

THE LEGISLATIVE ASSEMBLY OF MANITOBA

2:30 o'clock, Wednesday, December 7, 1966

Opening Prayer by Mr. Speaker.

MR. SPEAKER: Presenting Petitions
 Reading and Receiving Petitions
 Presenting Reports by Standing and Special Committees
 Notices of Motion
 Introduction of Bills
 Orders of the Day

The Honourable the Attorney-General.

HON. STERLING R. LYON, Q. C., (Attorney-General) (Fort Garry): Mr. Speaker, I wonder if I might have the permission of the House to make a statement before the Orders of the Day are proceeded with.

Mr. Speaker, I would like to announce that the Government of Manitoba jointly with the governments of Saskatchewan and Alberta has established a Commission of Enquiry to investigate and report on the high cost of living in the prairie provinces. In the Speech from the Throne which was delivered two days ago the government expressed serious concern about the effects of increases in the cost of living on the people of Manitoba. The Throne Speech stated that Manitoba was co-operating with the two other prairie provinces in establishing an enquiry to study problems associated with the recent increases and to recommend suitable courses of action to help mitigate the situation. This has now been done. In establishing the Commission the three provinces took considerable pains to ensure that its terms of reference would be broad and that the scope of its investigations would adequately cover all phases of the question.

We have been fortunate as well, Mr. Speaker, in the calibre of the Commissioners chosen for the investigation. It will be headed by a lady judge from Saskatchewan, Judge Mary J. Batten of the District Court of Saskatoon. The Manitoba Commissioner will be Dr. Shirley M. Weaver, the Associate Professor of Foods and Nutrition from the Faculty of Agriculture and Home Economics, University of Manitoba. Alberta's Commissioner is Edwin J. Madill of Calgary. By separate Orders-in-Council the three governments will give each of the Commissioners equal powers of investigation within each province. This reciprocal arrangement, which is quite unique, will give added effectiveness to the Commission during its course of investigation and study. Honourable members I am convinced will approve of this course of action, Mr. Speaker, and of the wide terms of reference given to the Commission. I believe that each of us is sharply aware of the problems of continuously rising living costs, both from the point of view of the householder and of the trading position of the prairie provinces.

If I may I should like to outline the general or substantive terms of reference of the Commission. The Commission will be asked to enquire into the causes of price increases and of the general rise in the cost of living in Saskatchewan, Manitoba and Alberta, and to investigate specific complaints of major increases in commodity prices. It will be asked to enquire into the various factors which may have contributed and are now contributing to price increases and to the general rise in the cost of living and including, without restricting the generality of what went before, such specific matters as contests, draws, premiums, sales incentives and other give-away programs, alleged misleading packaging or false packaging; and thirdly, lack of standardization in sizes, weights and contents of packages. The Commission will also be asked to investigate, as they deem expedient, matters relating to the effects on standards of living of recent price increases of food and other commodities in the three provinces. It will also be asked to make such recommendations as it may from time to time deem appropriate in the public interest to combat the price spiral and assist consumers to ameliorate the problem of increases in the cost of living. It will be generally given powers to consult with organizations and individuals and to accept for consideration article submissions or other representations made by or on behalf of any interested party or person or organization.

The Commission, of course, will have the usual powers to engage the services of technical advisors and any specialized assistance that they may require.

We can look forward I think, Mr. Speaker, to a thoroughgoing and effective investigation into the problem of rising living costs and I hope that the recommendations of this Commission can be translated into effective action for the benefit of all of our people.

MR. GILDAS MOLGAT (Leader of the Opposition) (Ste. Rose): Mr. Speaker, I want to thank the Minister for the statement he just made to us. This is certainly one area where there

(MR. MOLGAT cont'd). is deep concern in Manitoba, for that matter across Canada. I think that acting on this in a concerted manner with other provinces in the west is a wise course of action; because their problems obviously are similar to ours, they have a similar economy. I would hope though that the joint action will not delay the work of the Commission, that in fact it will get to work very quickly and that we can look forward to a report very soon. I may have missed it but, if not, I would appreciate hearing from the Minister when he expects that the Commission would make a final report to us and when we could then deal with these matters in this House.

MR. RUSSELL PAULLEY (Leader of the New Democratic Party) (Radisson): Mr. Speaker, I would like to thank the Minister for his most interesting statement. As is well known at the present time, at least it appears to me that there's a similar investigation going on in Ottawa at the present time into the price increases and the cost of consumer goods and the like and I would like to know from the Minister what conflict, if any, there will be between the investigation that's presently going on at Ottawa and the contemplated belated action that apparently the Government of Manitoba in concert with Saskatchewan and Alberta intend to initiate at this particular time.

The Minister was kind enough to read out to us a number of items that the Commission will be enquiring into. I believe it was the last Session, Mr. Speaker, that we initiated an enquiry into the cost of farm machinery. I would like to know from the Minister whether or not this Commission will be charged with the responsibility insofar as price increases are concerned of farm machinery. I'd also like to know whether the Commission is going to be charged with the responsibility of investigating into jurisdictional areas. I believe there is a conflict as to whether or not the provinces have control of prices within their boundaries or whether it's a federal matter. I think this is a matter that has been under consideration for some period of time, and I would suggest to the Minister that if in the terms of reference to the joint Commission of Manitoba, Saskatchewan, Alberta, if they haven't been asked to look into this, seeing as they are apparently people judicially minded, that this is a very important aspect that should be considered by the Commission, Mr. Speaker, because if we are to have the report of a Commission of three provinces, as against the one sitting in Ottawa, surely to goodness as a result of that we should be in a position to know what areas of jurisdiction we can take provincially, individually or collectively.

