

THE LEGISLATIVE ASSEMBLY OF MANITOBA  
2:30 o'clock, Monday, January 23, 1967

Opening Prayer by Mr. Speaker.

MR. SPEAKER: Presenting Petitions. The Honourable Member for St. Matthews.

MR. ROBERT STEEN (St. Matthews): . . . present the petition of Dorothy J. Ungar praying for the passing of an Act for the relief of Dorothy J. Ungar.

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

MR. OSCAR F. BJORNSON introduced Bill No. 28, An Act to incorporate The Lutheran Campus Foundation of Manitoba.

MR. SPEAKER: Committee of the Whole House.

HON. GURNEY EVANS (Provincial Treasurer)(Fort Rouge): Mr. Speaker, I wonder if I could have the indulgence of the House to allow this to stand.

MR. SPEAKER: Orders of the Day.

HON. GEORGE JOHNSON (Minister of Education)(Gimli): Mr. Speaker, before the Orders of the Day I would like to lay on the table of the House the Annual Report of the Department of Education for the year ending June 30, 1966; and also I'd like to table the Annual Report of the University of Manitoba Board of Governors for the year ending March 31, 1966.

HON. J. B. CARROLL (Minister of Welfare)(The Pas): Mr. Speaker, before the Orders of the Day, I'd like to lay on the table of the House the Annual Report of the Department of Welfare for the fiscal year ending March 31, 1966.

HON. STERLING R. LYON, Q.C. (Attorney-General)(Fort Garry): Mr. Speaker, before the Orders of the Day I should like to lay on the table of the House a copy of The Totogan Farms Limited Commission. Most members are aware of its contents but some have asked to have an individual copy of the report. Copies will be distributed.

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

MR. GORDON E. JOHNSTON (Portage la Prairie): Mr. Speaker, I'd like to address a question of the Minister of Agriculture. The question is: is there a surplus to seed requirements of Manitou wheat in the Province of Manitoba at the present time?

HON. HARRY J. ENNS (Minister of Agriculture and Conservation)(Rockwood-Iberville): Mr. Speaker, I've had my department look at the situation. It would appear that there may well be a surplus generally in the three western provinces. We're not prepared to assert this, as a matter of fact, at this time. We'd like to give our Manitoba farmers every opportunity of getting this seed for their use. We have had some representation on the part of the pedigreed seed growers to either allow for the sale of the seed across the line. We are examining it from the point of view that Manitoba farmers get first chance at it - that it gets as wide a distribution as possible at a reasonable price. We are keeping a just about weekly check on this and would hope to make further announcements as the situation develops.

MR. JOHNSTON: A supplementary question, Mr. Speaker. Would the Minister consider asking the Federal Government to institute a survey to be sure that there either was or was not a surplus, and if there was would he consider asking the Federal Government to release the surplus for export before spring?

MR. ENNS: Mr. Speaker, I'd be prepared to consider the suggestion by my honourable colleague.

MR. GILDAS MOLGAT (Leader of the Opposition)(Ste. Rose): Mr. Speaker, I'd like to address a question - I think it should go to the First Minister because I believe transportation matters come under him. In view of the fact that the railways have now proceeded to make application for the abandonment of certain lines in the Province of Manitoba, is it the intention of the Province of Manitoba to make representations to the hearings that will probably be held; and secondly, is it the intention of the government to assist those areas who want to make representations in the preparation of their material?

HON. DUFF ROBLIN (Premier)(Wolseley): I'm a little bit perplexed, Mr. Speaker, by the question because I believe that until the legislation in Ottawa is finally passed (has it received Royal Assent in Ottawa?) that the freeze is still on although some preliminary moves may be being made. However my colleague the Minister of Industry and Commerce has a standing arrangement by which he will assist communities that are involved in the way that we have done

(MR. ROBLIN cont'd)... in the past and which has proved to be a reasonably satisfactory way of helping them make their best case in these disputes.

MR. MOLGAT: Mr. Speaker, a subsequent question. The railways have announced at least some of the lines on which they intend to ask for abandonment. Will the Manitoba Government be making representations.

MR. ROBLIN: We will be examining all these applications, Mr. Speaker, to see what action the government should take on them. In most of the ones that have come to our attention so far we have made representations and we have appeared, and that will continue. There will undoubtedly, however, be some applications which should not be opposed so I can't make any sweeping statement. We have to examine each case by itself.

MR. RUSSELL PAULLEY (Leader of the New Democratic Party)(Radisson): Mr. Speaker, if I may before the Orders of the Day direct a question to the Honourable Minister of Health, and I apologize to him for not informing him prior to meeting: Can the Minister indicate when the House might be receiving a statement of policy respecting Medicare, or an indication of the steps that the government intend to take at this session respecting Medicare for Manitobans?

HON. CHARLES H. WITNEY (Minister of Health)(Flin Flon): Mr. Speaker, the proposed legislation from the government will be down sometime later on in the future. It's being worked on at the present time.

MR. PAULLEY: ... question, Mr. Speaker, if I may, I wonder if my honourable friend would give me an interpretation of what he means by "sometime in the future?"

MR. WITNEY: Mr. Speaker, I think it's quite clear.

MR. PAULLEY: I'll try again in a different avenue, Mr. Speaker, if I may. I'd like to direct this question now and not in the future to the Honourable the First Minister. He made a statement some few days ago in respect of reviving a committee dealing with the automobile insurance industry in the Province of Manitoba and setting up of a committee. I wonder if my honourable friend might be able to indicate how soon in the future this particular committee might be set up because there is a resolution standing on the Order Paper and I would like to know whether to proceed and run the risk of being contrary to the rules of the House by its introduction.

MR. ROBLIN: Mr. Speaker, our resolution should be on the Order Paper quite soon. I know that's a little bit indefinite but it's perhaps not quite so indefinite as the previous answer.

I would hope that my honourable friend would see fit to postpone action on his resolution until he has seen the one that will be produced, to determine whether or not he wishes to proceed with his own resolution or not.

MR. PAULLEY: Mr. Speaker, I thank the Honourable the First Minister. I do intend to hold it. I'm glad to know that there is a slight difference between "quite soon" and "in the near future." One of these days the House, of course, will know exactly what is the difference between these two phrases.

MR. SAUL CHERNIACK, Q. C., (St. John's): Mr. Speaker, before the Orders of the Day may I, for similar reasons as advanced by my leader, address a question to the Honourable the Provincial Secretary. Both of the recent daily newspapers indicate that there may have been a statement made regarding the proposal for legislation involved in the White Paper which was dealt with by the Honourable Minister on the Civil Remedies Code, and the newspapers would appear to indicate that a statement or some sort of announcement was made to the effect that certain legislation would be brought in this session; certain other legislation may be considered or may be brought before a committee. Since I too have a resolution on the Order Paper which is along these lines, I wonder if the Honourable the Provincial Secretary could clarify for the House as to whether or not the newspaper report has validity and just what the intention is in that respect.

HON. STEWART E. McLEAN, Q. C. (Provincial Secretary)(Dauphin): Mr. Speaker, I take no responsibility for the newspaper report and am unable to make any clarification of it. I can only say that the only statement I made was that made when I presented the White Paper at which time I said that legislation would be presented to the Legislature arising out of that document, and I may say that we are making good progress and it is hoped to have it here, and indeed it will be here, just as quickly as it can be put in the proper form.

MR. CHERNIACK: May I thank the Honourable Minister.

MR. T. P. HILLHOUSE, Q. C. (Selkirk): Mr. Speaker, may I address a question to the Honourable Minister of Labour? When my colleague from St. Boniface asked the Minister of Labour a question regarding an unfortunate fire which occurred in St. Boniface last week, the

(MR. HILLHOUSE cont'd)... Minister replied that it was up to the municipalities to enforce the safety regulations regarding these gas valves or paraphernalia that are to be found on the outside of buildings that are serviced with gas. Could the Honourable Minister advise me of the Act or authority which imposes that duty on a municipality; and if there are any regulations setting out the safety measures to be adopted by a municipality, would he be kind enough to table a copy of these regulations.

HON. OBIE BAIZLEY (Minister of Labour)(Osborne): Mr. Speaker, I'll take that question as notice.

MR. SPEAKER: The Honourable Member for Elmwood.

MR. RUSSELL DOERN(Elmwood): I defer ....my Leader.

MR. PAULLEY: Mr. Speaker, if I may. Under rather peculiar circumstances the Estimates for the coming fiscal year were tabled in the House. It had been normal in the past that on the tabling of the Estimates, or shortly afterwards, comments were made in respect of format and the order of procedure. I'm wondering whether or not, Mr. Speaker, the Minister might make some further statement now in respect of the Estimates, the format, also the order in which the departments are going to be considered. I'm sure, Mr. Speaker, you realize that if we rise on this question on the motion to go into Supply, it can deprive us of our rights to raise a grievance or speak on that motion again, the rules being, if I understand them correctly, that we can only speak once. On the other hand, if we do it when we're in the committee it absolves some of the time of the committee and of course now we're under strict rules and regulations as to the time element we can use totally in our estimates. And also further, is the Minister responsible for the Estimates going to supply us with staff counts of the various departments as has been the practice in the past?

MR. EVANS: Mr. Speaker, it is not my purpose to make any extended remarks on the introduction of the Estimates. As to the batting order, it has already been announced that Education is first, with Health to follow, and I would hope shortly to be able to announce any further departments. Certainly by the time we finish Education I think the honourable members should have some indication of the department next to follow Health, and would my honourable friend remind me of the last question?

