

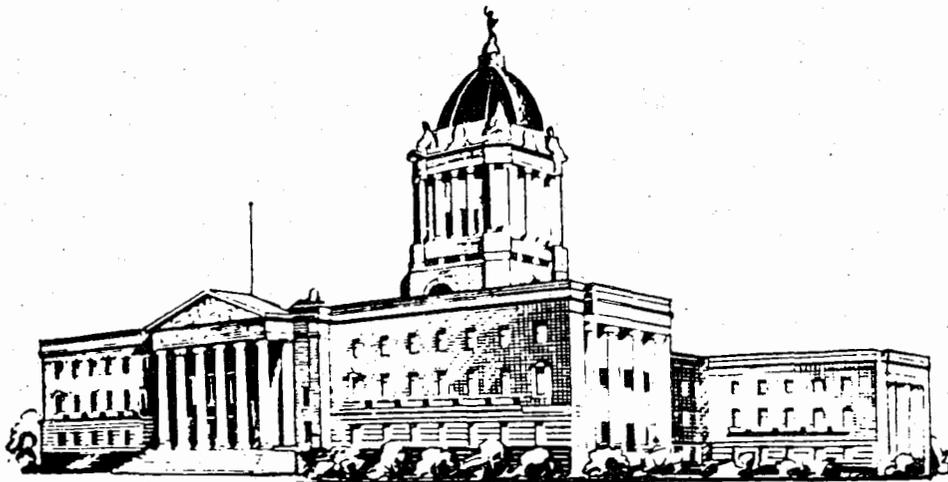


Legislative Assembly of Manitoba

**DEBATES
and
PROCEEDINGS**

Speaker

The Honourable James H. Bilton



Vol. XIII No. 1 2:30 p. m. Monday, December 5, 1966. 1st Session, 28th Legislature.

THE LEGISLATIVE ASSEMBLY OF MANITOBA

2:30 o'clock, Monday, December 5, 1966

The Sergeant-at-Arms, carrying a Mace, and followed by the Clerk of the Legislative Assembly, Mr. Charland Prud'homme, Q.C., entered the House.

His Honour Richard S. Bowles, Q.C., Lieutenant-Governor, entered the Chamber and seated himself on the Throne.

HON. STEWART E. McLEAN, Q.C., (Provincial Secretary) (Dauphin): I am commanded by His Honour the Lieutenant-Governor to state that he does not see fit to declare the cause of the summoning of the present Legislature of this Province until a Speaker of this House shall have been chosen according to law.

His Honour the Lieutenant-Governor retired.

MR. R. O. LISSAMAN (Brandon): I beg to move, seconded by the Honourable Member for Winnipeg Centre that James H. Bilton, Esquire, Member of the Electoral Division of Swan River do take the Chair of this House as Speaker.

MR. CLERK: Moved by the Honourable Member for Brandon, seconded by the Honourable Member for Winnipeg Centre that James H. Bilton, Esquire, Member for the Electoral Division of Swan River do take the Chair of this House as Speaker.

MR. LISSAMAN: Mr. Clerk, I take a great deal of pleasure in proposing the name of James Bilton as Speaker of this House and I think it only fitting that I should give a little of the background of Mr. Bilton, the Member for Swan River. He was born in Leeds, Yorkshire, in 1908. As a young man he apprenticed to engineering, but like so many ambitious, energetic young men from the Old Country, he emigrated to Canada in 1929. He joined the Royal Canadian Mounted Police in 1932 and in his early years served in the Arctic, particularly in the McKenzie River Basin area. And I might say at this point that this early knowledge of Indian and Eskimo affairs has been evidenced by his support at all times in this House in support of measures which would tend to better the position and the conditions of our native Canadians. His service in the Royal Canadian Mounted Police extended pretty largely across Canada, in towns and cities, culminating finally in Ottawa, where, when he had reached the position of Staff Sergeant he finally retired from the service in 1953. About this time, he became Secretary Manager of the Swan River Hospital. He held this position for two years. He also served two years as Councillor in the Town Council of Swan River before becoming co-publisher and Editor of the Swan River Star and Times, and in connection with those duties he has been past president of the Manitoba Weekly Newspaper Association and a member of the Canadian Weekly Newspaper Association. He was elected to this Legislature first in 1962 and re-elected in June 1966. He is a Rotarian, member of the Canadian Legion, Royal Canadian Mounted Police Veteran's Association, Director on the Swan River Agricultural Association and he was one of the prime movers in promoting a Home for the Aged in Swan River.