And also, I join with the Honourable the Leader of the Opposition in asking the Honourable Minister, is there a time limit on the Commission to make its report, because this is a serious matter and prices are escalating daily and it's needed now, reports of any Commission as soon as possible.

MR. JACOB M. FROESE (Rhineland): Mr. Speaker, if it's going to be enquiring into the cost of living, are there going to be recommendations for certain commodities that the prices be increased? -- for instance of wheat as well, because I think when we study the cost of living I think we should take into consideration both the increases and also the lack of certain increases where they should be made.

MR. DOUGLAS CAMPBELL (Lakeside): Mr. Speaker, I realize that this statement of the Honourable the Minister is not debatable in the ordinary sense and consequently I will confine myself to two questions in the form of suggestions. First and foremost I gather from the Honourable the Minister's statement that this is a Royal Commission. I think the House should have the assurance that the government is not going to attempt, because of a Royal Commission being set up, to prevent any discussion of cost of living situations and factors in this House. My own views are well known on that subject and I'm sure that we would want to be assured right now that the establishing of this Commission will not in any way prevent any member of this House expressing his or her opinion on that vital subject.

The second thing I would like to ask my honourable friend the Minister, has he given full consideration to any possibility of how a sales tax would affect the cost of living and is the government prepared to defer any decision in that regard until after this Commission has reported?

MR. SPEAKER: The Honourable Member for Portage la Prairie.

MR. GORDON E. JOHNSTON (Portage la Prairie): Mr. Speaker, before the Orders are called, I would like to direct a question to the Minister of Health.

HON. DUFF ROBLIN (Premier): Mr. Speaker, I believe that perhaps some members wish to make further comments on the announcement by the Attorney-General and he may wish to reply if it's the will of the House to hear him, though he has no right to speak as I acknowledge.

MR. B. HANUSCHAK (Burrows): Mr. Speaker, I have a question I wish to direct to the Honourable Minister and it is this, in the terms of reference to this Commission is it the intent that the Commission enquire into profits made by industries related to foods and the merchandising production thereof?

MR. LYON: Mr. Speaker, if there are no other questions . . . I should like to attempt to respond to some of the enquiries that have been made. The Leader of the Opposition asked first of all if a time limit had been set with respect to the Commission's hearing. No time limit has as yet been set because of course you will appreciate that Manitoba appoints only one Commissioner. We have been in discussion only with our Commissioner thus far, but judging from our conversations with our counterparts in Saskatchewan and Alberta I presume that their feeling is exactly the same as ours and yours, namely that the Commission should get on with good dispatch and complete the work that is before it.

With respect to farm machinery, members of the House will notice, Mr. Speaker, that the terms of reference of the Commission are quite wide and while emphasis is placed rather upon commodities than on hard items such as machinery and so on, I think it is well within the terms of reference, being as broad as they are, for the Commission to look into any aspect of purchase that is required by any citizen in the western region. The terms of reference, as you will notice, cover the total aspect of the cost of living, and that I think relates as well to the manner in which a person makes his living, whether on the farm, whether in the factory, whether in an office or wherever.

Insofar as the establishment of the Commission is concerned and its effect upon debate in this House, as raised by the Honourable Member from Lakeside, I'm sure the rules of the House look after that matter adequately and I can assure him that it was not the intention certainly of this province in participating in the establishment of the Commission to inhibit discussion in any way, rather we want to get to the heart of the problem, but this is a procedural matter that is dealt with by the rules of the House. And as to the second part of his question, again I refer him to the fact that the terms of reference are extremely wide and the Commission can have reference to the Province of Saskatchewan, for instance, where there is a substantial sales tax and I'm sure that they could find evidence in that province as to how this affects the cost of living.

With respect to the question from the Honourable Member for Burrows, as to whether or not the Commission will be looking into the question of profits, again I repeat, the terms of reference are very broadly drawn and I would imagine that the Commission would have ample power to look into the question of profits, the question of wages that are paid, all aspects that go into the making up of the cost of living in the western region.

MR. JOHNSTON: Mr. Speaker, my question is for the Minister of Health and is with respect to the new Grace Hospital. Is it true that there is a delay in the opening of this hospital because of seepage problems in the basement? And if this is so, could the Minister inform the House when the opening will be.

HON. CHARLES H. WITNEY (Minister of Health) (Flin Flon): I will take the question as notice, and while, Mr. Speaker, I am on my feet I would like to draw to your attention an error in Hansard on page 15. The answer I gave to the Honourable Member for Neepawa yesterday has been attributed to the Honourable the Minister of Highways, and I am quite flattered to have been mistaken for him.

MR. NELSON SHOEMAKER (Gladstone): Mr. Speaker, before the Orders of the Day are proceeded with, I would like to direct a question to my honourable friend the Minister of Welfare. Are the services of a chiropractor fully covered under the Medicare program; that is, does every person who presently holds a Medicare card, is he or she entitled to the services rendered by a chiropractor?

HON. J. B. CARROLL (Minister of Welfare) (The Pas): Mr. Speaker, chiropractic services are available through our Medicare program. There are some limitations with respect to that service; however, it is available.

