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of the
Legislative Assembly of Manitoba
DEBATES
and
PROCEEDINGS

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Speaker*



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MANITOBA LEGISLATIVE ASSEMBLY
Thirty - First Legislature

Members, Constituencies and Political Affiliation

Name	Constituency	Party
ADAM, A. R. (Pete)	Ste. Rose	NDP
ANDERSON, Bob	Springfield	PC
BANMAN, Hon. Robert (Bob)	La Verendrye	PC
BARROW, Tom	Flin Flon	NDP
BLAKE, David	Minnedosa	PC
BOSTROM, Harvey	Rupertsland	NDP
BOYCE, J. R. (Bud)	Winnipeg Centre	NDP
BROWN, Arnold	Rhineland	PC
CHERNIACK, Q.C., Saul	St. Johns	NDP
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STEEN, Warren	Crescentwood	PC
URUSKI, Billie	St. George	NDP
USKIW, Samuel	Lac du Bonnet	NDP
WALDING, D. James	St. Vital	NDP
WESTBURY, June	Fort Rouge	Lib
WILSON, Robert G.	Wolseley	PC

LEGISLATIVE ASSEMBLY OF MANITOBA
Monday, 16 June, 1980

Time — 8:00 p.m.

**SUPPLY — ECONOMIC DEVELOPMENT
AND TOURISM**

MR. CHAIRMAN, Abe Kovnats (Radisson): This committee will come to order. I would direct the honourable members' attention to page 35 of the Main Estimates, Department of Economic Development and Tourism, Resolution No. 47, Item 1.(b) Executive, item (1) Salaries — the Honourable Member for Wolseley has 29-1/2 minutes.

MR. ROBERT G. WILSON: Mr. Chairman, thank you very much. Before we broke, I was touching upon some of the many positive things the Minister talked about and felt that I had heard many of these before and had looked at some of the goals that were set many years ago when I was a member of TCAM and other tourism organizations. Before entering political life I took a slight interest in tourism and, after entering political life, I signed up wherever possible for any board or commission that had anything to do with tourism and yet I had no vested interest. Being in the credit industry, I was very far removed from the tourism industry and I felt that helped give me an outside approach to the thing, rather than one of a vested interest.

I welcome the Minister's new approach, an outreach approach, because I agree that people are the best salesmen when it comes to the tourism industry. I note with interest that back, I believe it was 1974, when we had our imperception seminars and meetings, we had at that time a Friendly Manitoban code, which it doesn't hurt to put it back on the record because if people are going to become our best salesmen, with the Friendly Manitoban label then, I believe, some of these pearls of wisdom have to be repeated over and over again. I'll touch upon a lecture that I attended by John D. Hunt, an American who came to this province at the invitation of the former government, telling us what was wrong with tourism in Manitoba. I think in some of them he said that people in the industry have to speak to people, have a cheerful word of a greeting. They have to smile at people and they have to call people by name wherever it's possible because according to the experts the sweetest music to anybody's ear is the sound of their own name after only a casual meeting. He talked about being friendly and helpful, of being cordial, speak and act as if everything you do were a genuine pleasure when dealing with these tourists. Why am I spending a little bit of time in this area? Because even the Reuters New Service in the United Nations Address said that the Tourism, would be one of the most important single economic activities in the world by the year 2000.

So when we ask Manitobans to be generous with praise and cautious with criticism, to be considerate with feelings of others, to be thoughtful of the opinion of others, and this involves controversy in the hospitality industry where there may be three sides to a controversy, yours, the other fellow's and the right one. The Friendly Manitoban believes that

what counts most in life is what we do for others. Those were a few pearls of wisdom put out by government and I think we've come a long way. In the announcement by the joint federal-provincial governments, I remember being extremely critical when reading in travel magazines and periodicals across the country, the Member for Burrows had a chance to approach the federal government for joint advertising money but they chose to go it alone with their own type of films of water and lakes. All very nice, beautiful if you were somebody that subscribed to National Geographic, but they lacked a selling feature. They lacked something that only a government such as ours, and under the present Minister, would recognize, by getting involved with the joint federal dollars and that 20 million program over the next five years is extremely important to this province. But that money was available before but the former government never chose to pick it up.

I remember reading oil rich Alberta received something like 72,000 in a joint advertising program, I think at the time with PWA, to advertise the Jasper market. And here we were in Manitoba, we can't even seem to get the federal government to put anything together. I've yet to see a fancy, well-done brochure on the Clear Lake area. The only thing the federal, government does is increase the leases to the long-established corps of Manitobans and out-of-province members who have cottages in that area.

So I would like to see the federal government spend more money, as the Minister talked about in his address, on site development and site development is long overdue. If the former government had had site development the Lord Selkirk wouldn't have got into financial difficulty, in my opinion, and gone under because there could have been a marketing program. We could have picked up the Viking history; we could have picked up the Berens River and the Indian settlements along the lake; we could have had little crafts, hobbies and things to sell. People couldn't buy souvenirs on half of those trips, the only ones they could make were those that had been made in Japan or some other Asian country and shipped in. I think that was missing in the site development under the former boat that went up and down the lakes and now I'm pleased to say is in the private sector.

But something is lacking in Manitoba with site development. There seems to be a lack of a good cleaning-woman approach to it; there's lack of a scrub brush; there's lack of caring and upgrading of facilities. With the student aid that's available in the summer months, I would hope that the Minister might listen to what seems to be a situation that you notice at every beach you go to. You go to Hecla Island, a 10-million operation and the beach is covered with weeds. You go up a path to the lagoon and you reach a dead end. You have no protection in some of the hiking areas where you might, if you had been infestated with mosquitoes, be given the chance to take cover from them. There seems to be a lack of that polish that's necessary to put the finishing touches to what I consider a very interesting and certainly beautiful tourism vocation. I think the

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washrooms and the cooking shed facilities at some of the campsites, and the care of these facilities, and possibly a greater degree of signage and warnings with teeth in it that these vandals are going to be punished if they continue to demolish our particular facilities.

Right here in Manitoba, I had the privilege on Sunday to go for a drive and noticed along the floodway what an absolute potential that is there. We have these sheltered improvement programs trying to put welfare recipients to work on a basis. The city has tried it and it would be nothing better than to put them to work building barbecues along the floodway and cleaning up the beer bottles and debris and in the case of Sunday, I saw almost an entire three-room grouping of furniture scattered along one of the floodway roads.

The Minister talked about his association and a good one with the Canadian government travel office, but I would hope that he would have a better association with all levels of federal government. On the same drive that I took on Sunday, my daughter asked me, how come that gorgeous new Winnipeg Mint? You have 40, possibly 40 or 50, what seems 40 or 50 acres of absolutely gorgeous manicured well-cut beautiful landscaped area and there is not a human soul along that particular Mint site. I see absolutely nothing wrong with having benches in some form of park usage of that particular site. It doesn't make sense when you have people crying for open space that some effort isn't made to have a slight secondary road cut-off at the Southdale and go down into the Mint site to allow people to use those particular landscaped areas which is costing the taxpayers a great deal of money, I am sure, for maintenance, to have some form of quiet relaxed area for the residents of the Southdale-St. Boniface area.

I would like to see our Canadian farm vacation programs be given a little bit of a federal boost because I would like to see this huge influx of Asian tourists and especially from Japan that come into Banff. Banff is beautiful but on a three-week vacation, surely we could capture them for one week of that three-week vacation. I think nothing better than the Asian people who are cramped for land and space would appreciate, in coming and being tied into our agriculture phenomena, the farm vacation aspect of it and be able to visit a rural setting and certainly some of these professional farms that we might be able show them.

I think that it's absolutely a disgrace that the federal government, who pumps all kinds of money into the Banff and British Columbia areas and Whistler and what have you, has neglected our Agassiz ski resort. There is absolutely no facility at the bottom of the hill. There is absolutely nothing there to make that particular site a major ski attraction for the person who wishes to stay more than a few hours. That particular site is a natural for weekend skiing for Winnipeg skiers, but because of lack of facilities in the long four-hour drive — I think it's four hours, it might be six — would be better to head for Sugar Hills where there is a lodge at the bottom of the hill where they can enjoy the particular apres-ski as well as a hard day in the slopes. I would hope that some consideration would be given by the

federal government to give Manitoba one tourist ski resort to help our winter tourism program.

I would also like to see something that Mr. Val Werier talked about in which I was successful in some measure as well as, I am sure, the Member for Fort Rouge, in getting at least three new boating ramps along the Red River, and I'd like to see another two or three of them because boating is becoming a very interesting aspect in the means because of the cost of fuel to go to Kenora might run you about 30.00 there and back. It would be better to purchase a boat and get involved in the boating of the Red River because of the clean-up that's taken place, it could certainly be better, but this is along what the Minister talked about, about spending money to have people visit and know the beauty of their own province. I would think that some form of extra site development along the urban area of Winnipeg for boating ramps, and at Hecla. Here you have a natural for yachts and for sailing and boats and you have no power. You have a bunkhouse approximately 150 feet from the shore; you have a gorgeous picturesque setting and if somebody had put their extension cords together they could stay there over the weekend and enjoy the yachting facilities which, in essence, would be a tourist attraction because once you arrive there there's a nice little store there to sell you fishing equipment and the fishing is excellent up there. But other than that, and going to a walk along the wharf, I think that examination of some of the beautiful sailing vessels that the private sector have in Manitoba, is something that people would like to take pictures of and enjoy the scenery of.

I think that there's a great deal to be said about the boating future in Winnipeg and I would look forward to some additional dollars being spent to continue to support our private sector things which seem to continue to be a success if the present crowds along the Paddle Wheel and River Rouge are any indication.

I welcomed the Minister's talk on some of the things that he talked about. I can see where many of the things in the 1978 resolutions that we passed at the Tourist and Convention Association have been dealt with by this present Minister and some have not. They wanted a more extensive campaign in tourism promotion in the United States. I believe the Minister has announced that. He's even announced one additional plum and that is to examine some of the foreign markets.

We talked about a more extensive use and promotion of the rough fish as a food commodity. I listen with interest every year waiting for the Member for Ste. Rose to get behind his Eddystone enterprise and other people that are trying to promote the rough fish industry. I see a bit of a shortfall there because I've yet, in the Winnipeg restaurants, to see an appetizer for under 2.00 and I'm sure that's what this industry was designed to perform.

I believe the acceptance of a sign committee report, I haven't been along some of the routes, but I do know that there could be additional signing up in the Interlake area because it's so hard — and I live here — to be able to talk about . . .

MR. CHAIRMAN: The Honourable Member for Ste. Rose.

MR. A. R. (Pete) ADAM: On a point of privilege. The member suggests that I should get behind a project in Eddystone in order to process rough fishing. He leaves the inference that I am not behind it. I would like for the record to indicate to the member that he is inferring that I am not behind a project, that's what he suggests. That is not the case, Mr. Chairman.

MR. CHAIRMAN: The Honourable Member for Wolseley.

MR. WILSON: Mr. Chairman, I'm delighted to hear that. I was waiting for a long time for the Member for Ste. Rose to say that publicly and if he would care to show me in Hansard where I've heard him publicly say that before, I would be very pleased to get the page number from him.

MR. CHAIRMAN: The Honourable Member for Ste. Rose on a point of privilege.

MR. ADAM: Yes. The member says he is waiting for a long time for the Member for Ste. Rose to indicate what I have just indicated. My point of privilege is that I'm not obligated to make any statements for or against, whether I am for or against is no concern of the Member for Wolseley.

MR. CHAIRMAN: To the Honourable Member for Ste. Rose. A difference of opinion doesn't constitute a point of privilege. —(Interjection)— I would say that a difference of opinion doesn't constitute a point of privilege.

The Honourable Member for Wolseley.

MR. WILSON: Continuing along the Interlake and with the Minister's theme of getting people to enjoy their own province and do a little in-province travel, I would like to, without leaving the Interlake, talk about the signage. There seems to be a drastic shortage of being able to put a launching facility for Lake Manitoba. I believe that if one wants to launch a boat in excess of, say, 12 to 14 feet, he has to travel — and I stand to be corrected — almost all the way to Moosehorn to be able to launch his boat. I believe that there should be more public voting ramp access to Lake Manitoba. I believe it is one of the tragic, untouched beauties of Manitoba that has been sorely overlooked by all governments. I look forward to be able to at some point in time, for the first time, be able to do a little boating on Lake Manitoba.

