario Government, all right, and let me now deal with a mission that the Minister of Economics and Development, the Hon. Stanley Randall had when he went to Los Angeles on January 23 of this year. Curiously enough when he went there, and the report deals with this, this is what he talked about. He talked about the fact that the Ontario Government had an agency which could make capital and working capital available to qualified industries locating or to be located in Ontario. In addition to his presentations at the luncheon and to the specialized conferences, he had a number of private appointments and he tried to show businessmen, to interest them in securing in-depth information on the feasibility of locating manufacturing facilities in the province; in establishing a joint venture or licensing arrangements with Ontario firms, learning about Ontario product goods that can be easily inserted into the regular selling line or any other aspect of doing business in Canada. In effect, what he really basically did is all the things that we have attempted to do in our program.

Now, I am sure that this presentation and his speech is an exact duplication of everything that has happened in that department since the beginning of the Conservative government in Ontario and it simply has been added to each year as new information and new opportunities present themselves. I suggest to the Honourable Member from Lakeside that in effect I do not believe that the people who graced our head table, the 115 or 120 who represented several billion dollars worth of investment in this province, that those who graced our head table and who saw the enthusiasm and interest of the people of Manitoba assembled at that gathering, who heard realistic challenges presented by people about the state of the economy of Manitoba and our future, were not convinced after hearing this, that they had to take a new look at Manitoba. Now I know this to be the case, because I cannot cite the individual concerned, but I can assure you that the Department is working with several new extensions of development that I think are directly attributable to the fact that the representatives and heads of the industry were present here, saw what took place and realized that in terms of their plans, many of which we did not know about - this is the important thing, we weren't aware of their plans - that possibly Manitoba should be looked at in a different light. And if I may, I would like to read the contents of several letters - and I'm just going to refer to the -- (Interjection) -- yes I'm just going to refer to the concern and the location. Now let me tell you, these are letters that we received from heads of banks, - you're laughing, but I wonder whether the presidents of several of the major banks who were present, whether you would consider that their judgment is of any value or would you consider this is propaganda of the Information Service. Are you going to accept that possibly, just possibly, that just possibly we have

(MR. SPIVAK cont'd.) reached a new level, that in fact there is a greater interest, that the recognition that has been given by some of the corporate heads are important because we do know that the decision making of many of the concerns for expansion in Western Canada as to whether they locate here or elsewhere is going to be dependent on the degree of confidence that they have and on their belief as to what is taking place in this province. And I suggest to you that if I read these letters -- I'm not sure that you're going to be very happy about my reading them. I can sense that from the expression on your face - that in effect we've accomplished that objective. Well, let me deal with the president of a national manufacturing concern from Montreal, and I'll just read sentences: "If Manitoba was not previously in the big league of North American Industry, it certainly is now."

Let me now deal with the president of the food processing in Winnipeg: "It makes one proud to be a Manitoban. The message from the various speakers made us all want to work just a little bit harder for this province. We're on the threshold of a period of great expansion and development and through the efforts of your colleagues in the government and with the cooperation of industry and all our people I'm sure that our goals will soon be realized."

The President of a national finance corporation from Montreal: "There's no doubt in my mind that this conference will provide an appropriate take-off point for Manitoba and I'm sure that the enthusiasm the Premier himself generates will be felt not only in Canada but also abroad." The President of an International manufacturing firm from Edmonton: "The quality of the people in attendance both at your head table and the audience together with the enthusiasm and direction which were generated will I'm sure, have direct effect on the export and growth of your province's industry."

May I read the resolution of the Manitoba Chamber of Commerce: "Be it therefore resolved that the Manitoba Chamber of Commerce pledge their full support and encouragement to the continuing program and to devolve and urge upon each member chamber to pledge its support and full cooperation of this program with the aim of instilling the Spirit of '70 in every person in their community and for the basic purpose of building a greater pride in their province as well as improving their own economic climate and an even better way of life for every Manitoban."

Manitoba businessman from Brandon: "It is only through conferences and meetings such as this that I think we can get the province, rural and urban, working together for the good of Manitoba in general."

The President of an international manufacturing company: "I'm confident the stimulus and sense of direction provided to your local industry and to those of us from outside your province who attended, will bid this province improved prospects for the future."

President of one of our Canadian Banks from Toronto: "Manitoba is a great province with a wonderful potential and it would seem your department is shooting the spark to fire up the populous in "growing to beat '70", and I'm sure the response will be all that you hope for."

President of a Canadian Bank in Montreal: "In its beautiful presentation, the kit" (and he's referring to the kit that was sent at the conference) "contains a most valuable source of information on the industrial potential and investment opportunities which the fast developing Province of Manitoba has in a measure to offer. There's no doubt that under the direction of your ministry the campaign based on the theme of '70 will meet with a complete success."

Another Manitoba businessman: "I consider your Business Summit Conference of last month a great success from any standpoint. The fruits of it may not be immediately apparent but the long-range effects will be most helpful and it is certainly up to Manitoba base companies to swing behind you."

MR. DOERN: Well Mr. Chairman, one of the mottoes that we may have on this side to quote back to the Minister is "Seeing is believing". I think that must be our motto because we don't know about some of the so-called plans or some of the so-called developments, some which I think are in the mind of the Minister or the minds of the government.

In regard to those particular letters, I think the question must be asked, were these people singing for their supper? Thank you letters. I think we can only determine some of this when we get the answer to this particular Order for Return because in there part of the question is as to whether transportation was paid, to what extent expenses were paid and so on. -- (Interjection) -- Yes, I'd like to know whether some of these people who came from all over Manitoba, some of the newsmen and the businessmen and so on had their costs paid, because if so I would imagine they would tend to be more enthusiastic in their responses than

(MR. DOERN cont'd.) perhaps others who didn't. They'd have to be polite, as one of my colleagues suggested, or anyone would do it who was given a very good treatment and so on.

So I would like to know when we're going to get these answers. Would the Minister care to indicate to us what the cost of this Business Summit Conference was, was it \$50,000 or \$100,000.00? Why is it delayed? You've had it two months. Are we going to get it any day now, or are we going to wait longer still?