MR. EARL DAWSON (Hamiota): Hamiota, Mr. Speaker, I would like to direct a two-fold question to the Minister of Public Utilities. The first part of the question is, I would like to know the number of self-addressed manila envelopes that are purchased annually. These are the type that are inserted with the telephone bills that are sent out monthly. And I would like to know the cost of these envelopes per thousand.

HON. STEWART E. McLEAN, Q.C.: Mr. Speaker, I think this would be the proper subject matter of an Order for Return.

HON. GURNEY EVANS: Mr. Speaker, I ask permission to lay on the table of the House the Report of the Internal Economy Commissioners for the fiscal period ending the 31st day of March, 1966.

ORDERS OF THE DAY

MR. SPEAKER: Orders of the Day. Adjourned debate. The Honourable Leader of the Opposition.

MR. MOLGAT: Mr. Speaker, in view of the events on the opening day of the Session, you might wonder as to my opening comments at this Session of the Legislature. I would like to hasten to assure you that I offer you my most sincere personal congratulations. I think you know that the position that we have taken on this matter of the speakership is one that we have held for some time. We do believe that steps should be taken to move towards a permanent Speaker. We will be introducing a resolution to that effect during the course of the Session but I want to assure you that you are the Speaker, sir; you have my respect and my congratulations. I would like to congratulate as well all the new members who have entered the House for the first time.

Before one enters this Chamber, as one reads the comments of what goes on here, the impression I think sometimes is somewhat different from the one we find when we arrive here. It's true that we don't frequently arrive at total unanimity in this House, but I think it is true as well that there is a good spirit of fellowship and a good feeling between the members regardless of what side of the House they sit on, and a mutual respect between ourselves, that we have been sent here by the people from our constituencies to do a job for that constituency, that we represent a party and by and large abide by the general principles of the party we belong to, but that we respect each other for the views that we hold and while there may be vigorous discussions at times within the Chamber, they are not carried outside of the Chamber. So, I welcome you and wish you well.

I would like to congratulate as well the three new Cabinet Ministers. I realize that they have taken on important responsibilities, that two of them are new members to the House and this makes their task somewhat more difficult. We will not try and make their task any more difficult than need be; on the other hand I'm sure that they will not be expecting from us anything except the job that we have to do, but I wish them well in their responsibilities.

It's impossible to mention all of the Members that one loses in the course of election campaigns, some by voluntary retirement and others by other means, but I would like to mention two veterans of the House who are not back with us. One, who sat across the way, had been a member of this House for many long years. He was in the House when I first entered it, and I am referring to Mr. Harrison who graced the Chair of the Speaker, who was later Minister without Portfolio, and who was a veteran in the Legislature of Manitoba and a very active member on the Government side. I would like to mention as well one member from my own group, a close personal friend of mine who chose not to run again. I see that his successor is sitting very close to me once again, so that the constituency at least has retained a front row position, and I am referring of course to Mr. Mike Hryhorczuk who was a member of the cabinet in the previous government as Attorney-General, and who was a distinguished member of this House and served his constituency extremely well.

As Leader of the Opposition, I feel that one of my first responsibilities is to congratulate the Honourable the Premier on his victory at the election that took place last spring. It is not my intention to fight the election over again or to fight the issues again. We fought hard to convince the people of Manitoba that we could do the job that had to be done better than the Government could. We weren't successful in our effort this time, and of course we accept the verdict of the electorate. We don't question it. We can assure you that in the meantime we will exert every energy on this side to be a strong and vigilant opposition, mindful of our responsibilities and prepared for the day when we can earn the confidence of the people of Manitoba in sufficient numbers to form a Government in the place of the one that is there now.

I would hope the Premier would not be offended if I offer him and his colleagues a word of advice at the outset of this new Legislature. The Premier is no doubt proud of his record of service, but he must as well be conscious of the fact that each time that he goes to the people he comes back with a smaller and smaller proportion of support, so that he is now down to under 40 percent. The word of advice that I propose to give to him is that the Premier should be especially careful to treat this Legislature and the public with complete candor. If he wants to have the confidence of the people of Manitoba they must have the feeling of confidence in his being perfectly open in his dealings with them. The people of the province have a right to know the facts and to have them presented in an absolutely straightforward manner.

Being schooled in the politics of Public Relations the Premier apparently finds it difficult

(MR. MOLGAT cont'd)

at times to resist the temptation to put the best face on everything with which he and his associates are connected. We saw something of this in the Premier's reaction to our exposition of the facts about Manitoba's economic growth and development. When we pointed out over the last year that Manitoba was lagging behind other provinces in economic growth, the Premier's reply was to accuse us of poor mouthing. We pointed out straight facts. We pointed out that Manitoba has the lowest wage level of any province west of the Maritimes, that our minimum wages were too low to form an adequate base for a reasonably high wage structure, and that some of our most skilled and trained people were leaving the province because we had chosen the low wage path in our attempts to achieve prosperity. These were all facts from reliable sources.

The latest figures show that Manitoba is still falling behind. A recent news report on the analysis of income tax returns gives us the following information for 1964 which is the latest year available. The average income of Winnipeg's personal income taxpayers rose by \$147.00 between 1963 and 1964, but the city tumbled from 34th to 49th place on the list of Canadian cities having the highest average incomes. Winnipeg's average of \$4,594 placed it on a par with Saskatoon but well behind 29th place Corner Brook, Newfoundland at \$4,800, and \$176.00 a year behind Regina which wound up in 32nd position. The national average income of taxpayers rose by \$199.00 in the one year period; that is, from \$4,550 to \$4,749. That was the national average, an increase of \$199.00. Winnipeg's average was \$155.00 below the national average for 1964, and this was a greater gap than the previous year when it had been \$103.00 below the national average. This, Mr. Speaker, in spite of the fact that Winnipeg is the fourth largest population centre in Canada and should be a major growth centre in our nation.