MR. PAULLEY: ....the counts?

MR. EVANS: Ah yes, I'm not sure that that's my responsibility. I think that comes rather through the Provincial Secretary but I'm sure that he's listening to us.

MR. PAULLEY: I don't know who was responsible. All I know is that in some mysterious manner there were documents laid on our desks indicating the number of personnel of the civil service in the respective department.

MR. EVANS: My honourable friend won't mind me replying for him that it's customary to provide these staff counts and they will be provided again this year.

MR. DOERN: Mr. Speaker, I'd like to direct a question to the Honourable the Minister of Highways if this is his jurisdiction. It has been announced that the Nairn Avenue overpass has been delayed again, and the reasons really weren't given for this. Could he explain why it was delayed. It wasn't made clear, at least in the press.

HON. WALTER WEIR (Minister of Highways)(Minnedosa): Mr. Speaker, I'll take the question as notice.

MR. JACOB M. FROESE (Rhineland): Mr. Speaker, I wonder if the Minister concerned would give us some indication whether we will be getting information as to the federal contribution toward the estimates in each department.

MR. EVANS: Well, the revenues are a subject for the budget and that matter will be discussed at that time.

MR. FROESE: Is this pertaining to the Estimates?

MR. EVANS: Yes, Mr. Speaker, our Estimates of expenditure.

MR. MOLGAT: Mr. Speaker, I'd like to address a question to the Provincial Treasurer. Is he in a position to tell the House when he expects to bring the Budget in?

MR. EVANS: It will be a matter of a few days yet. I can't name a definite date but I would expect it would be plus or minus a week. Perhaps a few days beyond a week.

A MEMBER: ....due course.

MR. EVANS: It will be in due course but with that reservation.

MR. SPEAKER: Before we proceed I'd like to inform the House that on my left in the gallery there are 23 Grade 6 students under the direction of Mr. Marrin. This school is situated in the constituency of the Honourable the First Minister, Wolseley constituency. On behalf of all members of the Legislature I welcome you on this occasion.

ORDERS OF THE DAY

MR. SPEAKER: The adjourned debate, the proposed motion of the Honourable Leader of the Opposition. The Honourable Member for Rhineland.

MR. FROESE: Mr. Speaker, I would ask for the indulgence of the House to have this matter stand. I have no objection if anyone else wants to speak, however.

MR. SPEAKER: The Honourable Member for Inkster.

MR. SIDNEY GREEN (Inkster): Mr. Speaker, I thank the honourable member for standing this matter over and permitting me to speak to the motion. Mr. Speaker, as I read the motion it relates in a very limited way to the issues which are before the House concerning the development of Churchill Forest Products. I think possibly the issue was even more concisely set out by a question and an answer which were given in the House on December 12, 1966. At that time, Mr. Speaker, the Honourable the Leader of the New Democratic Party, Page 110 of Hansard, asked the following question: "Mr. Paulley: I have one further supplementary question, if I may, Mr. Speaker; has not the government the authority to investigate into the use of public funds in the Province of Manitoba?" And the answer given by the Honourable the First Minister was, and I quote: "Not unless we change that statute we haven't."

Now, Mr. Speaker, at that time I personally was struck with the fact that one of the very foundations of responsible government, that is, that the public would have control over the public purse, was somehow whittled away by this Legislature at its last session or at the previous sessions when the Manitoba Development Fund authority was enacted. And I for one was astounded, Mr. Speaker, that not only would the Conservative Government, which is careful I submit to try not to leave itself open to charges of this nature, but that every member of this House with the exception of the member from Rhineland agreed that as the statute is presently written we didn't have the authority of this Legislature or of the public through the government to investigate into the use of public funds.

Mr. Speaker, at that very moment it occurred to me that had this Party been aware of that position in June of 1963, that this would indeed have been a made-to-order election issue on which I submit, Mr. Speaker, the people of Manitoba would not have permitted this government to stand, because let's look clearly at what this government is saying, at what the First Minister implies by his answer to the question raised by Mr. Paulley. He is saying that the Legislature and the people of Manitoba are going to invest millions of dollars into a Development Authority and that it will then have no jurisdiction whatsoever to enquire into what that authority is doing or to supervise that authority. Which in itself, Mr. Speaker, would be a remarkable position for a group of legislators to be in. But we could go further and we must go further, Mr. Speaker, because not only is it being suggested by the members of this government that neither the Legislature nor the government has the authority to inquire into the public use and expenditure of public funds, but that the people who are investing these funds are in no way responsible to the people of this province, and in fact owe no responsibility to themselves, because usually when an investor is investing funds he is investing funds which his board of directors has an interest in, which he owes a responsibility to, to justify to his shareholders or to somebody. But the First Minister of this province is telling us that the Manitoba Development authority has no responsibility whatsoever either to the government or to any shareholders or indeed to the fact that they themselves would be dealing with their own money if they were private investors or a bank.

Now, Mr. Speaker, I submit that there is no rule of either private enterprise or any other system of economic theory which says that it is a good practice for people who have no interest in their own money and are not responsible to anybody, to have carte blanche authority to deal with that money, which is in effect what the First Minister has said. Now Mr. Speaker, I submit, and I said it earlier, that this would have been an election issue which I submit that the First Minister of this province could not have answered. It would have been an untenable position for this government to have gone to the people and said, "We are going to take your money. We are going to turn it over to a group of people who are not responsible to us, and not being their money we are going to let them invest it as they see fit, and if you want to know why we justify this, we say that people such as Morris Neaman and John A. MacAulay are looking after it."

Now Mr. Speaker, that's an extraordinary proposition because it changes the entire theory of democratic government to one which we abandoned years and years ago when we dropped the divine right of kings. It in effect says that we are going to substitute respectability for

(MR. GREEN cont'd)... responsibility, that these people are respectable people and therefore you can rest assured that although they are investing your money with no answer to you, and although they have no risk involved in making the investment of this money, you can rest assured because Mr. Morris Neaman and Mr. John A. MacAulay, who are not the three stooges, are investing this money. That's the answer that's given by the First Minister. And I submit that the LP Party over there and the New Democratic Party over here would certainly, if this was the legislation, have posed this as one of the major points of our election campaign and would certainly have been able to convince the people of Manitoba that this is not the way in which government funds are to be spent, and Mr. Paulley's question and what it implies is a perfectly reasonable one, that public funds cannot be invested and cannot be spent without public responsibility, which is what the First Minister apparently says is the case. But Mr. Speaker, we would never have had the luxury of that kind of an election campaign even if we wanted it, because that's not what the statute says. We couldn't criticize the First Minister and his government for enacting such a statute, and we can't find that the LP Party over there or the New Democratic Party over here can be criticized for approving of it, because they never did. It's just as simple as that.

Now the First Minister said that they have legal advice as to what this statute says. They haven't tabled any legal opinion before the House, and Mr. Speaker, Jonathan Swift once said that there is a society amongst us which are bred from their infancy to prove in words multiplied for the purpose that black is white and white is black, and of course I don't have to identify that society; I happen to be a member of the legal profession to which Jonathan Swift was referring to. But I'm sure that even the most dexterous and ingenious of lawyers could not have said black is white and white is black with regard to Section 30 subsection 2 of the Manitoba Development Fund Authority, because here is what the section says, and it was read by the Honourable the Member from Lakeside and first pointed out, may I add, by the Honourable the Member for St. John's, who asked the Premier a question on this very section - and, I may say, received no answer: "The Lieutenant-Governor-in-Council," which is the Cabinet, "may at such times and as often as it deems it necessary, require the Board to furnish to him such reports or information respecting the business and operations of the Fund as he may direct, and the Board shall comply with the requisition."

Now, Mr. Speaker, my friend the Honourable Member from Lakeside stakes his legal reputation on the suggestion that that clause means what it says. I would suggest that he didn't have a great danger of losing such legal reputation as he has, and Mr. Speaker, I'm inclined, as a lawyer who is trying now to think up how some other lawyer could change this into saying something that it doesn't say -- because Mr. Speaker, the Honourable the First Minister is now saying that this section reads, "The Lieutenant-Governor-in-Council may," - and he says that it should read 'may not' - "at such times and as often as it deems necessary require the Board," and I suppose he says that it means 'not require the board,' "to furnish to him such reports," and I suppose he says that it means "not to furnish such reports or information respecting the business and operations of the Fund as he may direct," and I suppose he says it means 'he may not direct,' "and the Board shall comply with the requisition," and I suppose he has legal advice that says that the Board shall not comply with the regulation, because that section is as clear a section as any lawyer ever comes face to face with. And I'm interested, Mr. Speaker, to know because I've often heard weird arguments in the law courts and I suppose members appearing opposite me would say that they've heard weird arguments as well, but the life of me I can't see how if I were a lawyer representing the government's position, representing the First Minister's position, I could change white into black with this particular section, and I submit, Mr. Speaker, that there is no doubt about it and the reason that there is no doubt about it is for the very reason that I stated when I opened up my remarks that this government, despite its many other faults, still believes in responsible government, still believes that the people who are entrusted with public funds will be responsible for the use of those public funds. That's why the section is there. It's a simple section and the government is to be commended for having such a section. But then they can't answer, for the purpose of trying to get out of a difficult political situation, that they have no power and that we have to change this statute, change Section 30. I presume that if it read "may not" do these things, and the board shall not be required to furnish the information, then if my honourable friend the Member from St. John's asks for the information the government would say, "Yes, it's available but we may not give it to you according to the statute." Because that's what he's saying. And then the First Minister came back on the last day of the Throne Speech Debate and debated for 2 1/2 hours, and what were his main points? That this Fund is some sort of an arm's length

(MR. GREEN cont'd) . . . feature which we have nothing to do with.