And the other thing is again, he must point to concrete developments to satisfy the Opposition. It's not good enough to say, "Wait, oh ye of little faith." I think when we look at Churchill Forest Products and Northern Development we have to see the employees, and so on. It's not good enough to say, "It's going on the drawing board, so you don't know the half of it." Of course we don't know the half of it but you have to show it in concrete detail. So when are we getting the answers to this particular dinner and when are we getting more concrete examples?

MR. GORDON W. BEARD (Churchill): Mr. Chairman, I think the Minister's having quite a time tonight so I would ask that he go back to his Chinese friend and find out a little more information because I see on the Table of Contents there's an Introduction and a Background and a Principal task of the Commission and a Method of Approach and Elements of the Research Program; the Manitoba Economy in Perspective; the Challenges for Trade, Challenges for Rural Development, Challenges for Urban Development, and Challenges for Industrial Growth, but they forgot that (f) the Challenges of the North. -- (Interjection) --

MR. CHAIRMAN: Order please. (b) -- passed.

MR. MOLGAT: Mr. Chairman, I wonder if the Minister could tell me - I believe he indicated this was the item under which the TED Commission - could he tell me what the expenditures are going to be for the TED Commission under this item.

MR. SPIVAK: This is under Item (c). The cost for the TED Commission for '68-69 will be \$75,000.

MR. MOLGAT: \$75,000.00?

MR. SPIVAK: Yes.

Continued on next page

MR. SHOEMAKER: Mr. Chairman, I guess this is the item under which I would like to raise a question and ask a couple of questions. I think every member of the House, 57 of us, received a new release No. 6 from Westman Regional Development Incorporation dated March 13, 1968 and it is a copy of a letter that was mailed by R. C. Baillie, General Manager of Westman Regional Development Incorporation to Warner Troyer, and in this letter the General Manager of Westman is protesting in very strong language about the program "Public Eye", which appeared on March 5th last, in which Mr. Baillie accuses Mr. Troyer and the CBC of downgrading the province in every aspect.

Now, did the Province of Manitoba, send a similar complaint to Warner Troyer? Or what action did my honourable friend take when he received the copy of the letter from Mr. Baillie? What action did he take? I think that some action should have been taken. I'm asking my honourable friend if it is. I would like to read into the records, because I think - I've a letter from a fellow at Gladstone that signs himself "A proud but angry Manitoban", and I think he speaks for a lot of people in this province, and I think, with your permission, Mr. Chairman, that I should read it, because it speaks for all of us. And it's addressed . . .

MR. SPIVAK: to ask a question first before you read it?

MR. SHOEMAKER: Well, I don't think it's necessary. You can make your reply later on. And you can send -- Mr. Chairman, my honourable friend the Minister can send his reply to the proud and angry Manitoban if he likes, but this letter is addressed to me, dated March 12: "Writing letters of protest" he says, "in my estimation fall into the category of useless procedures but after watching the Warner Troyer film on Manitoba I feel compelled as a Manitoba citizen to protest. Protest the downgrading of the citizens of the province's citizens, protest the half telling of the story of our province, protest the over-emphasis of the province's one of the have-nots, protest the inability or possibly the immediate seizing of the opportunity offered to the Premier of the Province to disassociate himself from the implications made. I and almost everyone that I have talked to was disgusted and enraged with only the half truth presented in the film and the tacit acceptance by the Premier of that presentation.

"Warner Troyer certainly presented Manitoba at its worst. The lack of new buildings in Manitoba, the slum areas, the deserted farms, the ghost towns, the depressed areas or the undeveloped areas in northern Manitoba, the unexpressive faces of our Metis, the rather improper reference to a Chinese restaurant, a fleeting glimpse of the Simplot complex at Brandon, a casual reference to the thin mineral deposits in northern Manitoba, the casual converting of the keystone province to a solid and then to a stolid. Mr. Troyer ignored that part of Manitoba lying south of No. 1 Highway. The chief area to be shown and discussed was the Village of Welwood, the deserted farms, the empty houses, the business establishments, schools, etc., etc. According to Mr. Troyer our chief export is 1,200 persons leaving Manitoba annually because they have no opportunities; the fleeting view of the University of Manitoba with the absolute ignoring of the University of Winnipeg and also that in Brandon; the reference to the brain drain to other provinces as there were no opportunities in Manitoba.

"Certainly Manitoba is not a cellophane-wrapped gaily beribboned package of goodies. We are not a province of plate glass and polished chrome but rather a solid friendly people, a place where all ethnic groups live in harmony with mutual respect, a place where we disagree and still remain friends, interested in the welfare and growth of all areas of endeavour.

"Mr. Troyer neglected to mention that your own Town of Neepawa supplies the simple commodity of salt to Western Canada. He neglected to mention housing growth and also the industrial growth of Brandon, the changing and improved economic conditions of the Carberry area, the increased wealth of the Virden area, the coming change in Minnedosa and Gimli communities, the solid effort of hospital and health endeavours on behalf of our people, the growth and complexity of our educational endeavours in rural Manitoba, the solid effort put out by our technical schools in training our youth and, if I might say so, our misfits.

"Yes, we have an export of 1,200 people per year from Manitoba. We may have a brain drain of our citizens to places of faster and brighter opportunities, but I maintain that we are still producing through our efforts, brains for export and there are no signs of that potential export drying up. Mr. Troyer misses the point that in far too many cases the drift away from the farm of our youth and middle age groups is, or was, due to our past educational policies in that we produced too many people that were unable to compete or cope with the complexities of modern farming and truly specialized projects that we are fast taking steps to cure. Certainly it is no longer true, nor do we accept that statement that lack of education is acceptable

(MR. SHOEMAKER cont'd.) to or possibly the cause of people to go farming.

"I as a proud and confident Manitoban, see Manitoba as a land of shining hopes and growing confidence in our abilities to cope and handle the complexities of modern life. We are not a province of the have-nots but a province that can and will overcome the physical and geographical difficulties that are peculiar to our situation. These difficulties will be overcome by our own industry, leadership provided from our own people and the thoughts and creative thinking of citizens of Manitoba. May we profit from the half truths and may our leaders stand up and be counted in the efforts to have the complete picture shown and the true worth of our citizens acknowledged." Signed "A Proud but Angry Manitoban."