Now this, Mr. Clerk, and for you Members of the Legislature, is a thumbnail sketch of a man telling one thing certainly, rich in service to his fellowman. But I would like to add a personal word to this coverage of Jim's life in support of my nomination of him for Speaker of this House.

He has been Chairman of the Conservative Caucus for several years now and in many ways, in my opinion, this is a more difficult task than being Speaker of this House, because Conservatives are not quite as docile maybe as -- at least on the surface -- as some of the members from the opposite side might appear to be -- it's a group of individuals with definite positive reactions -- and he's done an excellent capable job in a very human and understanding way. So that I have no hesitancy in recommending Jim Bilton as Speaker of this Legislature.

HON. JAMES COWAN, Q.C. (Winnipeg Centre): Mr. Clerk, it gives me much pleasure to have the opportunity of seconding the nomination of the Honourable Member for Swan River for the position of Speaker of this House. By his background he is well qualified. I have known him for a number of years and I know him to be a man of excellent character. The Honourable Member for Swan River always seeks to do his best in all his undertakings and I am sure that he will be an impartial and just Speaker of our Legislative Assembly.

MR. GILDAS MOLGAT (Leader of the Official Opposition) (Ste. Rose): Mr. Prud'homme, I am sorry that I must break the obvious unanimity that appears to exist in the House, up until now at least. I rise to make my own position clear in this matter and that of my group.

We regard the position of Speaker of the House as one of extreme importance in our Legislative process in our whole democratic structure. I know how difficult it is in a House of this nature, where we are after all elected by parties, where we go through election campaigns

MR. MOLGAT (Cont'd.) when at times the discussion becomes rather vigorous, when the points of view sometimes are very divergent, how difficult it is in this sort of an atmosphere to pick someone who is totally impartial. To expect that we could find such a person I suppose would be expecting a great deal from human nature. On the other hand, the position that my group have taken for some years is that we should move in this legislature towards the establishment of the office of Speaker as a permanent position. We believe that this would be a method of getting to the impartiality that is obviously required if the House is to operate properly, if there is to be on both sides of the House approval of the rules, approval of the decisions of the Speaker and so on. And so I rise to say that I regret that on this occasion my group will be unable to support the nomination put forward by the Government, because we believe that no steps have been taken by the government in the past eight years in view of moving towards setting up the Speakership in this House on a permanent basis. Suggestions have been made some years ago by my predecessor, the Member for Lakeside, as to methods that might be employed to establish this office in a permanent position. The present Leader of the House had indicated in past years some interest in these, but we have found no forward movement in this matter.

So, Mr. Speaker, I do not want this afternoon to delay the deliberations of the House; I do not want to hold here unduly the good people who have come to see the opening of this Legislature, but I wish to register once again the objections of my group, our desire to see us move towards a permanent Speaker. I will see to it that we introduce a resolution in this House moving towards that and I hope that it will at that time receive the support of all members of the House.

MR. RUSSELL PAULLEY (Leader of the New Democratic Party) (Radisson): Mr. Prud'homme, may I say that as far as this group is concerned, that we have given a considerable degree of attention to the office of the Speaker of this Assembly. I agree with the Honourable the Leader of the Opposition that some years ago we did by resolution in this House, or in a previous House, arrive at a conclusion where we should go forward to the appointment of a permanent Speaker of the House, a Speaker which we hoped would be non-partisan - which of course, Mr. Clerk, would be a departure from any type of government which we have in our democracies today. However, such was the hopes by that resolution of some years ago. However, Mr. Prud'homme, no positive action has been taken since that resolution was passed by either the Government or we in Opposition, and if criticism is directed it should be directed to those who have sat in this House on previous occasions for not bringing forth the resolution as suggested by the Honourable Leader of the Opposition this afternoon.

Briefly, Mr. Prud'homme, I state the position of my Party, my colleagues, this afternoon, that if they, the Official Opposition or the Government, are prepared this afternoon to take steps to start into presumed and hoped for impartiality, we are prepared to support the nomination of the Honourable Member for Lakeside, a former Premier of this Province, who has rendered invaluable service to the Province, who we believe has got the capabilities, the qualities of being impartial -- because he has said so on so many occasions in this House -- we believe that the Honourable Member for Lakeside, the former Premier D. L. Campbell, is well versed in the rules of the House. So I say, Mr. Clerk, we of the New Democratic Party are prepared, providing the honourable gentlemen is nominated, to give him consideration as the first impartial, capable, qualified member of this Assembly. And may I say, Mr. Clerk, in the absence of such a nomination of such a distinguished member of this Assembly, then the position that my group takes is support of the present nominee, the Honourable Member for Swan River.