I say this with a great deal of pride because I'm looking forward to the day when someone in government will announce to the people like they did in the Caribbean that the lakes and the rivers belong to all the people of Manitoba. This is one of the reasons why I supported the additional opening of some lakes and certainly the private lakes in the Whiteshell area and certainly this end of the Shoal Lake or Lake of the Woods area, because I found that when you went to the old established areas that many people took exception to newcomers coming into the area because they felt that it was our lake. I think when the Jarmoc debate came up, one of the things in the many meetings at the University of Winnipeg was how dare they come to our lake, and it

was underlined by some of the elitist people that it was their lake because they had blocked off large sections of beachfront for their own use. I think there should be public access to most of these lakes unless we're prepared to open them up. But in dealing with the TCAM resolutions the Minister did . . . that some programs be developed to make out of province travellers, goodwill ambassadors.

I think the thrust of the Minister's speech earlier today was that we are going to develop a situation where Manitobans leaving the country will be encouraged to take with them promotional material, whatever is available, to be able to talk it up about Manitoba. I think the very fact that films are being produced that are telling people about some of the areas of Manitoba is helping everyone. If the schools can get behind us, I'm sure that the teenagers of today will be the goodwill ambassadors of tomorrow. I am looking forward to the master plan to encourage greater use of provincial parks. If it is in place, I would welcome hearing it. I would like this up-to-date hotel-motel survey that was indicated of '76 because I'm very much afraid and I always seem to be running afoul of the Manitoba Hotel Association, but I think that the costs of some of our hotels are the big drawback to the success of the tourism industry in Manitoba. I don't know what it is, but our hotels are going out of sight. I believe the Holiday Inn, the other day hiked their fees up so high that civil servants who are staying there are having to dig into their own pockets, something like 1.50 - 2.25 or something. In other words, their new rates are over and above the rate that is allowed them on their daily per diem. So taking into consideration that tourism is going to be one of the most single economic factors that is coming forward, that we should be looking at tourism with more importance. I appreciate when the former First Minister was Tourism Minister that possibly things weren't as important in the tourism industry, that agriculture may have been the number one item of the day but tourism is slowing becoming more and more important as young people begin to travel and as people have shorter workweeks, as unions seek to have the day — well I can see the day when you have a Socialist government — that they're going to build a resort somewhere in the Caribbean and as part of the union agreement they'll have two weeks holiday in a government resort. So long as we're in power that will never take place but I can see where we're heading and I would like to see that the governments get behind the production of some of these pamphlets. I have with me about a dozen pamphlets and I'm not in the display or the advertising industry but I believe that these people need some technical expertise in preparing their promotional material which they're going to put in the sport shows. I believe south of the line the different governments get behind and see that the type of photography is such that it's clear and precise, so that people can almost imagine themselves to be at some of these far north fishing camps. And one of the greatest phenomena seems to be that most of the small private airlines taking off from St. Andrews seem to be taking fishermen into northern Ontario and I would like to think that with a better selling job our fishing lodges in Manitoba are equally as important. I say this because it brings to

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mind that speech by Mr. Hunt, which I listened to. Mr. Hunt was chairman of the Institute of Outdoor Recreation and Tourism for the State of Utah and he proceeded to talk about motivation and the conflicts within the tourism industry and he talked about some of the things that would be a benefit to the tourism industry in Manitoba. One of the things that he talked about, which really struck home with me — and I won't waste the time of the House to talk about some of the important aspects of it — but one of them that struck me was the very fact that he seemed to feel there should be more political involvement. One of the phenomenas of the former government and this government seems to be the lack of the tourism industry electing some of their people to public office and those of us that sit here are not encouraged to be on public boards and commissions. I myself was personally given no encouragement when I was sitting on three boards and there seems to be a phenomena in Canada, something that is unique in our system, in that down in the United States and certainly I'm sure in several provinces in Canada and I know some other countries in the Commonwealth, politicians are encouraged to get involved in the tourism industry . . .

MR. CHAIRMAN: The honourable member has five minutes.

MR. WILSON: I would say that if you're going to be able to have political figures make decisions that are going to be able to notice things at resorts and are going to be able to notice the lack of signage on highways, are going to be able to notice the public goodwill of the people in the service industry, of the problems in the hotel industry, of the comparison of pricing in hotels in Manitoba as compared to other areas, as to whether a former government's proposed 10 percent tax on hotel rooms is regressive and would hurt the tourism industry, and in fact, that all taxes should be taken off hotel beds. I would like to see that there be more politicians take an interest in tourism, because it seems that every major publication that has an international thrust to is telling people tourism is important. It's going to be one of the major . . . I remember the other day with some pride, Premier Bennett talking about how tourism in British Columbia was slowly gaining a reputation as one of the top particular fresh dollar earners for the province.

When you talk about balance of payments and you can't get the petroleum industry moving in this province, then you should get the easiest thing to get moving, which is the tourism industry which brings fresh new dollars into the province, which offsets the balance of payments and which puts Manitoba on the map so that members like the Member for Brandon East, the negative people who knocked this province, are silenced. Their articles appear on page 29 in the newspaper. Instead, there is an announcement on page 4 or 5 that there is a new particular resort opening up, that there is a new lake opening up in the Whiteshell, that there is something positive happening, that two more plane loads of Americans are coming to take part in the paramutal betting out at Assiniboia Downs, and that there is a new group of people meeting in a type of community

atmosphere like they have at the Gimli Festival, to be able to encourage boating on the Red River.

There is a lot to do in this province. We have to get more politically involved so that we can spell our message. I hope some time in the future Cabinet would deal with my suggestions to put politicians on boards and commissions when they deal with the tourism problems of this province, to have a real well-informed look and I am sure that some of the backbenchers would welcome the opportunity to be given these extra duties and we might even include some members from the opposition. I know the Member for Burrows, when he was Minister of Tourism, was one of the most travelled tourism Ministers that this House has ever seen. Keeping that in mind, I want to congratulate the Minister on many of his positive programs and the one to work with the federal government to bring in these fresh new dollars into the province by increasing tourism is a most welcome one from this member.

MR. CHAIRMAN: The Honourable Member for Fort Rouge.

MRS. JUNE WESTBURY: Thank you, Mr. Chairperson. I just have a few questions and comments to ask the Honourable Minister relative to his opening statement. He spoke at length about tourism and travel. He didn't once, as far as I could understand what he was saying, refer to the Golden Girl. What has happened to the man or woman filling this post? How much is the position of Golden Girl paid, Mr. Chairperson? We're heard very little about this individual and I just would wonder if the Minister could give us report, tell us what salary this man or woman is getting and how much the expenditure is supposed to be for the position that was established here.

Mr. Chairperson, much was also said about business development, small enterprise development and Enterprise Manitoba. In spite of all the praise the Minister was bestowing upon himself, the fact remains that Manitoba inventors are going south to have their inventions developed and marketed because they can't have them done here in Manitoba. I wanted to suggest that perhaps as well as opening a trade office in Mexico, perhaps we might be able to open one in Fargo or in Missoula, Montana. Montana has been very helpful to Manitoba inventors. It wouldn't be as fun a place to go to open the office and you may have trouble getting backbenchers to sit on the boards and commissions but, Mr. Chairperson, perhaps we could catch some of these inventors who are on their way out of our country before they're outside of hailing distance and reach them before they have indeed had their inventions developed and marketed in the United States.

I also want to say there seems to no rhyme or reason to some of the decisions being made in regard to Enterprise Manitoba for needed businesses and trades which are applying to be established in areas in which they would be of help to the already established businesses and trades. In fact, even when letters have come in from other businesses and from the community councils recommending that assistance be given, in some cases they are turned

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down without any apparent or logical reason being offered.

The Minister did not refer to Manitoba Housing and Renewal Corporation and I don't know if that means that he is going to make introductory remarks later on when we come to that section, but as far as I could tell, there was no reference made to that. I hope that does not mean that even in the estimates the Minister is going to treat the Manitoba Housing and Renewal Corporation and the whole area of the provision of housing for those in need of housing with the disregard with which he usually addresses the situation.

I just have one last question, Mr. Chairperson. Ever since I have been in this House I have been hearing about a bird survey that was conducted by the Minister and I can't seem to find out anything more about it. Would the Minister tell us what that is and what the results of the survey have been, please?

MR. CHAIRMAN: (1) Salaries—pass — the Honourable Member for Elmwood.

MR. RUSSELL DOERN: Mr. Chairman, is the Minister going to answer the questions put by the honourable member?

MR. CHAIRMAN: (1)—pass. Order please. Before we continue, just as a matter of principle, I think that I would suggest to the honourable members that we are still on the Minister's opening remarks and reply to Minister's opening remarks. Questions, it would appear to me not to be out of order, to be in order but not expected a reply under these circumstances. When we get to the items under discussion, line by line, I think at that point that the questions can be specific and the answers could be forthcoming.

The Honourable Member for Fort Rouge.

MRS. WESTBURY: I thank the Chairperson for his guidance. I wonder then if the Minister will tell us — I was only really referring to omissions, and I wonder if the Minister would tell us whether he is going to make an opening statement later on Manitoba Housing and Renewal Corporation and would you please, Sir, tell me where I can ask about the bird survey?

MR. CHAIRMAN: To the Honourable Member for Fort Rouge, I would think that the bird survey would come under Birds or whatever item . . . probably under Minister's Salary.

The Honourable Minister.

HON. J. FRANK JOHNSTON (Sturgeon Creek): Mr. Chairman, I would refer the question on the Golden Girl to Tourism, which is (g) under Operations. Regarding the inventors or technology, I would refer it to Technology which is (c) under Operations, and the remarks about businesses being turned down for no reason under Enterprise Manitoba would come under the Manitoba Development Agreement which is (k) under Operations on page 37. I will be making some opening remarks on the Housing Corporation, Mr. Chairman.

MR. CHAIRMAN: The Honourable Member for Fort Rouge.

MRS. WESTBURY: When can I expect a reply to the question on the bird survey, please?

MR. JOHNSTON: Mr. Chairman, on the bird survey, I would respectfully refer the honourable member to Hansard of last year. I will get out the Hansard of last year of my estimates, where it's completely explained. The honourable member is a year behind.

MR. CHAIRMAN: Before we proceed, I had suggested that particular survey might be under Minister's Salary, but looking over the whole of the Economic Development Tourism, I think under Item 2.(j) Market Development might be the one, if you'd care to, rather than under Minister's Salary. All right, I would think that it would be advisable at this point if we can proceed line by line.

The Honourable Member for Elmwood.

MR. DOERN: Mr. Chairman, I wanted to make a general statement as well. I guess I sort of have a fond memory of the good old days when we had a dynamic Minister here, the Honourable Member for Brandon East. A far cry, Mr. Chairman, from the present Minister who is not very dynamic and I prefer the Minister of Industry and Commerce or Economic Development going back to the Honourable Sid Spivak and his drummer-boy programs and, in that tradition, was my colleague who was full of enthusiasm and spent a great deal of time running around opening plants and bringing new business to Manitoba. I think that the downturn came a couple years ago. I know that the Minister of Fitness, who is also enthusiastic and could have done a super job, he didn't have the same opportunities and, as Bob Preston once said, when he was paying tribute to the Member for Virden, that the Minister of Fitness who was then the Minister of this department, was delayed because he had to attend to another ribbon-cutting at another plant closing. That's the kind of problem that has been confronting this particular administration.

Mr. Chairman, there are some interesting points that I would like to explore with the Minister, especially when we get farther down. One is that German helicopter plant that's been bandied about. I think we would like to know, in that regard, what sort of possible concessions have been indicated by the Minister. Those of us who sat in this House very well recall the attempt made by our government to develop Sanders and how that was ultimately not successful. This plant which, on the surface, looks interesting, looks also like it has a potential for a similar problematic area. Similarly, the plant in Minnedosa is one that I think interests us a great deal. We hope there's no correlation between that product and that member.

What we are concerned about is, what sort of concessions and what kind of a proposition was put to the people who are moving into that distillery? Because it's all very well for the people from that company —(Interjection)—

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MR. CHAIRMAN: The Honourable Member for Minnedosa on a point of order.

MR. DAVID BLAKE: I just want to get clarification on the inference of the connection between the plant and the member because the product they were producing there before really wasn't fit to drink, it should have been burned then. So now we've got the right use for that product, we're going to burn it.

MR. CHAIRMAN: The honourable member does not have a point of order.

The Honourable Member for Elmwood.

MR. DOERN: Mr. Chairman, I'm still trying to figure out that comment. My reference there was to a product that they grow and I was thinking of the growing mind and person of the Member for Minnedosa.