Now what he is saying here is that the Minister of Industry and Commerce and the Premier of Manitoba stood idly by and let Warner Troyer get away with this story that was depicted of Manitoba on March 5th last on Public Eye. And what he is saying here is that by remaining silent, the Minister of Industry and Commerce and the Premier have accepted what Warner Troyer has said. They have conceded that it's a failure on their part to do anything about the challenges made by Warner Troyer.

MR. SPIVAK: May I answer the question now?

MR. SHOEMAKER: No, not yet. I'm not finished yet. Mr. Chairman, the one or two things that have provoked me today - and I get provoked nearly daily with the present administration - is that:

(1) If my Honourable Leader had not taken after my friend, the Minister, immediately prior to the supper hour, about TED and its accomplishments, my guess is we never would have received this 20-page document or 24-page document that was laid on our desks immediately after supper. Well why did we not receive it a month ago? Why did we not receive it a month ago rather than to have it laid on our desks simply because someone took after the department.

My guess is:

(2) that the answers for the questions put by the Honourable Member for Elmwood, is it, in respect to the cost of the Summit Conference and the other relative questions, my guess is that that Order for Return is all made up and has been laying on my honourable friend's desk and will be there until after we're through his department, and then probably a week after, that he will produce the Order for Return, because he doesn't want us to discuss that now. He doesn't want us to discuss those things and I don't know why we don't receive some of these in time.

Just last week one day I had breakfast with a very knowledgeable and respected citizen of this province in the St. Regis, along with one of the members opposite -- (Interjection) -- Pardon? What did we have for breakfast? Likely wanting to support our home industry, we had Manitoba bacon and Manitoba eggs. But to get back to the point. This fellow accused the Opposition of spending more time than was necessary over there at the gas house. I said, "If the government would co-operate to the extent of supplying us with the information that they now have, a month prior to the Session, then we wouldn't be so long. We wouldn't be so long. Here they are sitting with information that they prepared six months, eight months ago, and we now by argument and debate try to have to inveigle out of them by question after question and day after day and week after week and month after month, some of the information that they've had for six months. Why not let us have some of this information in advance so that at least we could argue intelligently about some of the misinformation that we are obtaining?"

Now I know that my honourable friend, if long and fast and loud talk is all of the qualities that are necessary in a Minister, if that's what the primary requisites are, well then he's got them. But I question some of the programs are worth their salt and I refer -- incidentally, Mr. Chairman, I don't know whether or not I have yet received the Annual Report for the Department of Industry and Commerce. That is, the one that we normally receive that's called an Annual Report.

MR. SPIVAK: Would you like an answer to that?

MR. SHOEMAKER: Well I've got one here for 1966. No, I don't want an answer for that. Just send it over and underline all the important features in it please, if there are any. But when my honourable friend's predecessor, the Honourable Gurney Evans was Minister, he did put out a report that he called the Annual Report of the Department of Industry and Commerce, and the last one that was put out by the Honourable Gurney Evans -- (Interjection) -- His picture is not in it I don't believe, but it's dated March 31, 1966. On Page 12 he's talking

(MR. SHOEMAKER cont'd.) about Trade Development and Marketing Branch and he cites as a striking example of what he has done in his search for foreign markets, on Page 12, they made some sales trips as my honourable friend has done, they made sales trips to foreign countries. We do you know what Gurney Evans did back about eighteen months ago? He made a sales trip to North Dakota and Montana. In May, 1965, a senior marketing officer visited Minot, North Dakota, and Billings, Montana, on behalf of six Manitoba manufacturers (in jackets, sweater, fertilizer and agricultural equipment), and do you know what they did? They made one on-the-spot sale that resulted in a sale of \$342.00. I guess that's when they sold those wild bears down in Arizona or something. Now that's what they tell us here. My guess is the trip cost them ten times that much. But they made an on-the-spot sale of \$342.00 that consisted of 25 sweaters - curling sweaters or something. Well that was a breakthrough, I guess, wasn't it?

Well, my honourable friend the Member for Elmwood has been asking my honourable friend to cite some specific examples. At least Gurney Evans had the fortitude to cite some striking examples. They made a sale here of 342 bucks. 25 sweaters. And in June -- that was in May and they were so encouraged by that sale that they sent another whole staff down in June. Another officer spent two days in Fargo as a result of making that sale of 25 sweaters. And it doesn't say how successful that he was at all, but surely he couldn't have been any worse.

Now, I would like to also ask my honourable friend -- because he does seem very anxious to answer some of my questions and he's going to underline them, and I hope my honourable friend has one of these yellow pencils because I find it most useful in marking the pertinent points, and I don't want to take all night and read 148 pages. I have underlined -- my honourable friend and colleague and desk mate has asked me to demonstrate how I use it. I have demonstrated on a page here and I have used this on a speech made by the former Premier of this province. And he made -- he, the Honourable Duff Roblin being so knowledgeable in the whole field of agriculture - he hasn't kicked manure off the wheels of a tractor but he did everything else - that he told, he made a great statement to the conference proceedings a month ago: "Manitoba's Future, Opportunity and Challenges - the First Report by Honourable Duff Roblin." I've underlined some of the statements that he has made and cited agriculture as being the basic industry of Manitoba.

Now my honourable friend has not touched on this subject has he? Yet? Yet, he hasn't. But the former Premier, the Honourable Duff Roblin, I suppose he spent an hour here telling this conference proceedings - the Faculty of Agriculture and Home Ec. - how important that agriculture was. It was the backbone of our economy and he, being knowledgeable in this field, thoroughly understood the full impact of the cost-price squeeze and what he was going to do about it. Now what is my honourable friend going to do about it? Because this is the basic industry of Manitoba and unless my honourable friend does something about alleviating the cost-price squeeze, here is the backbone of our economy that is not going to prosper the way it should.

Now I have referred briefly to the Annual Report of Honourable Gurney Evans for 1966; in the Report for 1965 the Honourable Gurney Evans listed on Page 55 of the Annual Report - surely my honourable friend will have this one there - for the year ending 1965 on Page 55.