MR. JACOB M. FROESE (Rhineland): Mr. Prud'homme, I too would like to make a few comments in connection with the motion that is before us, namely to elect a Speaker to this House. I would not hesitate one moment in supporting the Leader of the New Democratic Party's nomination of Mr. Campbell if such should materialize, since we know how well qualified he is and the service that he has given to this Province and of his leadership as well.

On the other hand, what I feel is more important is that we are depriving a certain group of people in this province, namely the electors of the Swan River constituency, of a voice in this House. I think this is the important part and this is the reason why we should have a Speaker other than from a constituency as we have them comprised at the present time. Then there is also the matter of the importance we attach to the word "permanent." I am not sure whether I'd go for a permanent Speaker in the sense of being one permanent - that is for life - as we have seen the Senators appointed in the Ottawa and the Federal House. So in my opinion,

MR. FROESE (Cont'd.) something should be done in this House and especially at this particular Session probably, to correct this matter, and I would thereby join the other Opposition groups in their support.

HON. DUFF ROBLIN (Premier) (Wolseley): Mr. Prud'homme, we've had an interesting display of diversity of opinion this afternoon as to how we should go about selecting the officer who will preside over this House. We have the view expressed by the Leader of the Opposition in which he puts it to us that we should abandon entirely the method that has been used over the centuries in all British parliamentary institutions in the manner of the selection of the Speaker, and I will agree with him that that is a matter which has been discussed on -- this is the third parliamentary occasion of this nature in which this question has been discussed.

I think there is some value in approaching the concept of a permanent Speaker provided we can agree on what we mean, and that is where we have trouble these days, because I have never had espoused the view that was put forward by my predecessor in this office as to what sort of a permanent Speaker we should seek, one entirely divorced from the ordinary tradition and procedure of Parliament who does not sit in this Legislature by right as a member but who becomes sort of a senior civil servant in charge of the regulation of the rules and procedures of the House; or whether the notion of permanency should be attached to the occupant of the office who, subject to good behavior, would occupy it regardless of change of government, if that should transpire during the time in which a person is able to act as Speaker of this House. I myself have always preferred the traditional British approach which is followed in all parliamentary institutions in the Commonwealth.

Then we have the view of the Leader of the New Democratic Party which is a bit confused as I understand him, because while he probably would like to debate the question of the permanency of the Speakership along the lines suggested by the Leader of the Official Opposition, he seems to be quite happy to follow the old system in the meanwhile, provided we'll select his choice, the Honourable Member for Lakeside. Well, that's not a bad idea, and I have very sincere regard for the Honourable Member for Lakeside, but I remember that he disqualified himself for selection in this office the last time he spoke on it, when he made it clear he was not able to accept this responsibility. Now he may have changed his view in that time, but I'm not aware of it.

And then we have the Leader of the Social Credit Party - perhaps I may describe him in those terms - in which he is not at all sure that he likes the idea of permanency at all, no matter how you come to it. So I conclude the best thing to do is just what the government proposes -- or let me correct that because while the government has the responsibility for acting in this matter, to be sure, it is for the House to decide -- but I would recommend that the House should follow the procedure that we are proposing now and which has been followed on previous occasions.

I want to thank the leaders of the opposition parties for the fact that we have been able to consult together on the possible nominations for the Speakership. We've had amicable and friendly discussions although neither of them surrendered their attachment to the principles which they espoused, but they've been friendly discussions and we have agreed, as I am sure the House would agree and I'm certain the Honourable Member for Swan River would agree, that there are a number of men, of which he is certainly one, who are qualified to undertake this job - and I know that we have canvassed not only the possibility of proposing someone who sits in the government ranks on this occasion but others as well. We have not, however, been able to make progress as to just what these alternatives should be, so we have therefore had the responsibility of suggesting through the motion that has been made by the Honourable Member for Brandon, that the Honourable Member for Swan River be selected.

Now this is not the occasion for a debate on the principles because I agree with the Honourable Leader of the Opposition that, if he wishes to discuss this matter, the best thing to do is to bring in a substantive resolution when the House is properly constituted. Now that has not been done since 1958 and it may well be appropriate that it should be done this year, and a full discussion can be had at that time.

