

THE LEGISLATIVE ASSEMBLY OF MANITOBA
2:30 o'clock, Friday, March 18, 1966

MADAM SPEAKER: Before we start our deliberations this afternoon, I would like to attract your attention to the gallery where there are some 111 Grade 11 students from the Transcona Collegiate under the direction of their teachers, Mr. Doern, Mr. Rifkin, Mr. Kendrick and Mrs. Rataje. This school is situated in the constituency of the Honourable the Leader of the New Democratic Party. On behalf of all Members of this Legislative Assembly, I welcome you.

The proposed resolution standing in the name of the Honourable the Leader of the New Democratic Party.

MR. PAULLEY: Are we going to have second readings first, Madam Speaker? -- (Interjection) -- It's the resolutions, not the second reading.

MADAM SPEAKER: Resolutions.

MR. PAULLEY: Madam Speaker, may I have the indulgence of the House to have this matter stand.

MADAM SPEAKER: The proposed resolution

MR. ELMAN GUTTORMSON (St. George): Madam Speaker, on a point of order, could I have the indication when these bills are going to be proceeded with?

MR. ROBLIN: If I may refer to the subject, Madam Speaker, subject to your correction, I believe they come after we deal with the resolutions.

MR. GUTTORMSON: Madam Speaker, on a point of order, the reason I asked the question is the bills on the Order Paper are ahead of the Resolutions.

MADAM SPEAKER: The procedure will be resolutions, the private bills, and then the public bills standing on the Order Paper. The proposed resolution standing in the name of the Honourable the Member for Selkirk.

MR. STEVE PATRICK (Assiniboia): May we beg the indulgence of the House to have this matter stand.

MADAM SPEAKER: The proposed resolution standing in the name of the Honourable the Member for Selkirk.

MR. GUTTORMSON: May we have this stand, Madam Speaker?

MADAM SPEAKER: The adjourned debate on the proposed resolution of the Honourable the Member for Portage la Prairie and the proposed amendment thereto by the Honourable the Minister of Industry and Commerce, and the proposed amendment to the amendment by the Leader of the Opposition. The Honourable the Member for Portage la Prairie.

MR. JOHNSTON: In speaking to the sub-amendment, I couldn't help but go back to the Honourable Minister of Industry and Commerce. When he was speaking to the main motion, I could not help but think that the Minister -- it was one of the longest speeches that I've ever heard him give, and I think with tongue in cheek. He ignored completely the existing help that is available under a federal program to help areas that are depressed, have low income and have high unemployment, and if this program had not been in effect I would like to ask the Honourable Minister of Industry and Commerce what would have happened to the pulp and paper mill that is coming to The Pas. Surely it is not too much to ask that we in this province urge on the Federal Government the importance of enlarging these areas so that other like areas in Manitoba that have the same problems as The Pas can have help along the same line.

The Minister asked to have this dealt with on a regional basis. Certainly this is a good idea, but if you're going to deal piecemeal with the problems of our country, perhaps we should ask to have the Constitution of Canada changed so that we can amalgamate our provinces on a regional basis. But we must accept the fact that the provinces are already set up now and when we're asking or suggesting means of correcting an economic situation, surely the only way the federal people can deal with this is on a provincial basis. It's very difficult to deal on a regional basis when there are two or three other jurisdictions involved, so I would ask that when he's making his approach on behalf of Manitoba that he deal with it as the problem exists at this time.

I can also tell him that, speaking of my own area, the people of Portage la Prairie have done everything in their power to have Portage and district, and indeed other districts in the province, come under the designated area program for what they consider to be a need that needs to be filled. Surely if a city council or a city Chamber of Commerce or rural council and private individuals, along with the federal Member of Parliament for the area, are working

(MR. JOHNSTON cont'd)... along the lines as suggested in the original resolution, then surely it is not too much to ask to have the province help out on the same lines, and that is, namely, to put pressure on Ottawa to have all of Manitoba included in this program.

Perhaps the Minister and his department don't regard this as a serious matter, so for his information I would like to read to him the Industrial Development Committee Report as reported at a banquet a few weeks ago at which the Honourable the First Minister was the guest speaker, and I would like to read the report that was presented at that meeting. "1965 was not a year of rapid industrial growth in the Portage and surrounding area. While there was some minor extensions of existing facilities and some up-grading of equipment and machinery, there was also a lack of totally new industry locating here. Many other areas of Manitoba face the same dilemma, with perhaps Winnipeg and Brandon being the two notable exceptions.

"In making any analysis of the reasons for our apparent lack of steady forward industrial growth, one element emerges strongly as a deterrent. The Portage area is not a designated area and new industry locating here, or locating industry expanding, is not eligible to receive designated area grants from the Federal Government. These grants which refund to a new industry 33 1/3 percent of building costs on the first \$250,000 invested, 25 percent of the next \$750,000 and 20 percent on the balance to a maximum of \$5 million, are extremely attractive. They can be applied on a minimum investment of \$10,000 and also on a slightly different scale to expansion of existing facilities.

"Brandon and Dauphin to the west of us are both designated areas; Winnipeg to the east has certain natural attractions for industry. In our opinion, this creates a situation for Portage which can do little but strangle potential industrial development. For this reason, the Chamber, City Council and Rural Council, our MLA and M.P. have all been working in a co-ordinated effort to convince Ottawa, namely the Department of Labour, that this area should be a designated area and that the criteria used to determine designation appear to apply almost equally to Portage, Brandon and Dauphin. At this time, forward progress seems slow, but not altogether discouraging. If we could obtain designation for Portage in 1966, it would be heralded as a year of important industrial development." It is signed John Lindley, Chairman of Industrial Development.

Now, Madam Speaker, in view of the serious problems that are facing not only Portage but Carman, Morden, and any other areas that are not in this program, I can hardly see why the Minister has made the amendment that he has, that promises some form of action in the future in the way of a meeting, but certainly does nothing to take advantage of the existing legislation that Ottawa have on their books at present.

I have here a Municipal Affairs Broad Sheet that is published by the Executive of the - I believe it's the National Federation of Mayors and Municipalities, if that is the name - published by the Canadian Federation of Mayors and Municipalities, and on the last page they have some of the key reasons that new plants locate in different areas, and if I may quote from it: "Markets are Key to Plant Sites" is the heading. "What prompts a company to locate a plant in a certain area? The most important factor governing the decision is accessibility to markets, according to a survey of 124 newly located plants in the United States."

This is the order of importance of 14 factors decided by the plants which responded to the survey. The first point is markets, the availability of markets. The second point is labour, and in many of the smaller towns, smaller cities of Manitoba, the labour is available. The third point is the fact that the owner's home is located there. The fourth one is transportation - highway network, or railway network, or airports. Fifth point is raw materials - and on this point, how can we encourage industries that will be making use of our agricultural products. In all areas of the province where agriculture is a factor, how can we expect to have plants start up in one area as compared to another when one area has a distinct financial advantage. I would say there isn't very much hope of asking any plant to go to Morden, or to go to Carman, or to go to Portage, and base their industry on agriculture if they can move 40 or 50 miles down the road to a similar area that has as good a water, has similar crops, have as long a growing season, and have the availability of labour. Surely, we will not see a great deal of expansion in the areas that do not have this designated tag.

The seventh point in the desirable points to locate an industry - No. 7 is suitable building or buildings for rent. Well all these small towns are able to co-operate in this regard. No. 8 is the character of the city. No. 9 - water and sewer. There again all the locations in Manitoba that are centers of agriculture are pretty well equal on these points. No. 10 - special inducements. Now this is the one point as it exists now that is going to stop industry from going

(MR. JOHNSTON cont'd)... to other parts of the province. No. 11 is the local tax climate. No. 12 - police and fire protection. No. 13 - local government reputation. No. 14 - planning and zoning.

So I would suggest, Madam Speaker, that the key in these fourteen points here is that if one community can offer tax concessions, special inducements or outright cash grants, it doesn't take much time to make a selection on the part of management as to where they're going to locate, all other things being equal. So I would ask that this House support the sub-amendment made by our Leader.

MADAM SPEAKER: Are you ready for the question?

MR. SMERCHANSKI: Madam Speaker, I'd like to add a few observations to this. I feel that, as mentioned by the speaker who just finished his remarks, in that there is a need of some definite action to be taken by the Provincial Government based on those records and studies that have been made to date. I have mentioned previously that there is a great deal of study that has gone into the preparation of these reports. I feel that a good percentage of these reports, Madam Speaker, are being classified and filed away in somebody's office. I have no quarrel with the filing of these files and reports in that they do form an important part of the continuation of studies that are made on the various subjects. But, Madam Speaker, somebody in the government has to be held responsible and must account for the result of all this research and study in order to implement it into a practical application. I have been acquainted with some of these reports and some of these studies. Some of them are very good; but then of course, I would naturally find fault with some of the reports because to simply agree with anything that one reads is, especially in industrial development, is not necessarily right or wrong. And it is for this reason, Madam Speaker, that when a man who has had some practical experience in implementing the report and research studies into a practical application of trying to develop or establish an industry, he is the man that will extract from these reports something worthwhile.

Many a time, Madam Speaker, you will find that there may be just a passing remark in one of these reports on something that the individual that's reading it, it will trigger a response in him, and he can take this study a bit further and mold it or fabricate it into a realistic result whereby he will establish some type of a final conclusion that can be resolved in some small industry being established. In other words, Madam Speaker, it is a matter of having some action, some practical application to the proper resolvment of these studies that have been made.

The other point I'd like to point out, Madam Speaker, is that in many of these reports and research, we have some excellent data; data upon which one can base the past historical background of a certain industry that one might be interested in. There are statistics, there are tables that give us the basis on what the program has been in the past in reference to a specific industry. If it is one of say, a specific chemical production, naturally you would want to assure yourself that you have the proper background in order to realize if there is an upward trend in the production or usage of that particular chemical. So that from these research and studies that have been carried on there is a great deal of important and valuable material that is not being channeled into its proper position. It is not being channeled to those people who are able to analyze these studies; who are able to analyze this research and bring out the final result which is the result in which we are all interested and that is, industrial development and the increase of our economic growth in Manitoba.