MR. SPIVAK: This is 1968.

MR. SHOEMAKER: It's 1968, but my honourable -- I know it's 1968 and my honourable friend the Member for Lakeside has been wondering where have you been for the last ten years. Where have you been? Why didn't you do it when? Because ten years ago -- ten years ago this government was going to do wonders in this whole field of industry and commerce, but just going back three years ago the Honourable Gurney Evans listed on Page 55 and several pages thereafter, a list of major studies and reports that were either undertaken or completed by the Department of Industry and Commerce. Now they were one or the other. They were either undertaken or they were completed. And it says that they were undertaken or completed between April 1, 1964 and March 31, 1965, which is only a year.

Now there's one, two, three, four, five, six - about six pages of studies that they had undertaken or completed: an analysis of the national regional markets for dairy products; feasibility of marketing frozen bread dough in Manitoba. Now what's happened to the frozen bread dough industry? The Canadian market for fully-prepared frozen dinners and cakes; the Canadian market for dehydrated onions. How are we getting along on that one? The Canadian

(MR. SHOEMAKER cont'd.) market for specialty processed meat products; the Manitoba market for chicory. -- (Interjection) -- For chicory. Is that the right pronunciation? Well how are we getting along with that new industry? The market for dehydrated sugar beet scraps; the market for frozen pastry products; a report on the production and distribution of agricultural and horticultural seeds in Canada; the market for Manitoba turnips. Now I would like a full report on that. The market for fresh and frozen blueberries. Well we have a 50 - what is it - a 50-acre patch of blueberries that's under observation down here somewhere in southwestern Manitoba. There's been a whole report conducted on it; a breakthrough. The feasibility report on establishing a plant to produce sausages. Well, surely there'll be a report on that. Feasibility report on establishing a plant to produce honey products; feasibility report on establishing a plant to produce pastry; feasibility report on establishing a plant to produce confectionery products; feasibility report on pickle processing. Well what has happened to that major feasibility report? Feasibility report on egg melange -- is that the right pronunciation of that? Well how are we getting along with the egg melange?

A MEMBER: Is that the white or the yellow?

MR. SHOEMAKER: Report on potato starch; report on the utilization of Manitoba flax fibre. I'm only on Page 1 yet, Mr. Chairman. There's five pages of it. But what's happened to all of these, because my honourable friend Gurney Evans said that they had been undertaken or completed. Now if they're complete, let's have a report; if they're undertaken, then let's have a progress report. It's only fair game to ask for that. It's only fair game. A feasibility report on the market for children's tricycles; the Manitoba market for chain link fencing. And five more pages.

Well, all I'm asking my honourable friend to do is either table the report or let's have an interim report on these hundred or more feasibility studies that were made. Let's find out if we're getting any value for our dollars. Don't suppress them; bring them out in the open and let's find out what's going on. So now I know my honourable friend is just dying to answer all of these questions and table another 25-page report or interim reports on what his predecessor started out to do two or three years ago.

The feasibility -- my honourable friend the Member for St. Boniface is particularly interested in what has happened in this report on the Market for Back Yard Swings and Gym Sets. Well, I suppose that, by observing him he sees himself as being in the market for one. He's a swinger; yes. And a location report for the Manufacture of Special Vehicles. Well, Mr. Chairman, if you have not studied in depth this report that was put out in 1965, I commend it to your reading and I will suggest that it will take a full evening to absorb this and study it in the depth that it deserves, but gee whiz, we want to know what has transpired in the last three or four years. Let's have a complete report or interim reports.

MR. HILLHOUSE: Mr. Chairman, I was always led to believe that there was honour among thieves and there was courtesy among politicians, but I have before me a copy of the Selkirk Enterprise dated April 10, 1968, and there's a heading: "Industrial Park Agreement Signed with the Government." There's a picture showing the Minister of Industry and Commerce, the Minister of Agriculture, the Mayor of Selkirk and members of the Town Council. -- (Interjection) -- No, I wasn't there and that's what I want to find out. Who was it that arranged this meeting? Was it arranged by the Department of Industry and Commerce, and if so, is the Department so lacking in courtesy that they do not extend an invitation to the member for that constituency to attend there? Because after all, I represent the people there whether you like it or whether you don't. But I'd like to find out whether this Department had anything to do with it and why they were so lacking in courtesy as not to extend an invitation to me to be there.

A MEMBER: It's because you're a Liberal.

MR. HILLHOUSE: Well, I know it is.

MR. SPIVAK: Mr. Chairman, in connection with the comments of the Honourable Member for Selkirk, the arrangements were finalized between the representatives of the Town of Selkirk, including the Mayor and members of the Department and myself. In connection with the specific visit, on another item, in my office, the arrangements were finalized within a matter of a day. I think there was only a day in between for this. I would suggest to you that there was an error in that there should have been an invitation extended to you, and certainly in terms of practice, this is not the practice for the Department, but the Town of Selkirk actually arranged the function and the invitation should have been extended by them. As a matter of

(MR. SPIVAK cont'd.) fact, although we attended I was quite surprised; there were some 30 or 40 people who were present. We did not invite them; they were invited by the town. But I agree with the Honourable Member for Selkirk there was an error. It was never intended to work out that way and this was an oversight. It was an oversight on the part of my Department and I apologize to him to that extent. But the invitation was extended by the Town of Selkirk.

Now I'd like to deal with the Honourable Member for Gladstone. He's referred to this as a "Gas House" and one of the reasons it is a gas house is because we have honourable members like the Honourable Member for Gladstone, who seems to want to spend considerable time showing us that he has a brilliance in his dexterity with his hands, with pens, and in being able to read documents. Now . . .

A MEMBER: They're your documents.

MR. SPIVAK: Yes. 1965 - I do not have them in front of me - the return for last year wasn't back filed. I do not know why the Honourable Member does not have it. It was filed according to the provisions of the Act within the stipulated time in this House and for that reason I would just ask that he check his records; he'll probably find that it is there.

