

THE LEGISLATIVE ASSEMBLY OF MANITOBA

8:00 o'clock, Tuesday, June 22, 1971

MR. CHAIRMAN: Resolution 84 (a)(1). The Minister of Public Works and Highways.

MR. BOROWSKI: Mr. Chairman, I am glad to see I have one enthusiast on the other side of the House -- (Interjection) -- three altogether, and I'd like to have that put on record, Mr. Chairman, that only two Conservatives and one Liberal is present in the House today.

MR. ENNS: . . . like to have it on record that it is the Minister of Transportation that's speaking when that attendance is in the House.

MR. CHAIRMAN: Both gentlemen have accomplished their purpose. The Minister of Public Works and Highways.

MR. BOROWSKI: Well anyway, Mr. Chairman, I was in the middle of a paragraph here talking about Part III of the Transportation Act and I left off I think . . .

A MEMBER: At the word "and."

MR. BOROWSKI: And. In the Transportation Act is the various modes of transport. Since Parliament has conferred a duty on the Canadian Transportation Commission to implement the various provisions relating to several transportation modes, and has enunciated the principles which would guide the commission in its endeavours, it is unthinkable for the Federal Government to cede to the province the balance of power granted to it by Parliament. Unfortunately, the Federal Government, federal authorities failed to respond to the Ontario proposals, with the result that the provinces, at least certain of them - and this includes Quebec - they're hopeful that the Ontario proposal with some modification would be acceptable to the Federal Government. This course of action, if accepted by the Federal Government, would have allowed the provinces to achieve through the back door which they could not gain through the front door.

For the first time, Mr. A. L. Peel, who is Chairman of the Advisory Council, responded on behalf of the Federal Government to the Ontario proposals. What he said in essence to the Ontario representatives was that the proposal was not acceptable to the Federal Government on the grounds that the adoption of either one of the two proposals would have the potential of leaving the balance of power to provincial authorities, and thereby nullifying the will of Parliament in the field of national transportation. While he was extremely careful not to close all the doors insofar as some working arrangements with the provinces is concerned. He made it very clear that the government through its Canadian Transportation Commission intends to put effect to the principles enunciated in this Act. Mr. Chairman, that is my report of Part III.

May I simply say that this is one of the important areas for the trucking industry. They're very concerned about it and we of course of the government are concerned because when the full implementation takes place, and I suspect it will take a couple of years, that will mean that people doing business in Manitoba wanting the extra territory to run through, they will have to go through this super board that will be sitting and rules from Ottawa and will have to get permission to run their trucks through the various provinces. Our truckers are concerned and of course we are because so much of the movement of goods in and out of Manitoba are now through truck transport, which means that the province truly has a vested interest in the trucking interest and it's in our interest to see to it that the Manitoba truckers get the best deal possible.

And speaking on trucking, there's also the question of reciprocity which is an important item to the trucking industry. Last year we initiated action with eleven states, I believe, to give reciprocity with Manitoba thereby making our truckers more competitive. Some have been successful, some have not been successful, some are still pending. Now there's been a couple of changes of state governments. We hope that when the government is comfortably in the House that they will look at this matter and hopefully allow our truckers to go in there duty free.

I'd like to make a couple of comments here of the effects of this reciprocity and the effect it has on industry. Licence reciprocity in the highway transportation industry has always been considered with three basic objectives in mind; free movement of goods to and from Manitoba; the development of industry within the province; and the strengthening of the trucking industry itself. It is also correct that licence reciprocity is effective in proportion to (a) the granting of authority to Manitoba truckers by the ICC in the U. S. A.; and (b) the volume of our exempt commodities carried by the Manitoba truckers. No authority is needed for exempt commodities and apparently all states and provinces have certain commodities that are exempt.

One of the disadvantages, and I think this is important to note because there's money

(MR. BOROWSKI cont'd) . . . involved, is the loss of revenue. Keeping all those factors in mind, the only apparent disadvantage with respect to the extension of reciprocity agreements would be loss of revenue. The amount of revenue received in permits from U.S. truckers operating from those states with which we are concerned here was in the amount of \$19,263.20 for the year 1967 and for 1968 the amount was \$19,744.47. I believe last year the totals were around \$20,000, so because we entered into reciprocity with these states we are short or will be short \$20,000 in our revenues.

The advantage of reciprocity enables Manitoba truckers to enter the U.S. and deliver Manitoba products for sale at competitive prices. It would not be possible to do so if licences in each state had to be acquired. And may I point out for the record that the licences could run to \$1,500 and more per year if the truckers were forced to buy the licences through each state as they passed through it. But the cost of transportation of Manitoba trucking into those various states was maintained on a competitive basis and there is a distinct possibility of an increase in the volume of Manitoba products into the U.S. Increased exports would of course benefit both Manitoba exporters and Manitoba truckers.

Licence reciprocity is required in order for the truckers to remain in a competitive position with rail and U.S. carriers. At the same time, extension of reciprocal agreements would encourage trucking firms to establish in and operate out of Manitoba by locating their head office within the province. It is interesting in this connection to note that the Province of Alberta has reciprocity agreements with some 32 American states and as a result they have a larger number of extra provincial trucking firms which have their head offices in that province. There is also a probability that new manufacturing commercial companies may be encouraged to locate within the province because of the lower freight costs, and no difficulty in contacting international carriers to service their operations to and from Manitoba and various states in the U.S. There has been a great deal of success in the last five years, and more particularly in the last two years, by Manitoba truckers in obtaining authority from the United States and more of them are now becoming aggressive and attempting to develop this north-south business. Reciprocity would assist in this endeavour.

The oil industry supply, which includes several of the local firms like Paul's Hauling, Arnold Brothers and other firms, have been successful in obtaining authority in the U.S. over the past two years. In this connection -- I'm sorry -- past three years. In this connection it is interesting to note that as a result of the acquisition of authority there has been a tremendous increase in the number of truckloads by Manitoba truckers to and from the U.S. The P.S. loss report prepared for the Manitoba Government in August, 1967, shows that a total number of trucks carrying products to and from the United States by Manitoba truckers was 231 in 1966, and in 1969 Oil Industries and Supplies Limited had 340 full truckloads of petroleum and liquid gas from Pacific Petroleum Products at Fort Whyte -- at Fort Garry, I believe, to the various centres in the U.S. If the extension of authority for Manitoba truckers into the U.S. is to continue, reciprocity licensing is a key factor in establishing the necessary competitive rates.

MR. CHAIRMAN: The Member for Morris to a point of privilege.

MR. JORGENSEN: My question of privilege is that the consideration of the estimates of any department are supposed to afford the members of this House an opportunity to question the Ministers. A number of questions have been asked of the Minister; he has refused to answer them; so therefore I move, seconded by the Member for Lakeside, that the Estimates of the Department of Public Works and Highways be considered as passed.

MR. G. JOHNSTON: Mr. Chairman, I would like to speak to the motion.

MR. GREEN: . . . Mr. Chairman, I think that that is the motion before the House, before it is put. In other words, I believe that the motion is really out of order and that what is being spoken to is that particular motion -- pardon me? Yes, Mr. Chairman, I accept the fact that the motion put now as a properly put motion is debatable. I'm suggesting that the motion before the House, that we are discussing a motion at the time that the motion was put, and I suggest that the resolution that we are discussing is in effect the resolution that has been put, except a branch of it, and therefore being in the course of discussing a resolution, I believe that that resolution has to be voted on before another resolution is put. -- (Interjection) -- Yes, I think that the Minister of Finance has properly indicated a proper motion. If the member did not rise on a point of privilege, it would be open for any member in the House to put a motion that the question be put, but I believe that the member rising on a question of privilege isn't in the position of putting a motion when another person has the floor, but I take it that if the members want to pass the resolution that is before the committee at the present time that

(MR. GREEN, cont'd.) there will be no difficulty in passing that resolution.

MR. ENNS: Mr. Chairman, speaking on the matter of privilege before the House, or the motion . . .

MR. CHAIRMAN: Order, please. The Chair as yet has not accepted the resolution and this is exactly what was questioned. The question in my mind is the Member for Morris rose on a point of privilege and a motion is not a point of privilege, nevertheless the House Leader has put it well, that the resolution is under consideration and the motion therefore will be redundant, but if the motion that the question would be now put would be in order.

MR. JORGENSON: I move, seconded by the Member for Lakeside, that the question be now put.

MR. CHAIRMAN: The House Leader.