Madam Speaker, it is like an expert or a man in his own profession. You may have finished your university education. You may hold several post-graduate degrees, but as you remove yourself from that academic training year by year you are that much further removed from the everyday occurrence that takes place in that profession. And the only way that you can keep abreast of the research and development that goes on in the profession to which you belong, you must be continually on the lookout and read the magazines and pamphlets and news releases pertaining to that profession, in order to be sort of on top of the latest events taking place in your profession. And, Madam Speaker, the development of the industrial growth of our province is no different than that. In other words, we have competent, able research and reports being prepared, but that is only part of the work that has to be done. Somebody has to take it from that point and come to a proper conclusion and a recommendation, not based on the specific research and report and draw the conclusion or recommendation based on the research that was carried on, but a recommendation and a conclusion to be made, based on the research and studies and how to implement this conclusion and this recommendation into reality in being able to establish a new industry. This is where there is a definite need in order to

(MR. SMERCHANSKI cont'd), . . . properly conclude, in order to bring this type of study and research to a proper conclusion. Madam Speaker, until we're able to do this, we are not going to enjoy that same economic growth, that same high grade of economic growth that is taking place in the rest of Canada. Now as to what the practical approach might be on this, it could well mean that we may have to engage a few practical business people, technical people that are knowledgeable and are able to go over these reports, go over these studies, and glean out from them that which is important, that upon which we can begin to build a base of proper industrial development in this province.

Madam Speaker, there isn't a single day goes by but what our daily papers or on the radio or on the TV, somebody is coming up with new approaches, new ideas, new developments in the development of industry. And let me illustrate to you in just one small way. You can build a plant in the Province of Manitoba that might have a capacity of, let us assume for a matter of comparison, of 100 tons a day. Now this 100 tons a day would just be sufficient to fulfill the needs of the markets in Manitoba and possibly the adjoining provinces; and this is good planning because you would build a plant that would be able to serve the markets in this area. However, you may find that from careful study and careful consideration, that a plant with twice the capacity - of say, 200 tons a day, as a comparison - that you may be in a position to reduce the basic cost of the material that you are contemplating on producing, in order to enable you to go beyond the limit with which you have set yourself as far as transportation was concerned and be in a position to compete in areas as far south as Minneapolis and Chicago. Now Madam Speaker, this is a twofold insurance for a new established industry. One, you are able to supply the local requirements in the area that surrounds and takes in, like the Province of Manitoba; and then secondly, you are able to bring in additional value into the province by being able to sell the excess production from this plant; because the cost of production in terms of capital costs and in terms of labour is not directly proportional to the capacity of any plant.

Therefore, Madam Speaker, I have on several occasions - I have for the last two years, in connection with the Department of Industry and Commerce, spoken about this matter quite realistically and at times it may be that I am unable to make myself properly understood. But it could also be that there is a vacuum on the part of the government's planning in that we have gone so far - we have gone so far with the research and studies, then we have gone out and studied the matter of export and sales, but we have failed to integrate that very important area that exists in co-ordinating the matter of studies and reports and research in terms of expression of the practical application in establishing an industry. Because after all, Madam Speaker, all the efforts that go into this are efforts that have one prime target, one phase of expression, and that is to develop the growth of industry and industrial development in our province. Madam Speaker, I think that if we have proper co-ordination in this field, we can do much more to create the final reality of the practical application of these reports and research in their expression of new plants to create more work and more industry for Manitoba.

MADAM SPEAKER put the question and after a voice vote declared the motion lost.

MR. CAMPBELL: Yeas and nays, please, Madam Speaker.

MADAM SPEAKER: Call in the members.

MADAM SPEAKER: The question before the House the proposed motion in amendment to the amendment by the Honourable the Leader of the Opposition.

A standing vote was taken the results being as follows:

YEAS: Messrs. Barkman, Campbell, Cherniack, Desjardins, Froese, Guttormson, Harris, Hryhorczuk, Johnston, Molgat, Patrick, Paulley, Peters, Shoemaker, Smerchanski, Tanchak, Wright.

NAYS: Messrs. Alexander, Baizley, Bilton, Bjornson, Carroll, Cowan, Evans, Groves, Harrison, Jeannotte, Johnson, Klym, Lissaman, McDonald, McGregor, McKellar, McLean, Mills, Moeller, Roblin, Seaborn, Shewman, Smellie, Stanes, Steinkopf, Strickland, Watt, Weir, Witney and Mrs. Morrison.

CLERK: Yeas 17, Nays 30.

MADAM SPEAKER: I declare the motion lost. The proposed amendment by the Honourable the Minister of Industry and Commerce.

MR. HRYHORCZUK: Madam Speaker, if there ever was an acknowledgment by the government in failing to carry out its pledges and promises to the people who elected them, I think this amendment of the Honourable Minister is proof of such failure on the part of this government. We have spent several million dollars in the Department of Industry and Commerce on research, studies and staffing the Department with various committees and now the Honourable

(MR. HRYHORCZUK cont'd)... Minister in charge of the Department of Industry and Commerce brings in an amendment to a resolution which is in all sense reasonable and desirable asking for the assistance of the Federal Government to assist him in implementing policies that the people of this province were promised by this government as far back as seven years ago. There is no objection to the Federal Government coming in and giving us assistance in establishing industries in our various regions, but what I am unable to comprehend is why the government would put itself on record as acknowledging that it has failed to do what it was set up to do, and after, as I have said, spending millions of dollars of the taxpayers' money.

Insofar as Regional Industrial Development is concerned, Madam Speaker, there are some that feel that if there is an industry established in any of the so-called depressed areas, it must be an industry that will guarantee the employees a high standard of living. On the debate here, I believe it was in the Department of Agriculture estimates, it was suggested by the Honourable Member from Burrows that an industry that could give the people in the Interlake area an income of \$2,000 a year would be of great help. The Honourable Member from St. John's took objection to this reminding the House that the late Henry Ford had used methods similar to those suggested by the Honourable Member for Burrows, because it was one way of obtaining cheap labour. Madam Speaker, the farming community in these depressed areas are going through a stage of transition. On the family farms in these areas we have young people, teen-agers who would like to remain on the farms but because the units that they now hold are not large enough to be efficient and provide the type of a standard of living that they would like to have, they are forced off the farms. If we had industries in these areas that would allow members of the family to supplement the revenue from their farms from anywheres from \$1,000 to \$2,000 a year I venture to say, Madam Speaker, that the young members of these families would be in a position to go out and earn, seasonally if necessary, an amount sufficient to expand the holdings of the family to make them economic units. And I believe that is what the Honourable Member from Burrows had in mind. It wasn't that a salary of \$2,000 was considered sufficient, but that it would only be a supplementary revenue which would assist the family on the farm to expand their holdings to buy additional equipment wherever necessary and to build themselves up to the size that it would make it economical for them and worth their while to stay on the farm.

I don't think that we should lightly pass over the suggestion that any industry in these depressed areas, even if it is a seasonal industry, even if it gives part time employment, should be considered very seriously because it is these additional few dollars that will make the difference between our young remaining on the farm and leaving it. I do hope that in the over-all planning of this government as well as of the Federal Government, that they keep this in mind because by doing so I would venture to guess, Madam Speaker, that hundreds of our young people who intend to leave the farms today, would remain on them and make successful farmers. And they would accomplish two things. In the first place they would establish a life for themselves that they enjoy, that they want to follow; and in the second place, they would not congest the market for that type of an employee in our urban centers. I cannot Madam Speaker, stress too strongly the urgency of finding some type of industry, no matter how small it is, in these regional areas to give the young people on our farms, who are still there with their fathers, with their parents, give them the opportunity to establish themselves.

MADAM SPEAKER: Are you ready for the question?

MR. GUTTORMSON: Madam Speaker, like the Member for Ethelbert, I am absolutely amazed that the government would turn down the amendment that was proposed by the Leader of the Opposition to step up activities for industry in Manitoba. Like the Member for Ethelbert said, it's almost a refusal to take action which would help the areas of Manitoba that require industry so badly. For example in the Interlake area the people are very disappointed in the lack of action that has been taken. For example the complaint that comes back to me is the people are anxious to attend these studies, but they feel that the time is now right that there should be some concrete proposals put into force and the government by voting against this amendment has indicated their opposition to doing this. I have been in touch with several of the people on these Boards and they have taken an active interest. They have met frequently, presented the problems of the Interlake to government officials and on occasions to Ministers and they feel that there is not much more that they can do because no concrete action has been taken.

The Minister of Education pointed out in his estimates the other day how he had met with these people with regard to education. This is quite true. They pointed out the needs of

(MR. GUTTORMSON, cont'd) . . . education and there is a general feeling that from the program the Minister is introducing that he is making an effort to do something, but Industrial Development appears to be another picture. Every time they wish to move into some direction, some concrete action, they keep getting more studies, more studies. For example in the Interlake we have the Bifrost - Fisher Area Development Board which is meeting frequently and they have made a number of proposals which they think would assist the area. One is the dairy industry, and they present some figures which are rather disheartening.

I have some figures that have been provided to me and I believe the Government has these same figures regarding the butter production in the Interlake area, where there are eleven creameries. In 1960 the butter production from those 11 creameries was 3,200,311 pounds; in 1961 there was 3,029,792 pounds of butter produced; in 1962 it was 3,000,000; then in 1963 the figure was lower again by -- 3,047,000 pounds; in '64 the figure has dropped to 2,891,323 pounds, and in 1965 it had dropped again to 2,769,865 pounds. It is obvious to anyone what is happening here. The dairy industry is -- the production is disappearing and the people in the area are most anxious that some concrete proposals be taken so that this trend will be reversed.

There are as I said before eleven creameries in the Interlake, five of them are in the Fisher constituency, they are located at Fisher Branch, Chatfield, Inwood, Teulon and Fraserwood. In my own constituency we have four creameries located at Lundar, Eriksdale, Ashern and Moosehorn; and we have two located in the constituency of Gimli.

The owners of these creameries are most anxious to co-operate with the program that's being proposed by the Bifrost - Fisher Area Development Board. They had a meeting I believe it was a week ago Wednesday where they are putting up money for some of the fairs that are going to be held in the Interlake in order to encourage the dairy industry. One of the proposals that this development board has come up with is a calf bank for dairy cattle. The idea of this calf bank is to increase the dairy herd so that we can improve the production figures which have been falling off. They're anxious to improve the strain and in doing this they suggest a government subsidy on the artificial insemination program. At the present time it costs the farmer \$8.00 and they feel that the government should subsidize the farmer to \$4.00 to upgrade the dairy herds. The people made no bones about it that they feel that if a government can spend \$900,000 of ARDA funds on the park at Birds Hill, surely the government can spend some of those ARDA funds on these proposals that are offered by the Development Board.

One of the things that was very discouraging to the board was at a recent meeting when the government spokesman admitted quite frankly to them, according to my information, that the government had no definite policy for the industry in that area, and they feel that they are being neglected. They feel it's time we stopped the studies now. The studies have been made; the proposals have been offered by the board; and that the government should take action. And when the people see in the paper where the government has turned down the amendment which would implement such a program for the area, that the government has no intentions of going ahead, I'm afraid they're going to find great disappointment amongst the board. These people are donating their time, attending frequent meetings to try to improve the situation. They are offering what I consider concrete and solid proposals which would benefit the area, and yet when they come to the government they face a concrete wall in opposition. I think it's time that we quit the studies and put in programs which will be of benefit to these people. These people are not asking for any handouts, they are just asking for co-operation, and if we get this co-operation there's no doubt in my mind that things will change very much for the better.

