

a local industry that is expanding and will employ local people in that local area.

Senator Fournier: What is the difference between an engineer and a professional engineer?

Mr. McNamara: He pays fees. He is legally entitled to call himself an engineer, for one thing. They pay fees, and the Association is the licensing body.

The term "engineering" of course is available to the stationary engineers by prior right. In other words they existed first and they continued to use the term, quite legally, as engineers.

Senator Fournier: Locomotive engineers?

Mr. McNamara: It tends to be a little bit confusing. We have used the term "Professional Engineers".

Senator Quart: Mr. McNamara, you mentioned in your brief on page 5:

Encouragement of individual 'entrepreneurship' should not be lost in the race for 'showplace' industries.

I notice you have a statement at great length of the expansion regarding small industries but these "showplace" industries do always seem to have a certain group. Banks are able to get a loan for them and create the show for the showplace industry; but on the other hand there are many individuals who, as you claim, have the initiative and knowledge and know-how but they have not the money, and they are in a certain class where the banks are afraid to give them a loan for a small industry, which would be very profitable for the area.

Would it be feasible at all in your mind for the government to set up some sort of loan system, as they do in the United States, for those individuals, or even to back them? I am not a business person but this thought just came to me. It would certainly facilitate the setting up of small industry. Do you think that would be feasible at all?

Mr. McNamara: Again, I can only speak from personal experience but it appears to me that the difference really between a small firm and a large firm is in the fact that a large firm can afford to hire professional assistance to go through the various channels to ensure them getting assistance.

The banks, I believe, are fairly amenable to lending money once a person has a commit-

ment for Federal or Provincial assistance funds. In other words, that becomes a part of the equity and it is a short-term proposition. There is something like that existing at the moment.

Senator Hastings: The I.D.B.

Senator Fournier: The Industrial Development Bank.

The Chairman: Mr. McNamara, suppose a man, qualified as to education and background, goes to the Manpower Department and says "I want to learn trade A", and the Manpower people say, "Well, in the area in which you are situated there are not too many openings for trade A", but he says, "That is what I want." At that moment the Manpower Department have not much choice, have they? He graduates from the class, and does very well so he is qualified. At that point he decides what he is going to do. Now, do you know any way at all in which we can be helpful to him in doing other than merely indicating where there is a possible opening, or possibilities for employment, and if he does not want to go there what should we do?

Mr. McNamara: Well, this is a very complicated but probably fairly common situation. Basically I think we feel that the system should be set up to provide the maximum flexibility for personal choice by the individual and if the incentives—if the results of this are simple enough and obvious enough we would put our faith in the choice of the individual to take advantage of those incentives.

If it can be made clear enough that taking another trade is to his advantage then in the long run and in the long haul there will be individual acceptance obviously so we feel the tendency would be to take advantage of the incentive that provides initiative.

The Chairman: Do you mean that at least we have got somebody trained for something, regardless of whether he is able to use that training immediately, or not? He may use it at a later date.

Mr. McNamara: Yes. But the basis of his choice in that trade might well be influenced if he can be made aware somehow before making that selection. There are various advantages it holds for him.

The Chairman: That, Mr. McNamara, is why they have counsellors in Manpower who attempt to influence and explain. Despite that