But I would like to conclude what I have to say simply by saying this, that I think that it is quite possible that a man who of necessity is a party man, or he would not be sitting here, a man who of necessity must have views on various issues that come before us, that such a person can be selected as Speaker and perform his job with impartiality within the bounds of human nature. We have found that in our own experience. I do not think anyone would seriously like to maintain that any of the Speakers of which they have been acquainted - and I have sat

(MR. ROBLIN cont'd.) under some four or five or six myself - have failed to discharge their obligation with the highest regard to their responsibility to interpret the rules fairly and to protect the rights of all in this House whether they belong to majority or minority groups. I think that it is not only our experience but the experience of parliamentary systems that we have been able to develop a tradition around the institution of the Speakership which enables the person installed in that office to discharge his duties with equity and with fairness, and I have complete confidence that the Honourable Member for Swan River is one of the people in this House who can be trusted to do that in the future as his predecessors have done it in the past.

So I think those who have contributed; I think this has been a reasoned discussion and I think that the proposal that we should debate this matter at another occasion when we can do so within the ordinary rules and regulations of the Chamber would indeed be helpful. In the meanwhile, however, I propose to support the nomination.

MR. DOUGLAS L. CAMPBELL (Lakeside): Mr. Clerk, I would like to say first of all that I compliment the government on one matter, and only one, in that they have made some progress in this matter, because on this occasion, as distinct from former occasions, they have asked a private member to move and a private member to second the nomination. I am all in favour of that. That's the proper system and I'm glad to see that that change has been made. I want to compliment the two honourable members who moved and seconded the nomination on both what they said and how they said it. They are both men who are highly regarded in this Chamber. Either of them, I think, would have made a most acceptable Speaker.

I must correct my honourable friend the First Minister when he suggests that the proposal that was made here by the government of the day eight and a half years ago was tied up in any way whatever with the establishment of a special constituency as he suggested. The proposal that was made then - and by the way he seconded one of the bills that was intended to bring the permanent Speakership into effect in this province - the proposal that was made then was simply that we should move toward that permanency in the incumbent of this office and there was some discussion as to different methods under which it could be arranged, but no one of them was recommended at that time. I had given an undertaking that if we formed the government after the election, which unfortunately for the Province of Manitoba we did not, that I would confer with the leaders of the other two parties in deciding whom we should have recommended to the House at that time.

This is not necessarily tied up to the creation of a special constituency, although unlike my honourable friend the First Minister I rather incline towards that view, but it is not the only method by which it can be accomplished. It's not the method by which it has been accomplished in the Mother of Parliament. They have got along very very well for a hundred and twenty-five or thirty years without that method and it might be that we too would decide that another method was more acceptable. But surely, surely, Mr. Clerk, we should be at least moving in the direction that all of us - all of us agreed is the proper one.

My honourable friend the First Minister has stated on more than one occasion that he is in agreement with this proposal. He stated at the time that the first Speaker was proposed by himself that he favored the principle of permanency in the incumbent of that office, and he said that he thought that we were moving toward it by appointing that particular gentleman because he thought that he would so commend himself to the House that the House itself would decide that he should be established as a permanent appointee, but the government itself didn't come to that conclusion because at the very next time they appointed another member of their group, and if the Honourable the First Minister is in favor of it, if all the other members of the group are in favor of it, why hasn't it been done yet? Well, my honourable friend says we can debate this later on and certainly we will be giving the House an opportunity to do so.

But, Mr. Clerk, I am very encouraged but very disappointed because my honourable and dear friend the Leader of the NDP built up my hopes for a little while by suggesting - and I was very doubtful that he was talking about me when he proceeded to say that this was someone who had rendered great service to the Province of Manitoba and I had to pinch myself as he went along to be sure - and what did he end up with after all this build-up, Mr. Clerk? What did he end up with? He said, "If somebody will nominate my honourable friend." Well this is a fine turn - this is a fine development in the constitutional system of our province here. I will expect my honourable friend the Leader of the NDP . . .

MR. PAULLEY: I wasn't sure of support.

MR. CAMPBELL: Well, I can assure you that nobody gets support in this House without

(MR. CAMPBELL cont'd.) . . . having the courage to make a proposition, and how can you have support without making your nomination? So what I expect to see my honourable friend the Leader of the NDP doing during the course of this session will be that when we come to the discussion of automobile insurance, my honourable friend will say if somebody will move that the government go into the automobile insurance business, I will support it; he'll say if somebody will move that there should not be a needs test for the people in order to receive assistance, I'll support it. What kind of democratic procedure is this, Mr. Clerk? I hope that we will not consider this as a precedent for my honourable friend.

And so, as one who was never nominated but who apparently came very close to it if my honourable friend just at the end of his speech hadn't had his better judgment get a hold of him and decide not to do it, I must say, Mr. Clerk, that if my honourable friend had nominated me, goodness knows what I would have done. I might have been so surprised that I might have forgotten all about the high qualifications that are necessary in this position and I might have even accepted, at his urging, but he didn't urge very hard.