I'm surprised that the Member for Fisher would vote in this direction, way the government did on this amendment. Fisher is his constituency. The people, or many of the people on the Bifrost-Fisher Board are his constituents. They feel very strongly in this way, and I would like to see him support these people in their request to improve the situation as it now stands. The people have indicated to me, and I hope they don't carry out their threat, that unless the government moves in the direction of implementing some of the proposals that the board is making, they feel they might just as well abandon the work they have been doing. I sincerely hope they don't do this because they are doing an excellent job and I think the government would lose some valuable assistance if this Bifrost-Fisher Area Development Board didn't continue the work they have been doing.

So I would urge the government to change their tactics on this situation and support them and implement these programs because if they did they would find the changes that these people want would readily come.

MADAM SPEAKER: Are you ready for the question?

MR. FROESE: Madam Speaker, I think I should add a few words on this resolution, especially on the amendment that is before us now, because I find it difficult in a way to understand why it was proposed in this way. The amendment before us asks that a policy of balanced regional development should be developed by the Federal Government forthwith. I'm astounded that they're asking this to be brought forward immediately. I wish we would always have that attitude when we're asking some things that should be brought forward here in Manitoba. They seem to be dragging their feet all the time but when it comes to the Federal Government to implement certain programs they're asking that it be done "forthwith."

There are some other things that I find rather interesting, in a way, because when we're speaking of a regional development program this would definitely in my opinion include the prairie provinces, and if we were supposed to be developed on an equal basis or if the opportunities of inducement were the same, were identical for the three provinces, where would people make their development? And here, I think, I should bring in the debt picture of the province and naturally the taxes that result to finance the debt situation of this province. I find that for instance in Manitoba the per capita debt as stated by the Canadian Government and municipal finance statistics put out by Wood Gundy and Company - and this is as of March 31, 1965 - that the per capita debt for Manitoba is \$194.66. This is the net public debt per capita. And then I also find that borrowings were made during the past year for purposes of getting new money. There's \$9,929,800, at various interest rates. There's the interest rate of 4 -3/4 mentioned for one coupon bond; 5 percent on another; 5 -1/2 on another; and there's another issue for the Manitoba Hydro of \$13 -1/2 million; this is at 4 -3/4 percent. So that we can see that new borrowings are made all the time and I would be surprised if more borrowings had not been made since that date.

Now when we come to the other provinces, and I think I should mention the both of them, Saskatchewan for instance has a net public debt per capita of \$49.03. This is about 75 percent lower than Manitoba's and I for one have never spoken too highly of Saskatchewan but certainly this recommends itself when a business is going to establish, because they will have to pay that much less in taxes.

Then I go to the Province of Alberta, and we find that the gross public debt per capita is \$10.91, but here we have a situation where these bonds are payable in the 80's and these people do not want to have those bonds paid for; they cannot cash them in; so that the Alberta Government has this on their books. But at the same time they have many millions in reserve. I think the present figure runs around 600 million in reserve, and these moneys are being lent to the municipalities at low rates. Many of these towns and villages and cities were able to borrow money from the government at two and three percent to put in their services, and this is the way they operate out there. It costs the people much less money.

Now, if we're asking for regional development and if the inducement is going to be the same, certainly we won't find ourselves in a very fortunate position. We would find that these people, if they were going to establish, they would go to a province where the taxes would be lower, where the outlook is brighter, and where they would have to meet less costs. So that this is definitely a factor, and I for one cannot fully understand why the Minister would bring this proposition forward of regional development when we already have the legislation on the federal statutes. It just needs an amendment whereby the whole province would be in a designated area and we would then be entitled to these grants to establish our new businesses and expand existing ones.

MADAM SPEAKER: The Honourable Member for Portage.

MR. GORDON E. JOHNSTON (Portage la Prairie): Madam Speaker, I'd like to speak to the Minister of Industry and Commerce to his amendment. I'd like to start out by pointing out to him that with his amendment he is working at exact cross purposes to what the Member of Parliament for Portage-Neepawa is trying to do for his constituency, and I might say, although he knows that he is of the same political persuasion, Progressive-Conservative -- and I don't think he's playing politics with this at all; I think he's trying to do the best he can in the interests of his constituency and also of the west and I compliment him for this; and I would like to read to the Minister what the Member of Parliament for Portage-Neepawa says about the problem that is facing towns similar to Portage, and this is in the Daily Graphic of January 17, 1966: "Mr. Enns is leaving for Ottawa to take up his duties there at the opening of the House," and I'll just read some of the things that he has to say: "The Federal Member pointed out that designated areas stand to gain immeasurably from Federal grants and income tax exemptions to new industries locating in a designated area. 'I know the local Chamber of

(MR. JOHNSTON, cont'd) . . . Commerce is very much concerned about this and I will do what I can to have the city included in this program.' the Portage-Neepawa Member went on. 'Brandon,' he said, 'is a designated area. Average weekly wages in Brandon over the past three years or so have been consistently \$5.00 to \$10.00 higher than in Portage la Prairie, yet new industries in Brandon will benefit substantially from federal subsidies while new industries wishing to locate in Portage will not receive this help. What are the chances for our city to attract new industries under these circumstances?' he asked. In a statement to the Daily Graphic before leaving with Mrs. Enns for Ottawa, the Federal Member said, 'I believe the whole province of Manitoba should be one large designated area so that much-needed new industries might be attracted to various parts of the province.' "

Now, Madam Speaker, what I'm asking for the Manitoba Government and in particular the Department of Industry and Commerce to do is this, is to point out to them that there are some inconsistencies in the figures that are being used by the people in Ottawa and the figures that I have given in debate and figures that the Chamber of Commerce at Portage have dug up. There's a difference in these figures that if it can be threshed out and pointed out that we may have more of Manitoba included in this program. The Minister in his amendment suggests that the whole program as instituted by Ottawa is not an area or a regional program. He is asking in his amendment for a policy of balanced regional development which will enable each province and each region, in its own particular way, to achieve its maximum economic potential. Well I'm sure the Minister has this map, or he has access to it, that shows the latest revised designated areas. Apparently because there were some inconsistencies before, the federal people have revised the designated areas and it's shown quite clearly on the map that I have here. In the map marked in red, here's Manitoba, here's Saskatchewan and Alberta, and it's shown in red the various areas that are designated and there is no regard for a provincial border there. I suggest, if one would take a look at that map, that a large block straddles the Manitoba-Saskatchewan border, so really the Department of Industry in Ottawa are already doing what the Minister here is suggesting they should do, and surely he should know this if they are working together on this program. It's the same all across Canada where designated areas have been set up. They are not set up with regard to provincial boundaries. They are set up with regard to areas and the problems that affect the area and the region.

I have here the area development program announcement that was made by the Honourable Mr. Drury on August 5, 1965 and I would like to quote from it: "The areas which qualify are characterized by high and chronic unemployment and low family income and contain some 16 percent of the national labour force, as compared to about 7 -1/2 percent of the labour force covered under the former plan." So, to digress for a moment, it can be seen that these people down there have revised their original program because of representations that no doubt were made to them by people who had reason to believe their particular area should be included. Mr. Drury indicated that although the areas have suffered from some economic difficulties in the past, with help they should prove attractive to a variety of industries anxious to establish new facilities with new and growing markets developing at home and abroad, as transportation facilities improve and as industrial training programs are exploited. He goes on to say, "I am confident that many areas which may have been considered somewhat remote for industrial development in the past, will offer most attractive opportunities for economic growth in the future."

I would like to draw to the members' attention the six points on which a designated area program is based. Of course they use the National Employment Service areas as a base for designating part of a province and here is what they have to say on how it is done: The National Employment Service area in which for the most recent five years (1) the unemployment rate is at least 200 percent of the national average or the unemployment rate is at least 150 percent of the national average and the rate of employment growth is less than one-half the national average rate. In Item (2) - this can be shown in areas of Manitoba that are not included in the plan. I believe I pointed some of them out in my original speech some weeks ago. To continue on point No. (2) - provided that the average annual family income in the area is less than the national average family income of \$5,449.00. Well I pointed out to the Minister that - to quote DBS figures to him on the 1961 census, which are the last figures available on the subject - the average family income in Brandon was \$4,953; the average family income in Portage was \$4,689 and in Dauphin was \$4,482.00. So there is something wrong with someone's figures here. If Ottawa is wrong, it should be brought to their attention that they're wrong so that we can have more of Manitoba included in this program.

(MR. JOHNSTON, cont'd) . . . :

I go back to the area development program release and quote point (b): "A national employment service area in which for the most recent five years employment has declined at an annual rate of more than 10 percent; (c): a national employment service area in which the average annual family income is below \$4,250.00. A national employment service area in which 40 percent or more of all families have an average annual income below \$3,000.00." I think the Honourable Member from Gladstone had something to say about the average farm income in Manitoba and 40 percent of the farmers below a certain figure. Point (d) - and I quote: "A county or census division in which the average family income is below \$4,250, provided it is contiguous to areas that are designated by the foregoing criteria in which, together with these areas, form economic regions or districts. (e): A group of national employment service areas traditionally recognized as a distinct geographic and economic region which considered as a whole meet the foregoing criteria." Well Madam Speaker, this covers the point that the Honourable Minister of Industry and Commerce has put in his amendment. They have taken this into consideration and dealt with the problem on a regional basis. They have not dealt with the problem on a provincial basis at all as is suggested by the amendment by the Minister.

Point (f): "A national employment service area which was designated under Order-in-Council P. C. 1963/1323 as of the 4th of September 1963 and which an average unemployment ratio in the area relative to the national average, which was not lower in the most recent 12 months than the average unemployment ratio for the most recent 5-year period. Areas designated in accordance with the foregoing criteria shall exclude the sparsely populated northern parts of the country and the northern boundaries of designated areas shall be drawn along country or census divisions or subdivision lines which correspond to the boundaries of the recognized economic districts."

Madam Speaker, I point out again to the Minister that what he is suggesting in his amendment has been taken into consideration by the people in Ottawa and I think that the amendment he made is playing politics with this very important subject and he should withdraw that amendment.

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

MR. EVANS: Recorded vote, please, Madam Speaker.

MADAM SPEAKER: Call in the members. The question before the House, the proposed motion in amendment thereto by the Honourable the Minister of Industry and Commerce.