But with respect to the question of the program on the Public Eye, in answer to his question, and I think it is important for me to answer it because I think some of the comments that he made were not justified, and if he wants to get on to discussion of other comments - I'm quite prepared to make other comments - I don't think this is the time for it, but in connection with the program the Public Eye, I may say that after the program was shown, the following day I communicated with the Director of the Canadian Broadcasting Corporation in Winnipeg and wrote him a letter and asked that consideration be given to show the Spirit of '70 film that was shown at the Summit Conference on the national network, on the basis that this would present what I would consider a balanced view.

It was not my opinion, nor was it the feeling of the department, that it was necessary to write Warner Troyer who conducted and edited and put the program on, because this was his objective appraisal of Manitoba. Now I disagree with it but he has a perfect right to make a presentation with this. I disagree with him entirely. I think it was an incorrect analysis of what is happening in Manitoba, but this was his artistic right and I'm not quarreling with that, but I think that we have a perfect right to ask the CBC, because this was shown nationally, to at least indicate another point of view which would at least develop the balance, and for that reason the director of the Canadian Broadcasting Corporation was asked to see that this be recommended, and in turn a letter was sent to the Honourable Judy La Marsh, Secretary of State, and who was in charge of CBC, she in turn replied saying it had been handed over to the President of the CBC, and I'd like to inform the Honourable Member from Gladstone that the president or a representative of CBC has already written to us and has asked for the film, The Spirit of '70, to be forwarded to their offices; it's been forwarded to their offices; they are going to be viewing it this week and they are going to give us an indication whether the program itself, The Spirit of '70 film that was shown at the Summit Conference will be shown nationally. I can't tell you what that decision will be, but I certainly can inform you once I've been made aware of it by the CBC. But insofar as the action of the government was concerned, the action was immediately; it took place immediately after the program was shown.

Now, the Honourable Member from Gladstone referred to certain items in the report of 1965 which indicated that some sales missions - and these are not sales missions - but a trade officer from the department went down and they were not successful in selling a product, or if they did they sold very few. But for his information and because I think it's necessary, because you don't succeed - and he as an insurance salesman should know that - on a first occasion, let me just refer to what happened with the department this year with respect to its efforts to try and assist firms in their export, and I may say that the sum total that I have in front of me shows approximately assistance directly influencing the actual sale or giving assistance in connection with it, of some \$18 million, and I think that's pretty satisfactory in terms of the department. And these are in food products in fish and meat and dried peas, and these are in clothing, of hats and caps and women's and men's outerwear, and agricultural equipment, and cattle feeding equipment. He was worried about a few garments before in terms of this. I can say that we directly influenced the sale of 710,000 garments, Manitoba garments, as a result of our efforts, and woods in products of 9,000 and 10,000. In recreational products, a rescue toboggan, of starting blocks, camping trailers and boats, in sculpture and decorative

(MR. SPIVAK cont'd.) accessories and pottery and giftware, in footmats and carpets and rugs, in leather products and electrical electronic equipment and automotive equipment. I'm just suggesting that the concept that because you're not successful on the first occasion, or it even appears minor, is incorrect, and it's the same kind of attitude that will judge that one item out of context and suggest that in the long run and in the long pull that the total effort is not required. Well I'm very proud of the fact that the department can show that it in fact has helped and assisted in the sale of \$18 million worth of goods in the past year, and I think that's a record which is worthy of note and I would suggest has come as a result of the constant effort on the part of the department to build up the contacts in the United States particularly, because in the main this is in the United States, in particularly the mid-west, to build up the contacts that ultimately will buy, and I may say this, that in terms of the manufacturers who now enthusiastically are entering into the mid-western market in the United States and are sending their salesmen, that in respect of the efforts, the years of effort of the members of the Trade Development Branch and others who have made the contacts are paying off, and the buyers that were met in the various areas, who would not buy from Manitoba and who in fact rejected it, are now in fact buying and are in fact coming up to this area, and the results that have been forthcoming have been good; they're even going to be better in the years to come. And this is directly attributable to the groundwork that was done in those years when the sales were not significant and where they may appear minor but which were responsible for the total effort of what is taking place in the last little while.

MR. DAWSON: Mr. Chairman, I believe this is the proper time to bring in in-training in production. Is that correct? Under this? Well at this time I'd like to congratulate the Minister for the program that he has instituted on the in-training for industry, but I think that we have missed the boat in so much as I'd like to make an appeal on behalf of the weekly newspapers.

Last year, my first year as a sitting member, I received three letters from various weekly newspapers throughout Manitoba and they all had the same claim, that they had great difficulty in obtaining people to come into their plants and assist them in learning the business of printing, writing, etc. It went so far as one of them forwarded to me a resolution that had come from their Weekly Newspapers meeting, which I turned over to the Minister of Education feeling that possibly the type of in-training could be done at a vocational level. I don't know if the Minister has done anything about it. The last time I spoke to him - I'm speaking of the Minister of Education - this had not appeared under Vocational Training. But I thought at this time that I would mention it because I feel that this is where it could be introduced, and I'm sure that the Weekly Newspaper people would really appreciate it if they could get some assistance in paying the wages of training a person. There are many people throughout Manitoba that are interested in getting into the newspaper business but it's difficult to live on the type of wage that the people that own the plant are able to offer. As we all know, the weekly newspapers -- it's kind of, you might say, a hand-to-mouth deal that it's a good business for one operator and an assistant, and most of them do need some assistance and they'd like to train somebody to take over in the future. I feel that this would be the place where the in-training could be instituted and the weekly newspapers should be made aware of the fact that the Department of Industry and Commerce, and particularly the Department of Business Development, are prepared to assist in this department. And I wondered if the Minister would make some comments on that particular aspect.

MR. SPIVAK: Mr. Chairman, I simply think that the suggestion is a good one and certainly one worthy of consideration. While I gather it was not specifically included in the in-plant training program before, certainly consideration should be given to it, and I will.

MR. DOERN: Mr. Chairman, I just want to ask one last question on the Business Summit Conference. Since the Minister isn't going to tell us what it cost, can he tell us, for example, whether the transportation or other costs were paid for delegates? For example, the big head table, did they pay their entire way there and all expenses? And what about rural Manitoba and so on? Were part of the costs of transportation, board and room and the dinner tickets and so on, paid by the government for delegates, and which delegates, etc? You should know that.