The figures for other Manitoba centres listed in the survey are even more disturbing. Out of 88 cities listed, in descending order of income Brandon comes 77th on the list with an average income of \$513.00 less than the national average. Portage la Prairie comes out 88th on the list out of 88, with an average income of \$947.00 lower, or more than 20% lower than the national average. Last year during the session I regretfully announced that Manitoba's population, contrary to that of the other western provinces, had started to fall and that the Dominion Bureau of Statistics estimates showed that we had lost 1,000 people in the course of the most recent year. The latest population statistics, again from the Dominion Bureau of Statistics, indicate as follows, and these are as of April 1965 and April 1966 comparable estimates. Manitoba shows a decrease in the year of 2,000 people; Saskatchewan shows an increase in the same period of 4,000 people, and Alberta shows an increase of 11,000 people. The figures speak for themselves. They are not pleasant to contemplate but we must face these facts. I am confident that by proper action now we can get Manitoba moving again, but we can't hide the facts; we have to realize what they are and be prepared to deal with them.

During the election campaign there was not the slightest sign the Premier recognized even a grain of truth in what we had been saying. He took the position that our campaign was entirely negative and not worth being concerned about. The Premier gave no inkling that he regarded anybody's income in Manitoba as lower than it should be. Then the election ended; discovered that there was one very important group in Manitoba that was grossly underpaid -- and that was themselves. And it didn't take them long, Mr. Speaker, to pass an Order-in-Council voting themselves a very handsome salary increase, an increase for each of them of \$2,500, plus an expense allowance of \$3,000, for a total of \$5,500 per year. Mr. Speaker, the increase alone is greater than the average total income of Manitobans. Well, I'm not to say that we shouldn't be paying our Premier and our cabinet ministers salaries comparable to other provinces. I be paching our Premier and our cabinet ministers salaries comparable to other provinces. I recognize that you have to pay people good salaries to get good people, and I think we should be prepared to consider what other provinces are doing and possibly meet this. But surely this is something that could and should be discussed in this House and full information given about comparable salaries elsewhere. Now, were there any new facts which presented themselves in September that were not available in June? Were the tables of comparable salaries not available in June? Were the workloads of cabinet ministers not as onerous in June as in September? Surely the facts were as obvious in June as they were in September. Yet, how do we account for the fact that the Premier remained silent during the election campaign on this subject? Candor would have required the Premier to come before the people and say to them, the Liberals are right, wages and salaries are too low, we are determined to do

(MR. MOLGAT cont'd. . . .)

something about it. If they came forward and said, yes, we're going to do something about salaries in Manitoba and we're going to start with ourselves, then they would have been candid with the people and the people would have known what to expect; but instead of that they play a silent role on salaries and income, then they hoist their own income without waiting for the Session but do nothing to increase the minimum wage in this province.

Mr. Speaker, I urge the government to act now, to act promptly and effectively to get wages in Manitoba up to reasonable levels. The minimum wage of \$1.25 per hour should be implemented immediately. Instead, the Speech from the Throne announces that it will be studied by the Minimum Wage Board.

I welcome the initiative of the government in attempting to bring more immigrants to this province. We desperately need people. We need them to develop our resources and to staff our industrial potential. But what will be the use in bringing thousands of immigrants to Manitoba if we cannot keep them because of wage structures that are unrealistically low in relation to other places. If the net result of the government effort is to bring new people in while others leave, we will not have gained but lost, and yet the population figures indicate that that is what is happening - people are leaving the Province of Manitoba. Let the government tell us candidly what plans they have to insure realistic wages and salaries for the people of Manitoba. If they have no plan, then let them candidly say so. If they have one, let us hear it so that we can examine it here.

Now there are rumors and reports that we are going to have a sales tax. This will come in the near future and already a number of trial balloons have been floated to see what the public reaction might be, to see if we are to have a flat five percent across the board or if we are going to start off with a smaller figure and then bring it up later on. But, Mr. Speaker, no proof has been given that we need a sales tax at all; no proof has been given by this government that it is in fact necessary. I say to the Premier, don't play politics in this way; don't play politics with a sales tax. There is deep concern in this province about the way in which this government spends the taxpayers' money. I understand that the concern even extends to a number of the backbenchers across the way, Mr. Speaker. The people of Manitoba will not stand for high taxes levied to produce surpluses or revenue which is not really needed for the provision of services. They expect the members of the legislature to expose instances of waste and extravagance in the public service, and indeed to investigate charges of waste and extravagance when they're made. Now no-one can have confidence in this government on that score and I can see this lack of confidence more than any other factor accounting for the fact that over 60 percent of the people voted to turn the Premier out. In the coming sessions I urge the Premier to replace his past policy of cover-up with a policy of candor and openness. I sincerely urge him to agree to the sensible proposal we've been making each year to appoint an Auditor-General for the Province of Manitoba.