A standing vote was taken, the result being as follows:

YEAS: Messrs. Alexander, Baizley, Beard, Bilton, Bjornson, Carroll, Cherniack, Cowan, Evans, Groves, Harris, Harrison, Jeannotte, Johnson, Klym, Lissaman, Lyon, McDonald, McGregor, McKellar, McLean, Martin, Mills, Moeller, Paulley, Peters, Seaborn, Shewman, Smellie, Stanes, Steinkopf, Strickland, Watt, Weir, Witney, Wright and Mrs. Morrison.

NAYS: Messrs. Barkman, Campbell, Desjardins, Froese, Guttormson, Hillhouse, Hryhorczuk, Johnston, Molgat, Patrick, Shoemaker, Smerchanski and Tanchak.

MR. CLERK: Yeas, 37; Nays, 13.

MADAM SPEAKER: I declare the motion carried.

The adjourned debate on the proposed resolution as amended by the Honourable the Member for Portage la Prairie.

MR. EVANS: Madam Speaker, I wonder, on a point of order, if we should now consider the motion as amended.

MADAM SPEAKER: That's the motion before the House now.

MR. EVANS: I beg your pardon.

..... continued on next page

MADAM SPEAKER: The adjourned debate on the proposed resolution of the Honourable the Member for Ethelbert Plains. The Honourable the Member for Carillon.

MR. BARKMAN: Madam Speaker, I adjourned this debate for my Leader.

MADAM SPEAKER: The Honourable the Leader of the Opposition.

MR. MOLGAT: Madam Speaker, I first introduced this resolution in the House in 1962, after I had been selected by my colleagues as the Leader of the Party. This was one that had been discussed very thoroughly by policy committees of ours, which was accepted by our leadership convention and which I introduced as a result of these deliberations and in the conviction that this was a sound proposal for the Province of Manitoba. I must say that it didn't meet with a great deal of approval from the gentlemen on the far side of the House. I introduced it once again after that and I thought that possibly if I got someone else, such as my colleague from Ethelbert Plains, that maybe his persuasive powers might change the attitude across the way, but I have found that the same inert attitude exists on the far side and they persist in opposing what I still claim to be a very sound proposition for the government of the province and for the people of Manitoba.

I want to make it very clear at the outset so that there can be no possibility of anyone misunderstanding what I say, that I have every regard for the gentleman who is presently Comptroller-General in the Province of Manitoba, I have every regard for his staff, for the work that they do, and that in no way can this resolution be interpreted or even vaguely suspected of replacing the office of Comptroller-General, of superseding the office of Comptroller-General, of interfering with the office of Comptroller-General. It is an entirely different office: it is an entirely different purpose; and it is there to do another job which is not within the responsibilities of the Comptroller-General.

One need only look at the situation in other jurisdictions to see this, because Ottawa have the dual offices. Ottawa has an office known as the Comptroller of the Treasury, and by and large the responsibilities of the Comptroller of the Treasury are similar to the responsibilities here of the Comptroller-General. That responsibility is basically the internal audit, the work within the government as a direct employee of the government. True, an employee of this House - the Ottawa Comptroller-General, as ours, is responsible to the House - but it is the function of internal audit. He is the individual, the body who, in a private corporation, do the internal auditing work. This is common to every large corporation that exists. They have within their corporation internal auditors who audit at all times the operation of the company. The banks have exactly this. We have, in a sense, at the municipal level that sort of an operation where we send an auditor out to do the work in the municipalities, but certainly the big corporations do this and their internal auditors are at work all the time. They move from branch to branch; they supervise the accounts; they do the internal work for the corporation.

Then over and above that, every major corporation employs a firm of external auditors. These are the great accounting corporations that we know. Most of them are now Canadian-wide, because they found that dealing with major corporations you had to have branches in each city, and my honourable friends across the way I am sure know quite a number of them. These people are the external auditors. They come in and do an outside job. Basically their responsibility is to the shareholders; not to the corporation but to the shareholders; and it is based on this external audit that the accounts of the company are accepted. It is this external accounting and the signature on the annual report by a firm of external accountants that is considered to give the final validity to the statements of the corporation, and this is what is given to the banks, for example, for security; this is the basis normally of the reports to the Income Tax Department.

This is a perfectly normal and accepted business practice, and what I am suggesting, what the resolution suggests, Madam Speaker, is that we should follow the same practice in government here in Manitoba. The Comptroller-General, fine. He does the internal audit. His responsibilities are clear in that regard. Over and above that, then, there should be this external audit, not because you don't trust the work that the internal auditor does but because you are basically doing a different type of a job. Surely when one looks at the annual reports of the Auditor General in Ottawa, the annual reports in the Province of Manitoba, it is obvious that the function is not the same, because every year the report of the Auditor General in Ottawa clearly outlines, sometimes in rather shocking figures, some fields of action where the government should change its procedures, failures in this department or that department. And Madam Speaker, that isn't peculiar to any particular political party. The reports of the Auditor General every year, going back to the time when the Liberals were in power and then

(MR. MOLGAT cont'd). through the time when the Conservatives were in power, and now again during the time the Liberals are in power, every year show weaknesses in administration, and this is something that you can expect when you are dealing with functions as great and as varied as those that we find in present day governments. You are dealing with massive corporations.

Our own corporation here is the biggest one in the province of Manitoba, the one that employs the most people, the one that spends the most money. Should we be content with anything less than the best in accounting procedures? Should we be simply hiding back and saying, "Well, but the report of the Auditor General of Manitoba, if it's anything like the one in Ottawa, is going to cause some red faces." Well, if it does, Madam Speaker, it will be for our own good, because it will permit us then to make the changes that should be made. Why hide them? I think we are just kidding ourselves. We pretend, whether my honourable friends are in government or whether my group are in government, that these things shouldn't be checked into. They should be. Corporations accept this and so should we. I'm not going to read all the headlines and all the reports. It's been done already by the Auditor General in Ottawa. But you only need to look at it, Madam Speaker, to see the type of thing that an Auditor General can say. He can show better procedures; he can indicate many areas where government can save money, where government can improve its own operation, and where thereby the government can give the taxpayer more value for tax money.

With ever-growing government, with governments that are consistently increasing taxation, with government taking an ever-increasing responsibility in many fields, surely our responsibility is growing too, to ensure that we give full value for every cent we take out of the taxpayer. When I think, for example, that the income tax level, that we start charging income tax to a person who makes \$1,000 a year, when we say to a person who makes only \$1,000 a year, "You have to start paying income tax for every cent of income over \$1,000 when we know that you can't live on \$1,000," when here in this province we have taxes like the heat tax, which you can't escape; you have to have heat. The government can say, "Well, we've amended it for some people," but there are still a lot of people in this province who are paying a tax on heat. Anyone who is a renter certainly does. When you look at the fact that we reach down into the taxpayer's pocket consistently, we must be sure that we never waste any of his money. The only way that we can be assured of that, Madam Speaker, is to insure that our techniques and our operations are constantly at the highest possible level, and this office that we are recommending, the Auditor General, is there for that sole purpose. For the sole purpose of insuring that for every cent that we take out of the taxpayer he gets back full value.

This is the reason that we recommend this office to the people of Manitoba and to this House, and I say to the government, you are failing the people of the Province if you persist in opposing this practice. Ottawa has seen that it is in the interests -- it is embarrassing at times to them undoubtedly, but it is in the interests of the taxpayer, and I say, Madam Speaker, that we should move on this now. The government have opposed it for I think five sessions now. Let them see the light and let's give the people of Manitoba this office to do a better job for them.

MADAM SPEAKER: Are you ready for the question?

MR. ELMAN GUTTORMSON (St. George): Madam Speaker I move, seconded by the Member for Ethelbert, that the debate be adjourned.

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

MADAM SPEAKER: The adjourned debate on the proposed resolution of the Honourable the Member for LaVerendrye, and the proposed amendment thereto by the Honourable the Member for Souris-Lansdowne. The Honourable the Member for Gladstone.

MR. SHOEMAKER: Madam Speaker, I said earlier during the Session that I thought it would be an excellent idea for everyone that spoke on a resolution or an amendment thereto, to read the resolution and the amendment, so that those few people who read Hansard would know what we are talking about. Now this one is such a lengthy one now that I do not propose to read the resolution and the amendment - not today. But I'm beginning to lose confidence in a lot of the amendments that my honourable friends tack onto our resolutions, and I think we have every reason to arrive at that conclusion, that they absolutely are meaningless, absolutely meaningless most of them, and this is one that has been side-tracked again this year.

Now if - if my honourable friends, to use a phrase that they use quite frequently, would put their money where their mouth is, then we would have had by this time a reduction in farm

(MR. SHOEMAKER cont'd). license plates rather than the use of coloured gas, because I don't know how many, but I think a half a dozen, of the members opposite stood up and told us last year -- well this is what they said in effect: "Well listen, we won't go along with you on this coloured gas, but I'll tell you what we'll do. I'll tell you what we'll do. We will lower the farm license plates to make up for it." They said it was a better deal, but what did they do? They increased the license fee. They got mixed us somewhere along the line and there is apparently no intention of pursuing that amendment any further because they have dropped it -- cold this year and they are off onto another tangent that will postpone the whole business for I don't know how long, and I don't suppose anybody else does either.

You will recall last year, Madam Speaker, that both of, or two or three of the farmers, the farmers opposite that spoke on this resolution, where those fortunate few they spend the winters in Florida and Honolulu and places like that, and they seemed to try to leave the impression in the House that there was not in fact a cost-price squeeze at all. The Honourable Member for Springfield, I think he was the first fellow to speak on the resolution last year and I know it was he that moved the amendment suggesting that the farm license plates be reduced, the fee for them. He says on Page 1313 -- that was an unlucky number; it's a double thirteen -- he says, "I don't care what they do in Alberta and Saskatchewan," he said. "What I am interested in is what they are going to do here in the Province of Manitoba." Madam Speaker, we couldn't be in more agreement, and I must say that we along with him are very disappointed that they have failed to do anything.

He said, "I am interested to know what we are going to do right here in the Province of Manitoba for our farmers," and he says, "I think that we have a better way, a better way of doing it," and then he proceeded to move his amendment, and he says that he expects that the governments of the other provinces will beat a path to our door, will be so eager to have this reduction in licence fees that they'll beat a path to our door. There's a lot of farmers in this province that's beating a path to the government's door, I'll tell you, still waiting for one or the other, either a reduction in the price of licence fees or the use of colored gas, but last year, my honourable friend the Member for Souris-Lansdowne said last year that he was really afraid to allow the farmers the use of purple gas in their trucks because many of them spend the winter in Florida. "And so I don't want to see all of our farmers leaving the country with a barrel of gas in the back of their truck and taking off for the winter months," he said.