Now I asked the Honourable the First Minister prior to that particular speech which he made, I asked him to refer to two other sections of the Manitoba Development Fund Authority. He apparently avoided these because he didn't answer, but they say exactly the opposite of what the First Minister says this Fund is supposed to do. Section 4, Mr. Speaker, another commendable section which the Leader of the Liberal Party indicated is a commendable position and I agree with him: "The objects of the Fund are to encourage a balanced development of industry in the province, and to that end, " and I'm going to leave out (a) and the two subsections following (a) "to that end to assist the Minister, " to assist the Minister, " the Fund is to assist the Minister in encouraging the owners of capital to invest funds in industrial enterprises in the province."

This section, Mr. Speaker, says in no uncertain terms that the Development Fund is an arm of the Minister of Industry and Commerce, an arm. The Honourable the First Minister says it's an arm's length, but it's not an arm's length; it's an Authority which has been set up to do exactly what the First Minister says it shouldn't do, to be a political involvement by this Legislature in the development of the Province of Manitoba, and we say that's good. We have no objection to that. It should be that and that's what it is according to the statute.

Now let's just go on and see how far at arm's length this Fund stands from the Minister. Section 16 Subsection 4: "The loan committee may in respect of any matter seek and obtain the advice and assistance of the officers and employees of the Department of Industry and Commerce, and it shall not seek or obtain advice or assistance as provided in Subsection 3" - and that's independent advice; that's outside advice; 'outside consultants' is the term that was used - "if in the opinion of the Board that advice or assistance may be obtained as provided in this section." So not only is the Fund an arm of the Minister, but the entire department and all its employees are made available to the Fund for the purpose of implementing its progress.

Mr. Speaker, we say this not by way of criticizing these sections. We say that these sections are very good, that they further the program of responsible government. What astounds us is that the First Minister now says that there exists in this province a creature not spending its own money, spending public money, not answerable to the Legislature, and which cannot be inquired into. Mr. Speaker, we submit that that position is untenable and cannot exist, and that at very least the information is available to the Lieutenant-Governor-in-Council, and if the Lieutenant-Governor-in-Council tells this House that in their opinion it is contrary to the interest of the development of Manitoba for them to release this information, then we may have something to say about that, but the fact that the information can't be released even to the government is something that we in this Party, at any rate, cannot consider to be the correct interpretation of this legislation and cannot be considered, Mr. Speaker, to be good legislation in any event.

Now the way in which the First Minister tried to justify the fact that they were refusing to give answers to the questions which were posed by the various members of this House, is that the three stooges weren't running the Fund, it was being supervised by John A. MacAulay and Morris Neaman, names by the way, Mr. Speaker, that people in Inkster constituency wouldn't know. I know that members of this House know them, but they're looking to people who were elected by themselves and by the elected representatives of the other constituencies in the Province of Manitoba to protect their interests because they know who they are and they can remove them if they feel that they should be removed. But that was one of the reasons. And the second reason was that we'd made a good deal. He kept on insisting that they had made a good deal that this was the answer to any criticism.

Now, Mr. Speaker, I'd like to follow up some of the words that were said by the Honourable the Member from Lakeside because I think he put it very well. He expressed an understanding of the subject which, having his particular ideas on it, I found it amazing that he was able to articulate it so well. There is no economic fear as to whom the government can point to justify the fact that the state should put up a substantial portion of the risked capital to invest in a particular enterprise and then not own that particular capital. If I were to believe, Mr. Speaker, that the public through its collective wisdom couldn't properly develop the resources of the Province of Manitoba - and by the way I don't believe that; I believe that through our collective wisdom we will make the most advantageous development of those resources - but if I were to believe that we couldn't, then I would be in the camp of the Honourable Member from Lakeside just as he said he would be in our camp; that if we couldn't do it, then we shouldn't subsidize the doing of it by private individuals or by private enterprise

(MR. GREEN cont'd)...because we are removing the entire basis upon which private enterprise is based.

Those who believe that private enterprise should develop the resources of a province or should be responsible for the economic growth of a country, say that where there is a group of people who have the acumen and the imagination and the foresight to see that by undertaking a particular venture they can have a profit accrued to themselves, then if they undertake it and risk the capital and use their imagination, they should be entitled to the profits. But there is no economic theorist who says that these people should be subsidized from the point of view of creating that development and then that they should keep the profit, so that I can't accept the fact that the question of whether it is a good deal or a bad deal is the answer to this question because, Mr. Speaker, I suggest - and this Party has all along suggested - that if private enterprise has to be subsidized to the extent that it is not really risking the capital for the purpose of investing in this venture, then it should not be subsidized to do so. If it's necessary for this province to have a Forestry Development, if we see that it's a good thing, if we are to put up the money, then I say that we should reap the benefits. If the people of Manitoba collectively make the investment then the people of Manitoba collectively should accept the returns, and in this respect I am not a doctrinaire Socialist. If it will make my honourable friends opposite happier, I am a greedy money-grubbing capitalist. I want to make the investment and I want to get the profits. And that's what I say that this province should have done with regard to that particular deal.

Now I want to indicate, Mr. Speaker, that wherever, wherever private enterprise doesn't have the initiative to go into something and it's considered that it is necessary to have this type of development for the good of the people of the Province of Manitoba, I say that that should be done publicly. It can't be a good deal. It just precludes it from being a good deal if private enterprise has to be subsidized to do it. I want to refer, Mr. Speaker, to a quotation on this very subject, and I'm quoting now: "Each generation must deal anew with the raiders." Each generation must deal anew with the raiders. "With the scramble to use public resources for private profit and with the tendency to prefer short-run profits to long-term necessity."

Now I assume that honourable members opposite think that this is obviously coming from a doctrinaire Socialist. Actually, Mr. Speaker, the statement was made by President John Kennedy in an introduction to "The Quiet Crisis," a book written by Stewart Udall. Now what President Kennedy said was very obvious that this particular government has not shown - or at least not what President Kennedy says but what I say, is that this particular government has not shown that it has had the ability to deal with the raiders, that it has considered that there is a short-run profit to be taken at the expense of long-term necessity. And he comes back, Mr. Speaker, and he says we bargained very strongly and they bargained very strongly and they made a good deal.

Well Mr. Speaker, I imagine that in 1867 the financial authorities of the Czar came back from their negotiations with the Americans, they had a meeting, and they said, "Boy, did we put it over on those Americans. We got \$7,200,000 for Alaska. Nothing but a section of the north which is valueless; \$7,200,000, and we struck a good bargain. Somebody else only wanted to give us \$7,100,000." And I imagine, Mr. Speaker, that Napoleon in 1803, when he needed to finance some of his foreign exploitations and wars, that he was advised by his advisors in France that, "we put it over on the Americans. We got \$15 million for Louisiana - \$15 million which you can use to finance your wars, for Louisiana." And I imagine, Mr. Speaker, that the Indians went back to their teepees rubbing their hands when they sold Manhattan Island to the Dutch for some beads, and they said, "Boy did we put it over on those Dutchmen. We made a terrific deal."

In each case, Mr. Speaker, what they had done is exactly what the First Minister of the Province of Manitoba has done in trying to justify this transaction as being a good deal. The question of whether it is a good deal or not is the analysis that was put by the Honourable Member from St. John's. If Monaco is going to make a profit, if they are going to make one cent on the investment of public monies of the Province of Manitoba, then it is a bad deal; and if Monaco is not going to make money, Mr. Speaker - and I don't know whether they are or not - then it's a dangerous deal, then it's a dangerous deal because then we will have made an investment which to date we have not been shown that there is security for the monies that are going to be put out. So in either respect it can't be a good deal, not in the way in which this government has gone about it.

(MR. GREEN cont'd)....

Now, Mr. Speaker, I would like to close my remarks by saying that I stake my legal opinion - my legal opinion, and I suppose I am putting up more than the Honourable Member from Lakeside, I don't know. I have to continue to practice. I'll be in the Courts in the next few weeks. I stake my opinion on the suggestion that where it says the Lieutenant-Governor-in-Council may at such times and as often as he deems it necessary require the Board to furnish such reports, I stake my reputation on the suggestion that it doesn't mean that he may not do this; and where it says that the Board shall comply with the requisition, I stake my legal reputation on the opinion that it doesn't mean that the Board shall not comply with the requisition, and I think it is as simple as all that, and I think that when the Honourable the Leader of the New Democratic Party said, "Can the people of Manitoba find out, investigate how public funds are being used?" that the answer can't be, "Not until we've changed the statute." This is one of the statutes which contains adequate provision to protect the people of the Province of Manitoba, and the First Minister need not criticize himself to the extent that he says that it doesn't.

MR. SPEAKER: The Honourable Member for Rhineland.

MR. FROESE: Mr. Speaker, could I have leave to have the matter stand?

MR. SPEAKER: Agreed? Orders for Return. The Honourable Member for Elmwood.