Mr. Chairman, what interested me in that gasohol plant which certainly sounds like a good idea, is not that it would be reopened, not that there would be a new deal concocted, but the fact that once the plant begins to go operational with the moral support, and possibly the financial support of this Minister and this government, what happens if trouble arises? What happens if the plant then, having reopened, is in danger of closing? That's what concerns me. It's not now, although I'd like to know if there's been any grants thrown around. —(Interjection)— We know about the tax deal. What we don't know is whether there's any guarantees that have been given and, in particularly, once running, whether or not this government would have the courage to let it close. Because all governments always get into the same situation, once they start putting money into something the political pressure goes on, the jobs become paramount and the balance sheet often is thrown to the wind and more money is put in, and more money is put in to keep it going. That's what concerns us there. Mr. Chairman, the other thing that I want to point out is that this Minister is responsible for Economic Development in Manitoba. Well, let me tell you, that if he is then I think that he has proved a miserable failure. Because the hallmark of this administration is the For Sale sign. All you have to do is go from the south of Manitoba to the north, from the east to the west and you see a forest of For Sale signs. You see houses For Sale by the hundreds; you see plants For Sale; you see Space for Lease and you just see a sad economic picture. Manitoba is a disaster area under the Progressive Conservative administration and I will only say in passing that the out-migration to me is the ultimate black mark that has to be put against the Progressive Conservative record.

Now what does this Minister do? He can't cut it in Manitoba; he struck out in our own province, so he's going looking for foreign markets. He goes and jumps into a plane with a couple of his buddies and a couple of businessmen and they go on a junket down to Mexico. They're going to crack the Mexican market and the Mexican market will be the door to the South American market. I've heard of creeping socialism but this is — what do you call it? Creeping Conservatism, galloping Conservatism. Through the United States unscathed, hit down to Mexico; down through Latin America and all the way down to

Buenos Aires and Rio de Janeiro, etc., etc. Of course, Mr. Chairman, we know that the Minister likes chiliburgers and we now that he probably has a soft spot in his heart, if not in his stomach, for some chili. But I think that when he starts deciding that he is going to take a bunch of people and crack the Mexican market, he's joking. I mean, is he serious? We know of the attempts of former governments. Our government tried and I think was, generally speaking, unsuccessful. We tried the black bean routine down in Mexico. —(Interjection)— In Cuba. Well what is this Minister going to do, what's he going to do down in Mexico? Well, my own thought is that he's probably developing a market there for prefabricated mud adobe huts that he's going to ship down there and sell to the Mexicans. Or he's going to sell more beans. —(Interjection)— He's creating jobs in Mexico now there's the first sensible suggestion I've heard. My colleague says he's going to create jobs in Mexico and that is what he's going to do. He's going to hire two people to run the Manitoba office in Mexico City and all it's going to cost is 50,000 a year to open the Manitoba Trade and Tourism office. Well you know you can stick that in your sombrero because I can tell you that's a lot of money and you know it's going to be Manitoba's only foreign trade bureau since the closing of an office in Minneapolis several years ago. —(Interjection)— Well we had a tourism office that was not quite the same, not quite the same.

Well, Mr. Chairman, this is going to be what Mr. Johnston, as the article says in the Tribune of May 1, he said he selected Mexico because it's a convenient gateway to Latin America. Well I guess he could have gone all the way down south and he could have worked back up north but you know he's thinking of things that no other Minister ever thought of before. Well, Mr. Chairman, he says that Manitoba, among other things, can provide refrigeration equipment for Mexico's agricultural operations. They said, give us a "for instance" and he said "refrigerators", there's a market that Manitoba, you know, has an edge. I didn't know that. I didn't know that. —(Interjection)— Sell them ice. I mean, in Canada are we the foremost exporters of refrigeration equipment? Maybe we are. You're not sure, Mr. Chairman? But the point is there are other places in Canada that are very big in manufacturing including Toronto and Montreal to mention only a couple. I imagine we'd be in stiff competition with them and I imagine we'd be in even stiffer competition with the Americans who are much closer geographically. I would like to know, when the Minister is giving specifics, if he can tell us who paid for that trip? I'd like to know how much money it cost? I'd like to know how many people he took, how many thousands of dollars and whether the businessmen that went along paid their own way or not? —(Interjection)— Don't remind us of Hong Kong because then we're going to remember about the Attorney-General going down there, or his sending his crew down there on that wild goose chase and how much money that cost and how they didn't plan it very well and it was a lot of money thrown away on a trip that brought little or no return. —(Interjection)— Well I'm glad the Member for Emerson is agreeing with me that this concept that

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the Minister is putting is a lot of garbage and it's a complete waste of money, Mr. Chairman.

He says that the Manitoba office, you know, if you're down there, drop in. He says it'll mainly serve to inform Manitoba businesses of trade and tourism markets in Mexico, Central and South America. Well, what about the federal government, isn't there a federal office there? Isn't the federal office supposed to be representing us? I mean, is the Minister telling me that we're going to blanket Latin America? Are we going to blanket Western Europe? Are we going to move into Eastern Europe and set up Manitoba Trade Offices so the Minister can go into his office before a map and have little flags showing all these people all over the world that are representing him? I mean, what is this empire building? I mean, is it worth 50 grand a year? Is that really going to be productive? —(Interjection)— Well my colleague from Brandon East, who I'm more inclined to trust, he says it's going to cost a lot more than that when the bills come rolling, when they add up all the tequila and all the other expenses and so on, it's going to cost a lot more. A lot more than 50,000.00.

Then the Minister says that last year we exported 3.2 million in products to Mexico. Well I'd like to ask him to give us his projections of what he's going to do to show a return on that kind of an expenditure and we, according to this article, exported 3.2 million in products, mainly manufactured goods and then in return we imported 6.6 million in products from Mexico; mainly food, feed, beverages and tobacco.

Well, Mr. Chairman, I'm just saying that, I think, this government in particular which is supposed to know something about business, has struck out completely when it comes to economic development; and this Minister; in particular, who's a recent, I guess in a series, I don't know what's a series two or three, he's not doing anything either. We have a serious problem, we're losing population, we have serious unemployment, we have inflation which is all over the country and all over north America. Our sales, all these examples that gave, he gave us some figures but when you compare those figures to the rate of inflation, we're not improving at all. He says there's a 9 percent increase in tourism. Well, we'll deal with that when we get to tourism. Well, what's the inflation rate? What's the exchange on the dollar? What about guaranteed gas supplies and so on to American tourists? I don't think that's anything to brag about.

So I simply say, Mr. Chairman, that the record of the government is pretty thin, if not negligible, if not non-existent and we would like to know, when we get to the right lines, what sort of guarantees or assurances have been given, among other things, in the Minnedosa gasahol project, in the German helicopter project that is slated for Gimli? I assume that one of the reasons is the Conservatives are worried about those ridings, that Minnedosa isn't the safest seat; Gimli sure isn't and I'm worried about my old colleague there who might be running at Gimli and might not be back. You know he's a nice guy and we don't know what's going to happen to him. The government's a little worried, they're a little worried about whether or not that seat is safe and we don't know about Emerson either, we're going after Emerson let me tell you and we're going after St. Matthews.

Now the Minister of Cultural Affairs is giving me a smug look. I'm not mentioning her but those other guys all around you are going to fall like ten pins and you know, we're worried about Wolseley that's going to go and we've got a couple of sleepers in Wolseley, just got to press the right . . . Portage, well we'll get Pete. Pete'll be ready among others and Dauphin, that's a guarantee. Dauphin with the Lewycky machine we'll be looking pretty good in Dauphin.

Mr. Chairman, I just want to say that this Minister, he's safe, people don't know, they vote Tory blind in his riding. They don't even know anything about him. He's a name on the ballot; they mark it Tory — that's it. But I want to say that his record as Minister, he may or may not represent his riding. He may or may not reflect the people of his area, that's not for me to say. But I say as a Minister of Economic Development, he has struck out. And now that he has given up in Manitoba, he's going to decide to crack foreign markets. Well, I can only predict similar results and a similar disaster there.

INTRODUCTION OF GUESTS

MR. CHAIRMAN: Before we proceed, might I just direct the honourable members' attention to the Speaker's gallery. We have I believe 11 tourists from the Overland Tours from Toronto. They are on a tour from Toronto to Vancouver and they are from Oshawa, Aylmer, Toronto, St. Jacobs and England. I would ask the honourable members to join me in welcoming them here this evening.

Are we prepared to go line by line or are we still on opening remarks?

The Honourable Minister.

MR. JOHNSTON: Mr. Chairman, I was about to inform the member that if he wants to speak about the Mexican office, that can be done under Market Development. It's done under Manutrade of Manitoba, which is a separate corporation working under its own Act. The question — I don't know where I would answer it — so I would answer it now on Commercial Space. In 1979, we had 875,000 square feet last fall; at the present we have 281,000 square feet of commercial space. We have a takeup of approximately 250,000 to 300,000 square feet a year. The industrial space, we have on hand about 1,200,000 and we have a takeup of about 900,000 square feet a year. As I mentioned earlier today, Mr. Chairman, we are gradually starting to fill up that inventory in the province of Manitoba.

The comments about the different constituencies, I wouldn't presume to make a comment on. I don't where I would answer that in my estimates anyway, Sir. The comment about my own constituency, I can only say that I think I'm well known. I was born and raised there.

MR. CHAIRMAN: The Honourable Member for Brandon East.

MR. EVANS: I have some very specific things I believe that I would like to ask that are appropriate to this particular item. For example, the function of the Deputy Minister and this is the line . . .

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MR. CHAIRMAN: It comes under (b). That's right, I'm not going to pass the item; I was just going to proceed to line by line. After I would announce line by line, then it would be specifically on that particular item, rather allowing the latitude that has been allowed up to now. All right. I'm going to announce the item and then we'll carry on line by line.

Item (b)(1)—Salaries — the Honourable Member for Brandon East.

MR. EVANS: Thank you, Mr. Chairman. I wonder if the Minister could comment on the position of the Deputy Minister which is paid for under this particular line. I note the previous Deputy has now resigned Government Service. I believe he's in private enterprise with the utility. I wonder if he could advise whether this position is going to be filled or whether it is filled. What is the government's intention in this respect? Also, while he's on this, perhaps he could advise how many assistant Deputy Ministers are in the department.

MR. JOHNSTON: This particular item on Salaries, Mr. Chairman, is five staff for the Minister's office; executive assistant, vacant; secretary to the Minister; clerk-typist and special advisor to the Minister and his secretary. There are three staff for the Deputy Minister's office, Deputy Minister's secretary and the secretary to the Deputy Minister. Administrative secretary to the Deputy Minister is vacant. To answer the question that he asks about whether the Deputy Minister's position is going to be filled, yes, it is going to be filled. We haven't made a decision on who that person would be as yet.

MR. EVANS: Well, the Minister gave me some information I didn't ask for, and that is on the number of people in that line. But just while I'm on that, I'm wondering in order to save time whether the department could provide a listing of the number of staff showing their function by each section or division of the department. If that could be just put down on a list that may be tabled tomorrow or something like that, which would save asking a lot of questions on each item. I think that would expedite matters. This has been done before in other years; it's been done in other departments from time to time and it would be showing the number of staff, how many professional people, how many secretaries, etc., the numbers for each category by section or division. The Minister gave me that type of information for this line. He said there were five staff and so on, so instead of taking the time of the House, perhaps he could just provide that as a listing.

On the question itself though, of the Deputy Minister's position, the Minister said it would be filled. Does he have a senior assistant Deputy Minister now? How many assistant Deputy Ministers are there and is one of them designated as the acting Deputy to the Minister? Does he not have a senior person who is like acting Deputy, if he hasn't got that particular title?

MR. JOHNSTON: Mr. Chairman, we have a sheet here that gives the Department of Economic Development and Tourism staff complement and it has the 1979 and 1980-81 staff complement of the

department. If that what the honourable member is looking for, we'd be glad to table that.

No, we don't have anybody in a position called acting Deputy Minister, Mr. Chairman. We have a person in the position called Associate Deputy Minister, Administration, who at the present time is co-ordinating the three departments that I have with my office. That position was just made. The person handling it is Mr. Felicia, who still is the Chairman of the Board of the Manitoba Housing and Renewal Corporation and as such is a Deputy to me as far as housing is concerned. He has also taken over the responsibility of Associate Deputy Minister, Administration, Economic Development and Tourism. The salary of that position at the present time is being paid for out of the Manitoba Housing and Renewal Corporation until any changes are made.