Well, there's a farmer speaking, and Madam Speaker, you know something about these farming conditions in this province --(interjection)-- Who made this statement? The Honourable Member for Souris-Lansdowne who is a farmer. He's suggesting two things when he made a statement of that kind, that all of the farmers are wealthy and that they have no regard for the law. Most of them will take off to California in their truck and load up barrels of gas in the back of it to get them there and back. Now, the inference, both inferences are completely wrong as anyone will know. Surely to goodness, Madam Speaker, we don't have to go into a long debate to try and establish once again that there is in fact a cost-price squeeze. Surely after having spent how many hours on the Agriculture estimates? About 25 or something like that --(interjection)-- Pardon? Madam Speaker, for the benefit of Hansard I want this put on record. What did my honourable friend say?

MR. JAMES H. BILTON (Swan River): I asked the question, whose fault was that?

MR. SHOEMAKER: Whose fault was it that we spent 29 hours on Agriculture Estimates? If you will permit me to speak an hour and 20 minutes I will proceed to tell my honourable friend why it was necessary, but on the debate here I'm only allowed 40 minutes today, am I not? Yes, but -- well I guess perhaps, Madam Speaker, there is some excuse for my honourable friend having made the statement of that kind because he was in the hospital during the Agriculture Estimates and I'm happy to see him back in the House today.

Now the Honourable Member for Souris-Lansdowne, after he made that statement a year ago, said, "I don't think there's much else I have to say only to hope that the urban members of this Legislature speed their speeches up a little and let the farmers get back on the land." That was April 20th last year. He says that he completely endorses the idea that the farm licence plates should be reduced and he thinks that this would result in a saving of half a million dollars. But it didn't mean anything. It didn't mean a thing! It didn't mean anything. Now this year the same member, the Honourable Member for Souris-Lansdowne, tells us that several things have happened. He got married and he has a boy; his wife and his son are off to Honolulu. They went to Florida the other time; this time they took off by air to Honolulu as a result of the cost-price squeeze on the farm. This enabled them to go off, to escape it perhaps. To escape

(MR. SHOEMAKER cont'd). . . . the cost-price squeeze they took off for Honolulu, and appointed Dr. Gillson to look into the matter while they were over in Honolulu.

MR. P. J. McDONALD (Turtle Mountain): Will the honourable member permit a question?

MR. SHOEMAKER: Will I permit a question? Certainly I will.

MR. McDONALD: Did you every think of putting in an application to perform at the Manitoba Theatre Centre?

MR. SHOEMAKER: I didn't get the question, Madam Speaker.

MR. McDONALD: Would the member consider putting in an application to perform at the Manitoba Theatre? Entertaining, yes.

MR. SHOEMAKER: Like the fellow said when he was asked to change a \$5.00 bill, thanks for the compliment.

Now, Madam Speaker, the Honourable Member for Portage la Prairie says that he thinks there is some slight difference of agreement and opinion between certain Conservative members in the House of Commons and their counterparts in this province. I think that's what he said. And he cited one striking example of that. Now I could cite several striking examples of it myself, one touching on the subject matter of gasoline. Now I don't know how many mail truck carriers we have in the province - not too many; but the Honourable Member for Marquette got up in the House of Commons and said this: "The Federal Government was urged on Tuesday to revise its mail contracts upwards so that mail contractors in Manitoba would be able to offset the additional burden of Manitoba Government's increased gasoline tax. Nick Mandzuik said the Manitoba Government's recent hike in gasoline had imposed a real hardship on mail contractors that were using trucks."

Now here's Nick Mandzuik, who is a real personal friend and a political friend of a lot of people opposite, that has such concern for the mail truck carriers of this province that he got up in the House of Commons and suggested that there should be an increase in their contract to take care of a tax that was imposed by this government. That's exactly what he said in this article. And Madam Speaker, for every mail trucker there must be a thousand farmers at least - at least - and we're speaking for a thousand times as many people as Mandzuik was speaking for, and if my honourable friends agree with what Mandzuik has had to say they will certainly agree with what we have to say - or should. They should be that consistent.

Now the other matter that shows disagreement. You will recall that when I spoke on the main motion the other day I was quoting from the Saskatchewan Hansard where the Premier of that province in presenting the bill said that as far as he was concerned he considered it the most important bill to be presented at the Session last year, and he gave his reasons for believing that it was. And then he ended up by saying: "I challenge everyone in this House or anyone in this House to vote against this one," and there sure wasn't anybody voting against it. But the odd thing was, as I said before, that the Conservatives, all of the Conservative Members in Saskatchewan got up and tried to claim that it was their idea, that the whole thing was their idea. Well, his idea, I should say, because they only have one Conservative member up there, so I should have used the singular rather than the plural. But surely he was speaking for the Conservative Party in Saskatchewan. Surely he was. Surely Mandzuik is speaking for the Conservative Party in Ottawa. Well, if they're not then I want my honourable friends to get up and say what is the difference between the Saskatchewan Conservative and the Manitoba Conservative; explain the difference in policy that they have.

Now I attempted the other day to establish what the saving would be if we went along and granted the farmers the use of coloured gas in their trucks, and it was such a simple calculation that I thought my honourable friends opposite, as simple as they are on a lot of things, would understand this one. Because I used a lot of their figures. I asked them how many farm trucks we had in Manitoba. They told me 38,200. Anybody in Manitoba knows what the gasoline tax is; it's 17 cents a gallon. It's gone up about four times, hasn't it, since this government took office? But it's 17 cents now. It has been established in Saskatchewan, despite my honourable friend's remarks from Souris-Lansdowne, it has been established in Saskatchewan and I think pretty well established in Manitoba that the average farmer uses 500 gallons of gasoline in his farm trucks so it was simply taking 38,200 trucks times \$85.00. How did we get the \$85.00? Five hundred gallons of gas at 17 cents and it worked out to \$3,249,550. That's the way you get it. It's the way Saskatchewan got it.

Now, this man Dr. Gillson and Dr. Menzies that my honourable friends opposite want to appoint to look into this whole matter rather than pay it, rather than to go along with our resolution, had something to do with some reports that I had in front of me. In fact, as I said

(MR. SHOEMAKER cont'd).....before, I was the only member in this whole House out of 57 members that went out and listened to the farm conference at the University one night that we had off. It there's another member that was there let him stand up and say he was there. Why did I go out? To hear Dr. Gillson, that's why I went out. And he presented a lot of the material that I have here. I'm not going to say that he compiled this one but this is the Farm business Summary for 1964 that is made available by the Department of Agriculture to every member of this House, and I question whether there's many members of this House that has this document in their desk either. It just proves they don't seem to be too interested in alleviating this cost-price squeeze. They talk about it but they don't, as I said, put their money where their mouth is.

Now in this document on Page 21, if anyone is interested in looking it up -- I don't suppose they are, Madam Speaker, but it is put out by the government and it's compiled by W. R. Johnson and J.C. Lowe, Economics and Publications Branch, Manitoba Department of Agriculture and Conservation, and it is a report of what my honourable friend the Minister of Agriculture calls the elite group of farmers in this province, those farmers who have taken the time and the trouble to keep close records of their operations. The Summary certainly points up a lot of things if you want to start analyzing this one, but on Page 21 is a summary of the earnings and the expenses of this elite group, a number of which, according to the Minister, have now graduated. I don't know where to but he says they've graduated. They've graduated to the point that it has been established that they earned less than five thousand

MADAM SPEAKER: I think the Honourable Member should stay on the topic.

MR. SHOEMAKER: O.K. I'll get back to trying to make a second point as to how much gasoline is used on a farm in a truck. So, on Page 21 of this document where it is outlining the summary and earnings of 78 farms, the average - the average for the car is \$275; the average for the truck is \$296 - and it does point out that it went as high as, this is expenses for the car, went as high as \$347 and went as high as \$491 for the truck. But I am just taking the average of \$296.00. Now, the price of gasoline - that is second grade gasoline - I think it would be safe to say is roughly 44 cents - in that neighbourhood, 44, 45, 43, 44 - and the tax is 17 cents; therefore the tax represents 40 percent of the total retail price. Forty percent of 44 is 17.4. So if we are to assume that even \$200 of the \$296 recorded in here is for the use of gasoline in his truck, you would have \$80 of it as being the tax. That is pretty simple to establish that. It's just further proof of what I pointed up the other day and further proof that the end saving for all of the farmers in this province would be slightly over \$3 million. And there is further evidence in this book to point this up.

Now, it has been established too, or someone has said - in fact I believe that the amendment that we are expected to vote on, do you know what - do you know if you were to read just one of the "whereas" paragraphs in this resolution, it is amazing to think that anyone could think this up. It says: "Whereas the farmers of Manitoba have requested the government, through their farm organizations, to exempt from taxation that portion of the gas used in the farm truck while it is being used as an agricultural implement on the farm." The farm organizations did not ask for that; or if they did, I would like to see their resolution. Do you know what this would mean? We've heard the old story about having two chickens in every pot. This would mean two gas tanks on every truck. It would mean exactly that. And "Whereas the farmers of Manitoba have requested" - and "Whereas the farmers of Manitoba would not wish that such a change was made unless it was shown that any such exemptions were based on reasons which are both economic and socially sound, supported by adequate evidence, assuring all citizens of Manitoba that such exemptions were not a special consideration but were in the best interests of the province generally". Well, if Dr. Gillson comes up with a recommendation; if he does, to make it right and proper to use coloured gas in farm trucks while being used on the farm only, then there is only one way around it and that is to have two carburetors on every truck and two tanks on every truck and switch from one to the other. The minute you leave the farm gate, switch over. That's exactly what it would mean. So that is completely unfeasible and unworkable and further adding to the cost of farming.

Now I know, Madam Speaker, that even the press were confused when this new gasoline regulations went into effect on January 1, 1964. I know they were, by a report that I have here, because this report suggests - it says, under the new system this won't be possible because the coloured gasoline will leave a clear mark on the gas tank --(Interjection)-- Read it all? Do you want me to read it all? It's a pretty short one. It says, "The Provincial Government has finished drafting a series of forms which will pave the way for Manitoba farmers to

(MR. SHOEMAKER cont'd). use coloured gasoline in their farm vehicles as of January 1, 1964. " What does it say? What did it say? It says, the government is paving the way for them to use coloured gasoline in their farm vehicles as of January 1, 1964. It's the opposite, is what the paper is saying. After we debated this thing for - I don't know how long - two or three years ago, the papers got the idea that it would permit the use of coloured gas in farm trucks. It goes on to say in this article - this is the Winnipeg Free Press, Saturday, November 2, 1963 - "The new system of administrating fuel sales will replace the rebate plan at the end of the year. The main rule change passed at last spring's legislative session is that farmers must use coloured gasoline and motive fuels in their farm vehicles." Well they were even confused, Madam Speaker, on that one. And my friends opposite are thoroughly confused.

