

## THE LEGISLATIVE ASSEMBLY OF MANITOBA

8:00 p.m. Monday, June 14, 1971

COMMITTEE OF SUPPLY

MR. CHAIRMAN: The matter before the committee is Resolution No. 32 - (a) Minister's Compensation. The Minister of Consumer, Corporate and Internal Services.

MR. HANUSCHAK: Mr. Chairman, it's with great pleasure that I have this opportunity today to place before the House the Estimates of the Department of Consumer, Corporate and Internal Services. As you are aware, I have held the position of Minister in this new department for only nine months but my honourable colleagues will doubtless recall that I have been concerned about the protection of consumers for much longer than that, and although my department is presently among the smallest in a monetary and staff sense, I feel that close examination of the programs that the department has under way reveals that it has one of the largest and most challenging roles to play within the government service.

Every citizen of our province is a consumer, whether he buys a car, visits a doctor, rents a house or brings a problem before a member of this Assembly. In every case he is a consumer of goods and services of some type, and therefore my department has one of the broadest responsibilities of any department in this government. Mr. Chairman, I wish to tell honourable members something of the work my department is doing and I also wish to keep my statement as brief as possible to allow honourable members as much time as possible for discussion.

However, I do wish to say a few words about certain criticisms which have been aimed recently at the entire theory of consumer protection. In an editorial which appeared in the April '71 edition of the Manitoba Business Journal, my honourable colleague from Fort Garry - and I regret that he is not in his seat at this time - he is quoted as saying that although a certain amount of consumer protection legislation is desirable, a balance is needed - and I quote him - "otherwise the next thing we are going to need is legislation to protect the entrepreneur against excessive intrusions and invasions by government. And it should be remembered" my colleague has also quoted, "that so long as men apply basic common sense the market place will be a self-policing institution, the unethical business practice will be self-defeating and its own worst enemy." He then continues by writing as follows: "The public in its common sense does not take its custom to the untrustworthy."

Now the editorial goes on to discuss, Mr. Chairman, what my colleague considers the potentially restrictive effect which consumer legislation has on advertisers. However, I wish to consider that part of the editorial that I just quoted.

Now first, I find it difficult to reconcile the attitude of the Honourable Member for Fort Garry on consumer protection with those stated by his leader in the same issue of the Business Journal. The Honourable Leader of the Official Opposition is quoted as being openly critical of a society in which - and I now quote his words as reported in the Journal - "it was assumed that people would accept without question shoddy merchandise, cars, washing machines and television sets that self-destruct after the manufacturer's warranty runs out." And further on in the article the Honourable Leader of the Official Opposition is quoted as saying "the whole object of government is to strike a balance between those who are able to make it and those who are not." It's rather interesting, Mr. Chairman. Who in fact does speak for the Official Opposition in this House. Is it their leader or is it the Honourable Member from Fort Garry? -- (Interjection) -- The deputy leader speaks. Surely, Mr. Chairman, this is what government is trying to do in the area of consumer protection, to strike a balance between the market place which is making it and the consumers who are not.

I also find the words of the Honourable Member for Fort Garry difficult to reconcile with the statements on protection of consumers made in the opening pages of the White Paper on the Citizens Remedies Code which honourable members will recall was introduced in this Assembly in December of 1966, back in the days when we sat in the Opposition and when the members for the Opposition sat on the government side. The White Paper was introduced by the then Provincial Secretary, the Honourable Mr. McLean, and on page 3 of that report the following remarks are made on the topic of consumer credit - and I quote from the White Paper as presented by Mr. McLean. "It is of paramount importance that ways and means be instituted to place the credit consumer on the same plane or basis as the credit grantor and to protect the consumer from unscrupulous sellers and lenders. More effective than penalties

(MR. HANUSCHAK cont'd.) . . . .and prosecutions of offenders are remedies available to the buyer or borrower that will limit the seller or lender in his traditional recourse against a consumer. In this respect the principle will be 'let the seller exercise caution when he extends credit'."

And then in the same White Paper, on the next page the report continues to advocate that new legislation regarding credit transactions be enacted and that the legislation deal with full disclosure of the cost of borrowing, including annual interest rates where practicable; repayment privileges; notice to the buyer or borrower before resale; on seizure, relief against acceleration or forfeiture, protection against inappropriate seizures; and statutory standard conditions of all conditional sales contracts. And still further in the same report there is a recommendation that a consumer bureau be established - and I quote from the report again, from the White Paper - "to provide specific assistance, guidance and relief to consumers".

These proposals, Mr. Chairman, made by the former government, are now embodied in what I consider one of the best consumer protection acts in Canada today. We feel they are necessary for the protection of consumers and a former government in 1966 finally acknowledged them necessary, although they were rather slow in implementing the recommendations. You may recall, Mr. Chairman, that there was a Minister who bore the title of Minister of Consumer Affairs but we know very little of an existence of such a department at that time. It's recognized that it's necessary because there are people and institutions who continue to take advantage of consumers, who refuse to honour warrantees and disclose the true cost of borrowing and who simply refuse to stand behind their product or service.

Common sense in which my friend the Honourable Member for Fort Garry places such faith, unfortunately has nothing to do with this issue. My honourable colleague may say that the public will not patronize the unworthy, but, Mr. Chairman, do not people who take their business to a firm of which they have no personal knowledge, deserve the same protection as those who deal with firms that they know? History has proven that the market place is in many places failing to be a self-policing institution to the ultimate detriment of consumers, and therefore effective legislation was needed to protect consumers from a market place that they don't understand and which is governed by rules from which they are excluded. We have such legislation, Mr. Chairman, and are constantly improving on it, and we will continue to do so in spite of the criticisms of such people as the Honourable Member for Fort Garry.

I wish to turn now, Mr. Chairman, to a discussion of my department and its activities over the past year. At the last session of the legislature the estimates of what is now the Department of Consumer, Corporate and Internal Services were presented in two parts; some of my present responsibilities then rested with the former Department of Government Services and others with the Department of Consumer and Corporate Affairs, and following the re-organization last September, the present department was established, with the following boards, commissions and branches: the Public Utilities Board, the Securities Commission, the Consumers Bureau, the Companies and Business Names Registration Branch, the Information Services Branch, the Purchasing Bureau and the Queen's Printer.

The Consumer Bureau was barely commencing its operations at the time of the last session and I would therefore like to take a moment to acquaint honourable members more fully with its activity. The Bureau has been particularly charged with the administration of the Consumer Protection Act and the Landlord and Tenants Act. Briefly, the function of the Bureau is to receive, investigate and mediate disputes between the buyer and the seller, the borrower and lender, and the landlord and tenant. It administers the licensing and bonding requirements for vendors, direct sellers and collection agencies and may conduct reviews of trade practices which appear to be deceptive or harmful. Some of the provisions of the Consumer Protection Act and the Landlord and Tenant Act, were implemented in stages in order to allow the Bureau time to develop the organization, the planning necessary, if its responsibilities were to be effectively met and to provide ample opportunity for industry and landlords to adjust to the changes.

Honourable members, Mr. Chairman, will recall that I recently announced the proclamation of the final sections of the Landlord and Tenant Act and the implementation of a standard tenancy agreement form and condition forms for rented accommodation. However, Mr. Chairman, although both Acts are now fully operational, we intend to introduce amendments to both the Consumer Protection and the Landlord and Tenant Acts during this session to further

(MR. HANUSCHAK cont'd.) . . . . . increase their efficiency to deal with consumer problems.

Mr. Chairman, you will recall the Speech from the Throne indicated that the amendments to the Consumer Protection Act would include, and I'm quoting from the Speech from the Throne: "Controls on multi-level and referral selling practices, no down payment advertising and circulation and use of credit cards. Landlord and Tenant amendments will include provisions for dealing with noisy tenants, protecting tenants from retaliatory eviction, clarifying the landlord's right to enter premises and dealing with powers of the rentalsman in mediating disputes."

In addition, Mr. Chairman, honourable members have before them the Personal Investigations Act which will also be administered by the Bureau. This Act will control personal investigating and reporting procedures: allow a person to be informed that he is being investigated and that he may discover the results of that investigation and compel the correction of any wrong information contained therein. One of the other major undertakings of the Bureau is an information and education program to insure that all parties to transactions are aware of their rights to redress under appropriate law.

