

Philosophy of Rural Development

1. In my opinion there are two broad approaches to rural development. The first of these is one in which a great deal of capital is provided in order to develop what really amounts to a completely new resource. The best example of this is Tennessee Valley Authority in the United States, and I would submit that the Saskatchewan Dam has the potential of being in the same category. Here we are really pouring in quite a lot of capital which was not in the area before.

The second alternative is what is so often called the "Boot Strap" approach. This, of course, is the approach whereby people are given assistance, primarily technical, in order to develop their resources, i.e. it is the old extension philosophy of helping people to help themselves.

When Rural Development in general, and ARDA in particular, is being discussed with a farm audience, they are inclined to visualize ARDA in terms of the first approach that I mentioned. When it is discussed with people responsible for the control of the public purse, they are inclined to think of it in terms of the second category, i.e. the self-help type of program.

I would suggest that if we are really serious about ARDA it has to be more than just a self-help program. The primary, although not exclusive intent of ARDA was to try to do something about the so-called marginal farm areas of Canada. These areas are marginal largely because of limited resources at least under past economic conditions. Because the resources were limited, capital accumulation was virtually impossible, and without accumulated capital it is very difficult for people in these marginal areas to make the adjustments necessary to meet the changing conditions.

Self-help programs are excellent, provided the boot-straps are long enough to get hold of and strong enough to pull. Years of hardships has worn the boot straps of the people in the marginal areas pretty thin and I'm afraid they will not stand much pulling.

Therefore, in my opinion, the types of programs to be developed under ARDA will fall somewhere between the two extreme categories I mentioned. To continue my boot-strap analogy, I would suggest that we need to provide new boot straps on which to pull. This of course, means the provision of development capital of one sort or another. Provision of this capital should not be government handouts in the form of a series of stop gap programs but rather funds for planned long range development of the resources at hand.

2. A second consideration in discussing rural development is that it appears unrealistic to think about development of marginal and sub-marginal areas only. In other words it is necessary to look at these areas as a part of a larger region that includes areas with more resources capable of development. In this way, it is possible to take advantage of all the resources, human and natural, and their inter relationships. Professor Baker mentioned this in his report to you, when he was here, within the framework of trade center areas. Also Mr. Truemner, in his report this morning, discussed Manitoba's activities in regional development.

3. A third point that I feel needs emphasis is that we can no longer, in fact we ever could, think of development in terms of primary resources alone, i.e. we cannot think of the development of our agriculture, forestry, fisheries, etc. except in relation to industrial development associated with these resources.

I have given you this background philosophy which represents at least my basic thinking on the subject and I think it is fair to say that it is representative of the thinking of most of the people in Manitoba who are involved in this work.

Now I will attempt to answer some of the more specific questions raised by your chairman regarding Manitoba's approach to the ARDA program. As you no doubt know, each province has been asked to submit a list of programs