Now I realize, of course, Madam Speaker, that the Honourable the First Minister when he was moving this resolution back in April 1963 when he spoke on the budget, said, "It is a matter of some regret that I find it necessary to propose the introduction of coloured gasoline and motive fuel for tax exemption purposes." And he says that he believes the farmers are abusing it to the tune of about a half a million dollars and therefore he had to introduce it. Now, according - we have not had the budget for this year, but last year it is reported as respects the percentage - the revenue to pay for all of those items we passed last year, that the gasoline and motive fuel users tax would bring in \$35.5 million. That's what they said last year. Now if we exempt, if we exempt the gasoline that is used in farm tractors only and if it has been established that there is a saving of \$3 million, it will only mean a drop of 10 percent in this revenue.

However, Madam Speaker, as I say, we could talk about this thing for days on end and the government, because of their majority, they will vote us down again; there is no doubt about that. And so I want to give the amendment - make it a little more meaningful - and so I propose to move, Madam Speaker, seconded by the Honourable Member for Lakeside, that the amendment be amended by striking out all of the words after the word "that" in the second line thereof and substituting the following: This House urge Dr. J. C. Gillson to complete his study as quickly as is consistent with the importance of the subject so that the government will have no reason to further delay the implementation of this necessary assistance to the farmers of Manitoba.

MADAM SPEAKER presented the motion.

MADAM SPEAKER: I'd like to take this resolution under consideration and I'll give my ruling on it at a later date.

The proposed resolution standing in the name of the Honourable the Member for Elmwood.

MR. CHERNIACK: Madam Speaker, in the absence of the honourable members, I beg leave to move, seconded by the Honourable Member for Logan, WHEREAS in the area of consumer purchasing there are numerous complexities and continually altering conditions and devices which have the effect of nullifying or blunting legislation designed to protect the consumer; and WHEREAS long range improvements in this area are contingent on a continuing program of research, education, supervision and legislative review; and WHEREAS it is necessary to maintain a favourable climate for consumer purchasing just as we now concern ourselves with providing a favourable climate for industry and commerce; BE IT THEREFORE RESOLVED that the government consider the advisability of establishing a Department of Consumer Affairs.

MADAM SPEAKER presented the motion.

MR. EVANS: On a point of order, it does seem to me that consideration should be given as to whether this is in conflict with a matter already debated and I think decided in this House in this Session. I am not urging one point or the other and I am not sure that it is a clear cut matter, but perhaps you would wish to hear contributions from the House at this stage and then give your decision.

MR. MOLGAT: Madam Speaker, on a point of order, is the Minister referring to the fact that the House has agreed to set up once again the Committee on Consumer Credit? Is this the basis on which he feels that there is a conflict?

MR. EVANS: That was the matter I had in mind, yes.

MR. CHERNIACK: speak to the point raised. A suggestion was made yesterday when we were dealing - was it yesterday - when we were dealing with the question of consumer credit that the field of consumer protection should be involved in that debate and if you will recall, I think you were present, Madam Speaker, in the House at the time, the

(MR. CHERNIACK cont'd). Chairman of the Committee which dealt with this matter ruled that it was out of order being an alternative or other matter - other than that of the resolution. I think that the fact is that at no time was there any discussion relating to an appointment of a Department of Consumer Affairs. It seems to me very clear that there was no discussion even peripheral on this question of consumer affairs, which of course is not limited to consumer credit at all.

MR. EVANS: If I might make an additional comment, it does seem to me that we have two matters, one is credit and the other is thought to be other matters referred to under the term of protection. If this resolution is thought to include in such a department, the responsibility for consumer credit, it does then seem to comprehend the matter already debated and perhaps decided. If however, they say the definition could be cleared in such a way that the present motion relates to matters other than credit, it does seem to me that they are two separate and distinct matters.

MR. CHERNIACK: If I may deal with that again Madam Speaker. In the first place I used the word "consumer protection" today in relation only to what was discussed in committee the other day. The resolution itself does not deal with consumer protection and the Honourable Minister is wrong in suggesting that there are just the two issues - consumer protection and consumer credit. This resolution is an all embracing resolution dealing with the affairs of consumer transactions and problems as the preamble indicates. This is very much broader and if in the scope of debate it is pointed out that credit might come under the question of Department of Consumer Affairs, well then to the extent that every facet of our lives are affected by all the variations in Health Department and all the other - Education, then surely you can't limit debate just because we may have touched on one small facet.

MR. MOLGAT: Madam Speaker, if I may just say a word on behalf of our group in this regard, it seems to me that yesterday if I remember correctly, I was just checking my Hansard to verify it, but it seemed to me that yesterday when we discussed the resolution on the committee, and I think the point was made at that time, the attempt was made to change the wording to "consumer protection" rather than straight "consumer credit" and this was considered as not proper. Now surely if the committee is set up to consider strictly consumer credit, then the resolution as before us now, which is on really much broader terms, and really is one that even if we had agreed to discuss, in my opinion, consumer protection in the committee, this is going into another field. This is really asking for the establishment of a department and I cannot see that there is a conflict there.

MADAM SPEAKER: In my opinion this matter was referred to in the Throne Speech and yesterday, in my opinion, the government set out its policy in setting up it's committee. I think that this is an abstract resolution asking for the establishment of a Department of Consumer Affairs and in my opinion it is in order.

MR. CHERNIACK: Thank you Madam Speaker. The New Democratic Party accepted as one of it's most important planks in it's platform, the consideration that ought to be given on behalf of the consumer in the Province of Manitoba and we have in the past, brought various resolutions which deal with this very important part of the economy of the province and I would not like to repeat and dwell on the debate that we have had in the past. I felt that they were beneficial and I sincerely believe that the debate that we had, the resolutions that we have brought, resulted in the whole vast work that was done by the very committee which the Honourable Minister for Industry and Commerce deals with, so that I feel that having taken that one step the next logical step is to consider the broader aspect of the field and I said earlier and I reiterate, that consumer credit protection is something that's vital and of course, part of the whole problem of consumer affairs but there is so much more involved. There is so much more involved beyond that, that we feel that it is high time that the government recognize it's responsibility to this group.

Such examples as I might offer in the work of such a department would be one that would review advertising methods that are used in presenting services and goods to the public. Truth in advertising would be a very important part of the work of this type of department; the assurance which government must accept as a responsibility; which indeed it has accepted by accepting the interim report or the last report of the committee on Consumer Credit. If there can't be a Minister, and a Department appointed to look after this item, then I question the validity of other departments of government that we have today.

A department of this type would be like the departments we have, the other departments in government - informational, educational, administrative, the ability to negotiate with private

(MR. CHERNIACK cont'd) groups and private suppliers and private sales people to negotiate on behalf of the people of the province and most important of all, and I stress this - the ability and the facility to enforce whatever laws that are passed for the protection of the consumer.

Now there may well be a suggestion made that the Better Business Bureau does a good job, and I want to say immediately it does. The Better Business Bureau with its limited means and a limited membership, does a good job within those limits of its ability but the one limit that is completely, that is there at all times is the lack of the ability, the right and the finance to enforce laws and regulations which are imposed for the protection of the consumer.

Now if one looks at the front bench, in this House one is of course first impressed with the attractiveness of the personnel on it, but one then looks beyond that into the job they do that when advertising is published that there would be adequate supplies to meet the normal demand that follows such advertising.

A whole important facet would be the question of true weights and measures that would be revealed in the packaging of goods, the whole manner of packaging could be reviewed and I only draw to your attention Madam Speaker, the discussions that have gone on for a number of years and have not yet been resolved on the method in which goods are displayed. I refer for example to the way bacon is wrapped with the cellophane window that may completely conceal the actual true quality of the goods. This would be the kind of a thing that I would think that the department would have a real contribution to make to the protection, to the education, to the better economic use of monies by the consumer. The whole question of giveaways, and what are their function and purpose? Are they really a dividend or are they indeed only an enticement which is based on a false motivation? Is it something that is meant to appeal to, the word isn't avarice but it is the desire to get something for nothing, that seems to be suggested in giveaway programs.

Sales technique need to be studied, need to be clarified and obviously as I said earlier, the whole question of consumer credit which is recognized now by this House and not alone in this province, as being a vital matter which needs constant attention because the techniques used in extracting money from people, and I'm now talking about the bad sense of the way techniques are used, is something which is changing constantly and one sees that there is a picture there of the whole life of the community of Manitoba. One sees that there's a reflection there of the various needs and demands of sections of society - the agricultural needs, the needs for welfare, the needs for development of mines and natural resources, the recognition that industry and commerce is a vital field for the future of Manitoba. I skip the money matters of treasury and I point out that law enforcement is of course one of the mainstays of democratic life. I move on of course to education and to health which are apparently the first and second in importance in the objectives of this government, and looking at the bench behind it, one sees the need for the provision of public works, for the protection of labour, and for the development of municipal affairs and municipal services and of course public utilities are a vital part.

Madam Speaker, there is no vacant chair that one can see, but there is a vacant seat in the bench of the cabinet when there is complete rejection as there has been up to now of the recognition of a seat for a Minister who is charged with the responsibility of looking after the consumer and I suggest that if one thinks of all the various segments of society, of our economic grouping, if one looks at the numbers of people involved and the weight of the problem, one should recognize that today the consumer is the largest unorganized economic group in Manitoba. The group that has no self protection - the group that needs more protection - the group that needs most education in that very field, where that group is dealing at all times with a highly sophisticated system of salesmanship, of techniques of development, of presentation, of the articles which that consumer purchases, and I say that this sophistication involved in the techniques that have developed is one which is probably the most sophisticated ever devised.

Now many of the states of the United States have considered the problem, recognized the need, established departments. Now when I say departments, they may be departments within departments but in many of the states of the United States there are departments of government who have accepted the responsibilities which I have suggested this government should accept. There are substantial benefits to be derived and that have been derived in protecting against unfair practices, in protecting against illegal techniques and in protecting the general recognition of the provision of better services, better goods for less money.

(MR. CHERNIACK cont'd).

I would appeal to the government to recognize the need and to accept its responsibility to meet the need by, in the wording of the resolution "That it consider the advisability of establishing a Department of Consumer Affairs."

MR. COWAN: I move, seconded by the Honourable the Member for Lac du Bonnet that the debate be adjourned.

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

MADAM SPEAKER: The adjourned debate on the proposed resolution of the Honourable the Member for Carillon. The Honourable the Member for Assiniboia.

MR. PATRICK: Madam Speaker may I have the indulgence of the House to have this matter stand.

MADAM SPEAKER: The proposed resolution standing in the name of the Honourable the Member for Seven Oaks.