MR. EVANS: One other detail under this line. I wonder if the Minister could make available to the official opposition at least, maybe others in the House would be interested in this, but one copy of each of the current publications of the department. In other words, one copy of the various pamphlets, booklets. There used to be a monthly publication or bi-monthly publication. I'm not sure whether there still is. If that exists, I would like to see that as well. Again, this is not a precedent; it's been done before. These are public documents that I'm talking about. If the Minister could consider that, we would appreciate receiving at least one set on this side. There may be others who would like to receive them; I'm not sure, Mr. Chairman.

MR. JOHNSTON: That can be done, Mr. Chairman.

MR. CHAIRMAN: The Honourable Member for Burrows.

MR. BEN HANUSCHAK: Mr. Chairman, you will recall that very shortly after October 11, 1977, when we were called to the session, the first piece of legislation that was brought before the House was the repeal of the succession duties. This was done, in the words of the government, that the succession duties legislation which we had brought in, in their opinion, would drive businesses away. It would prompt people to move out of the province, wealthier people to move out of the province, locate elsewhere, corporations to locate their head offices elsewhere and so forth. With a view to reversing that trend, that law was repealed.

My question is to the Minister. Now having been two-and-a-half years in office, a little better than two-and-a-half years, could the Minister tell us to what extent did the people of the province of Manitoba benefit by that piece of legislation passed in late November, early December of 1977, the repeal of a succession duty legislation? Because you know as well as I do, Mr. Chairman, that since then, Terry Balkan Motors moved their head office out of the province, Shaino's moved their head office out of the province, Swift's closed down, even the government's best friend across the road, Great-West Life, moved their executive staff over to Denver, Colorado, and it seems that the Minister wasn't able to impress upon these people that he had repealed succession duties and thus to persuade

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them to remain in Manitoba. They had moved out for whatever reason.

But that piece of legislation that the government was so anxious to bring in had no effect on these people. They still made the decision that they did to move out. But the government still maintains it was a good piece of legislation, so I'd like the Minister to tell us, to what extent did we in fact benefit by the repeal of the succession duties legislation. How many dollars did we gain? What business was the Minister able to retain within the province of Manitoba? Was the Minister able to say to someone who may have had some ideas of moving out of the province and bring to his attention that what we repealed, death taxes, and have a person say, fine, gee I'm glad you brought that to my attention; now I will stay in the province of Manitoba.

I suggest to the Minister that the people of Manitoba gained not one cent and the Minister knows it. I think that when I sit down, Mr. Chairman, the Minister will not be able to tell us that we the people of the province of Manitoba have gained X or Y or Z millions of dollars through the enactment of that piece of legislation brought in by the Tory government, because they gained nothing. They gained nothing. They passed that. The repealed the succession duty legislation to accommodate a few of their friends and that's as far as it went. But as far as being of any benefit to the people of the province of Manitoba, we gained absolutely nothing.

I also want to make a comment or two about the Minister's opening remarks. You may have noticed, Mr. Chairman, that he spoke in terms of percentage comparisons. This increased by 9 percent, that by 10, that by 12, that by 20 percent; all was in terms of percentage comparisons. But a percent of what? That we don't know. I would suggest to you, Mr. Chairman, that when Hansard is published two or three days from now, that if you were to re-read the Minister's speech, and if you were to read it with the hope of getting some sort of a handle on where we stand economically, the Minister's speech told you absolutely nothing because it was only in terms of percentage comparisons, and very selective percentage comparisons, you may have noticed, Mr. Chairman.

He chose those which he felt were to his advantage. If it weren't to his advantage to compare the performance of 1979 with the performance in a particular year some time previous, he did that; compared 1979 with 1975 or 1972 or 1971, whichever would put the year 1979 in the best light. That's what he did. On the other hand, if he felt that it would be to his advantage to compare his track record in 1979 with the average performance over a decade or a five-year period, he did that, and then he chose a particular decade or the five-year period that he wanted to make the comparison with.

As my honourable friend, the Member for Elmwood mentioned, when you take into account the rate of inflation over the past few years, these 9 and 10 and 12 and 15 percent increases and whatever other percent increases the Honourable Minister spoke of, really mean nothing. Even if it was a reasonable increase, then it was nothing more than keeping pace with inflation, if that, but in most cases it was really a falling back and that too the Minister knows.

The Minister of Economic Development also prides himself in job creation. He prides himself in job creation. I would like the Honourable Minister to identify the particular jobs that he created, that he feels he can take credit for. There are many jobs that were lost too, you know, so on a net balance you probably end up with a minus figure. In fact, we know that you end up with a minus figure. But I would like the Minister to tell us about the jobs that he created to offset the outmigration from the province, I would like the Minister to name one job.

I'm not asking for much. I'm not asking him to name all the thousands that he talks about, but to name one particular job that he feels that he can rightfully and properly take credit for the creation. And there are none, other than the two jobs that my honourable friend, the Member for Elmwood, made mention of, the two jobs that he created in Mexico. And those are the only two that he created, because whatever other jobs came into being in the province of Manitoba, they probably would have come into being anyway, regardless of the Minister. The Minister had nothing to do with them, absolutely nothing to do with them, but he likes to stand up, you know. During the session he's been known to chirp from his perch, from his Ministerial perch, about all the jobs that he's created. But he's created none, not one. There isn't one job that the Minister has created.

Last year you will recall, oh yes, in fact he defended this program. He defended this program in Selkirk when he spoke to the Chamber of Commerce. His bird care program, and that's going to develop into a multimillion dollar industry in the province of Manitoba.

MR. CHAIRMAN: Order please. Could I suggest to the honourable member that under Section 2, Operations, item (h), where it says Business Development: Promotes Manitoba as a viable location for new and expanded manufacturing facilities creating additional employment in the province. Would that be the item that is being discussed at this point?

The Member for Burrows.

MR. HANUSCHAK: Well, Mr. Chairman, if that's a program for the birds then I will glad yield to your ruling and deal with the Minister's great program, then I'm not sure whether that's a program for the birds or not.

MR. CHAIRMAN: I would think, to the honourable member, that would be the proper place to discuss your program on birds.

MR. HANUSCHAK: If that's the program for the birds then we'll deal with that then. Now, in dealing with the Minister's opening remarks, I want to let the Minister know that I would want a progress report from him on that great program that he went to all the time and effort to defend in Selkirk, in speaking to the Chamber of Commerce about a year and a half ago, because he really thought that it had tremendous merit and tremendous potential. And I would also want, and I'm merely mentioning this now, Mr. Chairman, to give the Minister ample notice to put his mandarins to work, to do all the necessary

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research for him and provide him with all the information.

He's the Minister of Corporate Welfare and he hands out welfare grants, he hands out welfare grants. You'll recall, Mr. Chairman, the second day that the House was in session, the Minister, on Ministerial Statements, got up and he made this big announcement about the 300,000 grant to a Corporation of the province of Manitoba. And, by the way, I want to mention to you, Mr. Chairman, that the making of that grant makes me a corporate welfare bum because I'm a shareholder in K-Cycle, I only have ten shares but, you know, I bought them for 3.25, there down to 2.90 after the Minister made the grant but nevertheless, I suppose I can classify myself as being one of his corporate welfare bums, living off the dole, you know, the handouts that the Minister makes to various corporations. The Minister makes many welfare grants to corporations and if you read the annual report, Mr. Chairman, you will note that in one of the Appendices, there's a whole list of all the welfare recipients of the Minister, for each year.

Now, I would want to know whether the Minister does any sort of follow-up on how these welfare recipients spend the welfare funds that the Minister gives them. You know he gives them various grants, 10,000, 20,000, 30,000, 40,000, 50,000, more. K-Cycle received 300,000 but that's a recent one, I'm not going to expect to receive an evaluation on, you know, the effectiveness of that grant because that was only made a few months ago. But surely of the last two years the Minister made welfare payments to many many corporations, in the province of Manitoba, for certain specific purposes. I suppose that these corporations came to the Minister and they said if you would give us a welfare grant of so many dollars we would either expand our operation or we would engage in some experimental or research work to either develop new products or to develop new markets or to expand markets for a particular product that the company is manufacturing or whatever. Now surely the Minister just doesn't sign these cheques and put them in the mail and forget about them. Maybe he does but I would like to think, and I think the people of Manitoba, Mr. Chairman, would like to think, that at some point the Minister would go back to his welfare recipients, and remind them, saying I gave you X-dollars a year ago, what did you do with that money? Let's have some sort of an evaluation of how you've spent that money because I want to know whether this is a proper way of spending the taxpayers money or not. Because if it should prove not to be the proper way, then he would want to find some more effective ways of assisting the economic community of the province of Manitoba. So I want to know whether the Minister does any sort of an assessment, an evaluation on the cost benefits of the welfare payments which he makes to his friends in the corporate community, and some of them, well we dealt with this last year, you know, the Moore Corporation was one recipient of a welfare payment and that's when the Minister had to sort of prove himself to the private sector. Now if the Member . . .

MR. CHAIRMAN: Order please. The Honourable Member for Minnedosa on a point of order.

MR. BLAKE: You may have to adjudicate, Mr. Chairman, whether this is a point of order or not. I believe it to be a point of order because the Member for Burrows has gone on at some length talking about welfare payments made by the Minister. I just wanted to refresh his memory on some of the payments that have been made by that Minister into the constituency of the Honourable Leader of the Opposition, into Selkirk, some hundred and some thousand dollars, Mr. Chairman. Frandsen & Sons, 15,000 forgivable loan . . .

MR. CHAIRMAN: Order please. Nothing is being recorded. To the honourable members I had ruled it as not a point of order quite some ago and when I called for order nothing happened, so nothing has been recorded.

The Honourable Member for Burrows.

MR. HANUSCHAK: Thank you, Mr. Chairman. As I had indicated I would hope that during the consideration of the Minister's Estimates that he would, in some way, offer some evidence to the people of the province of Manitoba that the moneys spent by him on his welfare grants were moneys well spent and that there are some returns coming back to the people of Manitoba from those hand outs that he has given. I think that the people of the province of Manitoba are entitled to know that and I would like to think that the Minister would want the people of the province to know that.

MR. CHAIRMAN: The Honourable Member for Minnedosa.

MR. BLAKE: Yes, now that I've had it established, Mr. Chairman, that I didn't have a point of order, I would like to just mention, in commenting on the Minister's Estimates, I haven't been here all day to hear the deliberations of the Member for Burrows but what I've been able to gather over the supper hour, I didn't miss very much this afternoon.— (Interjection)— Except the canary whistle — I'm sorry I missed that, Mr. Chairman. Mr. Chairman, I just wanted to place on record what I had said a moment ago when I felt that I had a point of order, when I listened to the great dialogue of the Member of Burrows on the welfare handout payments made by this Minister and these are only a few that I have

I only happen to have the hand outs that have been made in the constituency of the Leader of the Opposition, they are corporate welfare handouts and I want to know if the Leader of the Opposition is going to get up and criticize these as handily and as quickly as the Member for Burrows has. Or I wonder which leader he supports. Is he supporting the other leader or the Member for Inkster or the Member for Lac du Bonnet? Which leadership team is he on, because there appears to be two or three over there, Mr. Chairman? I just watch the shenanigans going on on the other side and I just wonder which leader is in the front running as far as the Member for Burrows' support is concerned. Because I see him caucusing down the hall with his arm around one and saying, I know you're still a New Democrat and you're going to come back in the fold, and then I see him closeted with another one and I'm just not too sure what's going on over there, Mr. Chairman.

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But I want to reiterate, Mr. Chairman, that this Minister has handed out, with the Leader of the Opposition in attendance on almost every occasion, clapping in the background and saying what a wonderful program this is and how glad I am to see this support coming to my constituency. Youngdale Enterprise is a faba bean processing plant, Mr. Chairman, 60,000 with a 30,000 forgivable loan and the Leader of the Opposition stood up and applauded that program when the Minister handed out that cheque.

Franzen and Sons, the machine shop, 52,000, 15,596 forgivable loan and a very fine plant that is, Mr. Chairman, I happen to know that operation, a very fine operation. The Leader of the Opposition stood there and applauded when the Minister handed out that cheque and had his picture taken proudly, saying what a fine program this government has.