MR. SPIVAK: The Order for Return is being completed and my department has been given instructions. I do not have it, as suggested, on my desk. I'm hoping that we'll be able to file this as quickly as possible. But with reference to transportation; the rural delegates'

(MR. SPIVAK cont'd.) transportation was paid by the department - the rural delegates. This is all intrinsic -- the problem here is that there may in fact have been some exceptions, but I have to talk in a general way without dealing with the exceptions or even a small number of exceptions, because there were particular problems, particularly from some of the people up from the northern areas. The business delegates who graced the head table, that is the heads of corporations who came to Manitoba, came at their own expense. The only thing in addition to being guests at the head table, they were hosted to a banquet -- excuse me, being guests at the head table and a reception prior to the actual dinner, they were guests of the province at a luncheon at which the Industrial Development challenge was explained to them.

MR. MOLGAT: Mr. Chairman, I want to come back for a moment to the TED Commission. Everything I've heard tonight reinforces my point of view that the TED Commission is purely duplication of the work of the Economic Consultative Board, that this is really a statement by this government that they don't trust their Economic Consultative Board but they want to by-pass it and set up a different structure, that it's duplication of services, and when you hear the government of this province speak about the controlling of costs and getting needs and wants in line, the TED Commission in my opinion is pure window dressing, the work that they will do should be done and was set up in the first place to be done by the Economic Consultative Board, by the Development Authority, and it's pure duplication. And I therefore move, seconded by the Honourable the Member for Lakeside, that whereas the work of the TED Commission is a duplication of the work of the Manitoba Development Authority and the Manitoba Economic Consultative Board, that the amount of \$75,000 be deleted from Resolution 47 (c) and that the TED Commission be disbanded.

MR. CHAIRMAN: Are you ready for the question?

MR. CHERNIACK: . . . copy or could you read it again?

MR. CHAIRMAN presented the motion and after a voice vote declared the motion lost.

MR. MOLGAT: Ayes and Nays, Mr. Chairman.

MR. CHAIRMAN: Call in the members.

MR. CHAIRMAN: The resolution before the Committee: that Whereas the work of the TED Commission is a duplication of the work of the Manitoba Development Authority and of the Manitoba Economic Consultative Board, that the amount of \$75,000 be deleted from the Resolution 47 (c) and that the TED Commission be disbanded. Those in favour of the motion please rise.

A STANDING COUNTED VOTE was taken, the result being as follows: Yeas, 24; Nays, 27.

MR. CHAIRMAN: For the motion, 24; against it, 27. I declare the motion lost. (c)--passed.

MR. PAULLEY: Mr. Chairman, before we pass (c) I wonder if the Honourable Minister could give us an outline of what constituted the figure of the estimate of last year of \$1,758,500 as compared to the \$833,000 for this year.

MR. SPIVAK: Mr. Chairman, as I explained before and I explained inaccurately at the time, this is a gross figure of \$1 million . . . Excuse me. You're talking about the total amount of the estimate or the -- well it doesn't make any difference. You're talking about . . .

MR. PAULLEY: If I may put my honourable friend on the beam, Mr. Chairman, I'm referring only to item (c) of appropriation 47.

MR. SPIVAK: Yes, \$1,758,000 to \$833,000. Is that right?

MR. PAULLEY: Yes.

MR. SPIVAK: As I tried to explain to you before and I know I explained inaccurately or I did not explain it clearly. The million dollars included -- was a gross figure because there was income of a million dollars that came in from both the manufacturers and from the Federal Government in the support of the in-plant training program. This does not occur -- this is a net figure. In effect, in order to compare last year with this year, you're comparing \$758,500 with \$833,500.00.

MR. PAULLEY: Might I ask my honourable friend, Mr. Chairman, then the contribution of the million dollars is not being made this year. Is that correct?

MR. SPIVAK: Yes. The in-plant training program has changed. The Federal Government program is not the same. As a result, both the contribution of the Federal Government and the manufacturers has changed entirely, and the figure that we have here is a net figure of our contribution, not taking in any gross amount that would be received in the application of

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(MR. SPIVAK cont'd.) the program. Really it's a change to a certain extent of a method of accounting and it's also a change that is a result of the federal program having been altered.

MR. PAULLEY: What about the job that was done last year compared with that contemplated for this year?

MR. SPIVAK: Well, the truth of the matter is that the in-plant training program of last year was changed once the Federal Government announced its program, so that in effect we have had a gap in the in-plant training program, first to determine exactly how the Federal Government program would operate, and the proposal of the in-plant training program now is a new program essentially, but basically to fill the gap that exists with the Federal Government so that the over-all application of it will be the same as it was in previous years before.

MR. CHERNIACK: . . . on that point, Mr. Chairman. Is that the corresponding item shown in the estimates of \$550,000 in the shared services? Miscellaneous?

MR. SPIVAK: Yes, and there's another \$450,000 on the other -- I'm afraid I do not have it in front of me, but there's another amount of \$450,000 as well shown on the income.

MR. CHERNIACK: . . . another amount of \$450,000 under your department?

MR. SPIVAK: Yes.

MR. CAMPBELL: Mr. Chairman, is the Minister able to tell us exactly what was spent in the year that has just concluded, or their latest estimate of what that will amount to?

MR. SPIVAK: Well I'm not sure that this is the figure but I'll get this information for you. I'm not exactly sure of this figure but I'll try and get it as quickly as I can.

MR. CHERNIACK: Mr. Chairman, on the item. I now see that there was some \$450,000 in excess from the Government of Canada and \$450,000 from, I assume, industry -- or \$550,000 making up the million. Is that being repeated this year? I didn't hear the answer.

MR. SPIVAK: No, it's not being repeated. In effect, our estimate, our vote will show the, and including the \$833,000 -- included in the item (c) of \$833,500 is an amount of \$455,000 which is estimated as our cost of in-plant training program, which is our net cost, which we will contribute to the in-plant training program, whereas before, in previous years, we grossed the amount and we showed it in income, and we grossed it in terms of the total amount before. Now last year, if you deduct the million dollars, which is the \$550,000 and \$450,000, you have a proper comparison of last year's budget and this year's budget.