MR. GREEN: Mr. Chairman, I indicated that if the member was able to rise and obtain the floor without putting a question of privilege, and makes a motion that the question be now put, that that would be acceptable. However, having taken the floor on a question of privilege he would be usurping the right of the Minister to continue making his address, but I take it that the Minister is not adverse that by leave of the House that we put the motion and pass the resolution. Okay?

MR. CHAIRMAN: Resolution -- passed?

MR. DESJARDINS: Mr. Chairman, on a point of order, I'd like to know what I'm voting for. I think that the motion, first of all that the motion be put, and that is not necessarily the same motion that was presented by my honourable friend. Another motion would have to follow to say that the Estimates are passed. The motion is only that this resolution be passed, the resolution in front of us.

MR. CHAIRMAN: The House Leader.

MR. GREEN: Mr. Chairman, as I understand it . . .

MR. CHAIRMAN: To this point of order.

MR. GREEN: Let's see if I can understand properly what members desire. The Member for Morris acknowledges that the Minister of Transportation now has the floor, but he has indicated a willingness to put all of the questions now before us in that department's resolution, and is really asking that we do that. My impression is that there's no objection to proceeding in that way; therefore, the only motion before the House is the original motion on the Minister's Estimates and resolutions, and we can proceed with that if that appears to be the disposition of the members of the House.

A MEMBER: No.

MR. GREEN: Well, if that's not acceptable then the Minister perhaps still has the floor.

MR. CHAIRMAN: The Member for Portage la Prairie. Order, please. The House Leader, I'm sorry, has the floor.

MR. G. JOHNSTON: Mr. Chairman, I believe that I could help the confusion by moving an amendment that the motion . . .

MR. CHAIRMAN: . . . to this point of order.

MR. G. JOHNSTON: Resolution 84.

MR. GREEN: Yeah, but it's not a motion. 84 -- passed? Okay?

MR. CHAIRMAN: The Minister of Transportation. (Resolutions Nos. 84 to 93 were read and passed.) This completes the Department of Highways.

DEPARTMENT OF INDUSTRY AND COMMERCE

MR. CHAIRMAN: The resolution before the committee is 56. The Minister. Resolution 56 (a)(1) - Minister's Salary. The Minister of Industry and Commerce.

HON. LEONARD S. EVANS (Minister of Industry and Commerce)(Brandon East): Well, Mr. Speaker, although I have many -- (Interjections) -- as my colleague in the Department of Public Works and Highways, I too have many notes to go over and comments to make, and perhaps the Honourable Minister would like me to refer to some of his.

However, rather than go into a lengthy discussion of some of the programs of the department, I would like to make a few general observations regarding the thrust of the department, and I'd like to make some reference to some of the problems that confront the Department of Industry and Commerce in its never-ending task of bringing jobs to Manitoba and raising the standard of living of the Province of Manitoba. I would like to point out that we have continued to observe this year our policy of selective economic growth, selective -- (Interjection) -- well the honourable member, you know that's just what you can expect of the honourable

(MR. EVANS, cont'd.) member who doesn't get up and stand up, he breaks the rules of the House and yells nonsense. You know, a crude statement.

MR. CHAIRMAN: Order, please. The Minister of Industry and Commerce.

MR. EVANS: Thank you, Mr. Chairman. I would like to -- as I was stating, we have abandoned the crude growth policy of the previous government for a policy of selective economic growth.

HON. RUSSELL DOERN (Minister without portfolio)(Elmwood): Crude and vulgar.

MR. EVANS: And in that respect, Mr. Chairman, I say to you that we have set up for ourselves a much more difficult task than the previous administration chose to set before itself. To seek selective growth means striving for goals which may at times be contradictory, and in going over this question of goals to be sought after, I would suggest that what we are after is optimum economic development for the Province of Manitoba as opposed to maximum economic development.

By optimum economic development I mean raising the standard of living of our people while at the same time being concerned with regional economic disparities, and it's not so simple to be concerned with balanced growth within the province and at the same time attempt to get a maximum amount of jobs, a maximum amount of industrial production within the province as a whole. And by saying that, I would refer to many examples whereby efforts of our department to get industry into rural Manitoba is a far more difficult job, as the honourable members opposite should know, than to get industry into Metropolitan Winnipeg, and by setting for ourselves this goal of rural economic development of balanced growth within the province we have set for ourselves a much more difficult task than to simply go out for jobs, period, regardless of where they may occur.

The problem of ensuring adequate management of the environment, the question of maintaining adequate environmental control, the question of the ecology, makes it much more difficult. It is much more difficult to get economic growth when you are attempting to ensure adequate management of the environment. At the same time, if you are trying to maximize control of the economy by Manitobans for Manitobans, this too makes the job of industrialization more difficult and I would think - and I'm not ashamed of this matter at all, I make no bones about it - that this government is out to maximize the control of the economy of the Province of Manitoba by the people of Manitoba.

So preoccupation with any one goal, whether you are talking about regional disparities, environmental control, whether you are talking about indigenous control of the economy, whether you are talking about adequate income distribution among your people, there are many many worthwhile goals, but preoccupation with any one goal tends to be a hazard. And the assumption that all the goals are of equal value is another hazard and the assumption that the balance of importance between goals stays the same from year to year is also a hazard, so our task is to weave a course between various goals, trying with each opportunity we perceive to select a path which brings us the most benefits and the least cost.

MR. CHAIRMAN: I wonder if the members could keep their private conversations down just a little bit please. The Minister of Industry and Commerce.

MR. EVANS: Thank you, Mr. Chairman. I know this isn't the most poetic remarks that this House has heard but thank you very much for calling attention.

Few will be the occasions when we are presented with an opportunity which helps us move towards all of these goals at once, and sometimes we will face the difficult task of not encouraging what seems on the surface to be an opportunity because it achieves one goal at the expense of too many others. For example, new jobs might be created by an industry but it is one which pays the lowest wages or perhaps one which pollutes the atmosphere in a residential area. Our task therefore, Mr. Chairman; is to weigh the merits of each opportunity, not just in simple absolutes but in the degree to which it adds to and detracts from the achievement of our various general goals for optimum economic development.

The task of devising ways in which to measure these degrees of difference of course is very enormous, and this, Mr. Chairman, is why we have established a Policy Research and Planning Branch which is now working hard to develop guidelines and refine guidelines to help us change existing programs and plan new programs that will move us more rapidly to the achievement of our objectives.

I mentioned the question of selective economic growth as one thrust of the department. I would like to add further, Mr. Chairman, that another thrust in the department in the past

(MR. EVANS, cont'd.) . . . year is to place more emphasis on assisting existing Manitoba industry to expand and to help existing Manitoba industry to become more efficient, and in this respect we have carried out a number of programs related to assistance and training of staff, management training, programs whereby we conduct audits of companies to see that they have the best allocation of resources within that company and to see that their general efficiency is as good as it might be.

In another area of assistance to existing industry, I might suggest, Mr. Chairman, our program to provide a stronger thrust in Manitoba's technological stance, and during the past year, in 1970 and in the first few months of 1971, we have accomplished a number of things. Let me give you some examples. We have appointed a new board, a new Manitoba Research Council, one that has now become quite active, and its expansion to include representatives from our centres of excellent committees.

We have in effect dozens of people in the universities and in industry who are concerned with upgrading technology in Manitoba industry and these people are working as publicly-spirited citizens helping us in this very important task. We now have a full-time Director of Research and Technology. He has started with us some weeks ago - and I might add that he is a Manitoban, or was born and raised in Manitoba, received considerable education in this province and is a man of great qualifications. I refer to Dr. Gordon Trick, a man who spent 15 years or more in industry in the area of applied science.

In addition, we have our program of Industrial Enterprise Fellowships which have gone to two university teams working on projects which could lead to new Manitoba industry. I refer to our Centex committees. We have four committees who have already identified 17 areas for research activity which can contribute and will contribute to centres of excellence in the province.

Furthermore, Mr. Chairman, I'm pleased to note that we have stepped up our use of federal programs for applied industrial research and development in Manitoba industry. From virtually no paid money two years ago, from the position of two years ago where there was no federal funds coming in for this purpose, we have now helped several firms secure grants for research and development in excess of one million dollars. In addition, we have plans under way, plans to embark on significant applied research projects. We have eight projects under way including areas such as food processing, production equipment, pharmaceuticals, chemicals, housing, technology and pollution control, where new initiatives, our new initiatives I am sure will be effective. A considerable amount of preliminary work has been done in this area and I anticipate that several of them will be funded during the coming year. Several are initiatives that our Centex committees have identified.