Since its inception last fall, the officers of the Consumer Bureau, under the capable direction of Mr. John Mason have carried out this program through releases to the news media, and by conducting public meetings - during the last year, 34 public meetings with respect to Consumer Protection and 14 public meetings concerning Landlord and Tenant Act. A consumer education program has been presented to 6,000 students in 42 schools throughout the province. The staff also participated in the Consumer Fair at Polo Park shopping centre this spring. Judging by the inquiries and complaints received it is obvious that people are becoming increasingly aware of the existence of the Consumer Bureau and the use that they can make of it. Telephone inquiries are averaging about 4,000 per month and in-office interviews since November of 1970 total about 800. Written complaints have totalled 1,373 of which 1,154 required some form of action. Up to the end of April 888 of these were finalized and 277 were still being dealt with.

These complaints have covered a broad range of consumer concerns, such as tenancy agreements, automobiles, collection agents, home furnishings and improvements, appliances, dry cleaners, hearing aids, optometrists; they have been received from all parts of Manitoba and indeed some from outside the province. Because consumer education and information is such an important part of our work in the field of consumer protection, we are considering various methods of involving consumers throughout the province in the development of consumer protection mechanisms, on a local level. One such concept, the regional consumer council, still under active consideration, along with other methods of achieving a like result, and through such grass roots organizations, with strong local representation we hope to insure that the public are made fully aware of their rights and responsibilities.

Following an interprovincial meeting of Ministers responsible for consumer protection, last November, my department hosted a meeting of Directors of Consumers Bureaus from across Canada in December, the main objective being to explore ways of attaining an increasing uniformity in consumer legislation across Canada. I think we were agreeably surprised at the extent to which there was uniformity. Where there were differences of opinion, they appeared to be primarily a matter of degree or extent of uniformity, and these, Mr. Chairman, continue to command our attention.

Mr. Chairman, I should also like to make reference to the work of the Manitoba Securities Commission and the Public Utilities Board. I will refrain from making any lengthy comment on the Public Utilities Board because as honourable members may recall, there was a report tabled, the 1970 report for the Public Utilities Board. I remind the House that members of the Manitoba Securities Commission also discharge the responsibilities of the Public Utilities Board; a full-time chairman of both is a senior member of the Civil Service, Mr. Murray Peden. The part-time members of the Securities Commission are Donald Mathewson, who is also the commission's vice chairman, Lucien Gaudet, Donovan Knight and Don McLean. The volume of securities offerings remained at an exceptionally high level over the year, despite the adverse market conditions which prevailed through much of that period. In the twelve-month period terminating March 31st of 1971, the Securities Commission analyzed and processed 224 prospectuses relative to primary distribution of securities, whereas it was

(MR. HANUSCHAK cont'd.) . . . . estimated, when the commission was established in February of '69, that about 150 prospectuses a year was all that would be handled. In the same period, 25 rights offerings were also reviewed and approved, 52 prospectuses were amended and 25 takeover bids were filed.

A brief word, Mr. Chairman, about the Purchasing Bureau is also in order. Honourable members were told last year of a study that was being undertaken to determine in what fashion purchasing procedures could be further centralized. Members of the Standing Committee on Economic Development will also recall a few days ago the references made to the need for a more efficient and Manitoba-oriented purchasing system outlined in the report presented on June 10th at our last committee meeting. Our work in this area, Mr. Chairman, is continuing in detail, and we hope to determine soon those areas and under what circumstances it would be advisable and in the public interest to integrate further our common purchasing practices. Nonetheless, certain steps toward that end have already been taken. I cite, for example, the arrangement introduced in the past year whereby school buses were purchased for the various school divisions through the centralized Purchasing Bureau. As well, the Purchasing Bureau has concerned itself with the purchase of all equipment and furnishings for shops and classrooms for schools which are turned over by the province to other jurisdictions. In 1967, the province built and completely furnished the R. B. Russell School and then turned it over to the City of Winnipeg as a complete package. That was when that practice was first introduced, and this we are continuing. Similarly, the same role has been assigned the Purchasing Bureau with respect to the four regional secondary schools which will be opening this September in the school divisions of St. James-Assiniboia, River East, Lord Selkirk and the Dauphin-Ochre school area.

Last year's Royal Visit, Mr. Chairman, entailed a great deal of coordination of press, radio and TV coverage. With more than 200 writers and broadcasters from a number of countries requiring briefing, transportation and other assistance at the various events, the job of our Information Service Bureau was a demanding one. Other activities during our Centennial year, including the Conference of Provincial Premiers, required special attention from this branch. During the past year also, the branch began providing unlimited but on a regular basis news stories and feature material in French for the print and broadcast media.

I am pleased to report, Mr. Chairman, that the Queen's Printer, in conjunction with the Department of the Attorney-General and officials at our computer centre, are making good headway with the computerization of Manitoba's statutes. The past year has seen the distribution of the 22-volume Revised Statutes of Manitoba, 1970, which were produced by a completely computerized process making our province one of the very few anywhere in the world to produce the statutes in this fashion. Indeed the new system of processing, updating and printing statutes and bills and the procedure of legislative analysis and information retrieval, makes Manitoba's computer system one of the most comprehensive anywhere, and along with producing the Revised Statutes of Manitoba in loose leaf form, the government was faced with setting up the computerized system to handle the very large number of bills passed at last year's session, together with the updating of statutes that entails. We hope, Mr. Chairman, that within another year our growing pains will be over and we can have the entire system fully operative.

The operations of the Queen's Printer were moved during the year to larger quarters in the Provincial Library and Archives Building, formerly the Civil Auditorium. The expanded facilities will help this branch meet its heavy and growing production schedule.

Companies and Business Names Registration Branch reports, Mr. Chairman, that corporate activity, as reflected by new incorporations, was down approximately 10 percent in the fiscal year ending March 31st, 1971. However, this presents a favourable picture when compared with the decline in other provinces. Ontario reported a decline of 25 percent; Saskatchewan 33 percent; Alberta 17 1/2 percent; and British Columbia 13 1/2 percent. In actual figures, the number of new incorporations in Manitoba dropped from 1,110 in '69-70 to 991 in '70-71. However, I am pleased to report an upswing in this calendar year during the latter portion of the fiscal year just ended. In the first four months of '71, 387 new incorporations were registered compared with 321 for the same period last year.

I would be remiss, Mr. Chairman, in not drawing the attention of honourable members to the staff of my department at this time. Their dedication and loyalty during our fledgling year together has helped in the smooth functioning of the department during our reorganization.

(MR. HANUSCHAK cont'd.)

Mr. Chairman, in view of the tremendous responsibility which my department undertakes on behalf of the people of Manitoba, I believe that our Estimates must be viewed as extremely reasonable and I recommend their passage to the House.

MR. CHAIRMAN: The Honourable Member for Lakeside.

MR. ENNS: Thank you, Mr. Chairman. Mr. Chairman, let me commend the Honourable Minister on this, his first presentation of any estimates, I believe, within this specific department - that is, by themselves. Up to now they were part and parcel of other departmental estimates. Let me say, Mr. Chairman, and I'm casting my eyes about for your immediate superior, Sir, the Speaker of the House, that there are times in listening to the Honourable Minister present his Estimates this evening, that I have some yearning as an individual that he were perhaps still occupying the Speaker's Chair. It seems that I have had some difficulty with the present Speaker from time to time on raising little pertinent points of interest that I'm prone to do from time to time, and so listening to the dulcet tones of the Honourable Minister of Corporate and Consumer Affairs just reminded me of those fairer days where one had perhaps just a little bit more latitude in, as far as Opposition members were -- in the occasional rising to the bait, whatever way you want to put it, Mr. Chairman, but I see that frowned look on your forehead, Mr. Chairman, and let me get to his Estimates before you rule me out of the order. I recognize that we're in the new order of things in this session.

Mr. Chairman, this is surely one of those departments that we as a government, as the Minister indicated, certainly can take some satisfaction in seeing it develop insofar as that the legislation, apparent legislation, that gave birth to this Department was well in hand under the previous administration, but it is also very much a department that we would want to - and I would hope that the remarks made by opposition members in this context are taken in proper light - one that we want to be very careful about the natural tendency of any department to proliferate the bureaucracy in the service in this area, particularly in this field. It's fairly frequently, Mr. Chairman, that we see Mr. Clean - I mean the Honourable Minister of Consumer Affairs, Mr. Basford, from Ottawa - before our national TV screens displaying certain abuses within the consumer field and telling us in great detail how the federal department, the Federal Government, is dealing with problems relative to the consumer field, and there has to be some real concern expressed here that, just as the Minister indicated in the portion of his remarks which dealt with the uniformity of standards that they are attempting to arrive at with sister provinces, indeed provinces across the country, that whether or not a good deal of the work that this department and this particular energetic Minister is about to embark on, should not be an area where, if in the interests of uniformity, and if in the interests of recognizing the mobility of our people, and if in the interests of recognizing that even this government doesn't unnecessarily want to impede the responsible manufacturer and supplier of goods and material in this province from unnecessary difficult and duplicating sets of regulations and standards to follow, because we would hope that manufacturers in this province would be manufacturing items that would be to standards, would conform to standards that would make their products available, certainly in all parts of Canada as we hope, in many instances, many parts of the world.