MR. CHERNICAK: Will the Government of Canada be continuing to contribute this sum?

MR. SPIVAK: What I've tried to indicate is the Government of Canada has altered its program. There is no contribution. The Government of Canada, under its Manpower and Immigration Program with its in-plant training program contributes directly in its program 100 percent - not 100 percent but with private industry it does not run -- it's not run through the province. What I'm suggesting is that it's a program -- the Federal Government program is a change from the previous program which was administered by the province and in which the Federal Government participated. They now have taken this program over completely. But in its new terms of reference there is a gap in the in-plant training program and we are filling that gap to be in a position to basically offer the same over-all in-plant training program to the citizens of Manitoba that existed before.

MR. CHERNIACK: But there's really no drop by the Federal Government in its contribution to a program of in-training.

MR. SPIVAK: Well, in effect if we did not proceed with this - and there are some provinces I gather who may have had this program that did not - we would have had a program which was not complete. The Federal Government restrictions - and I am not sure of the accuracy of everything I am saying but I think this is generally the program - would not provide in-plant training to anyone who had not been out of school for a period of three years whereas, before, our in-plant training program provided that. Now what we are trying to do is to fill this gap which we think is necessary to be able to give workers an opportunity for a proper in-plant training program.

MR. CHERNIACK: Well was this \$1,800,000 actually spent?

MR. SPIVAK: I can't give you the -- of last year.

MR. CHERNIACK: Not to the exact dollar but in general was it spent?

MR. SPIVAK: No. Basically the in-plant training program was announced by the Federal Government to go into operation in either April or May, I'm not sure of the exact month; and they announced their terms which changed the basic program of the in-plant training program, so that essentially there was very little money that was spent on the new program

(MR. SPIVAK cont'd.) except possibly for the payment of the existing programs which were under arrangement at that time.

MR. CHERNIACK: That's not my question, Mr. Chairman. I wanted to know if the item of, approximately the item of one and three quarter million dollars set up for the fiscal year ending March 31, 1968, was substantially spent, and was the million dollars budgetted for revenue substantially received?

MR. SPIVAK: Well I'm assuming that that is not the case. I am assuming that the revenue was not received of the million dollars and it wasn't spent, because the program was basically changed by the Federal Government.

MR. CHERNIACK: Well does the Minister say that for the entire fiscal year ending March 31st, 1968, this program of, say, one and a half million dollars was not really carried out?

MR. SPIVAK: Well this program included not just the industrial training, it included other -- it included the business development, general advertising program, other features in that full amount. But what I am saying to you is this: that the Federal Government's program changed and we did not either receive the funds nor did we spend the money in connection with the in-plant training program because there was a gap. There were other aspects of the program that were included in this amount that were spent.

MR. CHERNIACK: Well then, what was actually spent in that item marked 2 (c)? How much approximately was spent by this government?

MR. SPIVAK: \$929,591,00.

MR. PAULLEY: Then do I understand it, Mr. Chairman, that when the appropriation was set up last year of the roughly 1-3/4 millions, there was presumably to be a program undertaken by the province and the government, the Government of Canada, for in-training purposes, and that basically it was presumed that the amount of contribution from the Federal source would be somewhere in the neighbourhood of a million, but the job was done? And do I understand that the job on in-training programs is still being done but it's being handled differently insofar as bookkeeping is concerned, in that it's not showing up in our expenditures as an item of such magnitude of \$1,800,000? Is that the general . . .

MR. SPIVAK: Well, Mr. Chairman, I'm sorry. This is my fault. I haven't explained it clearly. The Federal Government program was administered by the province. That is, the Federal Government's co-operative program with the province was administered by the province, and funds were received from the manufacturers and funds were received from the Federal Government and funds were contributed by the Provincial Government. In the amount of \$1.8 million of last year there was included an estimated amount of \$1 million to be received from the manufacturers and the Federal Government. Now the Federal Government announced certain changes in the program and when it became apparent -- and the changes were basically as follows: 1. That they would take over the administration of the Federal Program and the province would not be a party to it, and they would pay 100 percent of the cost or some co-operative arrangement with the manufacturers. It had nothing to do with the provinces. -- (Interjection) -- Through their books. Through Manpower and Immigration. So, in effect, what had happened at that point is that the program that had been budgetted for, did not proceed and we had a million dollars or approximately a million dollars or \$900,000 less, and all we had was the payment for the programs that were underway at that time.

Now, when we had an opportunity this year to examine the Federal Government program, we realized that there is a gap and the gap relates generally to the worker who has not been out of school for three years and therefore is unable to tie in with the in-plant training program, and we then devised our in-plant training program for this year to take care of the gap basically so that our position will be the same as it was prior to the Federal Government change, as far as Manitobans were concerned. So that essentially we are in effect operating the same kind of program that was being operated in the previous fiscal years, before the Federal Government changed its method in connection with this one aspect.

MR. PAULLEY: As far as the program for the persons concerned, in the over-all picture there's no change as to the accommodation as far as in-plant training is concerned except that the province is taking up the slack, as you call it, in between the Federal program and the Provincial. Is that basically it?

MR. SPIVAK: Without getting into the refinements, yes, that's it.

MR. SHOEMAKER: Mr. Chairman, I'd like to ask my honourable friend the Minister

(MR. SHOEMAKER cont'd.) whether or not any part of the Summit Conference was paid for by the Information Services Branch or Department or the propaganda department. I'm prompted to ask this question by reason of the report that was issued by the Free Press on January 17th, "An Excellent Day -- for Businessmen". But it says here, and I'll quote, "While newsmen were fed by the government on the mezzanine and the rural delegates on the eighth floor of the hotel," -- that would be the Marlborough because I was on the eighth floor with the common herd -- it says, "The VIP head table group was given a luncheon at the Fort Garry Hotel by Mr. Spivak and Mr. Weir." I guess they paid for that one out of their own pockets likely, the one at the Fort Garry. "Following the luncheon the delegates boarded thirteen Metro transport buses and were taken to the Metropolitan Theatre" and so on. Now while the 120 head guests attended a private reception on the second floor of the auditorium, most of the delegates milled around the three bars set up on the main floor. At the bargain price of 50 cents, the whiskey ran out long before dinner started and aside from a brief flurry of activity when a member of the government's public Information Branch found 12 bottles stashed away for emergency use, delegates were left to talk and tap their glasses in impatient unison." Now is this statement correct or is it incorrect? And if there were 12 bottles stashed away for this emergency that they knew would arise - because at a bargain price of 50 cents, it says, the whiskey ran out early. Well, whiskey at 50 cents an ounce or whatever -- you must have made money on that -- the government must have made money. It wasn't a bargain price. But where did the 12 bottles that were stashed away for this drastic emergency, where did they come from? Did they come from the Information Services Branch as inferred in this or was it put up by the government? And then what about the dinner that was put on by Mr. Spivak and Mr. Weir. Was that paid by Mr. Weir and Mr. Spivak or not?