In addition to our own research and development incentives program that has helped various Manitoba companies to develop new products and secure standard approvals to help them to sell more effectively not only at home but also abroad. I should take a word at this time to express my sincere appreciation to the people who have volunteered to serve on the Manitoba Research Council and on the Centex committees, some 50 dedicated Manitoba scientists, industrialist and other professionals. I think their hard working efforts during the year will bring us a great deal forward in industrial development in the province.

I should also refer to the Manitoba Design Institute Board which has also been reconstituted, and the new membership will be vigorously pursuing programs to help our companies do a more effective job of managing and implementing good product in package design. A particular achievement during the year, Mr. Chairman, was the successful completion of negotiations with the Federal Government and the University of Manitoba which has resulted in the establishment within the Faculty of Architecture of a Design Management Centre which will be largely funded by the Federal Government and supported by the Manitoba Design Institute. I believe this centre is now advertising for a director and should be in full operation by the fall of this year.

Another innovation during the past year, Mr. Chairman, was the holding of Product Review Boards in various regional areas in the province, including the West-Man regional area and the Parklands region, and we found at least 19 companies participating in rural parts of Manitoba.

Another area where we've assisted existing Manitoba industries has been through the efforts of the Manitoba Export Corporation which was brought up to full strength during 1970, and I think that the Chairman will agree, the Chairman of the Export Corporation will agree

(MR. EVANS, cont'd.) that his committee has never been as effective as it has been during the past year. Several meetings were held of the full board and several executive meetings as well. The corporation provided export assistance to nearly 700 Manitoba companies and received over 154 in trade enquiries. In addition, we carried out various programs to provide information to Manitoba companies about export opportunities abroad. There were 45 trade fairs in which Manitoba companies participated through the assistance of the Export Corporation and a total of about 50 incoming buyers were assisted to visit various Manitoba companies. In addition, strong efforts were made to encourage the export of professional services to help Manitoba architects, engineers and construction companies to participate in projects in overseas markets.

I mentioned the thrust, our policy thrust of selected growth; I referred to the additional emphasis on helping existing industry. I would like thirdly to note that we have exerted greater efforts to assist rural economic growth and balanced development throughout the province. We have now got a full slate of regional development corporations. Nor-Man and the Interlake corporations were formed during the past year, and I might add, Mr. Chairman, that the seven regional development corporations have been assisting us in various types of programs which we've carried out, informational programs for rural businessmen and for rural communities. One informational program of course was our Operation Bootstrap, which was an informational program indicating how communities might improve themselves, and we suggested examples of many centres in the province where the communities did that very thing.

We also carried out a community management training program. A pilot project was carried out last winter in Dauphin. Mr. Chairman, it was so successful that the Federal Government copied it and used it on a foreign aid program, feeling that this was a very productive type of program - which incidentally was carried out in co-operation with the Manitoba Institute of Management - and because of the success at Dauphin we have now extended the program and we have now currently seven towns in Manitoba where management training programs are being undertaken. I have spoken to people, businessmen who have taken these courses, and I must say that they're all unanimous in the fact that the courses did help them considerably in managing their particular businesses more effectively and more efficiently.

I might also add, Mr. Chairman, with respect to our thrust to assist in rural economic development, that we are now carrying out an extensive survey this summer in the southern region of Manitoba, with the assistance of several regional development corporations, whereby we are attempting to ascertain some very fundamental answers to problems of community development. As we know, and as many of us regret, there are many towns and villages in this province who are either stagnant or who are in some cases virtually disappearing from the face of the earth. Now of course it's obvious that they are victims of changing technology. The fact of new and better farm equipment, the fact of the automobile, highways and modern methods of communication, have all contributed to the demise of small towns. And of course this is nothing peculiar to Manitoba, indeed it's occurring in all agricultural areas at least in North America if not in the western world. You can look at North Dakota, you might look at Minnesota, you could look at the Province of Saskatchewan or the Province of Ontario, the rural parts, and you'll see that the same problem is occurring, the same phenomenon is at work where you have a centralization of population, and these regional analysis surveys that I've referred to are now being carried out and I hope will provide us with many answers which will help the Provincial Government and the regional development corporations, as well as the communities themselves, do something about the problem that is affecting them, do something with respect to stimulating their economic well-being.

I should also mention, Mr. Chairman, in the area of assistance with respect to rural economic growth, the policy of the Manitoba Development Corporation which has been newly instituted, the program to provide loans for service industries in areas of Manitoba outside of Metropolitan Winnipeg. I might add that the - I guess it was seven or eight regional development corporations which existed about a year or so ago, approached us to see whether the MDC would extend its program in this fashion because it was felt that existing commercial, financial institutions were not providing the finance, the necessary finance at least at the rate of interest that was manageable by these small enterprises, was not providing the finance to enable towns to obtain the types of services that they so desperately needed, whether it be television service in some cases, it may be a particular type of retail outlet.

The fact is, Mr. Chairman, that when we decided to extend loans to service industries,

(MR. EVANS, cont'd.) we have in a very fundamental way met the request of the people concerned about economic development in rural Manitoba crying out for assistance, for this kind of assistance, and we have gone a long way to help them, not to mention the existence of the small loans division in itself. I would say, Mr. Chairman, that this is the fourth dimension of our particular thrust during the past year, and that is to put more emphasis, greater effort to assist small and medium-sized industry as opposed to large corporations which we feel are in a much better position to look after their own welfare.

I should mention some other particulars that have been of some concern to us during the past year. One of course was, in fact a very major concern was the closure of Gimli and the Rivers Air bases, the department any myself held many meetings, many communications with the authorities in Ottawa to see what could be done to alleviate the situation. I just might add that in the case of Gimli, an announcement was made today about monies forthcoming -- I just might add that in the case of Gimli that the Government of Manitoba has been at work, the department has been at work for many months attempting to get some federal action to maintain the military base, to help us maintain the base as a viable type of operation in possibly turning it into an industrial development park.

In addition, I am glad to see that our several months of discussion with Mr. Marchand has now born fruit and that the Federal Government is now prepared to put up a million dollars to assist the waterfront development of the town of Gimli. I think that this was the least that the Federal Government could do in order to provide work for those several hundreds of civilians who are now going to be unemployed very suddenly in Gimli, in order to provide them with some work and also to provide Gimli with a lasting asset, something that will help to upgrade the quality of life in Gimli and an asset, an improved waterfront with possibly a park facility, a museum possibly, and other aspects that will be an adornment to that community and will enable it to be much more effective as a tourist centre.

By way of further detail, let me refer to our special projects which have been carried out to assist Indian and Metis programs, including the Peguis Reserve and the training facility which was reviewed and a new two-year agreement signed. Also, I refer to the Sioux Valley handicraft operation which was developed and carried out over a two-year period and it is still going strong, Mr. Chairman. And further, I would mention our assistance to the Metis wood-working shop at St. Laurent which also is progressing very favourably. I would hope that in co-operation with other Provincial Government departments we may do more of these types of programs in the future.

Mr. Chairman, I could refer to efforts of the department in the field of transportation policy research; I could refer to our various efforts to upgrade air transportation into Manitoba; I could refer to our efforts to get Ottawa to move with respect to international air routes as they affect Winnipeg; and I could also refer in some detail to our examination of air transport facilities in northern Manitoba. We are continually badgering the Federal Government - I suppose that is a word I might use - we're continually reminding the Federal Government that it has a responsibility in the Port of Churchill, and only recently, a day or two ago, I was informed that studies of the harbor depth have now been completed and we are hopeful that the Federal Department of Transport, or the Ministry of Transport as it is called now, will soon be engaged in a program to deepen the harbor so that the larger vessels, larger freighters that we have in existence today, and they are growing larger all the time, will be able to make use of the port.

Mr. Chairman, there are many other matters that I could discuss and refer to. I could refer to the current state of the Manitoba economy. However, I will refrain from doing so unless members opposite or other members of the House have some great interest in this.

I would also like to make reference to our efforts in developing an economic plan for the Province of Manitoba. I wouldn't want anybody to confuse the COMEF report or the TED Commission report with an economic plan for the province. Useful as they may be, useful as each of these reports might be in their own specific way, I believe that they fall short of the real, the kind of real economic plan that this province needs if it is going to strengthen its economic base.

Mr. Chairman, we in this government are determined to defeat the diseases of unemployment and under-employment and poverty, and we can only do this of course if we are enjoying robust economic health. But we must be sure that the economic growth medicine does not kill the patient. Our efforts to secure new jobs and developing existing jobs must be done in a way that does not thwart other objectives related to the well-being of Manitobans. New plants that

(MR. EVANS, cont'd.) create excessive social costs, new jobs that only serve to displace the multitude of existing jobs, new industries that cause redundancies in existing industries, these are not the kind of economic medicine that will make Manitoba healthy. But let there be no mistake about it, we do need economic medicine; we do need new jobs; we do need regional growth; and we do need more productivity.