MR. PAULLEY: Mr. Speaker, may I in the absence of the Honourable Member for Elmwood move, seconded by the Honourable Member for Inkster, the following:

That an Order of the House do issue for a Return showing:

1. The number of psychiatrists there are in Manitoba: (a) in private practise? (b) employed in hospitals? (c) employed by the Government?
2. Is there a Government policy on the number of psychiatrists needed or required in Manitoba?
3. Assuming the Government has a definite objective (number 2) when do you expect to fulfill or meet this objective?

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

MR. SPEAKER: The Honourable Member for Elmwood.

MR. DOERN: Mr. Speaker, I'd like to request the following Order for Return: Moved by myself and seconded by the Honourable Member for Inkster that an Order of the House do issue for a Return showing:

1. What is the total number and percentage of students in each of the following high school courses: (1) University Entrance? (2) General? (3) Commercial? (4) Technical-Vocational?
2. Does the Government have an objective for the percentage of students that should be in each course?

MR. SPEAKER presented the motion.

MR. ROBLIN: ... if this is for a certain day in 1966, let us say the first of September, or if that date turns out to be awkward from the calculators we will pick another date.

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

MR. PETER FOX (Kildonan): Mr. Speaker, I beg to move, seconded by the Honourable Member for Burrows, that an Order of the House do issue for a Return showing:

1. How many permits were granted to industries and organizations to employ persons on Remembrance Day, November 11, 1966: A. To whom were such permits issued? B. Reasons for granting such permits?

MR. SPEAKER presented the motion.

MR. BAIZLEY: Mr. Speaker, I'd like to ask the Honourable Member if it is his intention to accept the numbers in industry or whether in fact -- he mentions industries and organizations and then he asks to whom such permits were issued, and I'm wondering will he accept the numbers within certain industries or does he want the individual permits?

MR. FOX: I'd prefer the individual.

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

MR. SPEAKER: Second reading of bills. Bill No. 3 - Provincial Treasurer.

MR. EVANS presented Bill No. 3, an Act to amend The Insurance Act, for second reading.

MR. SPEAKER presented the motion.

MR. EVANS: Mr. Speaker, I think I should explain that the amendments to the automobile insurance portion of the Insurance Act have been under consideration by an organization consisting of all the superintendants of insurance of all the provinces for a matter of five years,



(MR. EVANS cont'd) . . . and the main revisions include the following:

A. To bring within the scope of automobile insurance the medical payments cover for personal injuries.

B. To extend automobile insurance to include the uninsured motorist cover and a form of personal accident compensation payable without regard to fault. That is to say, with respect to the passenger riding in the vehicle the payments can be made without regard to whose fault the accident was.

C. To provide as standard cover the use of employees' cars on employer's business on mileage allowances. Where an employee is using his own car, receiving a mileage allowance, and has an accident, it's possible then for the automobile insurance on behalf of the employer to cover and pay for accidents of that type. Also for owners who collect a share of trip expenses from passengers or in respect to cases which involve the pooling of cars. In other words, all of those cases to provide the standard cover for the use of employees' cars on employer's business and similar cases.

In addition to the recommended revisions in the automobile part, there are provisions for increases in the capital requirements for the granting of a license to an insurer. The increased capital requirements would not apply to existing companies but rather the new companies seeking admission. There is also a section which provides for increases in the amount of fines for offenses under the Insurance Act.

It would seem to me that this amendment of the Act - it's a comprehensive rewriting of the Act, as a matter of fact, with respect to the automobile provisions - can be kept quite separate from the matter concerning which the Speech from the Throne took notice, and that is a setting up of a Committee to consider automobile rates and matters of that kind. So with those words of explanation, Mr. Speaker, I have moved the second reading.

MR. HILLHOUSE: Unless someone would like to speak, I would move, seconded by the Honourable Member for Lakeside, that the debate be adjourned.

MR. PAULLEY: Mr. Speaker, if it's all right with the Honourable Member for Selkirk, I'd like to say a word or two in connection with this bill, and then of course he could take the adjournment. I'd like to say, Mr. Speaker, that there are parts of this bill with which I find favour. However, I cannot agree with my honourable friend the Provincial Treasurer in his last remarks when he said that the question of automobile insurance rates are not covered in this particular bill because of the fact that they may be considered in some other area.

I think it's most important, Mr. Speaker, that when we're dealing with this particular bill that this point should be to the fore. I think that under a bill of this nature there should be an insertion or a clause in the bill to give to the superintendent of insurance as a right to review rates, of the automobile insurance industry here in the Province of Manitoba.

--(Interjection)-- I appreciate very much that the First Minister has indicated just recently that the Committee on Automobile Insurance will be revived and that certain aspects of it will be under consideration at that particular time, and I trust and hope that there will be provisions in that resolution to consider the very important matter of whether or not we should have a compulsory automobile insurance scheme in Manitoba operated by the public authority. But I regret very much so far as this particular bill is concerned, that there isn't a provision in it whereby the public authority - and I would suggest that it should be through the superintendent of insurance - would have the rights or the legislative authority to look into the question of automobile insurance rates.

We are all aware of the ever escalating rates in the Province of Manitoba. It is my understanding that at the federal level the, I believe they call it a green book, is deposited with the superintendent of insurance or some like authority at the federal level. I do not know whether or not that particular gentleman, whoever he may be, has the right to make any adjustments in the rates, but I would respectfully suggest, Mr. Speaker, that that should be of no real concern to us here in Manitoba because the rates are set for Manitoba, as I understand it, rather arbitrarily by the automobile insurance company just for Manitoba albeit that it may be broken down into different sections within our province.

So I say, first of all, I regret very much that there is not any reference in the bill that we have before us at the present time of making it necessary for the insurance industry to at least deposit with the inspector or superintendent of insurance their intentions prior to them setting the rates within the province. It is my understanding that in the Province of Alberta the government of Alberta has in effect said to the automobile insurance industry, "We have under advisement and we may be legislating to make your rates subject to the approval of the

(MR. PAULLEY cont'd)...superintendent of insurance in Alberta or the Lieutenant-Governor-in-Council." And I say I think the people of Manitoba should receive more protection than they are receiving at the present time insofar as automobile insurance rates are concerned.

Another feature in the bill I don't like, it seems to me that in this Insurance Bill the protection is all for the insurance company. Well, maybe they need protection because they do tell us from time to time they're losing millions of dollars a year as a result of their losses. I had an occasion here two or three months ago to console them in their losses and suggest to them, not as a free enterprise but what -- I claim to be a reasonable type of an individual, if they're losing millions of dollars, for heavens' sakes get out of the business and let us take the losses, because my heart really bleeds, Mr. Speaker, for any industry in Canada as it is faced year after year to carry on business losing such a huge amount of money. But it seems to me that the bill that we have before us is continuing the protection to the agent, or to the insurance industry, and placing undue restrictions really by legislation on individuals who may be the victims in an accident. And I'm referring at the present time now to the clauses in the Act that we have before us, Mr. Speaker, that if you and I happen to bump into each other with our motor vehicles, I can't say to you, I'm sorry Sir, it was my fault. By legislation I can't do that. I can't voluntarily, even if I am in the wrong, suggest to you, by such terminology in accordance with this Act, that I'm sorry, because this might be construed by a court -- I presume that's the objective behind it -- that I'm admitting guilt on behalf of the insurance company who may be covering my vehicle. This would be a real crime, would it not -- I might be a gentleman, sometimes I try to be, and say to you I'm sorry, Mr. Speaker, that I dented your bumper' or something to that effect, an admission of guilt which would give our legal friends - possibly deprive them of the opportunity of arguing it before a court at huge cost to the insurer, of the fact that we at least attempt to be gentlemen, but we're legislated against being gentlemen.

Another part, and I think this is a very, very vital point in this bill that's being continued, is dealing with the question of the right of the insurer at any time to bring about termination of contract on receipt of 15 days' notification, by registered mail to the insured. I don't know how this originally started, Mr. Speaker, in legislation, but I say basically the principle is wrong. Not only do I say that basically the principle is wrong, that it can be, and I suspect is being used for ulterior purposes. I suggest that if a person continuously has automobile accidents they should be deprived of the rights to be on the road. But I know from personal observations and from complaints that have been laid to me that this particular clause is used on occasions beyond all responsibility or justice. I recall two or three cases that I drew to the attention of the former Treasurer insofar as this aspect is concerned, and even one insurance company, Mr. Speaker, went to the degree of promising by large advertisements that there would be no mid-term cancellation of their policies, for which I thank that particular company. And as far as I'm concerned I haven't had personally any further complaints in respect of them.

But I have had, Mr. Speaker, continually, representations being made to me of companies terminating insurance after the contract has been entered into. And what recourse has the individual concerned got, Mr. Speaker? None. He can complain to the company and the company or their representatives just simply turn around and say that we don't have to explain to you why we cancelled your insurance. Now this is bad enough. This is bad enough. It might be that many would consider that this is legitimate business. Or as one of the epistles of the insurance company that came on to my desk here some time ago, said a person is "likely" to have an accident some time in the future, so therefore we're considering him on the law of averages as being a poor risk. What a way to operate a business! What protection is there to the people who pay the premiums in this particular industry?