Now, Mr. Clerk, let me say that in making the suggestions that we have from this Party that we are not actuated in any manner whatever by the fact of the personality involved. As on the former occasions, we had and have no objection to the nominee but we do have a serious fundamental objection on principle to the method of procedure. It's long past due in this House, Mr. Clerk, when the choice of Speaker should be arrived at by an honest endeavour to get a consensus of opinion among the people and they should - with all due respect to my honourable friend the NDP - when they decide to do that they should pick on one of the younger members of the House, because if you're going to have permanency in the incumbency of this position then you should pick one of the members who is young enough to be around for quite a few years. Now I'm sure that my honourable friend the Leader of the NDP recognizes that I'm going to be around for a lot of years still, but I think in all fairness that we should pick someone who is a bit younger than I, who has been here not quite as long as I, because the law of averages, not the politic considerations but the law of averages starts to run against someone.

But I want to assure my honourable friend who has been nominated - thank goodness one person has been nominated - that the feelings of we folk in this Party are not those of personal disapproval whatever but simply because of the method, and I have been long enough in the House to realize that once the Government has made up its mind to do this, that they will not be swayed by any reasons that we may propound to them at this time, and I shall therefore reserve any further remarks until a later time when I am sure that this matter will be more fully debated.

MR. CLERK put the question and after a voice vote declared the motion carried in the affirmative and the Honourable James H. Bilton, Esquire, member for the Electoral Division of Swan River, duly elected to the Chair of the House.

MR. MOLGAT: Mr. Clerk, I would simply ask - I realize the mechanism isn't here for taking a Division - I would simply ask that it be marked "On Division."

MR. ROBLIN: I think that's an appropriate way of recognizing the difference of opinion between us.

MR. PAULLEY: Providing, Mr. Clerk, it's clearly delineated where the division is.

MR. MOLGAT: I'm happy to see my honourable friend supporting the government again.

MR. SPEAKER: Honourable members of the Twenty-eighth Legislature, I am not unmindful of the honour which you have conferred on me today in electing me to the highest office within the gift of the Assembly, that of your Speaker and your servant. It will be my aim and my duty to uphold the principles and traditions of the House and secure for each member the right to express his or her opinion within the limits necessary to preserve decorum; to recognize the rights and the privileges of the honourable members, the political groups and the House itself; to facilitate the transaction of the public business in an orderly manner; and, above all, to seek to be fair and impartial in the decisions you have entrusted in me. If these are your objectives - and I believe they are - I ask your patience and co-operation in approaching them. I deeply appreciate your actions in elevating me to the Speaker's Chair. With your assistance I hope to fulfil this commitment with dignity and honour.

His Honour the Lieutenant-Governor re-entered the Chamber.

MR. SPEAKER: May it please Your Honour:

The Legislative Assembly have elected me as their Speaker though I am but little able to fulfill the important duties assigned to me. If in the performance of these duties I should in any way fall into error, I pray that the fault may be imputed to me and not to the Assembly, whose servant I am, and who through me, the better to enable them to discharge their duties to their Queen and Country, hereby humbly claim all their undoubted rights and privileges, especially that they may have freedom of speech in their debates, access to Your Honour's person at all reasonable times, and that their proceedings may receive from Your Honour the most favourable consideration.

MR. McLEAN: Mr. Speaker, I am commanded by His Honour the Lieutenant-Governor to declare to you that he freely confides in the duty and attachment of the Assembly to Her Majesty's person and Government, and not doubting that their proceedings will be conducted with wisdom, temper and prudence, he grants, and upon all occasions will recognize and allow their constitutional rights.

I am also commanded to assure you that the Assembly shall have ready access to His Honour upon all reasonable occasions, and that their proceedings, as well as your words and actions, will constantly receive from him the most favourable consideration.

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HONOURABLE RICHARD S. BOWLES, QC. (Lieutenant-Governor of the Province of Manitoba):

Mr. Speaker and Members of The Legislative Assembly of Manitoba:

I am happy to welcome you to the First Session of the Twenty-eighth Legislature of the Province of Manitoba.

The celebration of 1967 as our National Centennial Year will begin within a matter of days. Everywhere throughout Manitoba enthusiastic preparations are being made for its fitting observance. In an evolving modern society, we may expect to continue to face problems of growth and of change, but let us recall thoughtfully and thankfully the trials successfully overcome in the first 100 years of the life of our nation and respond with confidence to the challenge of our second century of expansion. There is so much that Canada has done well and there are so many Canadians who have contributed, that all of us, of whatever stock or origin, may share in the natural pride of patriotism and claim our place as citizens in a great and growing land. Let there be both faith and resolution that under a benign Providence we shall see our country rise in strength and increase in devotion to all that is good and true among men.