So I just mention this, Mr. Chairman, that as you look at these fledgling estimates develop, we see that under the -- well even the first item, General Administration, \$212,000 last year, \$239,000 or \$240,000 this year. And the Consumer Bureau, \$131,000 last year -- or the salaries for that bureau \$57,000 last year, \$130,000 this year. And we move on to the various little items and, as the Minister himself indicated, this is in total numbers, relative to the budget, a small department. But, Mr. Chairman, I have a sneaking feeling that I and other members on this side of the House are going to watch it grow and grow and be nurtured by more tax dollars, and in all it'll be a lovely place to find, or to help solve some of the unemployment problems that we have in this province. And maybe that's as it should be, certainly within the doctrine of my honourable friend the House Leader or the Member from Crescentwood. All I can say is that while we're doing this, let's not run a competition. Let's not run a competition with the Federal Government who have, I think - and it's not too often that I acknowledge the efforts of the Federal Government, particularly the present Federal Government - in this particular field they have, I think, under a fairly energetic and resourceful leadership of the Minister (I'm referring to the Honourable Mr. Basford) have shown a particularly keen interest in developing broad, national consumer protection laws across this

(MR. ENNS cont'd.) . . . . country. And so I, without wishing to chastise the Honourable Minister and recognizing his boundless enthusiasm for this most important of all departments in government service, that he does take that little time to consider that, whether it's federal or provincial, we all reach into the same tax dollar or same pocket to get the tax dollar, the revenue, to run these departments and there should be a genuine interest, I would hope, displayed by this Minister and this government and his department not to unnecessarily balloon this department into a position where we find ourselves competing with the Federal Government in this area.

Now, Mr. Speaker, the Minister indicated a few other interesting things during his introduction of his estimates. I would have rather suspected that a Minister having this opportunity of introducing these kinds of estimates in this particular area would have been able to keep us spellbound for at least several hours telling us about the very serious abuses that have been occurring in the field of consumer purchasing, consumer credits and so forth. He indicated to us a goodly number of telephone calls that have been made; he indicated to us a number of instances where settlements have been finalized; but he did not take any particular time out to either chastise severely the private sector for the manner and the way in which ordinary business is carried out in this province and, subject of course to him having the privilege to fill in the details, one is almost led to believe that, despite the hoorah that's attached to the current enthusiasm for consumer protection, that by and large that probably in 99.9 percent of the cases, that private business firm, that manufacturer, or that person that provides the service, is in fact providing a service that the consumer is prepared to pay for and is satisfied for. That, of course, does not exclude - and I'm sure the Minister can indicate and will indicate - specific detailed cases where abuses have occurred. But, as is so often the case, you know, that we tend to over-react or we tend to over-kill and over-chastise a particular segment of our society for those instances where real and serious abuses are taking place, and for which I support the Estimates of this Department and the efforts of the Minister for which he indicated legislative action is in fact necessary, and it's timely that we have it before us and protect our citizens in this matter.

A particular point of interest to me was when the Minister - and I would like to indicate to you, Mr. Chairman, that I am only picking out a few of the particular things that the Minister mentioned in his speech, not attempting to cover the Department as a whole - there was a rather interesting comment made and I would like to perhaps encourage the Minister to expand on some of these remarks when he refers to the Purchasing Bureau and the program of aiding and furthering the centralized purchasing here in Manitoba.

There's a question, of course, that had to be asked and we all hope for maximum Manitoba content in terms of purchasing by government and by its agencies in Manitoba, but one would like to be assured, Mr. Chairman, that the open tender system is not being interfered with, or indeed if it is, then that be put squarely before the suppliers of goods and material to government so that they in fact know what they are competing with. There seems to have been the question raised a little while ago about the purchases of school buses by the government or the Department of Education, at which time the tenders were handled in a somewhat less than open manner. And while it's well for the Minister to encourage and to attempt to gain maximum efficiency out of his Purchasing Department, I think the interest of the taxpayers has to be very carefully judged in this instance, that the open tender system, which by any stretch of the imagination still affords the best value per dollar paid by the taxpayer for goods and services sought after by his government, that this system be kept uppermost in mind and rigidly adhered to, if in fact it is government policy to do other than that. There may be occasions when the government has reason to do other than that. I would cite one such example; for instance, the recent \$12 million contract with respect to the Lake Winnipeg control mechanisms that are so much in the news lately. I wonder if the Minister, who has just expressed a concern for centralized purchasing with emphasis on Manitoba content, can give us any indication as to the amount of Manitoba content with respect to that major contract. Certainly in isolated cases such as this, there may well be reasons why, given a certain set of circumstances, economic circumstances in a province, why a province or why a government may, with the support of all members of the House, encourage, if need be, a departure to some extent from a policy that I otherwise very strongly endorse, namely, the open tender system.

I would hope that the Honourable Minister takes these few remarks in the light that they were given and not in an overly critical manner over his department. His Department is a

(MR. ENNS cont'd.) . . . . young department; we're talking about the expenditure of \$1,173,700 in a total budget of \$516 million-odd, so that I think that we all recognize that this is not, in terms of dollars being spent by this government, a major department, but I find myself concurring with the Minister when he indicates his belief that it is a most far-reaching and important department in terms of people, in terms of actions of people, in terms of actions of corporate people and others in this province.

Mr. Chairman, I think that in this particular instance we are probably going to vote the Minister's full salary and wish him well in the task that he has ahead.

MR. CHAIRMAN: The Honourable Member for Assiniboia.

MR. PATRICK: Mr. Chairman, I will take a few minutes and perhaps I will not be as complimentary as the Honourable Member for Lakeside, but I would like to say there will be a dark side of the market place for many of the consumers irrespective of how much legislation was put on the books, be it in Manitoba or Canada, there will be a dark side at times, but I couldn't say anything more than agree with the legislation that's put forward. I would also like to congratulate the former government for taking a forward step in bringing consumer protection legislation. I know at those times - two years ago when the legislation appeared before the House, I appealed to the government to also have conditional sales placed in that legislation as well which wasn't in it.

I would have expected the Minister to perhaps be much more enthused about his department - it's a new department - and taken much more time to give us a better explanation, probably give us some statistics in respect to complaints, how many settlements were not completed, and so on, because I think it's important that we know. I feel that in the area of consumer protection, I think there's nowhere else that it's so evident except amongst the poor, and exploitation of these people by say, fly-by-night operators and so on is a great misfortune to many of these people, and I'm sure that this type of legislation at least is some assistance.

Now, I know that experience will prove that many businesses will agree and will be behind the establishment of consumer protection legislation, because I believe no one suffers more from widespread dishonesty in the market place than the ethical business people themselves; so I'm sure that many of them would support it.

Mr. Chairman, I think that one of the few things about retail selling and buying in the next decade can be predicted with almost certainty that the ground rules are going to continue to change and will change in the interests and advantage to the consumer. I believe the old adage that you pay your money and take your chances will be replaced with "let the seller take care" and the sooner business adapts itself to play its proper role in the consumer revolution now, I think there'll be less need for government intervention in the free enterprise or in the free market place. But I would say now that it would appear to indicate that rather than adjusting to the changing mood and times there are still businesses that have resisted improvement, that have been advanced in the consumer interest. So, Mr. Chairman, the inevitable of course will be that there will be an entrance into the market place by government on the side of the consumer, and consequently when industry self regulation and better trade practices are not forthcoming voluntarily, consumer satisfaction will be lacking and of course there will be demand on the government to bring in legislation and this is what will happen and take place.

Even the . . . seller or the manufacturer who engages in the most improper techniques of doing business, I feel becomes a consumer when he stops on the way home to make a purchase from the place of business, be it a small purchase from an ordinary grocery store. It was mentioned by the member for Lakeside that the Federal Government now with a full-time Minister has concerned itself with consumer affairs and of course now each of the ten provinces as well have enacted legislation with protection department bureaus set up to protect in the consumer interest.