Now, Mr. Speaker, turning to the Throne Speech itself, it is not my intention to go through it step by step, nor do I intend to list all the items which the government has taken from resolutions and recommendations made in the past by this side of the House, either here or at our party conventions. Enough to say, Mr. Speaker, that I am pleased to see the government take action on some of our ideas, even though they resisted them vigorously when they were first advanced, as I recall my colleague, the Attorney-General, speaking on such matters as the ombudsman, for example. His past comments make most interesting reading. I consider that the government action is the best proof that the opposition is doing its job well. Mr. Speaker, we will continue to propose ideas for the betterment of Manitoba and its people.

There are many items in the Throne Speech, Mr. Speaker, which one could comment on. I will not attempt to do so, but I can't pass without commenting briefly on the question of agriculture which in fact receives only very brief comment in the speech itself. There is admittedly a recognition on Page 1 that agriculture is our basic industry, but that is virtually where the matter stops with the exception of a comment on crop insurance, which is not a new program, and some mention of livestock disease control. Other than that, the government is silent in the field of agriculture. Well, I am very happy to see, Mr. Speaker, that agriculture has had a good year. Thanks to good weather, good harvest, there's been one of the outstanding years for the farmer in the Province of Manitoba. I think that all of us could take satisfaction that western agriculture and Manitoba's share in it is really contributing to the overall national picture, that western agriculture has played a major part in the past two or three years in

(MR. MOLGAT cont'd)

Canada's balance of payment position; that it has been one of the real factors in providing a healthy economy right through our country.

But having said that, Mr. Speaker, I think that the basic problem of Manitoba agriculture remains with us — and that's the problem of the cost-price squeeze. It is true that incomes have gone up this year, but how much in fact, Mr. Speaker, has remained with the farm producer. How much of the gross income really translates itself into net income in his hands? And that is the important figure. We can speak gross income all we want, but it is what is left in the hands of the producer that counts. Well now there were the days, Mr. Speaker, when the present Leader of the House had great plans on this matter of the cost-price squeeze, because he made some statements back in 1959 leading us to believe that he was going to solve the cost-price squeeze matter. Previous to that, he had been accusing the then government of blaming Ottawa for all the problems in agriculture and relying on Ottawa to solve them. But he indicated that his government would in fact deal with the cost-price squeeze and made statements to the effect that there could no longer be tolerated protracted discussions on this subject, it had to be dealt with, and he was the man to do it. Well, I must confess, Mr. Speaker, that I have seen little action on the part of this government to solve that problem.

Before I leave agriculture, Mr. Speaker, I would like to mention one development as a result of the changed market conditions for grain. The fact that we've had good harvests coupled with an entirely new situation on the export deal, has meant very increased pressure on land in the Province of Manitoba. Throughout the province now, one sees new land being cleared and considerable pressure for the purchase of land by many farmers. The government still owns large areas of land. There are still great tracts of Crown land in this province under government jurisdiction. I have appealed in past years to the ministers concerned, that is Agriculture, and Mines and Natural Resources, to consider a program of sale of these lands, not simply indiscriminate sale to whoever comes along, who merely wants to speculate on land -- no-one wants to see that -- but a planned program of sale to residents who wish to expand their own holdings surely is a reasonable thing, and program even of sale to newcomers who can clearly show that they are in fact bonafide farmers, that they have the experience, I think could only be good for the Province of Manitoba. It would open up areas that are presently waste land; it would put into production many sections in this province; it would solve a number of problems in those regions of municipal roads, of schooling of services of all kinds because of underdeveloped areas with pockets of population but no overall development. So I would encourage the Minister to be looking at these developments.

I would like to mention one other item in the Throne Speech, and that is the lack of mention in it of anything regarding the urban problems. There appears no indication this government recognizes the long term needs and the long term problems in that area. Oh, I know the Minister will tell me there's something about a housing authority. Yes, I recognize it there. But much more is needed than that, Mr. Speaker. We have in this province one-half of our population living in this one centre. In order to develop this centre into the economically sound, attractive, healthy city that it should be, there must be a good deal of long range planning, and either this government is going to give the Metropolitan Government the tools and the responsibility and the ability to do this, or the Provincial Government will have to do it itself; but it appears so far that the Provincial Government is prepared to do neither. I welcome the fact that they have appointed or added on to the name of the Department of Municipal Affairs the term "Urban Affairs". I think that's at least a step, but much more is needed than to add something to the name. There are some vital decisions that have to be made and made in the very near future, because while we may skate around this now, while these problems won't be affecting probably this government during its stay in office, in a very few years' time these will be showing up. In 25 years time, unless action is taken now, we may be faced with some tremendous problems, and so the planning must begin now. In fact, the time has passed, Mr. Speaker, and yet the government doesn't seem prepared to take any definite course of action.

Well, as I said, Mr. Speaker, there are many items that one could cover in the Throne Speech. If I miss others, it is not because I do not consider them important. But I want to deal with one item in particular now, and that is what Mr. Roblin claims to be his main priority — education. Now there's no question that this should be the No. 1 priority of Manitoba's provincial government. It is a provincial responsibility and it is the key to the

(MR. MOLGAT cont'd) development of Manitoba's human resources of which the mover of the address spoke yesterday; and subsequently in the development of the human resources, which are first and foremost, is the sorely needed economic development of our province. But the priority seems in many cases to have been limited to the Premier's speeches. It has not been extended to government action. I have already shown by the income and population figures that rather than moving ahead Manitoba is actually falling behind the rest of Canada.