The task of designing an economic plan that provides for these things without unreasonable costs and without unpleasant side effects is a massive task indeed. The COMEF report and the TED report, I might add, Mr. Chairman, each I believe took two years to complete, and while they gave competent assessments of certain aspects of the economy they were far from being full economic plans. The present government has been in power for just under two years and I can tell you, Sir, that for the first time in Manitoba's history we are starting to face up in a realistic way to the real issues which make forming an economic plan and an economic development policy so difficult. You don't create an economic plan by writing down some platitudes calling for renewed effort in growth. Creating an economic plan isn't like pulling a rabbit out of a hat, it's darn hard work, Mr. Chairman. It involves coming face to face with the issues that have never been met head-on before in the Province's history.

This task, this facing of issues with realism and honesty is a difficult, painstaking task. It requires vast amounts of information, broad and exacting study. It requires imagination and it requires free thinking. But work has started, and from a hard-headed, pragmatic, objective evaluation already under way will emerge, in due course, the ingredients necessary for putting together the first elements of an economic plan for Manitoba. Now this is something that cannot be done in one department alone; it requires the co-operation of many departments. It requires the co-operation of departments such as Agriculture, for example, or Mines, Resources and Environmental Management is another example. It requires the co-operation of Tourism. It is a multi-department effort that is required to bring up, to bring into being a realistic economic development plan.

The second thing that I should make clear is that economic planning is a dynamic thing. It is most unlikely that we will table large, thick reports called "Manitoba's Economic Plan Forever and Ever and Ever". That sort of report is ideal for catching dust on the shelf or stopping swinging doors but not much else.

Unfortunately, Mr. Chairman, economic plans become obsolete too quickly. Manitoba's economic plan is much more likely to take place in the form of a series of policy evaluations and plans dealing with specific current issues, and they will be real plans that face up to real current issues. I foresee the forming of an economic plan taking place rather like the building of a brick wall, a solid foundation of facts, and with each issue faced up to and resolved as an individual brick placed into the mounting edifice.

We are starting to deal with and develop pieces of the plan already. I might add that in the last year alone the following specific issues were put under examination by various parts of the government, including agencies connected with my own ministry, the Economic Development Advisory Board, by my policy research and planning groups and by other branches in the department. We studied, and are continuing to study and make recommendations on questions relating to Manpower policy. How do you optimize the utilization of the labor force of this province. How do you eliminate under-employment. How do you eliminate hidden employment. How do you eliminate cyclical swings. On the past point, I must admit that provinces have limited capacities and they are subject to policies of the Federal Government which could, and have been detrimental in bringing about maximum employment of our people.

We have looked at policies involved in regional banking, and members of the Legislative Committee on Economic Development know that we have looked at the question of establishing a regional bank. We have several people hard at work on this and we are making progress, Mr. Chairman, and perhaps in the not too distant future, perhaps in a year or two we may have a Bank of Manitoba, a bank that is going to be able to serve the needs of industry, commerce, of the people of this province in a way that the national banking institutions have failed to do.

We have looked at the question of incentives, the whole role of providing incentives with industry. I mean, to what extent are industrial incentives effective? In some ways they are not very effective, in some ways they amount to nothing but pure and simple giveaways, and it is our concern to see that the industrial incentives programs that we have will be made as effective as possible, that the dollars that are spent, that the taxpayers' dollars that are spent

(MR. EVANS, cont'd.) are going to be spent truly on bringing forth economic growth and not to subsidize industry that does not deserve subsidization.

We have looked at the whole area, and are continuing to look at the whole very fundamental problem of balanced growth and we are evolving a policy on this. We have studied, in cooperation with other departments, the question of communications, the questions relating to television service in this province, questions relating to cablevision service and the whole role that the Province of Manitoba must play in the years ahead. Many provinces are becoming to realize that this is a very important area for the future in the area of communications. I am pleased to report that this type of research, this type of policy planning and research is going on.

We've engaged in another policy research and that is in the whole area of drug purchasing and drug distribution. As members know, an advisory committee on this was set up and progress has been going on, and I am pleased to report that my department is providing economic research assistance to that particular committee.

In addition, we have been looking at the whole question of foreign ownership policy, and this again is a very difficult area with which to come to grips with; the whole question of capital supply as it affects the province; the whole question of agriculture and food policy in cooperation with the Department of Agriculture. This is another area that we have done some work on.

We have also looked at, Mr. Chairman, a policy as it affects the economic development of the native people of this province. I indicated some detailed programs, but there are many areas, I am convinced, where we can assist everyone in this province in being removed from the plight of hidden unemployment and brought forth so that they can live a useful and fruitful working life.

Another area has been the investigation of Manitoba statistical requirements, and I am pleased to note that we do have a bill before you which will, in effect, establish a Manitoba Bureau of Statistics. I might add, Mr. Chairman, that this is a vital link in the formulation of any economic development program, in the formulation of any economic development plan, because without adequate data you simply cannot engage in policy decisions.

While this list does not take into account the many elements of material activated by other departments of government considering the social requirements and other aspects of our efforts to build a good quality of life in Manitoba for our people, but we are involving the people of our province in our planning too, Mr. Chairman. As I mentioned a minute ago, we this summer are conducting a regional analysis program, and it's carried out in conjunction with the regional development corporation, but I should add that thousands of people in this province are being involved in providing us with advice on community development, on the role of their communities as they see it in the future, some very valuable information that will be made public for everyone to use as well as the government. This future survey will be an important and a vital element in our total economic planning effort.

If anybody in this Legislature cares to say that we have not delivered an economic plan, I would reply that I would rather be accused of delivering a good plan late than of rushing through a patched-up job that really does not take the issues at stake, that really doesn't meet up to the issues, the real issues that confront us. And if anybody in this Legislature cares to say that we are delivering an economic plan too late, I would reply that I would rather be caught in a posture of still being at work than never having started at all. We are doing the very best we can to face up to the real issues of economic life in Manitoba. We have got this difficult task under way and I tell the people of this province and the members of this Legislature that more work is being done today to frame a meaningful economic plan for the good of Manitobans than has ever been done before at any time in the province's history.

Mr. Chairman, I have numerous other pieces of information that I would be very pleased to pass on to the House and to tell you in detail about the various programs that we have undertaken. I want to say something though, Mr. Chairman, in conclusion - I see I only have a few minutes - and very specifically that this department has renounced the flamboyant and extravagant style of the former government. The super salesmanship type of industrial promotion with its lavishness, its extravagances, its grossly expensive feats achieved little, Mr. Chairman, I'm sorry to say, in the way of concrete development for this province; in the way of concrete development of industry; in the way of concrete development in the improvement in the common lot of the people of this province.

MR. DOERN: Sound and fury.

MR. EVANS: These extravagances simply attracted and wined and dined some of our - perhaps some of the hangers-on on various parties, various groups. It's easy to attract a phoney promoter and other unscrupulous characters in the business world at the expense of the working man of this province. Let us be realistic, Mr. Speaker, there are successful and reputable and hard-headed business leaders in Manitoba whose operations are an asset to Manitoba, but are they going to be impressed by drumbeating, by wasteful trips, by extravagance . . .

MR. DOERN: Never.

MR. EVANS: . . . and the answer of course is "no", Mr. Chairman. To get a good deal for Manitoba in its negotiations with business corporations requires careful research, hard work and sophisticated presentation, not loud-mouthed ballyhoo with no homework.

MR. DOERN: Hear, hear.

MR. EVANS: The record of the previous government's ability to get a good deal for Manitoba is only too well documented. My department, Mr. Chairman, is therefore increasing its expenditures on research analysis and we have established a policy of looking at these real difficult economic tasks that face us in the years ahead, and face us right now if we are to raise the standard of living of the people of our province.

Mr. Chairman, I could go on to indicate how we have brought about new guidelines for the Manitoba Development Corporation; how it has ceased its giveaways to unknown foreign groups for questionable marginal enterprises, and how it has provided more assistance to small and medium sized, bonafide Manitoba firms than ever before in the history of the Development Fund or the Development Corporation. Mr. Chairman, in conclusion then . . .

MR. CHAIRMAN: Pursuant to Rule 19 (2), committee rise. Call in the Speaker.

IN SESSION

MR. SPEAKER: The Honourable Member for Winnipeg Centre.