And I say, Mr. Speaker, I'm disappointed in my honourable friend the present Provincial Treasurer for retaining in those statutory conditions under which insurances are issued in the province, this continuing clause, the way it is. I would suggest, Mr. Speaker, that if the government feels that they should go overboard in their protection of the insurer, at least they should have in the statutory provisions, a clause something to the nature subject, subject to agreement by the superintendent of insurance. Or subject to appeal by the party concerned so that there is some protection whereas there's none at the present time, except as I understand it, by the generosity or otherwise of one particular company operating here in the Province of Manitoba. There may have been others, Mr. Speaker, that gave tacit agreement on this non-termination factor; I do not know. I only know of one. But I do know, Mr. Speaker,

(MR. PAULLEY cont'd)...that I am continuously receiving complaints from people who don't really know, who don't really know from day to day, whether or not their insurance may be cancelled after receipt of a registered letter. And what is the net consequence insofar as premiums are concerned, Mr. Speaker? One of the first questions a person is asked when they apply for automobile insurance - have you been refused or has your insurance been cancelled? And when you're not able to ascertain why your insurance has been cancelled in mid-term, you've got to answer the prescribed informational document, Yes. Why? I don't know. Ah there must have been a reason. And the second company either will put you on an assigned risk plan at greater cost or less coverage than you had before and you're innocent of any violation of the Traffic Act. The only thing that you did do was receive a registered letter to the effect that 15 days hence you are no longer insured.

My honourable friend from Selkirk laughs. Well he may. --(Interjection)-- Where my office was? My office is right here in this building or down on 248, and if my honourable friend has been in the predicament that my friends have been insofar as mid-term cancellation, I invite him down to 248 so I may console him, because this is all I can do at the present time, Mr. Speaker. I can only console these poor unfortunates that happen to have their insurance increased by 10 or 15 or 20% as the result of their policies being cancelled, and they know not the reason why nor neither has the Superintendent of Insurance the legal right to consider or investigate into the reasons why.

I want to appeal to the Provincial Treasurer to give consideration to this. If they are not, or if the government or this House is not prepared to accept what we in this group, the New Democrats, prepared to accept what we advocate, namely, a system of automobile insurance compulsory and universal in the province with the public as being the protector, if they can't accept that, then for goodness sakes, Mr. Speaker, I suggest it is time that there was some protection, within the Statutes of the Province of Manitoba. First of all, as I said at the offset of my remarks, protection as to the adequacy or inadequacies of the rates suggested by the insurance companies and the second point that I raised this afternoon, is protection from this method at present used by insurance companies insofar as mid-term cancellation without the necessity of a person who is making the cancellation, or the firm making the cancellation, give to anyone any reason for it being done. And as I say, the net result in many cases that I'm aware of have been increased premiums or the loss of the provision whereby if you're accident free for three years, you may have a reduction in your premiums. I think this is vital, Mr. Speaker. There are other aspects contained in the bill proposed by my honourable friend that we will have some comments on possibly when it gets in Law Amendments Committee, but for the time being I raise at least these two questions for the consideration of my honourable friend.

MR. M. E. McKELLAR (Souris-Lansdown): .... just one - I won't be only a minute - the Honourable Member for Selkirk. The Leader of the New Democratic Party made a point on cancellations. As an insurance agent I'd like to bring one thing to his attention in case he does get cancelled at any time, which could happen. If an agent is on his toes there's no reason why anybody should be cancelled. Immediately after he receives this registered letter notifying that he's going to be cancelled in 15 days, all he has to do is package up his policy and sent it back to the company telling the company that he's cancelling the policy and this gets him off the hook. He can immediately go to another company with a clear bill of health. So don't let that bother you in the least. All he needs is a good insurance agent. I can see that right now. I know he's insured with a good company. I know the Honourable Leader of the New Democratic Party is insured with a good company, but there is also one other good company in Manitoba which does likewise, that does not cancel after 60 days. A Manitoba company too with which the Honourable Member for Lakeside and I are closely associated. So maybe if he came out to our annual meeting on the 9th and 10th of February we could educate him a little at that particular meeting.

But I think his fears of what the company's are doing to him in rates - I only wish I had about an hour to educate him on the new rates - it proves one thing that the farmers this year instead of getting a 40% discount, they're going to get a 50% discount. This is one thing I want to bring to your attention. So don't argue about the high rates of the farmers. I think the farmers are going to end up with the same premiums as they were paying in the past. Other changes have been made too. I think they're giving some of the younger, the 16, 17, 18 year olds a little tougher time to get insurance -- but which I think is only rightly so, a lot of the accidents are caused by this group -- but the 21's to 25's are getting a little better break so it

(MR. McKELLAR cont'd)....balances out that way. It doesn't pay to be young.

But I think before we criticize the insurance companies that have did business in Manitoba with all their citizens of the province, I think we have to look at both sides of the story, and I think this is where this committee that's going to be set up, this is where we can hear the pros and cons of the insurance as it exists in Manitoba today in the automobile industry. I only hope that everyone associated with the industry and all the people who are buying automobile insurance will come and express their views, because only then can we get both sides of the story. I think you and I -- at least we were on the committee last time -- I only hope we're on again this time; I don't know. But I'm sure that we will both be better educated after this Committee sits and come in with a report on their final hearing.

But I don't think we want to kid ourselves Saskatchewan's got the best plan by any chance because if they did have the best plan there would be some other parts of Canada or the United States following in their ways and up till now very few people have considered it justifiable to come up with a similar plan and have gone along with the industry that exists. I do think though that some things can be done for the travelling public in the insurance industry and I only hope we can come to some conclusions that may be of help.

B. C. are meeting at the present time; I think Ontario met last year and I think Nova Scotia met a year ago too, so with all their findings I'm sure we'll come up with a real good report.

MR. PAULLEY: Mr. Speaker, I wonder if my honourable friend would permit a question? Does he really believe that an industry of the magnitude of the automobile insurance or its agents should use such devious gimmicks of beating the fifteen days under registered letter to another agent. Does he really think that this is ethical or proper?

MR. McKELLAR: Well I'm not saying whether right or wrong. All I'm saying is it should never happen to an individual if he's got the right agent working for him.

MR. SPEAKER: ...that important point. It has been moved by the Honourable Member for Selkirk, seconded by the Honourable Member for Lakeside that the debate on Bill No. 3 be adjourned.

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

MR. SPEAKER: Adjourned debates on second readings of bills. Bill No. 6, the Honourable Member for Logan.

MR. LEMUEL HARRIS (Logan): Mr. Chairman, I find myself in a quandary here. Pending further information, I beg the indulgence of the House to have this matter stand. However if anybody else wishes to get up and speak it's okay with me as far as I'm concerned.

MR. SPEAKER: Does the honourable member have leave to allow this to stand? Second reading of Bill No. 17. The Honourable Minister of Mines and Natural Resources.

MR. EVANS: May I have leave to have this item stand?

MR. SPEAKER: May the honourable minister have leave? Committee of Supply.

MR. EVANS: Mr. Speaker, I beg to move, seconded by the Honourable the Attorney-General, that Mr. Speaker do now leave the Chair and the House resolve itself into a Committee to consider of the Supply to be granted to Her Majesty.

MR. SPEAKER presented the motion and after a voice vote declared the motion carried, and the House resolved itself into a Committee to consider of the Supply to be granted to Her Majesty, with the Honourable Member for Arthur in the Chair.

....continued on next page

## COMMITTEE OF SUPPLY

MR. CHAIRMAN: The Department of Education, Item 1 (a).

MR. JOHN P. TANCHAK (Emerson): Mr. Chairman, I have a few words that I would like to say at this moment. First, I would like to congratulate the Minister. I always regarded him as a hard-working man, and after receiving this White Paper I would like to say that he must have really been working very hard. I wish him success. But there is one complaint I have right now, and I am highly disappointed. Here we are on estimates and only a few minutes ago the Minister presented us with the report on the Department of Education. I really think that we should have had this report in our hands a little earlier because it would have been very helpful to the Opposition, not only to myself but I know to the rest of the Opposition, to discuss the estimates before us at the present time. I am disappointed that we did not get it. I was looking forward to it but we did not get it in time. Therefore there are a lot of things, I suppose, that will have to be raised later on the different items.

I would also wish to express my gratitude to the Civil Service, to the staff connected with the Department of Education. I have always found them very courteous, very helpful, and eager to give suggestions to anyone, whoever comes in and especially to the Members of the Legislature. They are doing a fine job - as good as the government permits them to do, I would say.

I also would like to give credit to the teachers. Most of them are doing a fine job but what I am referring to here, I am vitally interested in all the different Centennial projects that Manitoba has undertaken and would like to commend the many teachers who are taking such active part in organizing these different projects in the Province of Manitoba and I think that they deserve a lot of credit. Some teachers really spend a lot of their time on this and they are the people who could really get these Centennial projects, especially around younger people, to a good start. I give a lot of credit to all those who are working and helping in these Centennial projects.

I also wish to congratulate trustees of the province. We have some groups that are very energetic and they are trying to do as fine a job as is humanly possible.

Now we come to the government. I presume the Minister would like me to congratulate the government on the fine job they are doing. Well, I am not one of those who will say that the government hasn't done anything worthwhile, but I don't think it would be up to me to congratulate them - the government - too highly. In fact, I would like to say that this government, especially in the past, is a government of lost opportunity. The government had great opportunity to do something wonderful for the Province of Manitoba but in the past the government has lost this opportunity, and I say it is a government of lost opportunity to the present time.

Now on Friday before us was laid the Foundation program, and I do not intend to be critical of this program. In fact, I would say that we on this side endorse the principle of this Foundation program - the principle that was placed before us. In fact, our group here has been proposing something on that line for many years and I am sure that the Minister himself knows it. Of course, it may not be exactly the same but along these lines. The Honourable Member from Turtle Mountain previously sitting here, I well remember him trying to convince the government that the only way that the financial burden would be equitably distributed in the Province of Manitoba would be to have a basic mill rate, and that's what the government is doing now, at least in part. And it was our proposition, it was our suggestion at the time. We've been trying to get the government to do it and it is just another example of the government accepting the policies, I would say, of the Liberal Party. They have done quite a few, have accepted quite a few, but this is just one more of these examples.