So I hope when the Minister will have an opportunity, I hope he will give us a better breakdown just exactly what has taken place in this department in the way of complaints, is there any co-ordination between the Federal Department of Consumer Affairs and the provincial or not, because I'm sure there could be a tremendous amount of co-operation in that area and I think it would be truly advantage to the consumer protection and to the consumer in this province. I know we have a code of consumer rights which is under the provincial legislation regulating credit purchases, credit granting and the security for closure of the transactions which I believe is good. It also allows a cooling off period for door to door sales people and proper conduct of collection agencies from techniques of harassment and abuses. But I

(MR. PATRICK cont'd.) . . . . certainly would ask the Minister to give us more information as far as the Consumer's Bureau itself was concerned, its hearing, and how was it available to the business community, how has it been available to the consumers themselves, because I would agree that there has to be more publicity about this Bureau, there has to be more education if the people, the consumers will take proper advantage to get himself acquainted with it.

Now I think, Mr. Chairman, we can also look to some further protection and what I'm referring to is various sales techniques and practices such as pyramid selling, unsolicited credit card proliferation and computer accounting abuses. I think that this will have to be looked at; and again if this action is not forthcoming from the community and the business itself, I believe the government will have to move in; and I believe the very top of the list is the requirement for more meaningful warranty and guarantee so that the consumer can at the very least get what he's paying for.

I think the seller, Mr. Chairman, should no longer be able to hide behind the remoteness of the manufacturer who is probably many miles away. I think there should be better contracts between the dealer and the manufacturer so that the consumer in those instances can be better protected. I know when there's problems with warrantees the seller would refer the buyer to the manufacturer, the manufacturers rely usually on technical small print, of warranty with all kinds of special rules and regulations, and the buyer quite often is usually involved in more costs or additional costs to protect his original purchase. I know from the very small experience that I've had myself in trying to get the warrantees for some people that phone me, usually the part was not in the city, you'd have to wait four or five days for it; I think that in many of those instances that sellers should stand behind the products they sell and should have the protection of their suppliers and manufacturers so that they can also stock the parts in the city so when there is a breakdown that whatever the part is it could be easily obtainable in the city without having to wait, or easily obtainable by the dealer so that he can, whatever the machine is, he can get it fixed. I feel that this is one area that there must be some kind of rights in the legislation and should be enforced realistically.

Mr. Chairman, I think there should be also a new form of tribunal to resolve consumer claims rapidly, expeditiously and inexpensively. I think the notion of a small claims court or a special consumers' court in this respect would be probably much better and a better balance in enforcing the consumer complaints. I think the main areas in which the market place should be changed and some of the points that the Minister may consider at the present time is such things as a small claims' court or a consumer redress tribunal. Also I feel that the law must be amended to improve the quality of warrantees and product guarantees. I think too many manufacturers are able to avoid their responsibilities to their customers under the present law or present legislation. I also feel that the retailers should be made primarily responsible for the performance of the product sold to his customer; if he was responsible more than he is at the present time, perhaps there would be a better agreement between the dealer and the manufacturers than we have at the present time, because I feel that many dealers are at the mercy of the manufacturer. I know that perhaps some of the farm or rural members would probably agree - I know I had a farmer call me and wanted a drive belt for a new combine, the machine had cost \$18,000, and there was nowhere in the city that - not only couldn't he get it in the area where he was phoning from long distance, but he couldn't get one in the city as well. -- (Interjection) - No. No, it wasn't. I will not name the company, but - do you want me to name it? -- (Interjection) -- Well, I'd better not.

Mr. Chairman, I believe that business to some extent has deluded itself into thinking that it can continue to market, merchandise and perform in the lowest common denominator, producing and merchandising for the great majority of the people. I think there is some satisfaction probably from the standpoint of business - they know that 99 percent, or 98 percent of the customers are happy, and I agree that's a pretty good percentage, but I don't believe there's any consolation to the distressed housewife who may be in an only one percent bracket but can't get a part or cannot get one of her household appliances working - and can't get it fixed, that's right.

Mr. Chairman, I believe in the concept of private enterprise, and I believe this concept led us probably to one of the world's highest standards of - to probably one of the highest standards of living of anywhere, and I am somewhat concerned because I understand quite recently the Minister of Consumer Affairs suggested that protection of consumers might require the government to take over and operate several small kinds of businesses. I believe that was



(MR. PATRICK cont'd.) . . . . the highlight of his speech when he was on a safari across the line, I believe speaking to some group in the United States, he can probably tell us about -- this is the area that he highlighted that the government will perhaps move for the protection of the consumer and take over some of the other businesses and I think this is almost alarming. I certainly don't agree with that point. I believe when there's something wrong, when something is not working exactly right in the economy, I don't think we should say, "let's take it over"; I think that we should say, "let's make it work, let's do something about it, let's change it, let's cure the problem without interfering with the individual freedom of choice." I'm sure the Minister will be able to explain the substance of his remarks or his speech, but I understand this is what he did say, - at least he was reported to that extent. I think that the business, and I'm not trying to protect him, I was quite critical in some of my remarks; I think that they should play fair with the consumers, but on the other hand, I don't think it's government's right to take over any businesses or agencies.

Mr. Chairman, I would like to suggest that Consumers Associations, Retail Merchants Associations and Better Business Bureaus perhaps get together through the good offices of the government, to voluntarily work out an acceptable settlement of claims' system; but if not I think that government then in some areas will have to legislate. Government must also require that manufacturers who sell their goods in this province to maintain replacement parts within this province, as I mentioned. I think that we've seen many times where some item is not working because we can't get a part or we have to wait for it for weeks and I don't think that the people should be required to chase their complaints to manufacturers a thousand miles away or so.

These are a few of the points that I would like to make to the members of the House and to the Minister. I think that consumers have rights; on the other hand, I think these same rights apply to the businessmen because the businessmen does insist - when he deals in any transaction the businessman insists on a full disclosure of terms of the deal with no hidden condition, adequate performance of the product purchased, a fair statement and description of what the product will do and what it won't do. I think this is important. A truthful package that discloses the real size and quality of the product, a safe, useful product. I think that the business people will have to become leaders in the way of consumer protection, and if they're not, I think they will be the ones that are unfortunate and they will be the ones that are legislated against.

Mr. Chairman, I believe that's -- I've mentioned, I believe, the other point that I know that has been looked at, to a pretty good extent, that I have appealed last session, such things as false advertising and referral selling and so on, but the few points that I have mentioned. I hope will add something to this debate and probably the Minister can think of some of the improvements that I was mentioning in our free market system. I know there are many and many other services required by the consumers, but some of the points that I have raised, I hope will add to the debate of this department.

MR. CHAIRMAN: The Member for Roblin.

MR. MCKENZIE: Well, Mr. Chairman, maybe in three minutes I can get across to the Minister the questions that I was wanting to ask, and I join the sentiments of the Honourable Member for Lakeside - and in another capacity I guess the Minister and I are the only two pipe smokers in the House so I join him in those sentiments. I have again evidence in this department of NDP philosophy, big government, more bureaucrats, NDP policy, government for people. You know, it goes on and on; and protection of consumers, and I ask the Minister one simple question. Where do we protect the primary producer or the farmer in this exercise? You know, where does that happen? We've got big government in Ottawa today; they're protecting the consumers, and we got it here; it's a great vote-getting gimmick and, if it works, fine, because the majority of the people are consumers. And so you get on the side of the consumers, you don't need to worry about the primary producer, the farmer. And I again -- you know, it's quite simple. Or the businessman, a simple little businessman, or an insurance agent like me. You know, you just go zing down the drain, so I ask the Honourable Minister: where in this whole exercise does this government or this Minister recognize the need for somebody to protect the primary producer or the farmer? Where is it going to happen or when it is going to happen? Simple question.

I got another simple question. I got this big ad here on the Autopac today. Where is the Minister going to protect the taxpayers of this province, who again are consumers, from this

(MR. McKENZIE cont'd.) . . . . type of advertising that's going on in this province? A monopoly? They got a monopoly. You don't need this kind of advertising. What's that -- that ad would likely cost 1800 bucks, and it's been going on for weeks - and weeks and weeks. Who's paying? Consumers? Sure consumers are paying; certainly they're paying. Does the Minister stand up and support monopoly? Are you for monopoly? Are you for government auto insurance? These are simple little questions and I have to go back to my constituency -- or where does the protection for the taxpayer come into the Minister's Estimates? He'll likely answer. The commission that's being offered by the Minister of Municipal Affairs to the agents - seven percent - and as I heard him correctly this afternoon, in twelve months it's going to be five, and likely three after that.

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

#### IN SESSION

MR. SPEAKER: The Honourable Member for Winnipeg Centre.

MR. J. R. (BUD) BOYCE (Winnipeg Centre): Mr. Speaker, I beg to move, seconded by the Member for Radisson, that the report of the Committee be received.