MR. BOYCE: Mr. Speaker, I beg to move, seconded by the Member for Flin Flon the report of the committee be received.

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

MR. SPEAKER: The proposed resolution of the Honourable Member for Portage la Prairie. The Honourable Member for Portage la Prairie. Oh, I'm sorry.

PRIVATE AND PUBLIC BILLS

MR. SPEAKER: The motion of the Honourable Member of Radisson. The Honourable Member for Rhineland.

MR. JACOB M. FROESE (Rhineland): Mr. Speaker, I take it that we're on Bill 56.

MR. SPEAKER: Right.

MR. FROESE: An Act to provide for the merger of the Credit Union and the Co-operative Credit Society. I noticed when the bill was introduced, the introduction was very short. The Member for Radisson introduced the bill and I would like to quote a sentence or two from the introduction; it's on Page 1862 of Hansard on June 15, 1971. He says: "The bill was simply a merger of the two credit unions, the merger of the Ste. Rose will develop a common policy-making body . . ." I don't know how he got the name "Ste. Rose" in here, certainly this has nothing to do in Ste. Rose, but apparently the member got carried away thinking about Ste. Rose that night that he was speaking. -- (Interjection) -- So maybe Hansard should be corrected on this. It goes on: ". . . making body to influence credit union development as set out in their objectives developed by the joint force of the League and the Credit Society." It further goes on to say that "it would give Manitoba credit unions a single united organization and a voice to negotiate with other financial organizations. It will provide Manitoba credit unions a single organization for influencing national credit union development," and so on.

Mr. Speaker, I feel that there is much more to this Act and back of this Act than what we are led to believe on the surface of it, and I certainly would like to make some comments in this connection. The matter of having one voice for the credit union movement once this bill is passed certainly isn't fact either because we know that the French group separated from the English speaking group way back in 1953 and that this group is still functioning and they have their own central functioning as well.

There is quite a lengthy history to the credit union movement which started way back in 1937. At first there was the Federation, as it was called, late in the 1940s and early 50s; then in 1950 the Co-op Credit Society Act which is a special act that was passed by this House in 1953. As I already mentioned, the French group separated from the Federation at that time, mostly because I think they wanted to have literature in the French language so that they could properly instruct their people in the credit union philosophy and so on. Then later on the Credit Union League was established as a part of the promotional arm for the credit union movement in Manitoba. They carried on in this way for some time with the Credit Society acting as the bank for the credit unions in this province and the League carrying on the promotional work. However, differences developed and the group forming the League divided and a new federation was being formed as a result; so we had the League and the Federation both carrying on promotional work on behalf of the credit union movement in this province. However, later again there was an amalgamation in 1967 when the Federation and the Credit Union League rejoined and now we have this particular merger before us. The League is now merging with the Credit Society into the Co-operative Credit Society and they are retaining the special act that was passed early in the 50s.

Mr. Speaker, recent actions, and when I talk about recent actions I mean in recent years we've seen a number of developments. In 1967 we had the amalgamation between the League and the Federation; later on we had a new act passed -- I think it was two years ago, and there were a number of changes brought in with the new act. Things didn't just happen and certainly there was a design back of the new act and back of the new legislation, and a lot of this had to do since the time that the Federal Government established the Dana-Porter Commission which was the commission on banking and finance in Canada to which the various provinces, provincial leagues, as well as banks and other institutions made representation. The Manitoba League made representation at that time as well, plus one or two credit unions in addition. Following that there was an offer being made by the Commission when it came back a second time and that there were certain offers made to the credit unions that if they became a branch system they were willing to give them the same powers as the banks. This would have been a great step forward in many ways, but to become branches and lose our autonomy as credit unions this was too big a step at that time and certainly in my opinion as well because we stood to lose a number of things in doing so. We would lose the local autonomy that the unions have enjoyed all these years. That would mean that policy would be made at the central level and imposed on the credit unions, and certainly this would be far-reaching, the changes that would be brought in as a result. Too, it would bring about a change in the

(MR. FROESE cont'd.) philosophy no doubt because credit unions were organized in the first instance to assist the small man, people who were unable to get credit from financial institutions, from the banks, grouped together and formed these unions to provide a service for themselves, and certainly this was a very worthwhile thing to bring about these self-help institutions as we know them today. They have grown to very substantial organizations over these years.

The recent change, or the new act that was brought in made some very substantial changes and one of them was that they eliminated the share capital. This certainly just didn't happen either by itself, there were reasons for doing so. And what else happened? We gave the central organizations certain controls over the credit unions which were locally and which had autonomy up until now. But some of that autonomy was removed and by eliminating the share capital this now was in a certain way a preparation for them to become branches of a centrally organized organization. I still feel to this day that this is not the last of what we have here today. I, too, feel that the bill before us is another step in that direction, that we now will no longer have two organizations in the English speaking group. It will be one organization and the preparation has been made that it can become a branch system, so the next step is going to be a bank and make these unions part of that whole total banking system. Certainly we've seen the same process go on in Saskatchewan and other provinces where you had a number of organizations up till now, and they've merged the same way as this, I feel - and I should not say I feel, I think I know, because I've known the people in the national organizations, in the international organizations; I know the planners back of this and there's some people like Rod . . . from B.C. who ran as a NDP candidate in the British Columbia elections; there are such persons I think as Mr. V. . . who's on the Co-op Insurance Board; . . . on the B.C. Central; there are other people on it such as -- (Interjection) -- No, I don't think the Minister of Highways is involved. But Mr. Hardyn has been involved, and his brother ran as an NDP candidate in British Columbia if I'm correct, and I think he's a supporter of the government party here in power. So that you have a group of people here, of planners who are back of this and who have organized this stage by stage. In fact Mr. Ralph Staples some ten, fifteen years laid out a blueprint which was printed in the Co-operator at that time as to what steps would be taken and how to go about getting things of this nature - getting it established and what actions to take at what time; and certainly we have reached at a certain stage now. And what does this amalgamation mean today?

The Minister just a minute ago talked about a provincial or a regional bank. Is the government going to support this particular movement in a new bank; is the government going to provide some funds through deposits with the CCSM, the Credit Society, in promoting the organization and establishing of a new bank? I certainly would like to hear from the Minister whether this is the proposition. -- (Interjection) -- No, I'm speaking to the Minister of Industry and Commerce right now. I hope he gets on his feet later on and gives us some information if this is what is happening. Certainly I have the feeling that this government is using the co-operative movement to advantage. Last year when they brought in the Insurance Act it didn't suit them so they didn't help the Co-operative Insurance, in fact they lost out, but in this case I am rather led to believe that they will support them to bring about a bank in this province - and not only in this province, in western Canada, could still be a bank in western Canada, so that they probably needn't even change the name if they reactivate the charter that is still there, I understand, and which is available. So I rather suspect that this is what is going to happen and that we may see a bank be brought about in this way with the credit unions in this province and in other provinces becoming branches of this particular provincial bank.

I may be off the beam but I suspect that I'm not too far from the truth and that I have seen the development over the years and certainly this is my belief. Certainly there is one thing that I subscribe to and that is that people in this province and in other provinces, in the whole of Canada, should have credit at cost. I've stood up for that, I maintain, and I will not veer from that. I feel that the people are entitled to credit at cost and that the credit can be made available at much much less than what they are paying for at the present time.

However, what I would object to is that we get this bank and have it run completely by the Socialists. This is what I would object to very strongly. I feel that an institution like this, if it is brought in, that it should not be controlled by one particular group; I feel that private enterprise should have a say in the matter as well. We know that the credit unions in Quebec have bought out - is it one or two? - of the provincial banks out there and they are doing a lot

(MR. FROESE cont'd.) of financing, in the way of capital financing, property mortgages and other respects for the people of Quebec and I feel that these people are getting terrific service as a result.

There is one other thing. I feel that this merger -- and the bill before us, I don't think the people in Manitoba have been told the full story. And this is what I feel very bad about, that something is happening here which even our credit union leaders in this province don't know what is happening. This is exactly -- they have been sold a bill of goods, and this is what I am objecting to very strongly, that the people of this province should be told what is happening with all the things that are happening, the mergers and the amendments to the Credit Union Act and how the movement is changing. Very soon we will find ourselves in the position where we were back in 1937; we'll have to start the credit union movement over again. This is the thing that will come about, because once we have a banking system, with the credit union serving as branches, the small man, the man without collateral will not be able to get the necessary financing, will not be able to get his loans, and the movement will not be what it was up until now.