I mentioned that this government was a government of lost opportunity. It had the opportunity to do something great for education in the past but they have lost it. But I'll come back to the Foundation program. It takes time to digest. The Minister and his staff had a number of weeks and months to formulate this Foundation program; they are well acquainted with it; but we only received it last Friday, and naturally I hope it does work and as I said before, I agree with the principle but it does take time to fully study it. To me it seems - and I'm thoroughly convinced that it is quite an improvement on what has been going on in the province in the field of education up to the present time, and I hope that this program works well as it is intended to do.

There are fantastic sums of money being spent on education and have been spent previously in other years, but I hope that the government this time not only spends these fantastic sums of our own money, our people's money, but the people of Manitoba do get full value for their money

(MR. TANCHAK cont'd.) . . . . this time, because this was not the case since this government took over. There was waste before. The government is just starting to carry out a program in education which the Premier had promised some eight years ago. Maybe it is not similar but he did promise that education would be improved, and even on Page 1, financing the single district divisions, I notice a quotation. The Minister quoted that; it says, "Many of the most dramatic improvements are presently in the process of being realized." It admits that they are just starting. But even if this program does succeed, as I hope it does, in giving equal educational opportunities to every child in Manitoba, the Premier would have redeemed only half of his promise, a promise which he gave to the people of Manitoba some eight years ago, because this program - equal opportunity for every child in Manitoba - was promised by the Premier eight years ago and he promised this program without increase in taxation.

Now what has happened since? Wasn't there an increase in taxation? Every year our taxes went up and up and the taxes are still going up. I would say that the Premier reneged in his promise. Now he seems to be maturing and he is trying to be frank with the people because I have heard him say now that if you people want better services you will have to pay for them. But no wonder. There is probably an increase in taxation again and I am sure that the Premier is trying to be frank with the people because he is conditioning the people of Manitoba for some higher taxes, maybe in the form of sales tax or some other tax. But we may be sure that taxes will go up again and that promise will not be kept.

This year, education will eat up roughly one-third of our estimated expenditure for 1967-1968, and as I said before, spending huge sums of money does not necessarily mean that the desired goal is going to be achieved. In the past few years our money could have brought about better results if the government had had some sound policies and adhered to them. There were some policies but the government chose - and sometimes for political reasons - not to adhere to those policies, and I am not blaming the present Minister because in my opinion he is still a relatively new Minister. And now after eight years of floundering the government proposes a policy - a policy that looks as if it will work. I am not one of those who thinks that the government has not done anything worthwhile. I'll give credit to the government for some good legislation and some progress. But I am sure the Minister will point that out to us. He is quite capable, as we have known from past experience. And I know more or less what he is going to tell us. He will tell us, and he has told us before, that knowledge is exploding in all its aspects. We know it. We can see it. But this does not apply to Manitoba only. This applies to our Canada. This applies to the whole world. We are not the only ones who see knowledge exploding on all sides. It is common knowledge that knowledge doubled itself between 1900 and 1950 and doubled itself again between 1950 and 1960, and it has doubled itself again between 1960 and 1965, and it will not take five years to double itself again. Maybe next year we will find that in 1968 it doubled itself since 1965.

It is exploding. Knowledge is exploding but it is the same in all provinces and throughout the whole world. The Minister will tell us that high school and university enrollment has increased tremendously. I agree with him. I agree with him, but surely the government cannot take all the credit for that because this is happening in every province in Canada and this is happening in every country in the world. It is something that the present day requires, that people know more; and people realize that and they send their children to school. Their children want to go to school themselves. Of course I am not going to say that the policy of the present government didn't help towards it, but not, I would say, not quite as much as the government would like the people of Manitoba to believe.

He will also tell us that the teachers are better qualified now. I agree with that. The teachers are better qualified now. And that the teachers receive better salaries, and I am happy about it and I will agree with that. But this also applies to the rest of Canada and in fact I would say that salaries are more attractive in some other provinces because we are still losing some teachers. So although there was an improvement there's nothing so great to boast about it. He'll tell us about the new technical and vocational schools in Manitoba. A great thing to talk about and a great thing to boast about but I would say that to date the efforts of this government have been just baby steps -- although there has been improvement, but they're baby steps. And I'll come to this later.

The White Paper tells us how much Manitoba will spend on education in the coming year - or the estimates tell us that - and the White Paper tells us how this money will be taken from the pockets of the people of Manitoba. And there's a Foundation program. Now does this Foundation program cover the total cost of all the education - is a question to ask.

(MR. TANCHAK cont'd)

Now I'll divert a little to the estimates. I notice that there's a difference now the way things are being listed in the estimates. Last year we had federal figures - contribution made by the Federal Government to wards education, which of course doesn't involve a Foundation program, but this year we haven't got it and I would like the Minister to prepare a statement of different contributions made towards education by Ottawa. By that I mean in respect to universities and vocational training schools.

Now coming back to the Foundation program. It seems to me that the success of this Foundation program is based on the assumption that all school districts will opt to form single school divisions. It is based entirely on that and in fact I think it mentions that once, that they're basing that. I would like to know what effect non-acceptance of single school districts concept would have on this program. I venture to say it would have quite an effect. I think there would be quite a disruption in that. I hope it doesn't happen, and it may not happen, because I think that it is more attractive, or the financing part of it is more attractive than it was a week ago. The people did not know exactly how it was going to be financed. The Minister states that it is hoped that along with other incentives, the new financial arrangement which will encourage all districts to vote for single school divisions -- the new financial arrangement "will encourage"-- I would say they would be silly not to accept it, because more or less if they don't accept it, they're going to be penalized; they'll be left behind. And by this I'm not suggesting that they shouldn't, because the Minister does know that I have been favouring this idea in the past. But still I don't like stressing this "carrot" -- and I mentioned that quite often along with other incentives. Do not stress this too much, I would say because this referendum I believe should pass on its own merits.

I notice that some news media referred to this financial arrangement as a bribe. I don't think I wholly agree with that. I hope the government does not try to bribe the people with their own money and I'm not accusing at the present that the government is doing that. But there's something - two or three things that bother me and I had my ear to the ground as far as this March 10th referendum comes, it seems to me that the timing was wrong - the referendum date was poorly timed. It should have been held in the fall or during the summer holidays. And I have a few reasons to suggest that. Even here look at the group of good looking and handsome ladies and gentlemen, the MLA's - I'm not including myself in it - all those would have been willing to help in this are presently tied up in the Legislature and this help will be lost. They can't spend enough time on it.

And another reason why I think it was wrongly timed, because this new plan involves enormous expansion in transportation, especially with little children, and people, the parents are quite concerned about the little children and when you have a referendum and you ask the people to vote in favour of single school districts, immediately they say well my children will be taken 15-20 miles -- and when the vote comes in winter, when they have to consider this with our winter conditions still fresh in their minds, a lot of them will be quite reluctant to have their children transported distances, especially when they have to decide on that at the present time. Even now we had a few instances which involved high schools. Children were stalled in the bus last week in my own area for several hours on the road. And that's why I say it was ill-timed; I wish it would have been some other time.

A third reason is that the teachers are expected to play a great part in trying to encourage the voter to accept the single district division and it is quite an extra responsibility placed on their shoulders, especially on our rural teachers, in the mid-term of the year. I don't know whether we or even the Department of Education should have given them, or expected so much from them, because take for instance if some district decides not to accept the single school concept, there could be some disharmony, poor relations between the teachers and so on, and it would cause a little trouble.

One more reason, and that's the final one. Some districts may not be too happy with the boundaries of their district -- and I know for one in my own area they are still not happy with the boundary of Boundary Division - that's the name of our division. They're still not too happy. Originally it started about 100 miles long and 18 miles wide - somewhat shortened now. Maybe the Boundaries Commission will have some suggestions to modifying, enlarging or making some divisions smaller. It may have been advisable to have this report before the vote.

Those are the four reasons that I did mention, that would have been better - of course it's too late now; maybe I shouldn't even have mentioned them.

The new financial arrangement it may be found out may have some defects, but I'm willing

(MR. TANCHAK cont'd.) . . . . to go along with it and see how it works. According to my figuring education will cost the Province of Manitoba about \$12 million more in direct taxation; \$12 million if you take the total assessment of the Province of Manitoba and figure out the tax related to the amount of money that is required, the taxpayer of Manitoba will have to dish out and additional \$12 million. True it may not come from the same pockets. It may not come from the landowner. But who'll pay this extra tax? Still the people of Manitoba. And it seems to me, I haven't had too much time to study it, but it seems to me that this extra load will be carried by our industry, the industry of the Province of Manitoba. Although it says 33 mills on the dollar, if you add the division levy and the special levy -- I hope it doesn't go that high, but it could come to 45 maybe 50 mills on the dollar. But that \$12 million, if I'm correct, I stand to be corrected, will have to come from the people of Manitoba and if it's the industry, I hope it doesn't slow down the expansion of our industry because as we all know, we all realize that our industry in Manitoba is lagging, even at the present time.