P. and L. Film Processing, Mr. Chairman, 32,116 loan, 16,058 forgivable. Official opening received the combined payment and the Leader of the Opposition stood there and cheered that program, Mr. Chairman. Tall Industries, ceramics, 21,618, or 10,800 forgivable. Received the first advance in October, 1979, potential orders amount 5 million from the Wild Rice Association. The Leader of the Opposition applauded that program, Mr. Chairman. Selkirk Styrene Products, water buoys and building forms, 14,725 forgivable. First advance has been paid. Regional News — and they'll be interested in that — 50,800, 15,240 forgivable. The Leader of the Opposition applauded that cheque when it was handed out, Mr. Chairman, saying what a fine program this was, what a great job the Minister was doing in attracting this federally-shared program.

I want the Leader of the Opposition to stand up before these estimates are finished, Mr. Chairman, and confirm what the Member for Burrows has been saying, that he doesn't want these grants in his constituency, that they're welfare handouts and he doesn't need that kind of assistance in the Selkirk constituency. —(Interjection)—

Mr. Chairman, there's as much accountability on these grants as there ever was in the eight years when you were handing out welfare grants. We'd like to see some accountability on some of your things and we won't go into some of the Tourism promotions or the education runaway programs that were available under his ministry, Mr. Chairman, that's not why I'm standing here. I just want the Leader of the Opposition to stand up and verify his comments that these are welfare handouts, Mr. Chairman, and that's the only comment I had. If I didn't have a point of order at least I've got it on the record.

Thank you.

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

MR. SAMUAL USKIW: Mr. Chairman, it's indeed most interesting to listen to the Member for Minnedosa. Knowing the member as long as I have, and knowing of his commitment to his Conservative ideology, to have him stand up here and defend the idea that Conservative ideology has to now be propped up with government handouts, it's more

than amusing, Mr. Chairman, and I'm not knocking the fact that it is occurring. I'm just pointing out, Mr. Chairman, that it's interesting to watch the antics of the Member for Minnedosa. —(Interjection)—

Now, Mr. Chairman, the Member for Minnedosa suggests that we should have a give-away program in Manitoba, paid for by the people of Canada, through the government of Canada and through the government of Manitoba on a cost-shared basis, but that somehow the Leader of the Opposition should not — or his constituents — should not participate in that program. Well, Mr. Chairman, that's a lot of nonsense, obviously. If there is a program, obviously we would want to make sure that all Manitoba constituents are entitled to make application for those programs and to benefit from them.

But, Mr. Chairman, that doesn't detract from the fact that the Conservative philosophy here is not free enterprise whatever. It is public enterprise or at least public funding of enterprise, that's really what it is and it's nothing new. I mean, we've had this over many many years. It's a process that was virtually the beginning of this country, Mr. Chairman. All of the early developments of this continent were based on public enterprise or public financial support for the private sector, over many many decades, in fact, right up until today in one form or another. We've spent years debating the fact that the railways received huge tax concessions and grants and gifts in exchange for certain freight rates, which they are not now living up to, Mr. Chairman. That was the very beginning of this country, Mr. Chairman, when that took place.

So there's nothing new. It's dressed up in a little different fashion. But, Mr. Chairman, I've talked to a number of recipients of grants from either the federal government or the provincial government or federal and provincial jointly under Enterprise Manitoba, and some recipients say, well, you know, we don't really need this but it's there so why shouldn't we have it along with everyone else. That's really the whole nub of it, Mr. Chairman. So I don't fault any Manitoba businessman for applying for the program, because why not? If it's available, certainly they have a right to make application in competition with everyone else who is interested in that kind of program.

It does demonstrate, Mr. Chairman, that really and truly it is not possible to rely totally on private sector investment in order to keep the economy of this country going. That's been proven over and over and over again and continues to be proven by the fact that we have an item in the estimates of the Minister of Economic Development that suggests to us that we must continue to make contributions — that is the taxpayers of this province must provide grants to business in order to stimulate business, in order to create jobs and so on. We've gone beyond that as well, Mr. Chairman.

We have gone so far as subsidizing labour. We have gone the step of reducing the value of labour. The Minister of Labour of this province has eliminated certain categories of people from the minimum wage regulations that used to apply to those categories before, in order to provide cheaper labour for certain businessmen and entrepreneurs in the province. I don't think it's a good move. That's obviously a Conservative philosophy at work and certainly not one that I would want to support.

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We have gone into the area of subsidizing actual labour to the extent of providing employees for businessmen in this province at a pay range of 1.50 an hour, Mr. Chairman. This is 1980. We have inflation running at about 10 percent and up and have had for the last several years and we have the government that thinks that people should work for 1.50 an hour. That's really what is happening under this administration, wherein the government is putting up half the minimum wage rate for certain employment opportunities that are created under their program.

I couldn't believe, Mr. Chairman, that we couldn't employ people unless we provided manpower at 1.50 an hour in this day and age. I haven't met anyone, Mr. Chairman, that said to me, if I could only get labour for 1.50 an hour I would hire all kinds of people. I haven't had that proposition, Mr. Chairman, thrown at me. But here we have this innovative government saying that in order to have fuller employment, we have to offer employees to management at the rate of 1.50 an hour.

MR. CHAIRMAN: The Honourable Minister on a point of order.

MR. JOHNSTON: Mr. Chairman, if you so desire, it doesn't matter to me, but I wouldn't have any place where I could even refer to to answer the question about the Minister of Labour's program that I know is discussed under the Minister of Labour. I don't have that program within my estimates anywhere, Mr. Chairman.

MR. CHAIRMAN: I would apologize to the honourable members. I seem to have lost control of this committee quite some time ago and I've just been letting everybody go to whatever extent they wanted. I realize that the minimum wage should be discussed under a different item, but in hope that a point could be established, I would allow the honourable member to continue. But I would hope that we could get back to the item under discussion.

The Honourable Member for Lac du Bonnet.

MR. USKIW: Mr. Chairman, thank you so much. I would like to remind the Minister of Economic Development that we are talking about economic development, which is jobs, business opportunities, the role that government plays with respect to the encouragement of businessmen, the development of new opportunities for Manitobans who want to do business in Manitoba and for employees who wish to work in Manitoba. Mr. Chairman, it's obvious that we haven't had enough activity in the sense that we have had a depopulation situation taking place in Manitoba and that all reflects on the policies of the government, Mr. Chairman. It all reflects on the philosophy in and around the Department of Economic Development. And all of the other things that the other Ministers are doing is a spinoff effect from the policies of the Minister of Economic Development, Mr. Chairman. This is the total package that we're looking at when we look at economic development.

We can't take labour issues and isolate them. We can't take health issues and isolate them and so on. We have to look at what the government's thrust is

in terms of creating jobs, in terms of creating opportunities for investors, in terms of creating a climate in Manitoba that would be better each year, something they promised to the people of Manitoba in 1977, and so far has failed to materialize, Mr. Chairman.

We are waiting for our magician, Mr. Chairman, the Minister of Economic Development, to tell us how this new climate is going to do things for more Manitobans. Because after all, Mr. Chairman, that was the main thrust and theme of the election campaign, that if we could only get into free enterprise in Manitoba that the sun would shine for everyone, that more people would be employed, that everyone would be better off and, Mr. Chairman, that has not materialized in three years of their efforts. — (Interjection)— In three years of their efforts, Mr. Chairman, that has not materialized.

So now you have the Minister of Economic Development running around the province with cheques in his pocket. He has an image problem. He knows that we had a net outmigration of 5,000 people last year — 15,000 rather — a population drop of 5,000, the first time in a couple of decades that that has occurred in this province. So he has an image problem and so he has to employ some staff to make out some cheques and he has to get a chauffeur to run him out to different communities in order that he might present a cheque to indicate to the people of Manitoba that the government is indeed serious about doing something to stimulate the Manitoba economy. That's what he's doing. He's preoccupied with that and he must be, Mr. Chairman, because the Conservative Party image in this province is at an all-time low at the moment, Mr. Chairman. — (Interjection)— Oh, yes, oh yes.

I think that I could challenge any member on that side, Mr. Chairman, to talk to the business community and to get an impression from what the businessmen think of Manitoba's economic prospects of their position in our economy, of their expectations for next year, and you hear nothing but sadness and gloom from Manitoba's businessmen, Mr. Chairman. Oh, yes. It doesn't matter whether it's the construction industry or whether it's the tourist industry, it doesn't matter where you go, you get the same kind of response. After three years of good genuine free enterprise government, the rabbit in the hat theory that was supposed to be so great hasn't materialized, Mr. Chairman. — (Interjection)— That's right. I'm using the wrong term. The Member for Kildonan corrects me. I used the word free enterprise, I believe the term was private enterprise.

Mr. Chairman, the truth of the fact is, that when the government of Manitoba withdrew its capacity from the area of economic development and stimulation of the economy, that the economy collapsed in Manitoba. The private sector did not pick up the slack that was created by the withdrawal of government input over the last three years. No, they didn't, Mr. Chairman, so we have a gap, we have unemployment and we have underemployment and we have outmigration. But somehow this government has to put on a face because it's within a year of an election and so we have to find ways and means of dressing up our image. We have to have the Minister of Economic Development handing out a cheque here and a cheque there. Half of it or

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more is, of course, federal government money. You see, this is one thing that they were I guess very adept at, Mr. Chairman. When the federal government decided that they wanted to continue with a program of giving away money to industry and business the Manitoba government wanted to be a partner in that exercise, in order that somehow they could interface with more of the business community in the sense of being part of the support programs, the grant programs, in order to give them a presence every time a ribbon is cut. Mr. Chairman, that's well and good. I'm not going to knock that, excepting to say that it so far hasn't produced the results. I don't know what magic the Minister of Economic Development will have, in the next year, to turn all of that around in order that they go back to the people in a year from now, or whenever they have the nerve to go back to the people, Mr. Chairman, to present their case, four years of Conservative private enterprise at work.

MR. TOM BARROW (Flin Flon): Blue skies.

MR. USKIW: Yes, well, blue skies isn't the theme, Mr. Chairman, as the Member for Flin Flon suggests, blue skies. Well, blue skies, if you really know the definition of blue sky, that's a con game, Mr. Chairman. —(Interjection)— Oh, yes, it's not what the Minister of Finance thought it was when he introduced that connotation in his Budget Speech, Mr. Chairman. A blue sky is something that you sell somebody that doesn't exist, of course. Something that doesn't exist that you are promoting and as long as you can get the cash, you pick up your money and you disappear, that's a blue sky operation. Of course, that may very well be the kind of operation of this government, Mr. Chairman. Perhaps the Minister was right in using that terminology, maybe it is a blue sky government, Mr. Chairman. You know, it's one of those things that we always promise, we will always hope but we will never achieve. That may be the kind of blue sky the members opposite are talking about but, in essence, Mr. Chairman, what is obvious to me is that the statistics that are available to us on a current basis, on a year-to-year basis, on a month-to-month basis, on a quarterly basis, don't show or don't give support to the government's argument that somehow they have been able to turn Manitoba's economy around to the better.

I would like to know from the Minister of Economic Development just what his research people in his department are doing about the fact that we are really at the beginning of another low in the economy — and I don't know where it's going to bottom out, Mr. Chairman, but it's obvious that it's going to bottom out. We haven't reached that point at this stage, we know that the recession in the United States is really becoming more of a depression rather than a recession; we know they are now talking about a deep, prolonged recession, they still use the word, and we know that a recession in the United States, or a depression in the United States, finds its way into Canada, because it's really one economy, it's a North American economy, but usually there is some lag time between when it occurs there and when it spills over into Canada. Not so long a lag time with respect to the time from when it occurs in the United States and when it hits the

manufacturing areas of eastern Canada, but somewhat longer a period is required for the effects to show up in the prairie region. Usually six months or nine months of a spread between an economic downturn down south and that is when their effects become visible here in Manitoba. So I don't know, the Minister as I understand it, has not indicated what his department and what the government is doing in order to offset that situation and that expected recession. I don't know what they are doing, Mr. Chairman, other than what they have been doing over the last few years.

If, indeed, we have the recession that is coming, and compounded, Mr. Chairman, by the fact that we will have a massive reduction of wealth produced in this province this year by our agricultural industry, by our farm people, we are certainly going to be facing a disastrous economic situation by next spring. There's no question about that, Mr. Chairman, and so, I don't know what the Minister is intending to do to try to offset that. I don't know whether he has commented on that but, Mr. Chairman, if you look at a number of statistics that have been developed over a period time or, that is over the last year I should say, for 1979, we find that Manitoba is not in a very good position relative to the rest of Canada, despite all of the things that the Minister of Economic Development would want us to believe. We find that we are at the low point when it comes to retail trade, as an example, Manitoba is at 7.6 percent increase over 1978, that is 1979 over 1978. Mr. Chairman, that happens to be bottom, that's bottom for Canada. All the other provinces are ahead with Quebec running at 13.5 at the peak. Now, Mr. Chairman, it is less than inflation which tell you that you're really in a down-turn situation.