Now let's examine this whole picture of education by first recalling what it was that Mr. Roblin promised to do from the very beginning. He has always claimed that education was his main priority. The first promise back in 1958, after receiving the interim report of the Royal Commission of Education, was - and I can well recall the posters all over the province - an equal opportunity for every child. That was the deal. At the same time, Mr. Roblin promised that all of his plans for improving education could and would be implemented without increasing taxes. The Premier and his Ministers travelled throughout this province - every corner - selling the division plan. He made a firm pledge that education taxes would be reduced at the municipal level, that there would be equality of educational opportunity across the province.

Well, let's examine what has happened since 1958. The Premier, in my opinion, betrayed the trust that was placed in him by the parents of this province. Let's look first at the cost side of it. Can any member of this House point to a decreased school tax bill -- any member who can show a decreased school tax bill since 1958? Can any citizen in Manitoba point to a decrease? Of course not, Mr. Speaker; the very opposite is true. In 1959, the total local school taxes in the province yielded \$28 million; in 1965, the total was \$48 million. That's the part collected at the local level - an increase of \$20 million in six years. School taxes have in fact climbed with unparalleled rapidity since 1958, and worst of all, the burden on the local taxpayer has been climbing every year without his income following by any means the type of increase that has been shown.

Well, even the Premier finally admitted his failure when he appointed the Michener Commission on local government financing. This body studied the situation in Manitoba and they confirmed the fact that the local taxes were too high. No question. Now the Premier didn't follow the recommendations of the commission but he did implement a \$50.00 provincial rebate on local school taxes in a bid to relieve some of the burden being shouldered by the local ratepayers, while of course raising general taxes to finance the rebate. Now this was a debatable deal insofar as the taxpayers -- he proceeded not only to take as much money out of him from another pocket to give him back the rebate but in fact he took two or three times as much in way of general taxes while rebating only a portion.

Well, during the last provincial campaign Mr. Roblin again admitted his failure in the field of tax relief by promising back last June to call a special session this fall to deal with further plans of this government to relieve local taxes. Then since that time the Premier abandoned his clear promise of a special session, but I'll admit that he did proceed to call the regular session of the House earlier than usual. Now we have the Throne Speech and it once again states concern about the problem, Mr. Speaker, the same concern that the Premier has been talking about now since 1959, concern about the local taxpayer.

In the meantime, everything points to an even worse situation for the local taxpayers. Now this was made quite clear by a spokesman for the Minister of Education at the annual convention in Winnipeg of the Union of Manitoba Municipalities held on November 22nd and 24th. The Minister's spokesman said at that time that Manitoba municipalities will pay an average of 12-1/2 percent more towards the cost of education in 1967. He said that this year's province-wide property assessment increase would, and I quote, "naturally mean", and I quote, "the municipal share of education costs will rise". Then under a constant prodding by one of the delegates the Minister's spokesman admitted that the 12-1/2 percent increase at the local level would mean a corresponding decrease in the provincial contribution, which is a rather revealing statement from an administration that claims to be concerned about the local taxpayer. You must remember as well, Mr. Speaker, that the 12-1/2 percent increase is merely an average figure. In some rural municipalities the assessment actually jumped by 34 percent, and in one case by 78 percent. Now this shocking situation comes to light just six months after Mr. Roblin promised to call a special session to shift some of the load off the local taxpayer.

Mr. Speaker, there are many ratepayers in Manitoba who wonder how much longer they will be able to afford the Roblin government. School taxes in many cases have already doubled

(MR. MOLGAT cont'd) and tripled what they were in 1958. The government is still talking about doing something about it, but in fact their spokesman announced that the next thing we can expect is an increase. An editorial in the Winnipeg Tribune on November 26th went so far as to suggest that the reduction in provincial contributions to education in 1967 could actually cripple many municipal governments.

Now the government cannot escape its responsibility by pointing out the improvement in education. I know exactly what the Minister of Education will be telling us -- talking all about the new schools that have been built and he'll be saying how much more the government itself is spending on education. Mr. Speaker, I readily admit that there have been improvements in education. That is exactly why there was a royal commission back in 1958, to recommend improvements. But the fact remains that the government promised to proceed with all of the improvements without increasing taxes, and furthermore, that it would reduce the load on the local taxpayer, and the government has failed to do either of these. Taxes under Mr. Roblin have gone up regularly and the local taxpayer is worse off than ever.

Now perhaps the ratepayers would find it easier to forgive some of these obvious Roblin failures if we had received full value for the money spent to date on education, but the point is that after eight years of Roblin government our education system is inadequate and fails to meet the most urgent needs of Manitoba. The Minister of Education himself sat at a meeting last week at which a speaker from outside the Province of Manitoba was referring to weaknesses in Manitoba's education system, and his comment at the end of the speech was that it was delightful; he was delighted that the lady in question was not a member of this Legislature on the opposition side; but apparently he recognized her statements as being accurate. This was the -- well, I think he went on then, Mr. Speaker, and suggested that she should come back two years from now and she'd see a change. Now if that doesn't mean that he agrees that there's a problem, I don't know what it means.

In any case, everyone recognizes, Mr. Speaker, one obvious development, namely, the many schools which have been constructed across the province. Unfortunately, too many of them too small to do the proper job. At the same time, it must be recognized that in another field, teachers' salaries have been substantially improved, but little credit can go to the provincial government for this, because except for their original step of establishing a higher schedule, which was right, since 1959 until the session earlier this year there were no increases in salary grants. This year they are moved up by \$200 for elementary and \$400 for secondary teachers. But this is only a drop in the bucket, Mr. Speaker, compared to the actual increased costs that the local taxpayers have had to face because the government grants haven't kept pace, and so the actual increase since 1959 of this has been largely borne by the local taxpayer.