MR. WRIGHT: Madam Speaker, I beg to move, seconded by the Honourable Member for Logan that WHEREAS it has been demonstrated in most countries of Europe and in the Province of Saskatchewan that a prepaid comprehensive plan of medicare can be a practical reality; and WHEREAS the Royal Commission on Health Services recommends a government sponsored health insurance program for all Canadians, administered jointly by the Federal and Provincial Governments, and financed by taxes and premiums, without a means test; and WHEREAS the report of the aforesaid Royal Commission conclusively demonstrates that coverage of an entire population under a government sponsored plan costs society no more in relation to Gross National Product, Gross National Income and Gross National Expenditure, than does coverage of only a portion of a population under a private health insurance schemes; and WHEREAS the Commission rejects private plans as being too costly, inefficient and incomplete, but supports a comprehensive government-sponsored plan; THEREFORE BE IT RESOLVED that this government consider the advisability of urging the Federal Government to establish a national plan of comprehensive, universal health insurance, or a joint Federal-Provincial scheme of universal comprehensive health insurance, or failing both of the above, the establishment by the Provincial Government of a universal comprehensive health insurance plan for the citizens of Manitoba.

MADAM SPEAKER presented the motion.

MR. EVANS: Madam Speaker, I wonder have you considered whether this motion is in order in view of the announcement I think it was yesterday from the Minister of Health covering the same topic.

MR. DESJARDINS: Madam Speaker, all through the estimates of the Department of Health, the Minister has refused to give any information, or very little information, after the initial statement on Medicare. As explained at the time there's a lot of people who want to know if this is feasible and this is the best way to find out when it's made like this because we haven't received any information at all - I shouldn't say at all, but not what we wanted, from the Department of Health, and I think, Madam Speaker, I suggest that this would be in order. It certainly would be beneficial for the people of Manitoba to have a chance to discuss to see if this plan is advisable or not.

MR. FROESE: Madam Speaker, on a point of order too. The plan as yet is not consummated. Apparently they are still in discussions and we will not hear of the finalized report I take it until a year from now, so certainly this should be available here for discussion.

MR. WRIGHT: Madam Speaker, I thought that the difference between the words "universal" and "voluntary" - they seem to me somewhat incompatible and I thought on that point alone there could be debate.

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MADAM SPEAKER: In my opinion the resolution is in order. The Honourable Member for Seven Oaks,

MR. WRIGHT: Madam Speaker, I may say that I am a little surprised but I want to thank you for your decision, Madam Speaker, because I really believe there is incompatibility between universal health care, a scheme of health care, and one announced by the Honourable Minister of Health.

Now, the objective of good health care is now a practical reality in this year of 1966, and we know there has been much talk since 1919 of this comprehensive type of health care. We saw opposition to the Manitoba Hospital Services Plan; we were told that the people weren't ready for it. In fact I have been going back in the journals and finding out that as far back as 1954 a resolution came before this House in regard to establishing Manitoba Hospital Services Commission, so it's not impractical. Now we all know that the Hall Commission has made certain recommendations and this Commission has been considered as one of the most diligent ever to make recommendations to the government.

I think, Madam Speaker, that one of the difficulties in trying to forward this new idea has been that too many people have been telling us that the costs would be staggering, that we could not afford it. The Hall Commission makes the point that it can, and it also points out that we must not be misled by the Second Economic Report wherein it states that "priority must be given to education," because in this report it states that education without good health would certainly be inconsistent.

Now in the Province of Saskatchewan, Madam Speaker, there was a hue and cry raised there too about the exorbitant costs and how it was going to break the province but before the scheme there the total cost of medical care in Saskatchewan was \$18 million. The difference today is around \$3 million and yet we were told of the fabulous costs that could be looked forward to in Saskatchewan. People are paying for medical care now. It's just a matter of how much extra in the way of care do we require. We know that we have to have more trained people. We could see this a long time away. So that instead of costing the people of Saskatchewan \$24 million plus what the opposition said would run into some \$70 million, it's costing the people of Saskatchewan now some \$3 1/2 million more than they were paying before the comprehensive scheme came in.

I pointed out last year, Madam Speaker, that the idea is not new, and just as the hospital services plan was opposed, and how we were led to believe that the country would go to ruin by trying to pay for it, there are few people who would stand up today and say that the hospital services plan although it is compulsory, is not a complete success. While we may criticize it in this House from time to time, we cherish this as a great step forward.

The Toronto Star has repeatedly carried editorials about how the country really needs and wants comprehensive medical care. I also pointed out from time to time about the inadequacy of the Manitoba Medical Plan here. I have said that while much good work is done by it, it doesn't cover the group that we are most interested in. We always make the point that you have to be completely indigent before your worries will cease in Manitoba. We are concerned about the people on marginal incomes, the people who are still managing to struggle along and find it completely impossible to pay into medical schemes. I have said many times about old people who do pay out of their \$75.00 a month, they do pay some \$15.00 per quarter to cover themselves under the Manitoba Medical scheme; and yet I know in one case, an elderly lady, her chief requirement is expensive drugs and yet she cannot get them under the Manitoba Medical scheme. As good as it is, it isn't sufficient; it's not comprehensive. This is the point that we are trying to make.

Now, we think it's inevitable that health insurance is coming to Canada and we're disappointed that provinces like Alberta and the Province of Manitoba have seen fit to introduce what we would say compromise schemes of making them voluntary. I don't think the word compulsory is such a terrible word when we look on education as being compulsory; we have such things as vaccination and we get over this word. It seems to me it all depends on how you look at it. It's like private enterprise or public ownership, Madam Speaker. Some people would frown on public ownership of natural gas, but they would go along with the idea that Manitoba has two of the finest publicly-owned utilities in North America in our Manitoba Hydro and Manitoba Telephone System. I suggest that in 1966 we should take a look at this new concept of using the majority to help the few. There's a law of averages, the principle of averages in insurance where the many rally to the unfortunate position sometimes of the individual. This is the idea of having a universal, compulsory scheme of comprehensive medical care.

(MR. WRIGHT cont'd)...

I mentioned this morning, Madam Speaker, that cost of drugs is of great concern to the people of, not only Manitoba but of Canada. I mentioned this morning, that I withdrew a resolution in 1962 because the Federal Government had set up a committee to study the costs of drugs. Little or nothing has been done since 1962 and as recent as last week this committee has been reconstituted with 24 members. We're only hoping that they will be able to throw some light on the reasons for the high cost of drugs in Canada because it seems in North America today, for the first time in history, the costs of drugs are now exceeding the cost of medical care and when one hears so much about the need for using generic names now, instead of the names of the people who produce them, and whereby large costs savings can be made, surely this is a place for government. Surely this is just as important, and I suppose we could even encompass this under consumer affairs.

But I think that we are trying to hold back the tide when we're saying that we cannot afford to have a comprehensive health scheme in Manitoba. I don't think that we have to wait. I believe there are certain elements in Canada who would like to see the national plan scuttled, even at this late late date. I really believe that. Because we must remember that we have waited since 1919 for this and this would be a terrible thing in my estimation.

I hope that the scheme announced by the Minister will be better than I think it will be because I don't see how you can get through a voluntary plan the universality of a scheme - you may get 80 to 85 percent -- (Interjection) -- but you will not get it, I don't believe. If this is so good, at least if our hospital services plan is working out so well, I cannot see why th government saw fit at this time to introduce a scheme which allows for the voluntary aspect.

Madam Speaker, we have been standing this resolution anticipating that it might be covered in the government plan and we are of the opinion that it hasn't been, hasn't been covered; not the way we would like to see it. We think that it is a watered-down plan. We don't think it will produce the same benefit to the people that really need it. Much has been said about the Alberta plan, but when one compares it with Saskatchewan, you can see that the very group of people that we are most concerned in are the ones that are left out. This is the sad fact of the whole matter. People who can afford it, we have no worry about them, but you will find that you will have this group that qualify under the Social Allowances Act who are taken care of; you will find the people who have means will be taken care of but you will find that a great proportion of our people under this plan will not be covered. Madam Speaker, thank you for allowing my resolution and I would ask support for it.

MR. WITNEY: Madam Speaker, I beg to move, seconded by the Honourable the Attorney-General, that the debate be adjourned.

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

MADAM SPEAKER: The adjourned debate on the proposed resolution of the Honourable the Member for La Verendrye, and the proposed amendment thereto by the Honourable Member for Arthur. The Honourable the Member for Carillon.

MR. STEVE PATRICK (Assiniboia): Madam Speaker, in his absence may this matter stand please.

MADAM SPEAKER: The adjourned debate on the proposed resolution of the Honourable the Member for Logan, and the proposed amendment thereto by the Honourable Member for Springfield. The Honourable Member for Assiniboia.

MR. PATRICK: Madam Speaker, it has not been determined as yet how much labour displacement has taken place in Manitoba because of automation and I think it would be completely irresponsible to pretend that no displacement has taken place or no displacement will occur in the future. I think this would be completely irresponsible and I would say as far as this government is concerned, they are responsible as far as automation is concerned, because last year if you recall we did have an amendment to the government amendment and it was just at the time when the second annual report came out from the Manitoba Economic Consultative Board and our amendment was in line with what they recommended to the government. On Page 6 in the Annual Report this is what the Committee had to say to the Government in connection with automation: "A second area of immediate concern to the committee is the likely effects of automation on the provincial economy. It is proposed that a case study be undertaken of the impact of automation on the white collar worker in the coming year as a first step study to the effects of automation on manpower in the province."

It's strange that the government voted against this amendment of ours which was in line

(MR. PATRICK cont'd)... with the committee the Consultative Board had recommended to the government. Their amendment was similar to the one the member proposes this year and he says that "the government continue to study and co-ordinate along with labour and management representatives, measures that will ease the social and economic effect of technological change." Madam Speaker, I would like to know who is making the study and where is there such a committee? I don't recall of any committee being set up. I don't believe the Woods Committee is studying this at all and I just can't understand what this means. They had the same thing last year and I feel this is a complete lack of responsibility to say that we will continue to study because I don't believe there is anyone studying this problem at the present time.

He also said that the Speech from the Throne indicated that a new youth and manpower agency will be established the duties of which will include the co-ordination and development of governmental studies and programs relating to technological change. Now I don't know what this youth agency is going to be at this time because the legislation has not been brought in. What is a youth agency? Is it somebody from age 7 to age 18? At the present time we don't know anything about it, so as far as I'm concerned, the government is completely acting very irresponsible on this matter.

Automation will only be a success, Madam Speaker, from the national point of view if we can teach people who are displaced the skills they need to fill the technical jobs that automation has displaced. I can't see why we should permit workers to be displaced or out of jobs for no reason of their own, because of automation.