If you look at building construction, again, Manitoba's position for a three-month period, January to March of 1980, compared with 1979, we have a 57.8 percent reduction. I don't know what the Minister is saying about these things, but they are obvious indicators as to something being wrong with the Manitoba economy.

Mr. Chairman, with respect to private investment spending, we have the 1978-80 period, some 3.5 percent as a percentage of Canada in investment spending, Mr. Chairman, which is below what it was during the period of almost all of the 1970s. Now in terms of investment, increase in private investment in 1980, Manitoba again is going to be the third lowest in Canada. Now that, Mr. Chairman, doesn't suggest that we have a booming economy, that things are well, that there is nothing that ought to be done to bring about corrective measures.

On capital expenditures, Mr. Chairman, Manitoba, 3.27 percent as a percentage of Canada. Again, a low point, the lowest of all the provinces in Canada. Now certainly the Minister of Economic Development must have some answers to these problems or some indication as to where the government's policy is with respect to bringing about a correction in the direction of our economy.

With respect to population, the Minister knows, we all know, that we suffered a 15,000 population shift last year, a net population loss of some 5,000 last year. Mr. Chairman, it's the only province in Canada that has suffered that way in terms of population statistics. Now it's also interesting that it was again

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reflective of a period in the mid-1960s when we had a Conservative government. At that time, too, we had a net population loss situation. So all of these things have to indicate, Mr. Chairman, to the Minister of Economic Development, that all is not well in Manitoba despite his utterings throughout the province, despite his posturing, despite the fact that he wants to gain some publicity by the method of handing out a cheque here and there in every community in order that his presence may be felt in that community, in order that he may at least think that the government is appearing to do as much as it can and is satisfying the people of Manitoba that these are meaningful efforts in trying to bring about some stimulus to the economy.

So I would like to know from the Minister, Mr. Chairman, just what his intentions are to bring about a reverse of these economic trends? Because the Minister of Finance introduced a budget this year which he said was going to have a fairly substantial deficit, without including and calculating for the consequences of the drought situation which, obviously at this stage, is now going to suggest to him, I'm sure, that his deficit projections are a lot higher than they were because his revenues will be a lot lower than they were expected to be. It seems to me, Mr. Chairman, that given these things are all sort of converging at the same time; the recession in the United States spilling over into Canada; the drought situation; the already high deficit. That we find the Minister of Economic Development is in most serious difficulty trying to convince Manitobans that things are good, that Manitoba is being managed properly, that we are dealing with the problems of unemployment, with the problems of investment, with the problems of out-migration.

Mr. Chairman, the Minister has yet to outline how they are going to deal with those problems and I would be prepared to give him the benefit of doubt. I would hope that he has some plan of action that he is prepared to introduce in the course of his estimates during the next few days, Mr. Chairman, to give us an outline of how all of those benchmarks are going to be turned around to look much more favourable to the people of Manitoba in the next several months.

MR. CHAIRMAN: The Honourable Member for Ste. Rose.

MR. ADAM: Mr. Chairman, I'll just make a few comments, brief as they may be, to bring to the attention of the Minister some of the situations which exist in the rural areas. You know, when I talk about some of the towns that are, perhaps, the population of 500, 600 and perhaps higher, in fact, last week or two weeks ago, we went to one town where one of the businessmen that I was speaking to said. I said, how are things with the drought, how is this going to affect your town? He said, actually the drought is not affecting our community that much because they had some rain there, but he did mention to me that half of the town was for sale. This was quite a statement, so I did drive around the town and I found that there were five notices on the small businesses, stores and people that had closed up already and had posted "For Sale" signs on their property. So I was quite

surprised to see that in a town the size of about 500 that you would see so many businesses for sale.

Then, Mr. Chairman, I could not help but wonder, if we removed the public involvement in that particular town, and I'm sure in many other towns in the province of Manitoba, and I asked myself the question, what if we took away the public involvement in education in this town that brings in all the teachers that are staying here, all the activity and the buses that come in? What if we remove the hospital, which is a public service, a public responsibility? If we remove all the nurses, Mr. Chairman, what would happen to this town? What if we took away the highway crew that are stationed in this town who work on the highways and who provide customers for the businesses in that town? What if we removed the Hydro crew and the telephone crew from this town and then we transferred the RCMP barracks . . .

MR. CHAIRMAN: Order please. To the honourable member, we have discussed five departments rather than the department that's under discussion. I would hope that if you are trying to establish a point that has something to do with this department, that the member would kindly get around to it.

The Honourable Member for Ste. Rose.

MR. ADAM: Mr. Chairman, I am trying to point out to you, Sir, that if it wasn't for public involvement, if we took out public involvement in many of these rural towns, they would become actually virtually withered and most of the businesses would have to close down. This is what's keeping many of our towns alive at the present time, Mr. Chairman. You can go into town after town in the province of Manitoba and I would even point out that a town like Portage la Prairie, if we took out the public involvement in that town in the form of loans and grants to businesses and the public involvement as far as the Armed Services and all the other public investments and expenditures that are made to provide services, you would have a Portage la Prairie that perhaps would be half the size that it is now. Many of these towns just cannot exist on agriculture alone.

The Minister and the government of the day, who have placed their eggs all in one basket, and I think it's unfair on the part of any government to say to the private sector, here, you do the job, you are the ones who are responsible. When the First Minister gets up and says, yes, we have brought in measures to change the economy around and things are fine from hereon in, I say to him that they are not fine. He can go out to any community he wants. I'm sure that he'll find this in many areas of the province. It doesn't have to be in the northern part, or the southern part, in many areas of this province, if it wasn't for the public investments in those items that I've mentioned, Mr. Chairman, in addition to all the grants that we have provided, things would be in a disastrous situation in the province of Manitoba.

Mr. Chairman, I point out to you, Sir, that it is fine to provide assistance to businessmen, to provide jobs and pay part of their wages, Mr. Chairman. It's fine to do that. But then let's call a spade a spade. I don't object to the fact that we as a government or the government of the day will provide that

assistance to businessmen to hire people. But let's not say that, well, you see how the private sector is successful in hiring people, because that's just not so, Mr. Chairman. We have the former Minister of Industry, I think it is, when they gave away the plant or practically gave away, well, they did give away the plant in Morden, Manitoba, just for the price of the inventory that was on hand, and liquidate the debt; there is no more debt. The debt is written off, Mr. Chairman. Then the government has the gall to stand up and say to the people of Manitoba, you see how successful a private entrepreneur can be.

Morden Fine Foods is now making money. The only reason why it's making money is because there is no longer any debt to carry, Mr. Chairman, and the plant was given away free of charge. It's very simple to make a success, Mr. Chairman, under those circumstances. But for the Ministers to stand up and say, well, this is how the private sector operates. They operate very well if they get all forms of grants and public assistance. I want to point that out to the Minister, that he had better get out in the country and look at some of the towns, at what's happening. If he wants, I will go with him and show him some of those towns, that we had better take another look at what is happening in the province. I say it's unfortunate that we are now going into a period of drought in this province which is going to escalate the deterioration of many towns, through no fault of the government, through no fault of the people who are living there, insofar as the drought is concerned.

But I want to tell the Minister that there are many business people right today that are very very discouraged. If he wants to go out and see some of those businesses that are put up for sale . . . I asked the First Minister the other day if he could explain why there are so many businesses, unseen in previous years, have I seen that many signs up for sale on businesses, and if he wishes to go out, I'll take him out to show him some, Mr. Chairman.

MR. JOHNSTON: Mr. Chairman, I would only comment that the Enterprise Development Manitoba program has been brought up several times and I have referred to the area that it can be discussed under, in fact it comes under a very specific area, Canada-Manitoba Development Agreement Enterprise Manitoba which is (k) on page 37.

The Member for Lac du Bonnet's discussion was basically as usual, he gets up and says most anything, then either leaves the debate or leaves the room as he did last year, but this year he's left the debate but he talks about the philosophy of the Progressive Conservative Government. I can only say that the Enterprise Manitoba is a program that was developed to assist the businesses in rural Manitoba. Now if the honourable members disagree with the fact that small business in Manitoba shouldn't have the capability of receiving some form of assistance to start up business in rural Manitoba, just the same as the larger ones have the capacity or the privilege of going to the DREE grants in Manitoba, there never was anything for the small rural enterprise person to go to, especially when starting up or expanding a small business in rural Manitoba.

The Member for Burrows, as usual as he did last year, talked away about different corporations and

he calls anybody that has received some assistance from government, a person who has welfare. I told him last year I don't regard the small business of Manitoba or the development of small business in rural Manitoba as welfare, nor do I describe the people who have initiatives and want to start up who need some assistance as welfare bums. Let me tell the honourable member, The Corporation's Act which, is new incorporated registrations, the certification of registration is the out-of-town province corporations registering to do business in Manitoba. And the business names registration, the new incorporated registrations, let me inform the honourable member, the total of those three in 1975 was 4,773. In 1976 it was 5,155. In 1977 it was 6,543. In 1978 it was 7,181. In 1979 it was 7,166. So there is ample area for the honourable member to go to the statistics files or the registration branch and find that there has been an increase in all three areas of the businesses in the province of Manitoba. The honourable member does not choose to go and look at those statistics, he chooses to just make statements off the cuff. As I said earlier today, Mr. Chairman, they are all welcome, everybody in this Chamber, to contact the people of my department about these statistics and we'd be very very happy to discuss them with them if they want to debate them.

The employed labour force by industry is listed here, Mr. Chairman. It's available. The total employed in Manitoba in 1975, and the Minister of Labour has presented these figures to the House many times, it was 419,000. In 1976 it was 426,000. In 1977 it was 429,000. That's a 7,000 increase and a 3,000 increase. In 1978 it was 441,000, a 12,000 increase. In 1979 it was 454,000, a 13,000 increase. In 1980 we are experiencing an increase also. Manufacturing, which was discussed earlier today, is up as well.

Mr. Chairman, the Member for Lac du Bonnet quotes the figures that were presented by the Manitoba Bureau of Statistics to everybody, but we went over this this afternoon. We discussed the gross domestic product as being up, the new capital investment in Manitoba is up, the new capital investment private Manitoba is up, the new capital investment manufacturing in Manitoba is up 27 percent over the last period, Mr. Chairman.

The honourable members opposite seemed to be very disappointed that we are increasing in Manitoba. Manitoba is going predicted to have an increase better than all other provinces except two in Canada next year. The members opposite speak about the economic climate in the country today and yet the Conference Board of Canada is predicting that Manitoba will have an increase, the one of three in Canada. So, Mr. Chairman, they may continue to be disappointed about increases that have come forward.

Another interesting figure, Mr. Chairman, when we talk about people that are going to be employed, let me say to the honourable members that the provincial and municipal financial assistance number of cases, and this comes from the aged social allowance cases, in . . . well, I'll start at 32 if you like, that's the total of provincial and municipal assistance, you had 34,272 and then 30,684, 28,155. In 1975, 28,347; 1976, 26,954; 1977, 26,161; 1978,

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23,385; 1979, 22,859. That's less people of the aged social allowance in the province of Manitoba, Mr. Chairman. So you know, the honourable members on the other side still keep criticizing the fact that we're moving ahead. I have trouble understanding it. They seem to be very disappointed, Mr. Chairman, but I would say that the discussion on the programs of the province are all within the estimates, Mr. Chairman, and I'll be very glad to discuss them when the time comes.

MR. CHAIRMAN: The Honourable Member for Brandon East.

MR. EVANS: Thank you, Mr. Chairman. It seems we've got back into general discussion and I did have some specific questions, but I would like to make a general comment on this point, or on this line since this seemed to have been in order. And it's been prompted by some of the remarks that have been made by the Minister and some of his colleagues on that side.

I don't know what it is. It's very difficult for me to put my finger on it, but I will say that there is an atmosphere of pessimism among the businessmen of this province. They don't listen to my speeches. They don't even read the statistics. They just look at their own books. They look at their sales figures. They look at the lack of growth in their own particular business. They don't need any Statistics Canada. They don't need any speeches from this House to know that.

I was in my riding this weekend and I asked one particular small businessman how things were going and he was very very despondent, very discouraged. I said what do you think's going to happen, or what do you think of the future. Well, he said, the only solution is to get rid of Lyon in Winnipeg. That was his solution and for the life of me I don't know what his politics are, I don't, in fact I don't know his name but he was a constituent and he has a business in my riding. This is, I find, typical — businessmen are discouraged, workers are discouraged. If they weren't discouraged, why are they leaving the province?