MR. SPIVAK: The Honourable Member for Gladstone astounds me at his ability to read. I know nothing in connection with the newspaper report, and it is a newspaper report, and I have no way in which to be able to refer to it. I can say that the members of the press that were invited -- and we had a number who were in fact invited outside of this province -- were in fact hosted at both a brunch and their transportation was paid and it was paid as part of the department's expense and not as part of the expense of the Information Service. I may say that the private luncheon that you refer to and which we had the representatives and heads of the corporations who were doing business in Manitoba, was undertaken by the government in an attempt to try and present to them the challenge for Manitoba and hopefully to have them have their investment money linger a little bit longer in Manitoba. This was our objective.

MR. CHAIRMAN: The Honourable Member for Lakeside.

MR. CAMPBELL: Mr. Chairman, as the Minister will know we really have before us in the Committee three different sets of figures, because we have the estimates for the year that we're in now, we have on the left-hand side the estimates that were provided a year ago and in the Public Accounts we have a record of the year before that. In the Public Accounts detail of this same item -- it's found on Page 135 of the current public accounts -- the expenditures under (c) are given.

I'm not astonished at all to find Advertising and Exhibits is a large item practically \$141,000.00. The item of Books, Newspapers and Periodicals rounded to a figure of \$5,000 looks unusual, and then the Wages and other Assistance which seems to be approximately as large as the total of the salaries that appear in the estimates, almost 69,000. The item I really would like information on is one that is shown without any detail at all, simply carries the designation "Other" - and it's \$487,000-odd. Could the Minister tell me what that expenditure covers?

MR. SPIVAK: Mr. Chairman, there's been an Order for Return on this specifically by the Honourable Leader of the New Democratic Party. I would hope that I would be in a position within the next day or two to be able to file it. Unfortunately it's not complete but I checked up on the orders that have to be filed. I believe - I would have to look at the Public Accounts, I don't want to say something that is not accurate - but I believe that that includes the in-plant training program.

MR. CAMPBELL: Shouldn't one as important as in-plant training program be shown under that designation?

MR. SPIVAK: You may be correct in this respect as to being shown "Other" but I think I'm correct now that it is the in-plant training program and that is the amount in connection with it. But the Order for Return will be filed within the next day or two.

MR. CHAIRMAN: (c)--passed. Resolution 47 passed.
(Resolutions 48, 49 and 50 were read section by section and passed.)

MR. CHAIRMAN: Resolution 51.

MR. SHOEMAKER: Mr. Chairman, I think my honourable friend the Minister did intend to give us a rather lengthy statement on what he or his department, or both, were going to do for regional development. Is that not correct?

MR. SPIVAK: Mr. Chairman, in a note sent to the honourable members there's a lengthy statement in connection with regional development and the changes in the Regional Development grant which I assume is what he's referring to.

MR. SHOEMAKER: I take it that my honourable friend does not intend to make any further comments on regional development at this time. But you will recall, Mr. Chairman, if my honourable friend doesn't, because he has informed us that he's rather new in the department and as such is not intended to have made a study of what Mr. Gurney Evans done in the past, that is a study in depth, but back in 1965, and that's not too long ago, because my honourable friends have been in office for 10 years, which is a decade - is that not right? It's a decade. -- (Interjection) -- Pardon? Too long, they said. They've been in office much too long and done too little; I guess that's right. But back in February 26, 1965, we received - everybody received - and I guess I'm the only one that reads this propaganda material that comes out. Am I the only one that reads it? Well, I have urged every new member to subscribe to it because the subscription price is absolutely nil and it's worth every cent you pay for it. So what have you got to lose? Now, in February 26, 1965, we received - I guess I'm the only one that has this valuable document -- (Interjection) -- Read it all, my honourable friend says. Well, this one is headed: "12 Manitoba towns under microscope." Under microscope. And having had these 12 towns under a microscope to see what was wrong with them and why they were not developing as they should do, after the government had been in office for seven years, they were wondering what happened to these 12 towns that they were not growing. -- (Interjection) -- Was Dauphin one? Well, they had them under microscope for quite a long time and - well here they are: "Communities which will be studied during the months ahead include Roblin, Steinbach, Souris and Gimli. After that the towns of Beausejour, Neepawa, Morden, Carberry, Lac du Bonnet, will probably be studied." Well, they were studied, and my guess is, Mr. Chairman, that I'm the only one that has the 12 studies. I have the 12 studies. I never did see a government in my life that made so many studies and did so little about them. I had the pleasure of being on a couple of special select committees of the House - and I thoroughly enjoyed it. One of them on the dental services. We went all over Canada at the peoples' expense and the government never asked us to concur in the report that we made. They didn't even do us that courtesy. I enjoyed it. But here they made 12 studies of these towns that were under microscope. What have we done about these 12 studies? -- (Interjection) -- Go to Gimli, my honourable friend says, and you'll see what's going on there.

MR. CHAIRMAN: Committee rise.

MR. SHOEMAKER: Mr. Chairman, that will allow me to get my wind overnight and we will try it again tomorrow.

MR. CHAIRMAN: Call in the Speaker. The Committee of Supply has adopted certain resolutions and directs me to report progress and ask leave to sit again.

IN SESSION

MR. J. DOUGLAS 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.

MR. LYON: Mr. Speaker, I beg to move, seconded by the Honourable Minister of Industry and Commerce, that the House do now adjourn.

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