I would certainly like to hear from the member who introduced this, whether he doesn't know more than what he said in introducing it. Certainly the people asking him to sponsor a bill like this should have told him more than what is on the record. Once more -- (Interjection) -- pardon? Just wait until I am finished, I think I have only a minute left. Some of the front bench probably think that this is a dream and that I am saying something which is a big joke. I don't think so, and before long when we get the report, the Economic Development Committee, and I hope the committee will meet in short order and that we will hear more about what the government has to propose in the way of setting up a regional bank of Manitoba. I am very interested in this. -- (Interjection) --

MR. SPEAKER: Order, please. The Honourable Member for Rhineland.

MR. FROESE: Mr. Speaker, I mentioned before that by passing this bill, this doesn't mean that there will be only one voice speaking on behalf of credit unions of Manitoba from here on. We still have the French centrals to contend with and they are a group that should be recognized as well. So when we get into committee I certainly would like to hear from the representatives mentioned in the bill.

There was one other item that I feel should be cleared up. The bill mentioned the Companies Act and that sections 124 and 125 of the Act apply. Certainly I would like to know just what the setup is in this connection, and if the member producing the bill cannot give the explanation I hope that he will see to it that someone is able to give an explanation of that particular aspect of the bill when we get to committee.

Mr. Chairman, I think my time is up so I will have to let it rest.

MR. SPEAKER: The Honourable Member for Morris.

MR. JORGENSON: Mr. Speaker, my remarks on this bill are going to be very brief. After listening to my learned friend the Member for Rhineland delivering himself of his reservations on the contents of this bill, I have come to the conclusion, Sir, that any bill bearing the number 56 is one that we want to regard with some suspicion, and I would think that the government would be well advised to take that number 56 and do like they do with famous, or infamous football players, put it away, put it in the locker room and leave it there.

Despite the innocence, the obvious innocence of this bill, my friend from Rhineland, who it is generally known has some considerable knowledge on the question of credit unions, should be listened to with some respect in this Chamber because he speaks words of wisdom when he says that there are some grave reservations about the contents of this bill. For my part, I would like to know more about it and I would hope that when the mover of this bill has an opportunity to speak on it in reply, that he will give us the assurance, if the bill gets through the committee, that the people involved, both sides, are going to be there to answer the questions that I am sure will be coming from my friend from Rhineland and other members of the committee. -- (Interjection) -- The Member for Lakeside said in the meantime we could ask some questions about Lake Winnipeg.

But I have no further remarks to make on this bill, other than to say that we hope that the question that I have asked, that the member will be able to give us the assurance that there will be people before that committee answering many of the questions that I am sure will be forthcoming.

MR. SPEAKER: The Honourable Member for Roblin.

MR. J. WALLY McKENZIE (Roblin): Mr. Chairman, I have a few remarks to ask of the Honourable Member from Radisson who presented this bill. Being one who was on the central bank of the credit union for several years and being one who was at the grass roots of creating a credit union in the village where I live, I think I have some questions I'd like to ask of the honourable member.

The first question I'd like to ask is what's going to happen with the original credit union philosophy. Credit unions were created for one simple reason - if the honourable member remembers those days. A man that couldn't get a buck at a bank, a man that couldn't get a buck at a trust company, a man that couldn't get a buck anywhere, a young energetic person 21 years of age with a wife and a couple of kids couldn't get a dollar anywhere in those days, and the credit union movement was created to provide those kind of people. All they had to offer was their physical resources and lots of desire.

Now we have a bill coming in here of more big government centralization of credit unions, and I am alarmed about it. Where is the credit union philosophy going to go? I'll tell the honourable member the quarrel that we had in those days. In those days when we tried to create a credit union in the village where I lived we found out that the bank, away back in the thirties, had made deals, they'd wheeled and dealed. Certain banks had to go here, certain banks had to go there, and they wheeled and dealed. So they left us without a bank. We came on the scene and we provided ourselves with a credit union. Now I'm going to ask: What's going to happen to the credit union in the Village of Inglis under this bill?

And I've got some others. About three years ago, if the honourable member will remember - no, I guess he wasn't here at that time - I brought in a bill here centralizing the Manitoba Pool Elevators. And what's happened? Everybody said it's great legislation, it's timely and it's for the day. But Manitoba Pool Elevators today are closing up their rural elevator system in this province. So I ask the honourable member, are the credit unions going to close up the little credit unions in this province under this legislation? I brought a bill in in good faith a few years back and Pool Elevators assured me, assured me they were not going to close up their country elevator system, but today they are closing it up and they've closed up some 19 elevators already this year. I quarrel with this type of philosophy, this centralization. Of course the Honourable Member for Radisson of course believes in big government and believes in centralization and likely that's why they got him to bring this bill in.

The next question I ask him is where is La Caisse Populaire in this bill? Are they joining this centralization - La Caisse Populaire? I don't see their name in the bill. So I ask the honourable member, where do they enter into this debate? And this is simple. There are hundreds of small credit unions across this province, hundreds of them, and are they going to be centralized so we're going to have, you know, like the one-city bill, drive sixty miles to do our -- I'm a member of the credit union, I do all my business at a credit union. Are you going to close up the credit union in my little village? I suspect you are under this legislation. I really do. I can't see that the credit union in the village of Inglis will survive under this centralization. I really can't. And lots of other small credit unions, as the Honourable Member for Rhineland has said, are going to be closed up because they are going to centralize it. They are going into the big -- you know, which economically it makes sense, but in the main you forgot about the small guy, the guy that is 21 years of age with a wife and three kids, he can't get credit no place else but he can sure get it at his credit union and has always been able to get it there.

I quarrel with this type of legislation at this time when we have so many problems in rural Manitoba, and the Honourable Member for Radisson - and ask him - he says he is going to beat me in Roblin constituency. I said you go out to Roblin constituency and tell the people of Roblin that you are bringing this bill into the House - and I'm going to publicize that you brought it in, you're the man that brought it in. What's going to happen to the credit union in Roblin? Can you answer me? I doubt if you can. I doubt if you can. The simple little country people have had a great wealth of experience and a great wealth of credit. We've done well by credit unions, but for gosh sake, let's not centralize them at this day and age. If you want to centralize the bank, carry on in that field but let's not centralize the credit union.

There's some other points. There are credit unions in this province, and the honourable member will understand, that don't believe in the co-operative movement. There are, there are credit unions -- we have no co-op store in the village where I live and yet we have a thriving credit union.

MR. SPEAKER: Order please. The Honourable Minister of Consumer and Corporate Affairs.

HON. BEN HANUSCHAK (Minister of Consumer, Corporate and Internal Services) (Burrows): Mr. Speaker, would the honourable member permit a question? Is the local of which he is a member, is it a member of the Credit Union League of Manitoba?

MR. SPEAKER: The Honourable Member for Roblin.

MR. McKENZIE: Right. It is, for several years.

MR. HANUSCHAK: Would the honourable member permit another question? Did his local vote against the amalgamation at the last annual meeting?

MR. SPEAKER: The Honourable Member for Roblin.

MR. McKENZIE: I was not at the annual meeting.

MR. SPEAKER: Order, please.

MR. McKENZIE: I am not a delegate, if the honourable members opposite will permit me the pleasure to say, I was not a delegate at that convention so I didn't have a vote.

MR. SPEAKER: Order. The Honourable Member for Roblin.

MR. McKENZIE: Even if they voted for it, even if they voted for it -- and I again quarrel with the bill that I told you earlier about Pool Elevators. I presented the bill in this House for Manitoba Pool Elevators who, as I understood the legislation, were not in any way, shape or . . .

MR. SPEAKER: Order. Would the honourable member confine himself to the bill before us, not to Pool Elevators.

MR. McKENZIE: But, Mr. Speaker, he asked the question of me.

MR. SPEAKER: My ruling is the honourable member should confine his debate to the bill before us. Do you wish to challenge my ruling?

MR. McKENZIE: No.

MR. SPEAKER: The Honourable Member for Roblin carry on the debate.

MR. McKENZIE: Can I answer the question?

MR. SPEAKER: You were told. The Honourable Member for Roblin. Are you ready for the question? The Honourable Member for Souris-Killarney.

MR. McKELLAR: Mr. Speaker, we just witnessed something here now dealing with the credit union bill -- and I have not been one that has been associated with credit unions but we have many in my area, might be four or five, at Killarney and Dunrea, Glenboro and Souris. These credit unions have filled a very wonderful function in these communities, and I too would like to express myself at this time because I realize after talking to the Member for Rhineland, and I know of his experience with credit unions, and I know what it means for these credit unions to have their voice from above. And this is what they are going to do in this very bill that we are dealing with. This is what they are going to do. It won't be possible for the manager at Glenboro or the manager at Souris to give the direction. He would be in the same position as the bank manager in Souris and the bank manager in Glenboro. This is why credit unions started -- they weren't made that way. They were made to have the voice from below, not the voice from above.