Now earlier in my remarks I made special note that in 1958 and 1959 Mr. Roblin promised an equal opportunity for every child. Obviously, equal opportunity for every child must mean an equal opportunity for every school board in the province to provide that equal opportunity for every child in the jurisdiction. No such financial equality exists under the system which has been operated by the Roblin government. Assessment figures as of the fall of last year showed that there is a great disparity in the amount of local taxes that must be levied in order to provide the same services.

Let's take a few divisions as examples. In Duck Mountain Division the assessment-total assessment is \$4,700,000 and there are 93 elementary and secondary teachers. This makes an assessment of roughly \$51,500 per teacher. In Lakeshore Division the assessment is \$7.4 million; the teacher count is 127; and there the assessment is roughly \$57,500 per teacher. In the Dauphin-Ochre area the assessment is \$17.3 million and there are 129 teachers, just two more than in Lakeshore, but there's \$10 million more in assessment and so the assessment per teacher is \$130,000. Going up the ladder, we have Norwood Division with a total assessment of \$31 million, 124 teachers, giving them \$253,000 assessment per teacher. Assiniboia South, somewhat lower assessment but quite a few less teachers, ends up with \$270,000 per teacher. And at the very top of the ladder, the City of Winnipeg with an assessment of almost \$600 million with 2,033 teachers on staff, and therefore an assessment per teacher of \$294,00. So the range then is from \$51,000 per teacher in Duck Mountain, \$57,000 in Lakeshore, \$130,000 in Dauphin-Ochre, \$253,000 in Norwood, \$270,000 in Assiniboia South and \$294,000 in the City of Winnipeg. Obviously, Mr. Speaker, a division with a high per teacher assessment is able to provide services at a lower mill rate than less fortunate divisions striving to provide the same services. Similarly, it is able to offer higher

(MR. MOLGAT cont'd) teacher salaries.

Now it is apparent from these figures that equality of opportunity costs a great deal more in low assessment divisions. The figure becomes even more meaningful when you consider that the total balanced assessment for all of Manitoba in 1966 is one billion six hundred million. The total number of teachers last fall was 9,356 and so the average per teacher assessment across the province is \$172,000. It's startling to discover that of the 48 school divisions and areas in the province only eight of the 148 are above the average per teacher assessment. Now this clearly shows that there can't be true equality of opportunity under the present system without ratepayers in some areas paying substantially more in taxes for the same services. The government has failed, after eight years, to provide a program to give every child an equal chance.

..... continued on next page

(MR. MOLGAT cont'd.)

Meanwhile, confusion seems to reign in the government in education matters. The government at the last Session brought down a White Paper on what it called Phase II of the education program, although nobody had ever heard before of Phase I. But there doesn't, in fact Mr. Speaker, appear to be any long range program. The government, after years of delay in the field of technical vocational training, announced that ten such schools will be built in Manitoba, and the newly established Boundaries Commission was given the responsibility of choosing the locations. The need is urgent. It should have been done long before. We've been urging the government to do it. The federal government provides most of the money and so it lessens the burden on Manitoba whilst improving our education system. Well, the Minister of Education is reported in both Winnipeg daily newspapers of September 30th of this year as stating that the Boundaries Commission is now studying this matter, and that Boards would have to make temporary arrangements until vocational school sites had been chosen so that facilities wouldn't overlap. Meanwhile the Chairman of the Boundaries Commission, speaking at the end of November, to the municipal convention, he said that the Commission's first two years will be spent entirely on research. The Minister of Education says he's moving in on it right away but the Boundaries Commissioner says there'll be two years spent entirely on research, then he will go out into the country to gather the views of the people. Its next step will be the presentation of a provisional report which will receive province-wide publicity and distribution, and then the Commission will again test the reaction of the citizens, and then when it makes its final report to the government there'll be more opportunity for discussion in the Legislature. Well there certainly won't be a lack of consultation, I will say this.

He does say, on the other hand as well, that his overall plan won't be ready for another four or five years. Well, I don't know if we have to wait that long for a decision on the school locations but I can assure the Minister of this, that the school division trustees cannot plan their own programs if they don't know where the vocational schools are going to be, and they can't do anything insofar as setting up their long range plans for construction, which they are going to have to do. They can't do very much either until they know what the boundaries of their divisions are going to be.

The Minister is proceeding with a referendum, and I'm not disapproving of the referendum; in fact I have recommended that it be done. But I say to him, he's going to have to give a lot more information to the people of the province and a lot more information to the voters in those divisions if he expects to have a proper vote on this. They need to know exactly what the provincial government is prepared to do from a financial standpoint, and the danger is that if my honourable friends don't give them the full facts that this vote may not carry, so it is essential that his advertising campaign and that the full financial information be available very very soon.