And, Mr. Chairman, the sad point of this population loss, the sad point of the exodus from Manitoba, is that we're losing some of the very best people, some of the most qualified people, some of the people that have the highest skills, the highest level of education; they're young people and we know that from other surveys carried out by Stats Canada. We know that we're talking generally, about young people, more or less in the age of 18 to 35, in that area, roughly speaking but there are figures on this, very precise, to indicate the type of people that are leaving. They are not the welfare people, they are not people who are beat, they are the people who have got something on the ball, as they say, they're the people who want to get ahead and they're the people that are marching out of this province. Marching west and they're marching east I might add as well, Mr. Chairman.

But part of the problem, we had a little difficulty a minute ago when we were discussing the Member for Ste. Rose, who started to refer to the highway spending and he started referring to the RCMP and so on. And one member objected, saying we should

be discussing the Economic Development Department. My colleague, the Member for Ste. Rose, was not debating the estimates of those particular departments as such, but merely referring to them as being factors in the economic health of that community and that's the difficulty of course that we have in the whole title of this department.

You know at one point I considered renaming the Department of Industry and Commerce to the Department of Economic Development but finally a little bit of wisdom prevailed, because really to say that you're the Minister of Economic Development is a pretty big job that you've taken on by saying, I am the Minister of Economic Development or I have a Department of Economic Development. Because my God, Mr. Chairman, surely agriculture is part of economic development, we should put the whole agriculture department in there. Surely forestry is part of economic development and what happens in the forest operations certainly has an impact on economic development. We should perhaps put that department on there. Certainly what happens in the field of mining has a very great impact on the economic life of this province. What happens in the fishing industry has an economic impact in this province. And so I say, Mr. Chairman, perhaps part of the problem that we have and my colleague, the Member for Ste. Rose, is that we have a very grandiose title here.

The Ministry of Economic Development — it's a very very great area and I suggest with all respect that just about everything we do has some bearing on economic development. And I can see the Member for Ste. Rose's point of view because you do go into the Manitoba communities and you see how dependent these small communities are on the public purse, on public sector employment. Some of the most stable families in the community are the families whose income is derived from provincial government paycheque or federal government paycheque. People who are in the RCMP, people who work in the hospital, which is of course funded by the provincial taxpayers, and the city of Portage la Prairie was mentioned by my colleague from Ste. Rose and that is true as well.

The city of Portage la Prairie which has, I'm not sure how many people they have now — 14, 15 thousand, a fair-sized community — is very very dependent on government spending. One way to demonstrate that is to let the federal government put out a rumour that they're going to take the airforce base there, the military base out of Portage, and you'll hear the hollers and screams of the people — the business people in Portage — because they recognize that buck that comes from the federal taxpayers through the military is just as good as the buck that comes from somebody that may be working in some other enterprise. And that's the fact of the matter, Mr. Chairman, that in the city of Portage la Prairie there's a very good example. Military spending is very important. Government tax money going into the community of Portage.

There's a large hospital in Portage, nursing homes in Portage, personal care homes in Portage, public housing in Portage, there are other government services. We even have the Food Products Centre now in Portage, 2.4 million were earmarked for technical services for the Food Products Centre at

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Portage and I don't knock that at all, I support that, but the point is we are, let's face it, it is the instrumentality of government that is at work here and federal and provincial albeit to help the business sector, but nevertheless let's recognize it for what it is. That's public expenditure, Mr. Chairman, that is not private expenditure. The railway, the railway is very important for Portage la Prairie. One is private, although it's controlled by a board; the other is publicly owned, the Canadian National Railway, very important institution in the city of Portage.

But if you look at the smaller communities in this province you will see, in fact you can look at the Community Development reports that have been put out by this department and you will see the great number of people that do work for various levels of government. The Member for Ste. Rose said if it wasn't for some of these people, these small communities might even fade away. What he is pointing to, Mr. Chairman, is the unfortunate phenomena that's at work in our province and that is a very rapid rate of farm decline, a rapid rate of farm depopulation. The farmers are not there to buy the merchandise from the communities as they once were. Now this isn't something that's new, it's gone on for years. But what disturbs me — and it's gone on in other provinces and other states of the United States — but what bothers me, Mr. Chairman, is that according to a survey that was put out by Stats Canada only three months ago, it shows the number of farms in Manitoba, the decline in farms in Manitoba in the years between 1976-79. The change in the number of farms in Manitoba is negative.

It is negative in Saskatchewan, it's negative in Alberta, but Alberta is 1.8 decline, Saskatchewan is 2.0 percent decline. Manitoba — and I've been trying to get this information from the Minister of Agriculture for some weeks now, I've been asking him in the question period — Manitoba the decline is 8.7. Why is it that the number of farms are disappearing four times the rate of disappearance in Saskatchewan and Alberta. I don't know what the answer is and there may be something queer about the statistics, I really don't know, but those are data that are put out by the Stats Canada organization and anyone can read them. It's called the 1979 Farm and Agriculture Enumerative Survey, Stats Canada. And they've got them for other provinces as well, but I would say that you can't very well compare change in the number of farms in Manitoba with the Maritimes or B.C. because you've got a different geography, a different kind of farming. But it is kosher, Mr. Chairman, it is legitimate, it is fair to compare it with Saskatchewan and Alberta, because we've got the same general type of agriculture, an extensive type of agriculture with a lot of grain growing.

So here we had a disappearance between 1976-79, we had a disappearance of 2,800 farms. I'm not suggesting of course that we have less acreage. The acreage is of course still being farmed, but the family farm, it would seem to me, is under a great deal of pressure. You could read that into those statistics, I'm not sure, but there seems to be a great pressure on the family farm in the sense that we have a more rapid decline of farm entities. It will be interesting to see what the Minister of Agriculture comes up with, but that has got to have a bearing on the economic

development of the communities of this province and particularly the smaller communities.

Mr. Chairman, there is a lot of confusion in the debate, a lot of confusion in philosophical positions, but I have the impression that in Manitoba in 1977 we had a big debate between the government side, the Conservative Party and the New Democratic Party with regard to the role of government in the business sector. And I had thought that the Premier of this province, now the Premier of this province, the Leader of the Conservative Party and his party, and his followers, were truly supportive of private enterprise, and that word 'private' indeed meant private, that there shall be no government involvement, there shall be no government handouts, there shall be no government assistance, but that you shall live and struggle within the market, that the market shall determine.

And that's a legitimate philosophical position and what puzzles me, Mr. Chairman, is that the government seems to be backtracking from this purist right-wing ideology that was espoused rather eloquently by the First Minister. I must say he is very eloquent when he talks about the virtues of private enterprise and the market system, but I'm very surprised and wondering just what is happening in the minds of the government side when we read about the possibility of equity no less in a potash mine, the possibility of equity no less in a hard rock mine in northern Manitoba with the Granges Company, a Swedish mining company; you know, perhaps there's something happening.

I, in some ways, could compare the Premier of this province and the economic philosophy he espoused with that of Margaret Thatcher the Prime Minister of the Conservative Government in Great Britain. And I know he reads the Economist Magazine, as I happen to, from time to time, and I know that was a great debate that went on in England during the last election. The position that Margaret Thatcher and the Conservatives took in England was very, I would say, neo-Conservative, inasmuch as not Conservative in the old sense of the state being involved. I must say, if you look at the economic history of this country and the old Conservative, the grand old Conservative party of this country and MacDonald and these people, where they did recognize that the state had a very positive role to play and the state was used as a very active instrument. But that was not the philosophy, that was not the policy position presented to the people of Manitoba by the Premier of this province. What we were presented with was what I would call a neo-Conservative political ideology, where the state shall step aside, where the government steps aside and lets the private sector do its thing.

As a matter of fact on many occasions, the First Minister of this province said the private sector shall be on trial. The private sector will be on trial, it had to perform because if it didn't perform then their chances were gone. We never said that, we never put the private sector on trial, but the First Minister of this government, of this province, has put the private sector on trial. But the Thatcher government, I would say, took this neo-Conservative philosophy that has been espoused by Milton Friedman from the University of Chicago, the monetarist's school of thought, the school of thought where government

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plays a completely minimal role and the central bank plays a very minimal role, and that you stand aside and let the market prevail. Well, I say, we see now signs in England where the chickens are coming home to roost. Where Margaret Thatcher and her government are having to move away from that purist position and while they at one time were very critical of the previous Labour government for its economic plans where government was involved in the way of subsidies, in the way of equity, the way of partnerships, they were very very critical of the previous Labour government, now there's a turning — the turning of the worm as they say, the turning of the worm, and that is that there's a change, there seems to be a change in the collective thought of the Thatcher government, that maybe this neo-Conservative philosophy isn't the right philosophy for England because there are enormous amounts of unemployment, there are enormous amounts of inflation, they're having difficulties with their foreign trade, and certainly England, Great Britain is having a rough time at the present time. I'm wondering if there is some parallel here, where we see this government moving away from a purist position where we say the marketplace shall prevail, that private sector shall do its thing and government shall stand aside.

I see, I detect a movement away from that, Mr. Chairman. And when it comes down to it, even the handing out of grants and participating in the handing out of moneys, is part and parcel of government involvement because government has to assess the project. DREE has to assess or the province and the federal government together may assess if it's a joint program. Well, why should the government assess at all? Why should it be involved?

I recall, over the years, on a number of my visits to rural Manitoba, in particular, and I particularly remember people in the Steinbach area and Altona area saying, why should we have any grants? They didn't want any grants; they were opposed to grants; they don't believe in grants. They said, keep the grants but also keep the taxes down. Give us a fair shake on taxes, don't give us any grants. I tell you, you do a survey of a lot of the business community of this province, that's what they'll tell you, they're not interested in grants, and particularly, if you give a grant to somebody who is in competition with you, that's where you really run into problems. And there are problems of equity where you're giving out money to one firm that happens to be on the verge of some expansions so you're going to give them a little money to help them along, but you may be, at the same time, making it pretty rough down the road for some other person or some other firm that's a competitor. That's a problem that you always have, I suppose, when you're in the business of giving out industrial grants.

Mr. Chairman, the Minister says we're going forward and we don't recognize that. Mr. Chairman, we may be taking a step forward but we always seem to be taking a step, and perhaps two steps, backwards. I'm not sure whether we're making that much progress. When the Minister continues to harp on this Conference Board outlook which shows us to be the third, in order of ranking, in terms of rate of real economic growth, I'd like to read him back some

of the comments of the First Minister about what he thought about the Conference Board about a year or so ago, when some of the information wasn't as favourable. When the information that the Conference Board was putting out wasn't favourable the First Minister of this province — and I should check this in Hansard — didn't have very many kind things to say about the Conference Board. But now in it's quarterly provincial forecast it's come out showing Manitoba to have the third fastest rate of growth.

Mr. Chairman, I repeat what I said this afternoon because the Minister perhaps has not appreciated the point and that is, this third ranking that we're supposed to have is at a very very low level, and 1.8 percent I think is the figure, unless it's been revised or unless my memory fails me, but I think it's 1.8 percent and that, as far as I'm concerned, is not a satisfactory rate of growth. I would also point out, Mr. Chairman, that with the drought situation, or even partial drought situation, it is very likely that what we thought was going to be a third ranking in rate of growth will not be — and I'm not blaming the Minister or the government, who can? That was the point I was trying to make this afternoon, too, because for any Minister to get up and try to take credit for all kinds of plant openings and business development that he sees, is a dangerous thing to do.

MRS. WESTBURY: Ten major development opportunities.

MR. EVANS: Ten major development opportunities. Well, we discussed that too. The fact is, Mr. Chairman, there are many many very fundamental factors that affect the rate of economic growth and many of these factors are way above and beyond any ability of a provincial government.

I'm not suggesting the government of Manitoba does not have some influence. It certainly does. In fact, it can make some difference in certain cases but let's recognize that there are other factors at work. In the case of the rate of growth of this province, I submit, what happens in the agriculture sector is going to be very very important this year and it is possible that, come the next quarterly provincial forecast of the Conference Board, there will be a revision of the rate of growth. So I wouldn't hang my hat on that particular figure.

Mr. Chairman, the truth of the matter is that there's a mixed bag of statistics. Some look rather favourable, some do not look so favourable and I say that, at best, we seem to be marking time in this province. The economy seems to be marking time. I say, too, that possibly the bottom line to all this is the fact that many of our people have chosen to leave us because they simply couldn't find an adequate job in this province.