The Pan-American Games to be held next summer in our province provide an unequalled opportunity not only to offer a warm western welcome to all our visitors, but also to tell the Manitoba story to a worldwide audience. We can be proud of the preparations now being made and I am sure we shall do justice to this unique occasion.

Among the causes of confidence in the future of our province within the Canadian nation, my Ministers include continuing and significant economic advances during the past year. Agriculture, our basic industry, is at present realizing the highest returns of any year in our history. The increase in per capita personal income, estimated to be rising at the same rate in Manitoba as it is for the nation as a whole, has also reached a new high. The increase in industrial and commercial employment in 1966 is setting an all-time provincial record while at the same time unemployment is at a minimum.

The breakthrough in natural resource development of our northern frontier is cause for special satisfaction. The Nelson River hydro-electric project is proceeding on schedule. My Government has now agreed that transmission from the Kettle Rapids generating station to southern Manitoba will be by direct current and that the transmission lines will follow a route lying west of Lake Winnipeg.

The new mines being opened and the forest development now commencing will create new wealth and unprecedented opportunities for many Manitobans. Job training and employment opportunities for Indians are expanding. Industries and individuals all over Manitoba will benefit from an investment in natural resource development which, in the near future, will amount to hundreds of millions of dollars.

My Ministers will recommend improvements in essential northern public services involving schools, roads, public facilities, and utilities. A standing offer has been made to the federal authorities to provide provincial financial assistance to hasten the provision of television services in northern Manitoba: it is hoped that agreement by the Government of Canada will not be long delayed.

Education, youth and manpower development continue to take first place in my Ministers' proposals. A most substantial increase in the appropriation for education will be recommended with two main purposes in view; first, to provide for the increasing costs of education generally, and secondly to enable the province to take over a larger portion of that part of the cost of education now supported by local taxation. For this latter purpose a new cost-share formula and a new foundation grant program will be recommended.

Included in the overall education program will be provision to continue the growth of technical education facilities. A large increase in public support will also be recommended to help meet the rising costs of operation at the University of Manitoba and its associate colleges. My Ministers will propose that Brandon College be accorded university status on July 1, 1967.

My Ministers have recommended that in the spring of 1967 a vote be held to record the wishes of the public in certain areas of Manitoba regarding the establishment of what is known as the "single district" school division system. My Ministers wish to record their appreciation of the support for this policy volunteered by the Manitoba Association of School Trustees, the Manitoba Teachers' Society and others.

A measure will be placed before you to authorize the use of the French language in public school instruction under certain conditions.

MR. BOWLES (cont'd.)

My Ministers will also report on a wide range of educational matters, including teacher supply, new schools for the Frontier School Division, the education of various categories of handicapped children, adult education, the enrichment of courses and curriculum, and increased flexibility of the public school system generally.

A measure respecting tax free gasoline for certain agricultural purposes will be placed before you.

Approval will be sought for improved services for agriculture, including crop insurance on a province-wide basis and livestock disease control. An ARDA plan for the Interlake area has now been proposed for the consideration of the Government of Canada and it is hoped that an agreement may soon be concluded. My Ministers have also noted with approval the plan proposed in the report of the federal royal commission on the marketing of fresh water fish. My Government is prepared to co-operate with the Government of Canada in the implementation of the recommendations of the royal commission and to propose other improvements.

Members will recall that the Report of the Committee on Manitoba's Economic Future, tabled in the House March 7, 1963, was a comprehensive study of how the fundamental problems of economic development then facing Manitoba were to be approached and solved. My Ministers have informed me that good progress has been made in achieving the high goals set by the Report which prescribed responsibility to government and also to private enterprise in attaining the Committee's objectives. My Ministers have recommended that the Committee on Manitoba's Economic Future be reconvened to reassess and restate these high goals and to re-emphasize the effort required of the private sector of our community. The problem of rural growth centres and balanced regional development will be an important aspect of this review.

The rising costs of the Manitoba Hospital Services Plan are cause for serious concern. The new hospitals now coming into use, the improved medical services and wage levels have led to a doubling of the cost of running our hospitals since 1959. You will be asked to consider ways and means of finding the very large amounts of money needed to support this vital service.