I agree with the Honourable Member for Rhineland, I agree with the Honourable Member for Roblin, that this bill should be taken a very hard look at, and I think we as members, that we as representatives of individual members of the credit unions in the many towns that we represent, that we should, at this time, take a second look at this bill. I am not a member of the credit union because there is no credit union in my area of Wawanesa, but I am here to represent people and this is what I intend to do. I don't know what committee this bill is going to go to, whether it is Agriculture or Law Amendments or Private Bills. If it's on Private Bills, I'm a member and I'll be there, and I'll be there to ask many questions. If this bill is going to centralize authority, which it is, I'll be there to vote against it and there to ask many questions.

But I can't understand the Member for Radisson. I can't understand him bringing the bill in before this House without getting all the facts before this bill was brought in. I was never one of those, when I was on the government side, to bring in a bill unless I had all the facts. I agree with the Member for Rhineland and I agree with the Member for Roblin, I agree with them that he has not told us anything about this bill, and I would ask the Honourable Member for Radisson to go back to these people and bring us the resolutions and the motions that were passed at the last annual meeting before they even considered bringing this bill before us.

(MR. McKELLAR cont'd.)

This is a very important bill. Do we want the credit unions turned into a bank? If they centralize it that's what they'll be, banks, a chartered bank. Most of us have dealt with banks for many many years, but I think a credit union is the one where you're treated personally and a bank is one where you're only a number. Do the people of Manitoba who belong to credit unions want to be treated as a number or do they want to be treated as a person, and I think this is a question that we want to be answered at this time.

MR. SPEAKER: The Honourable Minister of Mines and Natural Resources.

MR. GREEN: Mr. Speaker, is the honourable member aware that this is not a government measure, that this measure is being brought . . .

MR. McKELLAR: I'm not treating it as a government measure.

MR. GREEN: Is he aware that this measure is being brought in at the request of the very people he is talking about, and is he insistent that he will tell them what they are to do whether they want to do it or not?

MR. CHAIRMAN: The Honourable Member for Souris-Killarney.

MR. McKELLAR: I realize that it's not a government bill. Do you think I've been here 13 years and don't know that? I'm not that stupid. I'm not as stupid as maybe you think I am, but I realize that. But I tell you, I've seen some awful bills brought into this Chamber even when I was on the government side, and most of them never even got by the caucus. Most of them never even got by the caucus and they never even got in here, because this is the reason. I wouldn't allow any man on our side to bring them in. I'd rebel against it, but I don't think you ever caucused this; I know you never caucused it and I can tell by the laughs on your face.

MR. SPEAKER: The Honourable Minister of Mines and Natural Resources.

MR. GREEN: Mr. Speaker, is the honourable member suggesting that in his caucus a member of the Legislature did not have the right to do what a member of the Legislature has the right to do, that is, from his seat introduce a bill? Was that the rule in his caucus, that a member of the Legislature lost the right to introduce a bill regardless of the fact that he was elected to the Legislature?

MR. McKELLAR: Yes. I'll tell you what the policy of our - I don't like divulging secrets because this is going too far - but I'll tell you what I did on many occasions. I'd introduce a bill and I'd say to the members of the Assembly that I had the right to vote for or against it. This is the way I always took it and this is the way all our members, our back-benchers on the government side, when they introduced private bills.

MR. SPEAKER: Order, please. I should like to indicate that I've allowed a lot of latitude and the questioning has gone way off the bill. I would like the Honourable Member of Souris-Killarney to get back on to the bill before us. The Honourable Member for Souris-Killarney.

MR. McKELLAR: Mr. Speaker, when we're dealing with public money and people's money, I think it's very important in the Province of Manitoba today, where very few people have very little money to put aside in their savings, and the amount of money they do put aside in credit unions is lent out to other people in their various communities and I think it should be treated as such. But I have my suspicions that when this bill is passed, and when it is passed because I know there'll be enough members in this Chamber to pass it, that the authority of the individual manager and the loaning committee - or whatever they call themselves - in the various communities will not have the power after this bill is passed because of the fact that the central committee will give them instructions. And this is what I'm afraid of. Credit unions were started for the very basic purpose of providing monies in the various communities to help other people in that community, and when that purpose is ended they're only a chartered bank. This is the reason why I'm speaking at this time. They do provide a source of money when a man needs money for small accounts or money to purchase certain equipment on his farm, and I only hope that after this bill is passed that this does not change the purpose for which credit unions were established in the Province of Manitoba.

MR. SPEAKER: The Honourable Member for La Verendrye.

MR. LEONARD A. BARKMAN (La Verendrye): Mr. Speaker, this bill is becoming more interesting all the time, and just before the Honourable Member for Radisson closes it, I think we'd like to put our position clear at this moment. We have a great concern in the matter of this being money of the people that trust these organizations, and I have a very great concern and wonder why so many of the Caisse Populaire people are not more directly involved in this

(MR. BARKMAN cont'd.) merger. If this merger will help to compete with the larger banks and what have you, there may be a lot of good points with it, but we in our group would like to see it go ahead to the point where we can perhaps hear some of the sides in the committee.

MR. SPEAKER: The Honourable Member for Radisson will be closing debate.

MR. HARRY SHAFRANSKY (Radisson): Mr. Speaker, I'm really dismayed. You know, when I first saw this number of Bill 56, I figured - well, I hoped that it wasn't going to give the Opposition the same view that this was Bill 56 of last year.

This is a very innocent bill. It is a bill that has been -- or rather the idea of the merger has been worked on for the last two years. It was unanimously agreed upon by both parties to the merger and they asked me if I would introduce this bill. The Honourable Member for Rhineland, it seems to me is sounding like sour grapes. He was once a director of a credit union, and I don't know whether he was exactly involved with the Credit Union League in the central body, but he seems to be questioning in his usual reactionary way about the wisdom of this merger. I somehow suspect that the honourable member was struck by the word "credit" and associated it with the Social Credit and therefore figured that was for me, I'm going to be with that, until the last couple of years he seems to have somehow or other not been an active member and now he is crying "foul".

Well, this is a very straightforward bill. The aims of the bill is to develop a member-controlled organization which will enhance the ability of credit unions and co-operatives to extend their performance in meeting people's needs. The objective is to establish and maintain a sound organizational structure for providing centralized services to credit unions -- (Interjection) -- to the credit unions in your area, the Member for Roblin. You know, when I listened to him for awhile I wondered what the heck was he doing in the Conservative Party, because I think he was actually trying to play up to the strong New Democratic supporters and then saying, Well I spoke for you here for the credit unions.

It is to assist credit unions to achieve their goals by providing services which can be provided most effectively on a centralized basis, and it is to provide leadership in the continuing development of credit unions throughout Manitoba and to participate in developing and maintaining a national financial institution and to serve as a financial central for all co-operatives.

Now the members from the two groups, namely the Credit Union League of Manitoba 1967 Limited and Co-operative Credit Society of Manitoba Limited will be appearing when this bill goes to committee, and any other questions regarding this they will be quite prepared to answer. I'm saying I'm quite shocked to hear that the Conservative Party has taken the position, the Member for Roblin and the Member for Souris-Killarney, that they -- in my indication they were opposed with the Social Credit, and it's really reprehensible to see this idea which was unanimously agreed upon should be in any way opposed.

MR. SPEAKER: The Honourable Member for Rhineland.

MR. FROESE: On a point of order, I don't think the decision was unanimous.

MR. SPEAKER: The Honourable Member for Radisson.

MR. SHAFRANSKY: Mr. Speaker, I don't know where the member gets his information; my information is that at the convention last - it was either February or early -- late February at the Winnipeg Inn that the idea of the merger was unanimous. Possibly the Member for Rhineland, because he was not there, was the one, the usual vote that would be against it as he is normally on all cases. He has to put his particular position and include the views of the Social Credit Party, because in his speech he was including some of the policies, and I believe that he actually felt that by joining the credit union that he would be able to introduce some of the Social Credit philosophy and the "funny money" ideas. Thank you.

MR. SPEAKER: The honourable Member for Birtle-Russell.

MR. GRAHAM: Thank you, Mr. Speaker. Will the honourable member permit a question?

MR. SHAFRANSKY: Certainly.

MR. GRAHAM: Was this also unanimously passed at the last annual policy convention of the NDP Party?