I also noticed the White Paper mentioned the tax rebate. The tax rebate is being dropped. And I am happy because this is going to save the people of Manitoba a considerable amount because the present system of tax rebating was too costly regardless of what some of the Ministers would have liked us to believe that it didn't cost so much -- it cost quite a bit. It was burdensome and it wasn't done right in the first place. But I still notice that if any rebate still has to be paid in districts turning down the single division concept, that they still could apply for a tax rebate. But at least the government have conceded that we were right all the time. We've asked the government not to fool around with peoples' money. Let us not play babies or children. Deduct it, have it deducted at the municipal level. Finally the government has seen daylight and agrees with us again. We were right, right along. Why waste the peoples' money if that was the simplest way. So at least now the government will permit the taxpayer to have his tax rebate deducted at the municipal level.

We come to the teachers' salary grants. Here I'll have to say that there's one thing I do not agree with, I'll say that I regret that the government still differentiates between the elementary and the secondary teacher grants. They do that according to this schedule. Elementary grants are lower -- I may be wrong, I see the Minister shaking his head -- I say there should not be any discrimination. Both groups work equally hard and we shouldn't have two classes of teachers here, first class citizens and second class citizens. I notice, or I feel that since this is a Foundation program that the Foundation program should take care of the total cost of education in high school and in elementary. We have been proposing this Foundation program in the past in various ways. We have been proposing the basic mill rate. But when we come to the teachers' salary schedule again, I do not think that this schedule is being realistic. If it's a Foundation program it should cover the total cost, at least as of today; but we all very well know that most of the teachers even at the present time are getting higher salaries than the teacher grant schedule proposes. I know that doesn't mean that that's all they have to get, but at least I say bring it up to today's level and if the government is going to take care of the Foundation program, I think that those grants at the present time are not being adequate because most of the teachers are receiving higher salaries even now. I don't think it's realistic. So to cover this extra teachers' salary, which is absolutely necessary at the time, there will have to be a considerable or substantial local levy to cover the extra cost. So that's another comment as far as teachers' salaries are concerned.

Now I mentioned something before. I mentioned this government is a government of lost opportunity. I'm happy with the proposals of the White Paper but I'm very very much disappointed that this government had a golden opportunity to accomplish great deeds and some of these deeds are just now -- or some of these proposals are just now being given to us on the White Paper. This government is a government of lost opportunity. It's just like the Diefenbaker government in Ottawa of a few years back. This government enjoyed a good majority in this House and they could have implemented their policies and adhered to them. They lost the opportunity. The majority is reduced. The times were good right along. There was an opportunity. They lost it. The recommendation of the Michener Commission instigated by the previous Premier fell into the lap of the present government and they had something to go on. Something that the government is just at the present time trying to implement, this basic mill rate. It should have been done a long time ago. They lost that opportunity.

The government inherited a good financial cushion from the previous government. That's another reason that they had a wonderful opportunity. The Canadian economy was booming, and still is booming, and the tax revenues naturally kept increasing. And this government lost this



(MR. TANCHAK cont'd.) . . . . . golden opportunity to take full advantage of the times, the good times, and the revenues coming in and their own power and policy, they didn't take full advantage. Wasn't this a golden opportunity to do something worthwhile for the Province of Manitoba in education? I say it was. But that opportunity has become a lost opportunity now. This government had that golden opportunity to elevate our educational facilities and our education itself to a first place in Canada, second to none. But instead we are at the bottom of the totem pole at the present time; other provinces are ahead of us. This government lost the opportunity in the rural areas, many of Manitoba, to create ideal divisions as recommended by the Royal Commission in education. I've said that before, and I really am disappointed and regret that, because he could have formed these divisions.

The report did not recommend construction of schools as landmarks to replace the country elevators of such as the Premier told us. They will replace them he said. The Michener Report didn't say that, to replace them as landmarks. These schools were costly landmarks; some of these landmarks are now outdated. Everyone knows this and the Minister is aware of that too I am sure. They are inadequate and some of them may have to be abandoned or converted to some other purpose. Maybe there will be a place for them once this new single school division concept is accepted; I don't know. The government permitted the construction, scatter gun construction I would say of high schools throughout rural areas for they are not doing what they were supposed to do. They are inadequate; they cannot take full advantage of the general course -- in many instances; I'm not saying that all of them are no good, but a good half of them are inadequate. And I would say that some of these schools will be preserved for our posterity as historic landmarks of Roblin government's lost opportunity in education. It was a case of spending millions and millions of peoples money to impress the voter. I do not think they were too highly impressed with that. Sure the schools came up, some of them did a lot of good, but at least half of them in rural areas, especially in smaller areas were misplaced. And what a golden opportunity this government had and lost to be frank with the people, but instead the government chose other means. It did not have a sound policy at the time giving in to the people here -- and at times I've heard, he says well we gave in to the opposition because they demanded it. Where was the government's stand? Didn't the government have a backbone of its own? If the opposition advised them wrong, they have people, or should have people who should know better. Now this is the result of the dismal failure in the Province of Manitoba. In over half of our rural areas we've got millions of dollars wrongly spent and no wonder our education costs are going up and soaring every year. There could have been money saved on that.

Now the most glaring example of lost opportunity is that this government failed to take full advantage of the Federal Government technical training grants. We all know that. Here in Manitoba in the past -- the Minister shakes his head -- I'll give him credit that now the government is doing more about it, but in the past they failed to do it. And Manitoba is now feeling the effects of this provincial lack of enthusiasm far in this respect. We're feeling that. Now the Minister of Education is promising more action, but the Minister of Industry is conducting a vigorous drive to recruit skilled labour from where? From Europe, from France, from Britain. I have nothing against those people coming here; we need them because we're short of them. But I suggest that if the government would have done it's own homework it wouldn't have been necessary for the government "now" to go out and get these people; we'd have had enough trained men of our own young boys and girls to fill these positions; but the government was lagging in this. This lost opportunity in the last six years will never be recaptured. It's gone. And I would ask the government to look to the future and at least I hope they're on the right track at the present time. This government lacked long range planning in the past; it lacked good leadership, and thus all of Manitoba lost the golden opportunity to give equal educational opportunity to every child in Manitoba at as low a cost as possible. We'll probably get it now as close to equal opportunity as possible, never be a 100 percent, but at a higher cost because there was a lost opportunity. The remedy now may be very costly. The government knows it and is conditioning the people for higher taxes, probably sales tax. I say that money will never justify this loss of golden opportunity this government missed.

MR. DOERN: Mr. Speaker, I'd like to begin by commending the Minister and the members of the Department of Education for attempting to make some forward steps in education in this province. I think they have done their best. I do not agree with everything they've done but I think they have made progress. I'd also like to commend the trustees of this province who are faced with considerable difficulties when they attempt to negotiate with teachers and when they

(MR. DOERN cont'd.) . . . . attempt to improve education in their respective areas. I would like to pay a tribute to the teachers of this province who are fighting through their professional society and in their divisions in trying to educate the public to the importance of education and to the necessary changes that are required to bring our educational system up to date.

I myself, of course, am very interested in education and I have been chosen, I suppose, perhaps by default, to be the major spokesman, or at least one of the major spokesmen on education for the New Democratic Party. I have a great interest in education because I feel it is the key to the future and of course I did work for five years as a professional teacher. I may return but I haven't made up my mind yet. This year I am on a leave of absence. And I've had some experience in education in this province. I was fairly active in the Manitoba Teachers Society and I have taught in four divisions in this province. I first taught in the constituency or in the division of Emerson Consolidated -- I don't know if it was the first year it was consolidated or not but it was in 1960 and I can recall at that time as a matter of fact the second year it was in effect, I was a permit teacher, which in a sense is a lowliest of the low, and I remember very well that the present Minister of Health came out to the new school building, I remember speaking to him briefly at the time, he made a speech opening the new school. That was after I got my Bachelor of Arts Degree. I was working a year to raise money because the fact that the government does not supply adequate grants and bursaries so that some students can continue their education. I also might point out that I worked three years before I went into the University because the government again has fallen down in that department. And I might add further that I still owe my father money from my university education which stopped formally four years ago. -- (Interjection) -- I think he wrote it off too.

After I returned for work in post-graduate studies I then started in my sort of first official year, I took the twelve week program, which again is not considered the most desirable way of taking your degree in education but I had to take it because I couldn't afford anything else. And the result is that I took my first job, sort of officially after my experience at Emerson at Stonewall in the Interlake region, the very region from which the present Minister comes from. -- (Interjection) -- Agriculture? But I believe the present Minister was from Gimli and they were in that division too, weren't they? Just a suburb, O. K. After that I taught in the division of River East which combines East Kildonan and North Kildonan; and finally in that most glorious of all divisions which has the distinction of having a Leader of the New Democratic Party - Transcona-Springfield.

Now, when we look at the White Paper on education which the Minister presented on Friday, I think we can see things in it that are both good and bad. I have a number of clippings from the newspapers and I'm going to read part of my information from the articles written by the Tribune's education reporter, Robin Taylor. I like his first sentence in his column on Saturday where he says - this is his headline: "White Paper Disarms Critics." And his first sentence says that for the time being at least Premier Duff Roblin seems to have disarmed the more knowledgeable critics of his government's education policy. I spoke to him about this and he said I wasn't referring to you I was referring to the trustees. I guess that means I'm not a knowledgeable critic. But at any rate, I think that was the first impression. The paper does look good in general and it is good in many ways but it also has some very serious defects. I hope to deal with a number of these particularly in terms of policy and some in terms of financing but I'm going to leave the bulk of this to my more able colleague on questions of finance and municipal taxation, the Honourable Member for Seven Oaks.