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

#### PRIVATE MEMBERS' RESOLUTIONS

MR. SPEAKER: On the proposed motion of the Honourable Member for Assiniboia. The Honourable Member for Assiniboia.

MR. PATRICK: Mr. Speaker, I beg to move, seconded by the Honourable Member for La Verendrye,

WHEREAS all members recognize that economic growth and development, at a rate unprecedented in the past, must be stimulated by the Government in order to arrest the brain drain from Manitoba, and to provide equality of job opportunities for all of our people, regardless of where they live in our Province;

AND WHEREAS the Commission on Targets for Economic Development recommended the establishment in Ottawa of an Office of Manitoba Economic Affairs;

THEREFORE BE IT RESOLVED that the Government recognize the urgent need for increased development in Manitoba, and that this House urge the Government to consider the advisability of establishing such an Office of Manitoba Economic Affairs in Ottawa, which said Office would serve as a trade development office, to be staffed with Senior Development Officers capable of travelling extensively from the Ottawa Headquarters.

MR. SPEAKER presented the motion.

Continued on next page . . . . .

MR. SPEAKER: The Honourable Member for Assiniboia.

MR. PATRICK: Mr. Speaker, I rise at this time to discuss this very important matter, which is industrial development in Manitoba, and our resolution specifically calls for the establishment of a Manitoba Office of Economic Affairs in Ottawa, a provincial bureau that would allow us to keep a finger on the pulse of potential industrial development in the nation, an attempt to encourage as much of this development as possible to come to our province. Our resolution also calls upon the government to recognize the urgent and pressing need for industrial development in Manitoba if we are to progress and keep step with the rest of Canada in our second century.

Now, I believe the former Member for Ste. Rose constituency had this before the House either last year or year before and, as I mentioned, was recommended by TED Report, and I couldn't help but agree with it, that the government must do something in order to help bring industry to this province. I think that we should be committed, no matter what party it is, to ending the waste and unnecessary cost of welfare programs and the only way we can do that is by expanding our economic base in this province, of having more job opportunities, and having the necessary required resources and money to finance the type of social programs that we need.

Now, Mr. Speaker, I did have an opportunity a few weeks ago to meet with half a dozen or so people from the External Affairs Department who have been stationed throughout the world in many different countries and have had considerable amount of experience in this area, and I posed this question to them: if such an office in Ottawa would be of any assistance in helping to bring industrial development or industry to Manitoba. And the reply was from every one of those people that I talked to in the External Affairs Department, or in the High Commissioner's offices in different parts of the world - and I had an opportunity to talk to, as I mentioned, a few as they were travelling across the country before they were going back to their positions - and every single one mentioned that they thought this would be certainly of great assistance to Manitoba because they brought to my attention that different people travelling, they'd probably arrive in Ottawa and do some negotiations there, but if there would be an office, a Manitoba office, naturally they would come into that office and would avail themselves of the opportunities that are prevailing in this province at the present time. And I was, as well, advised that businessmen travelling from this province to Ottawa, even under the present time they have problems with your regional grants and so on, and they have a problem getting to the proper people, to the proper offices, and again it was recommended and these people mentioned to me that it certainly would be of great assistance to any businessman going to Ottawa in respect to any problem that he would have, in regional grants or anything to do with Industry and Commerce, that if they would drop in to a Manitoba office with proper appointments set up, it would be of much assistance to the businessman. So I feel that there certainly is room for this type of an office of economic affairs, a Manitoba Office of Economic Affairs in Ottawa.

Mr. Speaker, there are several ways of which these goals, the goals of industrial development, can be reached, and I think the most positive and productive approach is that the province must launch a massive program of industrial and commercial growth. If we are successful in creating new industry, we should also create the jobs that will make welfare payments unnecessary. And if these industries are successful, then the property tax, the business tax, the sales tax will naturally give us the kind of financial resources and the kind of tax load that will be reduced from the people of Manitoba because these people will be employed. And I think it's unfortunate when we read in the papers at the present time that a firm like R. C. Baxter Limited is pulling out with some of the finest people in the area of construction and development in this city, pulling out with 50 of the most able people in that field. It is also discouraging to see when we have some 15 insurance companies pulling out and that almost every one employs somewhere around 50 people. So that's a tremendous unemployment that's at the present time put out of work.

Mr. Speaker, I think that industrial development must be made a top priority for this government because without financial resources we cannot create the jobs we haven't got, the tax base that we should have, and I think what I'm asking in the resolution is not impossible. Some of the other provinces in Canada have taken steps in that direction. I think it's unfortunate that when we listen to such people as the Member for St. Matthews the other day when he described that if he would have his way he would confiscate everybody's estate, and I'm sure that this is not agreeable to many people, unless I'm mistaken, in the government front benches

(MR. PATRICK cont'd) . . . . . and I'm sure this is not going to make the job for the Minister of Industry and Commerce or the First Minister easy when you hear statements coming from the back benches: either nationalize the industry or confiscate total estate from all the people, because, you know, you don't need to pass it on to the next generation; you're the free enterprisers and you should be able to make it. This is the kind that we get, and I believe -- I had to look in Hansard just to make sure that I heard the honourable member correct, and this is what he said. And I'm quoting, Mr. Speaker: "I would be in favour of a far more progressive income tax than exists today. I would be in favour of virtually taking away entirely estates. So my position personally is that I would be in favour of a confiscatory estate tax." That was the statement of the Honourable Member for St. Matthews, Mr. Speaker. It's on -- the page number is 1631, and I'm sure this kind of talk doesn't make the job of Cabinet that much easier and I'm sure that not too many would agree with that statement. I'm doubtful.

Mr. Chairman, the federal Department of Regional and Economic Expansion is setting aside funds for the development of rural prairie regions. In Manitoba, I would say we are still waiting for the leadership because the information that came to my attention is that we have used very little of the federal funds as far as the regional development is concerned while some of the other provinces have used very large amounts of this money for regional development. Now I don't know what the problem is but this is my information, that the Province of Manitoba has used very little of the funds for regional development. I suggest, Sir, Mr. Speaker, that immediate consideration must be given by the Department of Industry and Commerce, the government department that is responsible for industrial growth in our province. Despite the loud boasting and bantering of the Minister, I feel at the present time this department has done very little; I know that one of the agreements that the Minister has signed, I believe it was with Jordan Wines, and I'm not so sure that it was in the best interests of Manitoba, the agreement -- I see the Minister pricked up his ears -- (Interjection) -- My statement is, I don't believe that was in the best interests of Manitoba, the contract that the Minister signed with Jordan Wines, but my understanding is that no other winery can come to Manitoba. That's the information that I have.

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

MR. EVANS: On a matter of privilege, the honourable member referred to me as signing an agreement with the Jordan Valley Company. This is not the case. I have signed no such an agreement.

MR. SPEAKER: Order, please. I should like to state that that wasn't a matter of privilege as it didn't concern the House. It concerned the Honourable Minister and he could debate the point later on. The Honourable Member for Assiniboia.

MR. PATRICK: Mr. Speaker, I believe that the Provincial Government, if it is really concerned, could also be looking to the possibility of establishing a system of regional incentive grants, which I mentioned the other day, to supplement existing federal grants programs as a further means of attracting new industries and new offices to Manitoba. The other day the Minister of Finance stated that by 1990 we'll have 85 percent of the people living in the City of Winnipeg, and the first reaction that I had, I was inclined to believe that the government has no policy or has said that they cannot come up with any policy that would certainly reverse this trend, because surely, I think that other places, other centres like Brandon and Dauphin, can grow if proper incentives would be given and industry established in those areas.

Mr. Speaker, I am not totally hung up on free enterprise. If it appears impossible, that a private developer is not willing to initiate industrial growth in an area where such growth is necessary and advisable, then the government should be willing to initiate such development itself, but always with the view that the industry some day would be turned back to the private sector when that opportunity presents itself.

So, Mr. Chairman, I'm sure that there are enough reasons that I have pointed out why this government should establish an economic development office in Ottawa, which would certainly be of great assistance to many businesses and many industries. I think that we should have a force of industrial commissioners who should be paid on a commission basis and their job would be to travel to major centres in the world to try and effect industry to the province of Manitoba. I think we should also have a detailed analysis of everything we import from other provinces that can be made, should be made, or attempts should be made to manufacture these items locally, and this should, I think, be encouraged, Mr. Speaker. I think the government must show some special favouritism to Manitobans who are prepared to develop the many

(MR. PATRICK cont'd) . . . . . opportunities available to them. I think the government should name and designate the growth centres in the province of Manitoba. I think it would be desirable to locate industrial growth in some of these centres and, through regional incentives programs similar to the Federal Government, there's no reason why our regional growth centres would not grow. I think we should take advantage of the federal programs which finance the facilities necessary to attract industry such as sewer, water, gas lines and so on.