MR. SHAFRANSKY: That is a question, the usual reactionary attitude. You know, anything that is positive, they have to take a negative position. I don't think that this is a question that has ever been brought up regarding the merger of the credit society, but it is a usual reactionary Conservative attitude.

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

MR. SPEAKER: The proposed motion of the Honourable Member for Osborne. The Honourable Member for Fort Rouge.

MRS. INEZ TRUEMAN (Fort Rouge): Mr. Speaker, I ask leave to have this matter stand. (Agreed)

MR. SPEAKER: The proposed motion of the Honourable Member for Brandon West. The Honourable Member for Radisson.

MR. SHAFRANSKY: Mr. Speaker, I adjourned this bill on behalf of the Honourable Minister of Industry and Commerce.

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

MR. EVANS: Thank you, Mr. Speaker. I will be very brief. This particular Act, an Act to amend The Brandon Charter, simply allows the City of Brandon to build a parking structure which is a very important segment of the over-all downtown urban renewal program that is going on in the centre of Brandon, and I am advised that it has the strong support of the commercial segment of the city. I further point out, Mr. Speaker, that the downtown core of Brandon is extremely short of parking for office workers, store clerks and shoppers. I would also point out that the structure is intended to be self-sustaining financially, the out-of-pocket expenses will come from the storekeepers, and various parking fees, etc., will go towards sustaining the structure.

Mr. Speaker, it isn't my intention to make any lengthy speech except to urge all members of the Legislature to support this bill which will enable the City of Brandon to get construction under way on this much needed downtown parking structure in the very near future.

MR. SPEAKER: The Honourable Member for Brandon West.

MR. EDWARD MCGILL (Brandon West): Mr. Speaker, I'd like to thank the Minister. He has made the explanations that I thought I might be required to make on this bill. As a matter of fact, it's interesting that on the 3rd of May this bill actually did pass second reading, but after a minute or two had elapsed it was noted that in the preoccupation of the party Whip opposite, he had failed to note that this bill had passed so there were actually no explanations given.

The Minister has hit upon the main part of the bill. There are one or two other items which would defer to The Municipal Act under certain circumstances, where an examination of the charter has indicated that the City Council would prefer to come under the new Municipal Act, so they have asked that these sections be deleted.

Another section would provide the city with authority to licence certain kinds of people who profess to be able to foretell the future. It was discovered by the city that they had no way of controlling the activities of palm readers or teacup readers and phrenologists and so forth because there was no way under their charter of issuing a licence.

I notice that the City of St. James-Assiniboia has now brought in a bill amending their charter which would include the authority to licence hypnotists, and it may be that the City of Brandon when this reaches the Law Amendments stage will think this is the proper opportunity. If hypnotists are now a more popular kind of agency for foretelling the future, that this may also be included.

But these are the main points of the bill, Mr. Speaker, and the parking structure authority is the one which the city is now most urgently seeking.

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

MR. SPEAKER: The proposed motion of the Honourable Member for Winnipeg Centre. The Honourable Member for Logan. Stand? (Agreed)

The proposed motion of the Honourable Member for Winnipeg Centre. The Honourable Member for St. George.

MR. WILLIAM URUSKI (St. George): Thank you, Mr. Speaker, just a few comments on Bill 30. On reviewing this bill I have reservations on the portion of allowing the companies into this bill, but I believe that there'll be representatives of the Architects Association appearing before the committee to indicate their position in this regard; and as well, the portion of the bill dealing with who in the construction industry must have a permit or a licence or an architectural design in the type of buildings that are to be constructed and of their values. The buildings that they have indicated over the value of \$35,000 which must have a permit from the Architectural Society or have an architect do the drawings for this building would present many problems in the rural areas, not only on the farms but as well as in small communities

(MR. URUSKI cont'd.) where businessmen and different organizations would want to build in those communities, like community centres and the like, where no doubt there would be standard plans throughout the province for certain types of buildings like halls and the like, and they would not require the services of a qualified architect to draw up new plans in every case. This is where I have some doubts in this matter but I'm prepared to support the bill and let it go into committee.

MR. SPEAKER: The Honourable Minister of Municipal Affairs.

MR. PAWLEY: Mr. Speaker, I too have some questions which I would like to raise in connection with this bill and would be anxious to hear what the representatives of the Architectural Association have to say at the committee stage. In the Toronto Globe and Mail of June 5th, there is a very revealing editorial in regard to the Architectural Association in the Province of Ontario and some of the practices which that association there has enjoyed.

They refer, for instance, to a member of that association in Ontario who in the construction of a school, an elementary school for the Board of Education, indicated to the Board of Education that he would design a school that would be satisfactory and if it wasn't he wouldn't charge a fee. In a later letter to the Board of Education he indicated that he would not charge a fee if, within reason, it was not satisfactory. This particular architect won the appointment as the architect for the school in question. For making this commitment the architect was suspended from practice for a period of four months, from practice in the Province of Ontario and from the association. They found the architect guilty of using unethical means to obtain architectural work for himself and suspended him.

I think this is rather a strange situation because of the different professional groups in the province, medical people, legal professions and others, there is a prescribed fee but there certainly isn't disciplinary action if a member of that association deems fit to charge a fee which is not in line or not according to the prescribed fee schedule. It's rather of concern if in fact there is any practice in any professional group, in my opinion, if in fact this does exist in Manitoba as apparently it does in Ontario, that a professional group could gather around itself the protection, protection unto themselves to charge to the public the fee that they see fit without any degree of competition from other members of the association.

The architects have said from time to time that this is in order to maximize a proper quality of work. I don't see that at all. I think that this certainly hasn't been the case in the medical profession or in the case of the legal profession where there has been a variety of fees sometimes offered to the public, where there has been a certain degree of choice and of option, and I see no reason why this type of practice, if it is carried on in Manitoba by the architects as it is in Ontario, should be permitted to be carrying on.

Therefore, I look with some concern on Section 11(2)(g) which states that they have the power of prescribing a tariff of fees for professional services rendered by members of the association, and I read into that the very likely possibility that they intend to give unto themselves very stringent policing power, and giving unto themselves also the revocation of permit under Section 19, subsection (6) of the same Act. Therefore, I'm very concerned about this principle if this is the type of principle that the Architects Association is proposing in the Province of Manitoba. If they don't clearly differentiate from the practice by the Ontario architects, then I think that we as members of this House should turn back this bill and refuse to pass it in that form.

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

MR. SPEAKER: The proposed motion of the Honourable Member for Winnipeg Centre. The Honourable Member for Rhineland.

MR. FROESE: Mr. Speaker, I would ask the indulgence of this House to have this matter stand. (Agreed)

MR. SPEAKER: The proposed motion of the Honourable Member for Flin Flon. The Honourable Member for Flin Flon.

MR. THOMAS BARROW (Flin Flon) presented Bill No. 70, an Act to permit the City of Flin Flon to make a Grant to the Flin Flon Elderly and Infirm Housing Inc., for second reading.

MR. SPEAKER presented the motion.

MR. SPEAKER: The Honourable Member for Flin Flon.

MR. BARROW: The City Council, by resolution, request a special Act of the Legislature in order to buy debentures and make a grant of \$90,000 to the Flin Flon Elderly and Infirm

(MR. BARROW cont'd.) Housing Incorporated. Normal procedure would be to refer this matter to the voters of Flin Flon for their approval. However, this is a time-consuming procedure and it was felt by council that in such an emergency, the provision of housing facilities, that such a step is necessary at this time. There is presently being constructed 30 hostel units and 15 enriched housing units, three-quarters of the furnishings costs which must be borne by Flin Flon at an approximate cost of \$30,000. The city has a request in now for the consideration of 30 personal care units, the all up cost of which will be in the vicinity of \$379,000 and the city must share 10 percent of this cost.

Experience has shown that in the operation of housing projects of this size that an operation deficit loss of approximately \$20,000 should be budgeted to cover the first six months of operation. The administration of the above housing can be turned over to the Flin Flon Elderly and Infirm Housing Incorporated. This corporation is a non-share non-profit company, the directors of which have been named by City Council and include four city councillors. It is to this corporation that the grant or any required . . . will be made.

The debenture issue that is anticipated by finance chairman could result in a special mill rate not in excess of one and a half mills for a ten year period. This, in the opinion of council, is a reasonable and good investment when it's considered that the value of all complete units shall approximate \$800,000. Thank you, Mr. Speaker.

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

MR. SPEAKER: The hour being 10:00 o'clock, the House is now adjourned until 2:30 tomorrow afternoon.