Madam Speaker, since the industrial revolution change has been rapid, but even the Twentieth Century concept of mass production was a gradual change compared to the changes brought about by computers. And if you recall, some economists and one by the name of Robert Theobald has probably started the biggest controversy in United States and Canada by some of his books on automation and cybernation - and I believe he was here in Winnipeg to talk to the New Democratic Party -- (Interjection) -- is he? Well, I would say at this time, I probably agree with some of his points but not all because he does paint -- (Interjection) he does paint a lot of gloom and doom by some of his ideas. But, Madam Speaker, if what Robert Theobald claims is that automated machines controlled by a process described as cybernation will do away with most of the work done by people now and will be done by computers, this is an important thing because if Theobald is correct, it means a guaranteed annual income for many people in the country and it will mean education for leisure time.

On the other hand, the economists such as Peter G. figure that automation, so far at least, has created more jobs than it has lost. If these economists are correct, then the answers in education must be solely placed on new technological skills. I think this is what this government should be doing now and they seem to be neglecting any studies that are required in the Province of Manitoba for automation. Every day the skilled men find it harder to get a job. Every day a man knows that one trade is becoming obsolete and he doesn't know what to do next. So I say it is most important that the government does do something to institute programs so they can be retraining people that are displaced by automation.

I wonder what efforts are we making towards operating a retraining work force. What efforts are we making to reduce dislocation to the good worker who is displaced for reasons beyond his control. I think government, labour and management must all accept a direct responsibility to this individual. It is a responsibility that will vary in degree in varying circumstances but it must be accepted, I believe, by three groups jointly. The primary responsibility of management is to the stockholders to give them a secure return on their investment. The prime responsibility of the union is to membership to give them good working conditions. But each has a wider responsibility and this extends to encouraging the increase of productivity. With government, they both have a responsibility to reduce the adverse effect from any change.

I don't think in Manitoba at this time, Madam Speaker, we have begun to study these problems in any organized way. Even in British Columbia, a province that is somewhat behind in industrial relations as compared to some of the other provinces, has instituted and set up a committee to study the effects of what automation will have on the people in their province.

Madam Speaker, the main thing that I found wrong with the resolution as presented by the New Democratic Party was that they seem to have put most of the blame on management and forgot about the organized labour and I think that organized labour have a responsibility to play in automation.

I also have reservations about severance pay because union people themselves are far from agreeing on severance pay. It may have some good ideas but I think it might be quite easy

(MR. PATRICK cont'd)... for an employer to pay an employee a certain figure to get rid of him and not to be concerned where he is going to get a job. I think if the employer and the government would be concerned about retraining the employee it may be much better than severance pay and getting rid of the employee altogether.

These are a few of the things that I wanted to mention, Madam Speaker. I think as far as the amendment by the government, or the Honourable Member for Springfield, I think that they're just completely showing lack of responsibility as far as this matter is concerned because I can't see what committee, who is doing this work to continue to study the effects of automation and technological change. This is what the resolution had to say. So Madam Speaker, I beg to move, seconded by the Honourable Member from Carillon, that the amendment be further amended as follows: (a) By deleting the fourth paragraph; (b) by striking out of the fifth paragraph the words "continue to" in the first line thereof and by adding after the word "labour" in the first line thereof, the words, "agriculture and education"; (c) by adding after the word "change" at the end of the resolution as amended, the further paragraph: "And be it further resolved that pending the implementations from said study, that the parties be governed by the following guides: (a) the maximum of gain and the minimum of dislocation from automation requires the wholehearted support, co-operation of government, organized labour and management; (b) where a plant work force is to be reduced because of automation, the employees affected to be given notice of intent immediately and at least six months of the impending changes; (c) there be some flexibility in the interpretation of seniority and union jurisdiction; (d) government to take the lead in making retraining programs available with the advice and co-operation of labour and management."

MADAM SPEAKER presented the motion.

MR. WRIGHT: Madam Speaker, I beg to move, seconded by the Honourable Member for St. John's, that the debate be adjourned.

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

MADAM SPEAKER: The proposed resolution standing in the name of the Honourable the Leader of the New Democratic Party.

MR. PAULLEY: May I have this matter stand, Madam Speaker.

MADAM SPEAKER: The adjourned debate on the proposed resolution of the Honourable the Member for St. John's. The Honourable the Member for Selkirk.

MR. T. P. HILLHOUSE, Q. C. (Selkirk): Madam, in the first place I would like to congratulate the Honourable Member for St. John's in bringing in this resolution. I think it is an excellent resolution and I think it's a resolution which commends itself to everyone in this House.

In introducing his resolution he advised the House that it dealt with two parts: The first dealing with compensation for injuries suffered by a citizen who was called upon by a public officer or a peace officer to assist that officer in the execution of a lawful duty; the second matter dealt with the case of a citizen who received injuries at the hands of someone perpetrating a criminal act.

Regarding the second matter, I agree with the honourable member's reasoning and I would strongly urge and suggest that effect be given to his recommendation in respect of that matter. Dealing with the first matter, I think it would be advisable for the House to know what is involved in Section 110 of the Criminal Code of Canada, because the Crown takes a grim view of anyone who refuses to assist a public officer or a peace officer when called upon to assist that public officer or peace officer in the lawful execution of a duty.

Section 110 of the Criminal Code of Canada reads as follows: "Everyone who" -- and I'll omit Subsection (a) and deal with Subsection (b) -- "omits without reasonable excuse to assist a public officer or peace officer in the execution of his duty in arresting a person or in preserving the peace, after having reasonable notice that he is required to do so, is guilty of an indictable offence and is liable to imprisonment for two years." As I said, the Crown looks upon the refusal of a citizen when lawfully required to assist a public officer or peace officer in the execution of his duty, as a serious offence. Now when one considers the definition of a peace officer, one gets a better idea of what is involved in Section 110 (b) of the Criminal Code of Canada, and one realizes more fully the number of individuals coming within that definition who can ask assistance from a citizen. A peace officer is defined in the Criminal Code as including (a) a mayor, warden, reeve, sheriff, deputy sheriff, sheriff's officer and justice of the peace; (b) a warden, deputy warden, instructor, keeper, jailor, guard, or any other officer

(MR. HILLHOUSE cont'd)... or permanent employee of a prison; (c) a police officer, police constable, bailiff, constable or other person employed for the preservation and maintenance of the public peace or for the service or execution of civil processes (d) an officer or person having the powers of a customs excise officer when performing any duty in the administration of the Customs Act or the Excise Act; and (e) the pilot in command of an aircraft registered in Canada under the regulations made pursuant to the Aeronautics Act while that aircraft is in flight.

Now that gives the Members of the House some idea of the number of individuals who have power under section 110 of the criminal code, to command assistance from a civilian. Now my interpretation of Section 110 of the Criminal Code particularly subsection (b) is that that public officer or peace officer must be exercising a lawful duty, but unfortunately, when a citizen is called upon to assist such an officer, he is not aware and has not time to consider the circumstances surrounding the act. In other words, he is called upon in a time of emergency and he has not the time nor the means at his disposal to determine whether or no that officer is legally acting.

Now my submission is, Madam, if an officer is not legally acting in the execution of his duty, but is illegally acting, and he calls upon a citizen to assist him, that citizen in my opinion would be guilty of an illegal act, the same as the officer would be; and when we consider the question of compensating a citizen for damages sustained while assisting a public or a peace officer in the execution of his duty, I think we should take into consideration the fact that it may be that that public citizen has acted in good faith and without any knowledge on his part that the officer who has asked for his assistance was not acting legally.

For that reason, Madam, I feel that in order to give to a citizen the protection that that citizen should have, in respect of compensation for injuries or damages, that the resolution of the Honourable Member for St. John's should be amended, and I therefore wish to move seconded by the Honourable Member for Lakeside, that the Resolution be amended by deleting the second paragraph of the preamble and the first paragraph of the operative part of the resolution, and substituting therefore the following: AND WHEREAS Section 110 of the Criminal Code of Canada inter alia provides that everyone who omits without reasonable excuse to assist a public officer or peace officer in the execution of his duty in arresting a person, or in preserving the peace after having reasonable notice that he is required to do so, is guilty of an indictable offense and is liable to imprisonment for two years; THEREFORE BE IT RESOLVED that the Government of Manitoba give consideration to the advisability of paying adequate compensation to any such person who suffers any damages, loss or injury whatsoever while rendering such assistance in good faith and in the honest belief that such officer was legally executing his duty in arresting a person or in preserving the peace.

MADAM SPEAKER presented the motion.

MR. HRYHORCZUK: Madam Speaker, I am in agreement with the amendment, but it occurs to me that before we should use public funds in paying any damages that may be suffered either to the person or to the property of the individual, that the courts should be in the position to have the offender liable for restitution in the first instance. I think we should go a little further than this resolution goes because take a case of where the offender is a person who is well to do and able to compensate the citizen who has helped the peace officer, there's no reason why - (Interjection) - like the Member for Ethelbert Plains or say the Leader of the NDP party, either one - in that case I think we should first look to the offender for restitution before we ask to be using public funds. This has come to me at the moment but I think it is something that should be looked at and probably somebody can offer an amendment along those lines that would fit into this resolution.

MR. GUTTORMSON: Madam Speaker, I rise to support this resolution which has been amended by the Member for Selkirk. There isn't much I can add to the debate, but one point I would like to suggest, and that is, if the House agrees to accept this resolution, and I hope they do, that we should extend this to cover persons who have been injured fighting fires.

Now I have a specific case in mind. In the rural areas we have voluntary fire fighters and they have authority to delegate or order people to fight prairie and bush fires if the need arise, and on occasion sometimes these people who are ordered to fight fires, suffer injury. In my constituency not too long ago a fire broke loose in the Eriksdale area and the fire -- I don't know what the proper name is, but the man who is responsible for getting people to fight fires, ordered this gentleman to fight the fire which was threatening a lot of land and buildings and while this man was fighting the fire he suffered a heart attack and as a result of this attack

(MR. GUTTORMSON cont'd)... he has not been able to work in his usual employment since that time. He was laid up for many months and now is finding a great deal of difficulty in obtaining employment because he is unable to resume his normal employment as a result of the heart attack. As a matter of fact, through the assistance of the Minister of Labour an amendment was brought in so compensation could be paid to this very man I'm referring to, but unfortunately after the government introduced the legislation, which was passed by the House, the Compensation Board still didn't see fit to pay the man compensation for the injury or the damage to his health as a result of him fighting this fire.

So I would urge all members of the House to support this resolution and if the committee is set up, as I hope it is, they will also consider paying compensation to men who are ordered to fight fires such as in the case I have referred to.

MADAM SPEAKER: Are you ready for the question?

MR. COWAN: Madam Speaker, I move, seconded by the Honourable Member for Pembina that the debate be adjourned.

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

MR. ROBLIN: Madam Speaker, I beg to move, seconded by the Honourable the Attorney-General, that the House do now adjourn.

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