MR. CHAIRMAN: The Honourable Minister.

MR. JOHNSTON: Mr. Chairman, I've gone over the job statistics in Manitoba and the Minister of Labour has gone over them very well. If the honourable member wants to look in the paper he'll see that for skilled employees, it doesn't matter what industry it is, there's jobs available in the province of Manitoba.

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When the honourable member says they talked to businessmen, I've never seen them at the business meeting that I was at where we had the Manitoba products displayed and the discussion on Manitoba's capabilities. I have the opportunity to speak to very many businessmen myself. They say they're having trouble hiring people.

Mr. Chairman, I would comment briefly, this afternoon in my opening remarks, which was 24 pages, I did cover agriculture; I covered mining; I covered activities in the construction business; I covered transportation, communication, utilities, trade, finance, community business, all of those things today. I did mention when we spoke agriculture, that we could have a problem because of the drought and I think we all recognize that.

Just one comment I would make to the honourable member about the Conference Board figures, Mr. Chairman. Last year in my estimates the Honourable Member for Brandon East sat with the Conference Board figures and read them off like a Bible and he thought they were the only positive thing that ever came out as far as economic development was concerned. This year the Conference Board of Canada says that Manitoba will be one of three that will have an increase in the country. The honourable member now says that he doesn't really think much of the Conference Board figures. Now he can't have it both ways, which is one of his favourite statements, Mr. Chairman. So if he wants to disregard Conference Board figures, that's up to him. But he liked them last year when he could sit there and say, 0.7 and criticize the province for the increase that we had. Now we have a better increase, going to be the third highest in Canada, three times the national average predicted, and now he doesn't like the Conference Board figures.

So, Mr. Chairman, I really don't know how to answer the honourable member when he gets himself as confused as that regarding the Conference Board figures. I can only say that on the out-migration in the first quarter of 1980, only two provinces had a net increase as far as in and out-migration was concerned — I read those figures off today, they are B.C. and Alberta. Every other province in the first quarter of 1980 has a decrease in in and out-migration.

Mr. Chairman, he talks about the population figures in other provinces so that gets into immigration and everything else, baby booms, but the member opposite was talking about people leaving this province for jobs and that is in and out-migration, that isn't people being born. I can tell you again, that every province has experienced the same thing in the first quarter of 1980.

Mr. Chairman, that's not good. That's not good. I don't think it's good for any province but I assure you that with our Enterprise Manitoba program — and the forgivable loan part is 5 million out of 44 million and I've told the members that many times — is one small step we have been taking. I showed the honourable members today the number of businesses that are planning to open in Manitoba. I showed the honourable members, or they're available to the honourable members, they can get them from me or from the Builders' Exchange if they want to, or the Building Permits, explaining the number of businesses that have expanded or started

up, or the construction that's going on in Manitoba in the manufacturing industry. The member chooses to disregard them, the member chooses to use the Conference Board figures as not being good this year when he thought it was the Bible last year.

MR. CHAIRMAN: The Honourable Member for Burrows.

MR. HANUSCHAK: Mr. Chairman, the Honourable Minister made reference to the Manitoba Products Display conference or meeting at which the Minister spoke, I'm wondering if he could indicate to me under what item in the estimates will we have the opportunity to hear an amended, revised or a corrected version of the speech which he made at that time because I'm sure that he wouldn't want to mislead the people of Manitoba. You will recall, Mr. Chairman, when he spoke about all the products which, according to him, were to have been invented, designed in the province of Manitoba and he made reference to a whole host of them, three of which were a product produced by Schneiders and another was some automotive part and another was some medical instrument. These three items which, according to the Minister, were to have been designed and invented, originate in the province of Manitoba, were, in fact, not. Because the Schneider sausage, the recipe came from Kitchener, Ontario; the medical instrument, it was designed by a group of doctors and technicians at the Hospital for Sick Children in Toronto; and the automotive part — I've just forgotten just exactly what it was — but that, too, was designed somewhere in Minnesota and the plant in Manitoba that manufactures them does so according to the plans and specifications it receives from Minnesota. So none of those three items really originated in the province of Manitoba as the Minister would have wanted the people to believe at that time.

My question is, under what item in the estimates could we look forward to the opportunity to hear the corrected version of the speech which the Minister made at that time?

MR. CHAIRMAN: The Honourable Minister.

MR. JOHNSTON: That product display was put on under Enterprise Manitoba and, Mr. Chairman, the three areas that the honourable member speaks of I'll explain. But I'd briefly like to say that, as I said this afternoon and the member refuses to listen, that particular display, that particular meeting of business people, wasn't just all business people. There were people there from municipalities and towns throughout Manitoba, and they were there to have discussion with us and see firsthand what Manitobans have accomplished. That's what we did. We have a theme, "Manitobans Do It Best" or "Look To Manitoba" which is going on cartons and many of the shipments going out of the province of Manitoba.

He mentions the Schneider one that was written up in the paper and yes, Mr. Chairman, if the word "has" been developed in Manitoba instead of "was", it would have been correct. In Kitchener they developed that particular sausage that's sold on the market today in the stores, you see them hanging there, but it had to have a factory that was

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designated to make that only and Schneiders chose to put that factory in Manitoba in 1970. After the development of the sausage they did more flavouring here; they did the packaging here; they did the design; the marketing program was done in Manitoba. I mean, it was all done by Manitobans from the point of the first development of it. If the honourable member does not have confidence in Manitobans doing it that's entirely up to him.

Mr. Chairman, the member mentions the electronic product that was developed in the Children's Hospital in Toronto. Yes, it was developed there but there was nobody in Ontario or Canada but a Manitoba company that would take that product and design it, to put it into a marketable product that could be sold to the hospitals and medical industry, anywhere in the world for that matter of fact. The design of the marketable product was all done in Manitoba and that's not unusual, Mr. Chairman, for an inventor to have some company take his product and put it into a marketable situation. And that just proves that the Member for Burrows knows nothing about business.

Mr. Chairman, on the third one, if I had said designed but not engineered — we used the word engineered — those particular radiators are basically designed with the customer as to size and requirement that need it. The engineering plans are drawn up in their factory in the United States, just the same as John Wood here draws up a lot, and many other metal manufactureres draws up engineering blueprints for their factories elsewhere and send them down, but the engineering design of the production line of the plant and everything was done by Manitobans. The president of that particular company has written me since the statements that were made in the paper in Manitoba, very disappointed about them because he said we do an awful lot in the province of Manitoba.

So the member can sit there smoking his pipe as long as he wants, saying that these things aren't done in Manitoba. I am saying to him, Mr. Chairman, that I'm proud of what Manitobans have accomplished. I wonder if he knows that why the big 10-11 airplane with that big chute on the back, that chute is made in Manitoba. I wonder if he knows that the ice cubes they put in your drinks in the airplanes that fly across this country for PWA and other airlines, I wonder if he knows the machine that makes that ice cubes is made in Manitoba. I wonder if he knows the thousands of products that are manufactured and produced in Manitoba. He's not proud of it because he hasn't taken the time to find out what goes on in Manitoba, Mr. Chairman, and it's time he did. That's what we were doing on that day on April 30, presenting to the people of Manitoba the programs and the ideas that Manitobans have accomplished and they should be proud of and we want to let all Manitobans know what's accomplished in the province of Manitoba, Mr. Chairman.

MR. CHAIRMAN: The Honourable Member for Burrows.

MR. HANUSCHAK: It seems, Mr. Chairman, that by the Minister's own admission that what he ought to do is that which his government has been

preaching for some time and that is go back to the basics and perhaps he ought to go back to the basics and learn to choose his terminology more carefully, wisely and accurately, to say exactly what he means so that people know exactly what is going on in the province of Manitoba and not have to explain and reexplain time and time again as to what in fact he did intend to say.

MR. CHAIRMAN: (1)—pass — the Honourable Member for Brandon East.

MR. EVANS: Mr. Chairman, I don't want to belabour this, but I want to make it clear that I have to accept the Conference Board forecast. In fact, it's the only organization in Canada to date that does a consistent regular forecast on a provincial basis. There is one other organization that's about to get into the act and we're going to have lots of fun then, because we'll pull one against the other. But it is the only one thus far. There are some banks that do from time to time engage in forecasting, but it's on a less regular basis and it's not certainly as frequent. The one advantage of the Conference Board is that it's on a consistent basis, it's regular and, wrong as they may be, one way or the other, at least they are making the effort and I commend them for it.

My only point, Mr. Chairman, is that as far as the forecast is concerned, I'm making I think a valid observation, and, that is the Minister has no control over this. None of us have and that is the fact of the inadequate rainfall. If the inadequate rainfall hurts the crop production, then it's going to affect the outlook. That's the point I'm making. Having said that, we could look at other figures here and they are predicting, first, they said Manitoba is going to have the lowest job creation of any of the 10 provinces. The number of jobs to be created next year in Manitoba is the poorest of all the 10 provinces. We're even beating out Prince Edward Island. You know, we could look at the growth of the labour force, it's almost static, there's a small growth of the labour force. Of course, this is the reason we have such a low level of unemployment, because our labour force isn't expanded. If it was expanding and we didn't provide the number of jobs then, of course, the rate of unemployment would increase.

But I want to make it clear, the members opposite say we're prophets of doom and gloom and so on, but it's our job to try to look at the other side of the coin; and I would suggest we're not trying to be prophets of doom and gloom, we're trying to be realistic about what's happening out there. I, for one, know that there are very many good Manitoba products that have been, not in the last two years only, but for a hell of a long time. Well, I recall a couple of things, telephone equipment, when I was Minister. I recall that through the Manitoba Trading Corporation — I don't know the details — but we beat out the Japanese and many other very big competitors in Turkey. Communication equipment made in Morden, I believe, some place in southern Manitoba, which we sold at a competitive bid in Ankara, Turkey. I was quite intrigued with this particular item, a very small — well, a few hundred thousand dollars — but, nevertheless, it showed something to me that we had some ability in the area of telephone equipment.

Then there's another example that comes to mind, again through the Trading Corporation. We were able to sell a total abattoir plant, a complete plant, to the country of Panama. I believe it was Rogers Western Canadian. I may have that title mixed up, but it was Rogers Company and most of the product was made in Manitoba. But here we went down to Panama, put in an entire plant in place. I recall selling air conditioning equipment to Latin American countries and so on. There's no question in my mind that we can do some rather spectacular things if we put our minds to it, selling equipment and product in some very remote places of the world where the transportation costs are indeed heavy and it's difficult for us to overcome that barrier. But if you do have a high technology product, presumably the price is high enough that you can overcome any limitation of transportation costs.

So I want to recognize that we, in Manitoba, have produced many fine products. Our manufacturing sector has come up with some imaginative output and we've got some excellent people, but they have been around for some time, they just didn't arise in the last couple of years. And I think the fact that of the 10 items the Minister mentioned with regard to ideas that were being put into commercial operation, it's rather significant that 7 out of those 10 had evolved prior to the Conservative government entering office.

Mr. Chairman, I said I don't want to belabour, I want to ask one question and unless somebody else wants to speak, maybe we can pass this item and perhaps adjourn. I'm not sure. But there was one general question that I had, again with regard to the Minister's speech of April 30 where on Page 13 he makes reference to a basic strategic agreement with the other western provinces. An agreement that will see a deliberate effort to use these kinds of projects and the rest of government procurement to support our own industries in the western region. Is this the appropriate place to talk about this, or can the Minister suggest where in we might discuss a strategic agreement that has been reached with the other western provinces? This seems to be a general thing, possibly this is the area to talk about it. Maybe not, but perhaps the Minister can guide us, Mr. Chairman.

MR. JOHNSTON: It would be more appropriate under Business Development, Mr. Chairman. That's (h) on the next page on operations.

MR. EVANS: Okay.

MR. CHAIRMAN: (1)—pass; (2)—pass; (b)—pass; (c) Administration (1) Salaries—pass; (2)—pass; (c)—pass; (d) Economic and Operations Research . . .

MR. EVANS: Mr. Chairman, I think this is a good place to stop. We've let the Administration go without any comment deliberately and we're prepared to call it a night on this side if the Minister is agreeable, or the Chairman is agreeable.

MR. CHAIRMAN: The Honourable Government House Leader.

ACTING GOVERNMENT HOUSE LEADER, Hon. Edward McGill (Brandon West): I move that committee rise.

MR. CHAIRMAN: Committee rise.