Mr. Speaker, I think this government should also be considering the commencement of a rural settlement program which would assist and compensate people as they leave some of the rural areas; I think that we should refrain them, we should pay their expenses to move to larger centers. I think if this government is fully concerned about the future of the province, it should be also concerned and negotiating with the rest of the provinces about the freight rates - I think we are placed in a most unfortunate position which I have mentioned in this House on many occasions before.

Mr. Speaker, the thing which our resolution specifically calls for is the establishment of a Manitoba office of economic affairs in Ottawa, the job of this office would be to keep track of development opportunities and outlets for Manitoba products, all designed to attract more industry and manufacturing opportunities to the province and to promote tourism for Manitoba. I feel that the job of industrial development is probably one of the most difficult and I am sure the Minister would certainly give consideration - as I mentioned before, I did have an opportunity to discuss this with quite a few people who are in this business in the external affairs department and in their opinion they felt that this would certainly be a big asset for Manitoba. So I recommend this resolution to the House and hope that the members will be able to support it.

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

MR. EVANS: Thank you very much, Mr. Speaker. Without doubt I'm sure that many members of the House, on both sides of the House share the Honourable Member for Assiniboia's concern with the questions pertaining to economic development. I would commend the honourable member for his concern about creating industry in this province, about providing jobs for our people and for his general genuine personal interest in the matter of economic development. He holds it as a high priority without doubt and I would like to think that some of us on this side feel that economic growth of Manitoba is probably one of the greatest challenges facing this government; and I share his viewpoint when he says it is probably one of the most difficult problems that we face.

He referred to some of them in his remarks on the resolution. I noted, Mr. Speaker, that the honourable member did drift away from the main thrust of the resolution, which had reference to an office of Manitoba economic affairs in Ottawa and dwelt upon such things as wineries and rural economic growth problems, so therefore, Mr. Speaker, I trust that I, too, shall be permitted to stray a bit, if only by way of answering some of the questions posed by the honourable member opposite.

I, of course, disagree with his contention about the case of attracting wineries to the Province of Manitoba and with his concern regarding the limitation on the number of winery establishments in the province. I would tell the honourable member that when I became Minister of Industry and Commerce I noticed on file that for many a year the Department had been attempting to attract not two or three but merely one winery; we would be lucky, we would be very fortunate, we would be very happy if we could attract but one winery to this province. Now I should hasten to add incidentally that a winery does not employ very many people. It is not a big employer of people, but nevertheless, you know if Moose Jaw, Saskatchewan can sustain a winery I am sure that some towns in Manitoba, many towns in Manitoba as well as Metro Winnipeg can surely sustain wineries as well.

However, the fact of the matter is that there is a limitation to the size of the market for wine in this province and after careful study we feel that limitation on the number of wineries for a very brief period of time - really when you consider the number of years that the Department over the many years has been at this particular job, is really a very insignificant limitation when you consider that we had zero wineries to begin with. And I would note, too, that the investment of Jordan Wines is quite a substantial investment and was one that enabled the company there to bring forward by a year and a half or two years the bottling of all of its various beverages, of all of its various spirits and drinks that they - (Interjection) - my honourable friend from Elmwood refers to "white lightning" - that is now made at their

(MR. EVANS cont'd) . . . . distillery in Gimli, I'm sure the honourable member would agree with me that Gimli is indeed an excellent choice for the location of a winery because of the serious problem created by the action of the Federal Government in Ottawa in reducing, in fact in eliminating the military base, so thank goodness we do have that winery there and I really don't think that we've made any significant concession at all to the winery industry in Manitoba. Just let me go on to the other -- (Interjection) -- I understand there's a large local market according to my honourable friend from Elmwood, he seems to know the people in that area. Maybe he's married to someone from that area, I'm not sure. -- (Interjection) -- Yes.

MR. SPEAKER: The Honourable Member for Assiniboia.

MR. PATRICK: Would the Minister permit a question? I just made a passing remark in respect to the wineries, that's all, just certainly a passing remark, but my interest would be, I'd like to know where the Minister stands in respect to locating a Manitoba office in Ottawa. So I could have the benefit of his debate at least, I would like to know where he stands.

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

MR. EVANS: Surely you don't want me to talk about the resolution, do you?

MR. SPEAKER: Order, please. I would just like to say to the Honourable Minister that I certainly would appreciate if he would talk about the resolution. The Honourable Minister of Industry and Commerce.

MR. EVANS: Well, Mr. Speaker, as I stated at the beginning of my remarks I notice that the honourable member my good friend from Assiniboia had spent several minutes on the very interesting subject of wineries, then he went on to the subject of rural economic development and I thought that I should be permitted in my debate if I couldn't bring it up as a matter of personal privilege.

But let me leave wineries and just briefly mention as the member did about the question of our concern for rural economic growth. The fact of the matter is that there are certain regional growth centres in this province that are thriving. We all know of the many towns that are suffering because of technological changes in agriculture and partly because they weren't fortunate enough to be of a certain size to begin with. I don't know what the magical cut-off figure in population is, I don't really think there is any, but I would think that most towns in this province and possibly on the prairies in general which have 500 or more people, have a fair chance of surviving and being sustained and indeed growing; and I must say with regard to some of the larger centres, such as Dauphin and such as Brandon there are definite signs of significant growth. In fact, Brandon last year, Mr. Speaker, Brandon last year - the value of building permits in Brandon last year exceeded the value of building permits in the City of Saskatoon and I think this is rather significant. It doesn't say much for Saskatchewan but it certainly says a lot for the economic growth of the good City of Brandon. I would indicate to all members opposite that we are concerned about rural economic growth, indeed we have a series of management training programs going on in seven centres throughout the province now and in addition we have under way this summer with the use of 40 university students a series of regional economic analysis surveys designed to help us do the things that the member is concerned about.

Let me pass on then, Mr. Speaker, to the resolution at hand which is one that calls for the establishment of a trade development office in Ottawa, and I believe the honourable member referred to the TED Report, the Targets for Economic Development, but I'm afraid he has slightly altered the sense and the meaning of the recommendation in the TED Report. The TED Report itself called for an office which would be in effect a contact office for Federal Government officials and high officials and somehow or other he seems to have twisted or altered the recommendation around to suggest that it be a trade office, because as the resolution states, Mr. Speaker, that the House urge the government to consider the advisability of establishing such an office of economic affairs in Ottawa, and in the second "whereas" he distinctly refers to a trade office - or is it in the first whereas? At any rate, Mr. Speaker, I would suggest that while there is considerable merit in the honourable member's suggestion, I can think of some reasons why we shouldn't do this and it's not because -- you know I'm for all the good things, too, I'm for economic growth and I'm for getting more federal dollars spent in Manitoba -- but I think in a sense if we're talking about a trade office which is what the TED Report was concerned with, I would suggest it would make more sense to establish an office in Toronto and possibly in Montreal or possibly in Vancouver, or perhaps more so go out like some other Canadian provinces have done and establish trade offices in foreign

(MR. EVANS cont'd) . . . . . countries. I know the Ontario Government, for example, has several trade offices in the United States - Chicago, Minneapolis, and so on. With respect to trade offices in foreign countries, I for one do not feel that the Province of Manitoba should attempt to duplicate and make redundant federal efforts in this area. The Federal Government has a large trade commissioner service with offices in Chicago, Minneapolis and so on. The Minneapolis office incidentally is a rather recent office, Mr. Speaker, and I must say that it was set up at the urging of this government and it does indeed serve the needs of the Manitoba business community to a large extent and we are glad and we welcome the establishment of the Federal Trade Office in Minneapolis

On the subject of trade development offices therefore, Mr. Speaker, if we're really concerned about developing trade in our natural markets, whether we talk about the upper Midwest or whether we talk about eastern Canada, surely it would be much better to locate it other than Ottawa. And in a way, too, you could argue that it's wrong in principle for a provincial government to establish an office at Ottawa perhaps primarily for the purpose of lobbying, of lobbying for assistance from the Federal Government. I would also suggest that in some ways our Federal -- Mr. Speaker, I can't hear myself talk,

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

MR. EVANS: Thank you, Mr. Speaker. The fact is that we do have many specialists in the Department of Industry and Commerce that do help businessmen who have problems which pertain to the federal level.

Now the Honourable Member from Assiniboia referred to the fact that a businessman may wish to get some assistance in applying for a DREE grant - that is a grant from the Department of Regional Economic Expansion - it would be good to have someone in Ottawa from Manitoba to sort of help him find his way around. Let me just shed a little bit of information on that.