My Government is seriously concerned about the effect of increases in the cost of living on the people of Manitoba. For this reason it is co-operating with the governments of Saskatchewan and Alberta in establishing an enquiry to study and report on problems associated with the recent increases. In the meanwhile, however, you will be asked to provide cost of living increases in Manitoba welfare schedules.

Legislation to provide for medical services insurance and to set up air pollution controls will also be proposed.

My Ministers are pleased to inform me of the excellent industrial relations experienced in Manitoba in the year 1966 and pay tribute to the mature and responsible attitude displayed by both labour and management. A noteworthy development has been the establishment of a Nelson River Project Committee by the Minister of Labour last summer. An agreement between the Manitoba Hydro, representatives of management, and representatives of labour has now been reached with respect to work on the Nelson River Project over the next 10-year period. This agreement stabilizes labour-management wage negotiations and provides for no strikes or lockouts during its term. Although minimum wages are now effective at \$1.00 per hour throughout the entire province, the Minimum Wage Board has been reconvened to consider this matter again in the light of current conditions. For the first time the Board will be aided by the addition of two women to its numbers. Certain improvements to The Workmen's Compensation Act will be submitted for your consideration.

An extensive program of highway development will be reported upon and further expenditures will be proposed for highways and provincial roads. Preliminary work on the Lynn Lake highway surveys is now in hand together with other northern forestry and access road developments. A provincial contribution to the construction and maintenance of the metropolitan streets system will again be recommended.

A decentralization of the administration of provincial waterways and drainage operation is planned. It is expected that by reason of accelerated construction the Red River Floodway will be available for partial use if needed this coming spring.

The Manitoba Water Supply Board has informed the government that it now operates 25 plants supplying towns and villages in the province. Five additional plants will be in operation soon and 12 more are now under consideration.

The new Department of Tourism and Recreation will appear in my Ministers' estimates for the first time. My Ministers expect that the benefits of tourism to Manitoba can be

MR. BOWLES (cont'd.) substantially increased and attention will be given to the opportunities rising from our Centennial Year and from the holding of the Pan-American Games in our province. The development of the provincial parks system will be pursued in order to meet the demands not only of the tourist industry but of our own citizens as well.

It is the intention of my Ministers to place before you certain proposals respecting a civil remedies code for the protection of the rights and liberties of the citizen in the modern state. Among matters to be included are: legal aid to indigents, a citizens' protection bureau, compensation to victims of crime, a Legislative Commissioner for Administration, the licensing of direct sellers and credit agencies, the registration of chattel mortgages and liens, and the regulation of credit, including the disclosure of interest, etc.

Approval will be sought for policies intending to promote merit and the enhanced career development among professional classes in the Civil Service. The driver training program will be recommended for some 25 high schools in the province.

Legislation will be offered with respect to Local Government elections, and a new municipal code for cities, towns, and villages will be placed before you. Legislation respecting a housing and renewal corporation, uniform time, provincial elections and the redistribution of provincial constituencies, The Expropriation Act, liquor control, and the establishment of a Water Commission will also be introduced.

The question of transportation in all its aspects is a matter of concern to my Ministers today as it has been in the past. My Government will seek approval of its policy respecting the establishment of the National Transportation Research Centre, enquiry into the requirements of north-south transportation within the province with respect to air, rail, road, and water, together with changes desired in Bill C. 231 of the Parliament of Canada.

My Ministers inform me that the failure to resolve federal-provincial fiscal relations at the recent federal-provincial plenary conference in Ottawa in a manner better suited to the national needs has placed the public finances of this province, as indeed of others as well, under heavy and serious strain.

Over the past two years my Ministers report that Manitoba has co-operated with the federal government and the other provinces in the work of the Tax Structure Committee. This committee, established by a plenary conference meeting in Quebec City in 1964 and operating under the guidance of federal officials, made a thorough examination leading to a forecast of the expenditures and revenues of the Government of Canada on the one hand and of the provincial and municipal governments on the other. The purpose of the forecast was to establish the trends and to estimate the order of magnitude of the public expenditures and revenues of all levels of government during the five-year period ending in 1972.

The report of the Tax Structure Committee submitted to the recent plenary conference in Ottawa indicated that on the basis of present expenditure policies and present tax revenues, the Government of Canada will probably enjoy by 1972 a relatively easy fiscal situation while the provincial and municipal governments will collectively face extremely large deficits. An annual federal surplus of \$300 to \$600 million in 1972 was suggested with a total provincial-municipal annual deficit of from \$2 to \$2 1/2 billion for the same year.

This picture was not materially improved by the federal government's recent decisions to alter its support for post-secondary education and manpower development.