Now in the field of confusion the Minister of Education on September 30th is reported in both newspapers as also saying that the government intends to gradually eliminate all schools without at least eight classrooms. That's his statement back on September 30th. Now these, of course, are the very same schools that this government has very recently urged the boards to build because it was this government that decided that they wouldn't follow the Royal Commission recommendations on the size of schools and that areas could build whatever size they wanted and wherever they wanted, but now the Minister in September said that this has got to stop. He's going to put his foot down now, and he's -- what's this he's going to do? He's going to -- oh yes: "The government was working towards the gradual elimination of all schools in Manitoba without at least eight classrooms, Dr. Johnson said, " and both newspapers carried it so I don't suppose he was misquoted. He'll have to find some other explanation. In any case that's the statement in September. But then on November 15th, when he's speaking to the School Trustees' Convention, the Minister of Education changes this position and he denies that it's the intention of the government to do anything of the sort - wouldn't think of this. He says, "It's been stated and attributed to me, " - what a terrible thing to do - attributed to him, "that the government intends to use this new administrative system to impose at least eight-room graded schools at the elementary level." Then he carries on, and I'm skipping some, although if he wants me to read the whole speech I can. Later he says, "The planning of the elementary system will be the responsibility of your elected board, " so there's a shift from September to November.

Mr. Speaker, I bring these comments out, not to attack the Minister himself - he's a very friendly man; there's nothing personal in this - but, Mr. Speaker, it's an indication of

(MR. MOLGAT cont'd), . . . the lack of long-range plans in this government; that this government doesn't itself know where it intends to go in these matters. We make a statement in September and we change it in November because there's been pressure by someone else to have us change it. The government isn't moving on any program. Call it Phase II. Call it what you want, but it's simply going along filling the gaps where it can.

Meanwhile, much remains to be done in education, much that can be done by simply preparing plans and making decisions; much that can be done without spending money. We can learn a lot from other areas, for example. There are programs in other provinces of this country and some of the American states which are designed to provide the best in education for all children. There's no indication that the Roblin government is even aware of these programs. The search for talent across the province is not being pursued vigorously. How many children are being deprived of the opportunity to develop their full potential? How many children who could become skilled in professions and trades are being lost to us because we have no comprehensive systematic way of seeking them out and of encouraging them to further their education? And this isn't just a rural problem, Mr. Speaker, although it's worse in the rural parts, but it affects all of Manitoba. It affects every one of us when a child with ability doesn't carry through to the maximum of his abilities. It affects every citizen. There are programs in New York State for example, Operation Head Start and Operation High Horizon, designed to upgrade the educational background of those who don't have adequate home advantages, and we have people of this type in the Province of Manitoba who through no fault of their own are not in a position to fit completely into our education system. Certain other areas have programs to move specialized teachers and services from one school to another, as well as moving the students. This is a factor force in the rural parts in particular where divisions cannot afford specialized services or the distances are too great to transport the children. One educator puts it - this is what is being done I believe in Illinois - and I quote: "In the old days we had circuit riding preachers, now we have circuit riding teachers."

Now, many of these programs could be varied to suit Manitoba, to provide Manitoba children with the kind of educational system that we need. Parents and educators are deeply concerned about the slow progress being made in Manitoba in changing teaching methods, in programs such as ungraded classes, in bringing our text books up to date. In short, in the whole question of the quality of our education. Specialized educational services such as speech therapy, hard of hearing classes, classes for the emotionally disturbed, and guidance services in particular, are examples of facilities available only in a very few places in Manitoba. The new general course, designed for students going into business and industry - and it's estimated that this will be roughly 50 percent of the high school population - it's not available everywhere today. The latest figures show that out of 180 high schools in Manitoba 59 of them are not offering the general course. University education is still a dream for many students, and many of them because of a lack of guidance and an appreciation of the opportunities open to them. Education is not only a prime provincial responsibility and priority in itself, it is essential for the economic development of our province.

During the last election campaign I proposed specifically that Manitoba follow the lead of the New England states in developing a co-ordinated program of educational and industrial development. The New England region is handicapped for mass production industries. It has special problems of geography and costs. Following the war it lost a good part of its industry to the southern United States. It was becoming a depressed area. And now all this has been changed. By concentrating on research and education and on sophisticated products New England has revitalized its whole economy. In 1955 one third of the factory employment depended on products not in existence a decade earlier. A similar study today would show this figure to be about one half of the total manufacturing employment.

Now an imaginative program, Mr. Speaker, of the use of federal government grants for vocational schools, tied in with a comprehensive program for product development, could have been the basis of completely new industries for Manitoba. This is just one way, Mr. Speaker, in which our educational system could have been developed in the past eight years to meet the needs of our province, meet the needs of the sixties, but Mr. Chairman, in spite of having spoken of priorities, this government has in fact failed to proceed on these programs, failed to act upon the priorities and do the things that are required.

So, Mr. Speaker, I beg to move, seconded by the Honourable the Member for Lakeside, that the motion be amended by adding thereto the following words: "but that this House regrets that this government, after eight years in office, has (1), in spite of its promises to do so,

(MR. MOLGAT cont'd) failed to alleviate the cost-price squeeze in agriculture; (2) failed to produce a long-range program to deal with the growing problems of urban areas; (3) after receiving the reports of two Royal Commissions, failed to provide a comprehensive long-range program of education and in particular (a) has failed to provide an equal opportunity for education for every child in this province, (b) has failed to sufficiently improve the quality of education in this province, (c) has failed to provide an equalization of education costs across the province, (d) has failed to sufficiently relieve the heavy school tax burden on homes and farms, (e) has failed to take full advantage of the federal government funds which have been available for some years for the construction and operation of technical schools; and (4) failed to produce adequate development and growth in this province.

MR. SPEAKER presented the motion.

MR. PAULLEY: Mr. Speaker, I beg to move, seconded by the Honourable Member for St. John's, that the debate be adjourned.

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 Provincial Treasurer, 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 p. m. Thursday afternoon.