First of all, the Department of Regional Economic Expansion itself has officials right here in Winnipeg, in Manitoba, right on the spot to provide detailed information and assistance to businessmen, as that department does in other cities across Canada. But furthermore, Mr. Speaker, let me add that the Department does offer technical assistance to any enterprise which wishes to apply for a DREE grant - and whether you're talking about the electrical apparatus industry, whether you're talking about the garment industry, whether you're talking about the furniture manufacturing industry, whether you're talking about the food products industry or whatever industry group you're talking about, we have specialists in the Department who can assist businessmen and who know the particular industry; and in fact we have developed such expertise in the matter that we feel that we've done a fairly good job, so much so, that the DREE grants emanating from the Province of Manitoba far exceed our percentage of the population total of those provinces coming under the DREE program. In other words, Manitoba businessmen with the cooperation of our people in the Department of Industry and Commerce have applied for more than their share, at least in a number of applications, than any other area under the DREE program. So I would say that if we had an office in Ottawa we would have to add at least two or three people plus one or two secretaries. There's an expense involved in this and these people while they would have some general knowledge of the organization of the Federal Government would not have the technical knowhow, they wouldn't have the detail, the specialized knowledge that our experts have here in the department, or indeed for that matter any other department of government that has some reference or relevance to economic development, whether it be in agriculture, whether it be in Mines and Resources or what have you, Corporate Affairs and so forth. So that in many ways I would say that while not rejecting the resolution out of hand and the suggestion out of hand in many ways, I don't know whether we would be getting our money's worth.

I would add further, Mr. Speaker, that the department I believe many years ago had an experience in locating a trade office in the City of London, London, England, and after several years of operation - although the person in charge of it was an excellent, very capable person, probably one of the best suited persons for that type of work, it was found after years of experience that it didn't net the benefits which would pay for the costs involved. Considering the jet age that we live in and the electronic communication that we have - we're living in an instant world, my honourable colleague reminds me - it's a very easy matter for any expert to hop on the plane to go to Ottawa to see someone, to see an expert in Ottawa, a specialist in Ottawa about a very particular matter; so we have someone on this side talking to someone on that side on the federal level and they talk one another's language, they can talk turkey,

(MR. EVANS cont'd) . . . . they have common interests and so on.

I would refer to say a very recent issue. You know, we're talking about sending a delegation to Ottawa pertaining to CAE Aircraft Limited and I found that in this particular instance— as members of the House know, we are making arrangements for a delegation to go on Thursday, a large delegation — we find it very easy to make all the arrangements necessary from Winnipeg. It wasn't necessary, for instance, to have someone go to Ottawa and sit around Ottawa for a week in a hotel and go around to different offices and make arrangements; this is all done, easily done by telephone or telegram and we find that through the years we know the people to contact in the various departments, the experts on this side as I say know the experts on that side, and we can communicate very quickly and therefore I think we have a fairly efficient setup as it is. Now, if this was 1871, Mr. Speaker, maybe there would be a greater need. I'm sure there would be a greater need for perhaps some sort of an office. Again, you know, the resolution in a sense somewhat undermines the role of the federal members of Parliament because somewhere along the line, you know, they're supposed to be concerned about Manitoba and in the federal arena, but at any rate maybe there was a greater argument 100 years ago I think than there is today. As communications become better, as the air travel time becomes less it becomes less and less of a problem to communicate.

Again, Mr. Speaker, I believe that the honourable member has taken a suggestion from the TED Report which is talking essentially about a contact office and the Honourable Member from Assiniboia refers and is really thinking of a trade development office and I suggest that there is a difference between these two. Therefore on balance, while again I say the honourable member's intentions are very admirable, he's concerned, as I am, about economic development, we're interested in lots of communication — did you wish to ask a question?

MR. SPEAKER: The Honourable Member for Assiniboia.

MR. PATRICK: If the Minister would permit a question, I would like to ask him, has the Minister discussed this with the External Affairs Department, Federal Government, or has he not?

MR. SPEAKER: The Honourable Minister has three minutes.

MR. EVANS: I'm sorry, Mr. Speaker.

MR. SPEAKER: You have three minutes.

MR. EVANS: Three minutes. I'm sorry; for a question like that, it takes five. For the life of me, Mr. Speaker, I don't know why I should talk to the Department of External Affairs to ask them their advice on why within this one country of ours, this Canadian constitution, this federal nation of ours, why I should go to experts in a foreign affairs' department or External Affairs Department to ask them their opinion as to whether Manitoba should have a trade office in the capital city of one country. You know, I just don't understand the reasoning. Now, I'm not denying the honourable member's advice — the answer is "no" of course. I'm very concerned about this challenge of economic development, industrial development, it's a full-time job, it takes seven days a week and eight days a week if there were, and I certainly don't consider it a high priority to be discussing a matter of establishing a trade office within my own country with the Department of External Affairs. — (Interjection) — Beg your pardon? — (Interjection) — It's suggested that there may be a need, however, to have someone who's concerned about selling eggs on behalf of the farmers of Manitoba and that would certainly be a very worthwhile endeavour.

Mr. Speaker then in conclusion, since my time has run out, I would say that this is a matter that we wouldn't reject out of hand, but at the same time I really think — you know, you tell us about growing bureaucracy, about conserving the people's money and being concerned about our taxpayers, I really don't think the resolution, the proposition, in establishing an office which would involve five or six people likely when you consider people to answer the phone and so forth, that you would get the benefit from the cost involved. Therefore my own personal inclination at this time at least is to take a rather unenthusiastic view of it; but again I commend the member for his great interest in economic development matters and I know his heart's in the right place.

MR. SPEAKER: The Honourable Member for Lakeside.

MR. ENNS: Mr. Chairman, the Honourable Minister who just spoke on the resolution had some difficulty in expressing I think exactly what he wanted to say so perhaps I can do it for him. I regret on the one hand that I find myself in this position but I do find myself very much inclined to agree with what the Minister has just said with respect to this resolution, and



(MR. ENNS cont'd) . . . . . in fact while the Minister had some difficulty in rejecting it out of hand, I have no difficulty in rejecting it out of hand as, in fact in the terminology as what has now become the famous phrase, as being garbage and rubbish; because really, Mr. Speaker, I think - and I don't intend to spend too much time on the resolution, many of the points covered that I would want to raise have already been mentioned by the Minister.

After all just a very brief resume of what our governments and their various agencies are responsible for should make this kind of a resolution, you know, pretty redundant. First of all, our own provincial government we hope is always working in the interests of Manitoba and particularly in this area of attracting industry to our province. We suspect and we hope, even though we sometimes chastise the manner and way in which it is carried out, that the Department of Industry and Commerce is particularly concerned in this particular area, and we vote every year fairly significant sums of money to provide for trips, for contacts to - I don't think the Minister or the Minister of Industry and Commerce is ever short of funds for not being able to send a trade delegation to Ottawa or to anywhere else in the world as far as that is concerned, in the interests of providing for economic development in this province. Like the special department - in addition to these very basic things, and they've also been mentioned, where there is three - the regional development programs, Atlantic Development Board in the Maritimes, ARDA, FRED, these are all already superimposed bodies and groups of senior civil servants, different levels of governments working to bring about or to help at least eliminate some of the chronic regional problems that we have with growth in our country. So, Mr. Speaker, it's very appropos today that we should be discussing this. Surely one of the underlying reasons, if you strip some of the fanfare away from the constitutional conferences that have been engaged in this country for the last three or four years, have at it's root and heart and core of the matter concerns about each area or each region or each province of the country receiving its fair share, receiving its fair share not only in terms of tax dollars but in attention and consideration by senior governments and hopefully by major corporations that are seeking to invest in our country or in our province.