An examination of the reasons for the provincial deficits indicated that the rising cost of education was the single most important factor, with costs of health service also significant. My Ministers observe that by general consent education is reckoned to be one of our most vital national priorities even though a provincial constitutional responsibility.

On the basis of the analysis made by the Tax Structure Committee, my Ministers confidently sought a reapportionment of existing tax sharing in order that the provinces might obtain the means to meet their constitutional responsibilities, particularly in the field of education, and in a fashion consistent with the need of the Government of Canada to continue to exercise its responsibility for the interests of the nation as a whole. My Ministers were also influenced in their views by the obvious desirability of shifting education costs within a province at least in part from the local real estate tax base to the wider tax base of senior governments.

My Ministers report that their views were not accepted by the Government of Canada, and that at the same time a new equalization formula, which departed from the sound principles previously adopted, was imposed on the province.

In the situation thus created by the federal government's failure to accept the conclusions of the Tax Structure Committee report, my Ministers must ask you to consider the serious

(MR. BOWLES cont'd)... problems of rising costs for education, health and other services, together with the needs for continuing economic investment. The budget proposals to be placed before you will make clear the necessities of the situation to be faced.

My Ministers also report that since the abortive federal-provincial conference last October, priorities of function within each department are under review under the direction of the Executive Council. This will make it possible to effect the downward adjustments of services and the rescheduling of new programs that may be called for in the light of the revenues available to the province.

My Ministers remain convinced that a fresh consideration by the Government of Canada of the problems of provincial finances is essential if national priorities are to be recognized and satisfied.

They therefore tell me of their determination to seek a new federal-provincial conference at an early date to secure better terms for Manitoba.

The estimates of revenues and expenditures will be placed before you for your consideration.

In leaving you I pray that Divine Providence may attend your deliberations and decisions.

MR. SPEAKER: Oh Eternal and Almighty God, from whom all power and wisdom come, by whom Kings rule and make equitable laws, we are assembled here before Thee to frame such laws as may tend to the welfare and prosperity of our province. Grant, oh most Merciful Father, we pray Thee, that we may desire only that which is in accordance with Thy will, that we seek it with wisdom, know it with certainty, and accomplish it perfectly for the Glory and Honour of Thy Name and for the welfare of all our people. Amen.

MR. ROBLIN introduced Bill No. 1, and Act respecting the administration of Oaths of Office.

MR. SPEAKER: I'd like to inform the House at this time, that in order to prevent mistakes, I have obtained a copy of the Address of His Honour which was read. I should also like to inform the House that Frank E. Skinner has been appointed Sergeant-at-Arms for the First Session of the Twenty-Eighth Legislature.

MR. ROBLIN: Mr. Speaker, I beg to move, seconded by the Honourable Provincial Secretary, that the Votes and Proceedings of the House be printed, having first been perused by the Speaker, and that he do appoint the printing thereof, and that no person but such as he shall appoint do presume to print the same.

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

MR. ROBLIN: Mr. Speaker, I beg to move, seconded by the Honourable Attorney-General, that the Standing Committees of this House for the present session be appointed for the following purposes: Privileges and Elections; Public Accounts; Public Utilities and Natural Resources; Agriculture and Conservation; Municipal Affairs; Law Amendments; Private Bills, Standing Orders, Printing and Library; Industrial Relations; Statutory Regulations and Orders; which several committees shall be empowered to examine and enquire into all such matters and things as may be referred to them by this House and to report from time to time their observations and opinions thereon with power to send for persons, papers and documents and examine witnesses under oath.

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

MR. ROBLIN: Mr. Speaker, I beg to move, seconded by the Honourable Minister of Education, that James Douglas Watt, member of the Electoral Division of Arthur, be chairman of the Committees of the House and Deputy Speaker.

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

MR. ROBLIN: Mr. Speaker, I beg to move, seconded by the Honourable Minister of Welfare, that a special committee of seven persons be appointed to prepare and report with all convenient speed, a list of members to compose the Standing Committees ordered by this House, and that such Committee shall be composed of as follows: Honourable Messrs. Roblin, Lyon, McLean; Messrs. Campbell, Molgat, Paulley and Stanes.

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

MR. ROBLIN: Mr. Speaker, I beg to move, seconded by the Honourable Minister of Health, that the speech of His Honour the Lieutenant-Governor be taken into consideration tomorrow.

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

MR. ROBLIN: Mr. Speaker, I beg to move, seconded by the Honourable Minister of Highways, that the House do now adjourn.

MR. SPEAKER presented the motion and after a voice vote declared the motion carried, and the House adjourned until 2:30 Tuesday afternoon.