Mr. Speaker, the federal members I would suspect would have to view this as some affront. We would hope that they are doing their utmost and I think they are. Not necessarily crowned with success and the kind of success they would like to see, but to suggest that James Richardson in the Cabinet can't do in terms of providing communication and contact what another bureaucrat that we send down to Ottawa can do is just short of being ludicrous, so Mr. Speaker, with very few remarks at a time where I would - and I find myself in strange company, at a time where if anything we should be looking for reducing, you know, the ever-growing numbers of government agencies and government personnel all capably and ably justifying your existence through a law long defined by Parkinson, that I find little difficulty to reject this resolution on the basis that while it speaks for motherhood, I don't think it accomplishes what the high sounding phrases lead one to believe it could. I think that if anything, it should only spur us to be all that more critical and to be all that more demanding of our existing agencies, departments of government, particularly the Minister of Industry and Commerce's department, to see that the kind of solution, the kind of results that this resolution seeks for is indeed forthcoming. I think the Minister himself would concur with that philosophy. I really doubt whether simply adding a publicly paid lobby group over and in addition to the already publicly paid lobby group that we have, namely our MP, namely our agencies, that we have very solid links and establishments - not only as the Minister pointed out - not only in Ottawa but they have them here. There are people, various personnel stationed here with every major federal agency that involves growth or development of any kind. We have offices for the Federal Department of Agricultural loans; we have vast, you know, offices for the Federal Department of Agriculture in Manitoba. We have - well, we just opened up a regional information branch here in Manitoba, so the communication problem shouldn't exist. And more specifically though to the resolution. Both in the regional board situation such as the ARDA or the FRED situation we have in the Interlake, there are federal people located in this case in Selkirk and in Winnipeg concerning themselves with proper liaison between the federal and the provincial efforts to bring about a satisfactory development within that particular program. And as the Minister also indicated DREE offices have full staffed people permanently here in Winnipeg looking after the very same things that this resolution calls for.

Mr. Speaker, with some regret to my friend and colleague, the Member for Assiniboia, I find myself with little hesitation in rejecting this resolution out of hand as being redundant.

MR. SPEAKER: The Honourable Member for Churchill.

MR. BEARD: Thank you, Mr. Speaker. I rise at this time because of the last few speakers in the approach that they have taken. I think it is already shown throughout the world and particularly throughout the North American continent that lobbyists are being used and have been used for many years, and if we have an office in Ottawa and that's what it could be, a lobbyist. And as the Minister pointed out and the Member for Lakeside we don't need to have the experts there. We have them here. But what we have to have is a contact to make sure that Manitoba is being discussed when people come to Ottawa to try to make decisions or contacts in respect to having an industry in a part of Canada, not Manitoba; because when you get down to the fine point, we are really competitive with the rest of the provinces of Canada, and undoubtedly, we won't get our fair share if we sit back and wait for the Federal Government to dish it out. We have got to have somebody there to see that we get our fair share and the best way to do it is have somebody there. The Minister said we're in an electronic age, certainly we are and we're in a communication age. We don't need an expert there on everything. What we need is a person there that knows something about Manitoba; and if he knows something about Manitoba he can be the contact man for anybody that goes to Ottawa to bring the experts down to see to it that Manitoba has a chance on as much industry as possible for Manitoba. And I would think that they could do it; Industry and Commerce have lots of employees. They could send somebody down there. You need an office, teletype and other means of communication with the Province of Manitoba and in that way you can make sure that you get the experts down when industry requires it and when Ottawa needs it, the Federal Government. We can't rely on the Federal Government being up to date on everything in Manitoba and everything they want in Manitoba but if we got some salesmen down there we can see to it that Manitoba gets at least a chance on this.

I don't accept that fact that MP's can be the salesmen for Manitoba in Ottawa. I don't take that at all because how are these large industrialists going to get in touch with what? - one or two members of parliament from each of the provinces in Canada and possibly they want to locate in the north and they're talking to somebody from southern Manitoba that knows nothing about it or vice versa. Consequently I think that the Manitoba Government have to have their own appointed salesman down there and if the salesman wants back up, he can always contact the MP's from the province and get their assistance. But it is very difficult for people, I'm sure, going to Ottawa or discussing new industry to get the real fine points of a province unless you have somebody there that's interested only in Manitoba. I think that you'll find that you'll have lots of people from foreign countries contacting Ottawa in respect to this. Because that's the first place they're going to go. They probably won't know anything about the rest of Canada but they will have heard about Ottawa and they expect that when they go to Ottawa they'll get the full information on anything anywhere in the country.

I wonder on this whether I can introduce a second thought that I have in mind in this, and of course that is secondary industries of Canada and for Manitoba. In trying to keep to this type of a resolution I would say that there should be people seeing to it that there is secondary industry for one industry towns wherever they may be and particularly where they're on non-renewable resources. You get a lot of money that is put into these towns invested by both the company and by the government and by people in private industry and they all depend on one large industry and if they're going to make any dint in this type of a problem, then they'll have to get out and find secondary industries and make sure that DREE are putting their money into job industries rather than into the high cost industries that provide very few jobs. I think there has been enough said about this in Ottawa in the last few weeks, particularly by those that have not accepted their liberal philosophy. I think that we should watch this and say to those people, then let's see to it that we have somebody that is looking for industries that will provide jobs rather than just investments in one community or another. So I would say that I think it would be wise for the government to consider this. It doesn't need to cost them very much money. If Industry and Commerce have not got people that are aware of what's going on in Manitoba, then certainly the department should be chastised for this. But they don't need to send a great number of people down to Ottawa. One or two would be fine, and as long as that man can produce the information that is required by people, that would in itself bring about the logical advantage that we are trying to reach in this type of program.

MR. SPEAKER: The Honourable Member for Winnipeg Centre.

MR. BOYCE: After having sat rather quietly for some 50 hours, I believe, I got all

(MR. BOYCE cont'd) . . . . . puckered up to give a scintillating speech tonight. I hear the Member from Lakeside stealing my thunder, the Member for Churchill stealing my thunder, because the Member for Churchill I agree with him entirely that we should send people to Ottawa to see that we get our fair share, and I also agree with the Member for Lakeside that this isn't really the solution; that the only real solution to the problems in Ottawa is to have an NDP Government in Ottawa. I find it very strange. Of course, there's an election going on in Saskatchewan and a chap by the name of Thatcher is, you know, attacking this and that in the Federal Government. I wonder, when you say Liberals, you know, what this really means in today's context.

But implicit in the "whereas" in this resolution, "whereas all members recognize that economic growth and development, at a rate unprecedented in the past, must be stimulated by the government." Now I realize, as someone slightly familiar with semantics, that the key word is "stimulated." Now what do they mean by stimulated? What does this word mean? Now I really would — (Interjection) — I wish I could get around . . .

MR. SPEAKER: Order, please. The honourable member has three minutes.

MR. BOYCE: Thank you, Mr. Speaker. I have a copy of the speech that was given by the Vice-President of the Motorola Corporation, Los Angeles, last August — (Interjection) — Oh, this is a terrific speech. In fact, I kidded this gentleman — I happened to meet him personally when I was in Athens, and I asked him how a socialist ever got to be so high up in the echelon of the corporate structure; but in his speech he says, "You must know that our present culture, that is our total environment pattern of inter-relationships, is characterized by mental and physical crowding, by high degeneration in distribution of information, and by the rising levels of interdependence and interaction among all of the systems and sub-systems."

Now when we're talking about — he goes on and he talks about all this, you know, the inter-relationships of the system, sub-systems — (Interjection) — Well I got to jump over to the conclusions because I see only that two or three people — but he says: "At present we can't do very much about altering the trend . . . by the forces of inevitability, but it is my contention that it must sooner or later come to grips with the problems posed by our lack of control over our environmental structure. It seems to follow logically that since the resultant force of inevitability is the vector sum of a great number of random forces" — Mr. Speaker, my colleagues are my biggest opposition here tonight. — (Interjection) — Well, you wouldn't know. I'm sorry the Member from Swan River isn't here to take me to task for sounding like a school teacher, because I had it all figured out how I was going to demonstrate to him what vector forces were.

But I find this very interesting by the Vice-President and Chairman of the Board of Motorola Corporation. "In other words," he says, "we must plan and control and, even worse than that, it means governmental planning and control." He says, "Historically, we don't have much faith in governmental planning and control." With Conservatives and Liberals in Ottawa I don't wonder why. "But if we must set goals for the development of our culture and activate selected forces to reach the goals, our free enterprise system will be substantially altered." And I find it most interesting to find some agreement by the Member from Assiniboia, that "all members recognize that economic growth and development at a rate unprecedented in the past, must be stimulated by the government." And isn't this what we have been saying all along? It sounds like that. And with the re-structuring and the disappearance of one of the parties — at least they keep talking about it across the way — I was hard-pressed there for a moment to figure who we were getting; whether we're getting the Member for Assiniboia or whether the Member for Lakeside was, you know, building bridges across here, because he was showing us how we could get out of this particular resolution if we didn't find it acceptable.

I'm sorry I can't give you a layman's understanding of economics. I couldn't — (Interjection) — a summary? Well, in summary, in short, as I said first of all, it doesn't do any good to send more bureaucrats to Ottawa; you have to send an NDP Government to Ottawa. But it's very strange. I find this resolution very strange. They chide us on one side for saying that we're increasing the civil service, now we're being encouraged to — (Interjection) —

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