In this article, another article which was on the front page of the Tribune, the Education White Paper on Saturday - or let's see now the 20th of January, I guess that was Friday; Friday's Tribune. A big headline: "Tax Aid Promised for Homeowners and 95 Million needed for Foundation Program." And inside the paper and a continuation of that article there are eleven main points that the reporter plucked out of the White Paper. I'd like to comment on them first generally and then go back and look at them specifically.

The first point is that the new Foundation Program, these are highlights of the paper, the new Foundation Program to pay 100 percent -- sounds pretty impressive -- of basic primary and secondary education in all existing or future single district school divisions in the province. Well that sounds pretty impressive and it is pretty impressive, but there's only one thing wrong with it. And that is of course something we haven't been told, something the Minister will tell us in the near future, and that is exactly what is included in the Foundation Program. Because he spells it out in general but we don't know which of the special services he's going to include and which of the special services, so called special services, so called extra services he's

(MR. DOERN cont'd.) . . . . going to exclude. But he says in effect, and the government says in effect, they're going to pick up a 100 percent of the basic cost of education. Basic by their definition. And just in general, these special services -- things like guidance teachers, art teachers, physical education instructors, music teachers, teachers who teach the deaf and the handicapped and the retarded and the gifted and special supervisors, etcetera. I think there is something like two to three hundred people like that in the Winnipeg School Division. These are called supernumeraries, and I'll be dealing with that now and later again. In other words these are felt to be special services. The government is undoubtedly going to cover part of these, a portion of them. They are making an improvement but my contention is that they are not going to go far enough.

So if we look at the general implication of this paper -- and there is a lot of fog there and of course that is not surprising since the White Paper is not complete -- but we can see through the fog at certain things, we see certain things. But it's pretty foggy in other areas. So all we can say is right now the government has laid down a foundation, explained its taxation policies -- which is a 65 - 35 split -- they pick up the 65 percent the rest of us pick up the 35 percent -- and then they say anything you want beyond that is extra. You pay for it. Now I think that if we apply this to the province as a whole we see the following situation: If we look at the rural areas and some of the suburban areas I think we can say quite definitely there will be tremendous improvement in their services, especially, and perhaps only, if they adopt the single district divisions. If they follow the plan of adopting a single district division, and all I can say is this -- I say this particularly with comment to my friend on the left, the Honourable Member for Rhineland -- there is a very large "carrot" here and there is a very big stick, and the rural members in this Legislature are going to be in a real dilemma -- if they advise their people not to support this then their people are going to suffer. And of course they might not want to advise their people to support it so they're going to really be in a trap. But in general this is very much going to benefit the rural area. They are going to be upgraded considerably. And some of the urban areas who have single districts but they are really not implementing too many special services, they will benefit, and those urban areas that are not consolidated, they will benefit when they do consolidate.

So I am happy and I am pleased with the effect of the Foundation program on the rural areas and many of the suburban areas. I am not so happy at all with what this is going to mean to some of the urban divisions or suburban divisions, because they are in a sense leaders in education. They have the advanced programs, they have the resources of course. But they have the progressive staff and they have the progressive thinking, and of course they have the money, and so they can afford better than the rural areas I suppose to finance some of these more costly programs. But let me say that they do it at considerable expense to their own taxpayers. So the point is that in general for the rural areas good -- the White Paper spells out big things for them and we're, or at least I'm in support of it -- and in terms of some of the urban areas well it is not much of an improvement fellows and you will soon find out.

Another point in this article in the Tribune says, the second point they pick out of eleven highlights: "Financing of the program to be met 65 percent by Provincial Government and 35 percent by local taxation." Right and good; however what about the special services? Third point: "Local taxes for Foundation program to be raised this year by uniform 9 mill levy on farms and homes and by 33 mill levy on industrial and business property and apartment blocks." And I think that's a pretty good point too, because it means in effect that the industry of this province, which is largely located in urban areas, their wealth will go to the entire province. This will be beneficial; it will be distributed around. And then it says, the fourth point: "All costs above those paid by the Foundation Program are to be paid by special levies imposed by local school boards. That makes me very unhappy. Because the Minister is saying in effect and the government is saying in effect, if you want guidance teachers and so on, they are something extra. The implication is, the implication -- although I know it is not their intention -- but if you want to translate this it means: We don't think this is important or we don't think this is an essential or an integral part of an educational program. Well maybe they do but I don't. If we don't have good guidance teachers in our schools and we don't have good music teachers and good physical education instructors, what's the sense of building these elaborate schools? The government fills up the Province of Manitoba with large beautiful high schools with marvelous gymnasia, and then where are the physical education teachers for them? There aren't any.

A guy like me goes out to Emerson and I walk in there and I've had a considerable experience in physical education but I'm not a professional phys. ed. teacher, and I'm given the

(MR. DOERN cont'd.) . . . . physical education program. The government brings out test projects, they are going to test programs in the most unscientific manner I ever heard of. I walk into a school and I'm told that I'm going to conduct a pilot study in British History. I never studied British History at University. It's my first year of teaching. I'm given a university entrance class and in the same classroom a general class at the same time and I'm given a general sort of idea of what I'm doing but in effect I don't know what I'm doing. I do my best, I do my best; but should they pick me, a brand new person who never studied British History to conduct a pilot study in British History? Well they did. This is the kind of scientific research that this government conducts. In fact I'm going to say a great deal about that. They're going to spend in this province a hundred million dollars on education -- all of us -- and the amount of money on research is absolutely nothing. We've got a couple of people in the Department of Education valiantly attempting to conduct research. It's a joke, an absolute joke. There's some research being done in Winnipeg mainly for the Winnipeg Division; there's some research being done by the Manitoba Educational Research Council, if I'm spelling it out correctly -- or MERK -- but what about the Department of Education? Has anyone ever heard of a hundred million dollar industry that never spent more than a couple of hundred dollars on research? That's hardly progressive. They should at least be spending, at least, a couple of hundred thousand dollars -- and maybe even a million dollars. About one percent on research. Sure, we adopt research done in San Francisco; we adopt research done in Ontario and we try and force it into Manitoba. Is it suitable? Is the research in San Francisco suitable for rural Manitoba? Well let the Minister answer that.

So anyway the Minister tells us in this paper that if you want something extra like guidance teachers and so on, you pay for it. Well my conclusion is very simple. I don't know how much the government should pay for services beyond the Foundation program, I don't know. Maybe it should be 65 - 35 there too on approved programs; or maybe it should be 25 - 75 or 10 - 90. But I think that the Provincial Government should pay a portion of the costs of these so-called special services. I don't know what percentage but they should definitely be paying some percentage.

Now some other points in this eleven point program: They talk about the abolition of the existing school tax rebate in areas operating as single district divisions. Thank heaven! So they give you back your fifty dollars. What happens to that fifty dollars? Does it go to education? No. The homeowner gets the fifty dollars and he says "Hurray I got a cheque from the Roblin government and now I can go and spend it. Hurray for the government, they gave me fifty bucks." They gave him his own fifty bucks. And then what happens to education? So every homeowner in the area is paying fifty dollars less taxes so the school trustees look at their budget and they raise the taxes by fifty dollars. That's what happens. And then the Department of Education and the government says "We gave you back all this money and we're counting this fifty dollar rebate in education -- we're counting it because it's, you know, ten or twelve million, whatever it was, and it should be included in what we spend." It never went for education or very little of it went for education. So I'm delighted that that stupid system is thrown out because it was stupid and I'm glad that they have seen the light there.

Another point: The retention of the rebate in areas that in a referendum in March do not vote in favour of a single district division these areas will not enjoy the benefits of the new Foundation program. And I have to go on my memory here but I think they're not going to get the fifty dollar cheques, the municipalities will get it or something and use it -- it won't be the old fifty dollar rebate -- not in the same fashion of cheques from the government -- at least I think that's what it is.

Then another point: Higher government grants to pay for teachers' salaries. These grants will not necessarily match salaries actually paid. I'll say something about that in a minute. Large increases in maintenance administration and supply grants -- yes -- if, if all your teachers correspond to those recognized by the department. If you have supernumeraries you don't get a percentage of maintenance for those people at all. That's how we're getting penalized in these so-called progressive divisions -- not so-called but in fact progressive divisions. Then one hundred percent payment of approved cost of school buildings and school budgets. That sounds tremendous; and it is tremendous, it is an improvement. But the joker there is the word "approved." What if you want a visual education room? You want to build it and the government says we're not approving that so you have to pay for that yourself. So we're worried about what do they mean by approved costs of school buildings and school budgets. They're making an improvement. We're delighted that these referendums on money by-laws

(MR. DOERN cont'd.) . . . . are going by the boards -- at least I'm delighted -- but the question is how far will you go, Sir?

And then two last points here: Expected cost of Foundation program this year is ninety-five million, and this is five million dollars more than the total budget of all school boards in 1966. That sounds very magnanimous. I'll deal with that in a moment. And the appointment of a public school finance board to administer and supervise the Foundation program in single district divisions. I think I'll leave that to my more expert colleague. He'll say a few things on the fact that there is going to be a public school finance board.

Now I would like to translate, if I can, what some of this is going to mean to the average homeowner because I think that -- I don't know if I'm going to now frame an average Winnipeg couple - or not an average Winnipeg couple, an average Manitoba couple -- they would probably consist of the following: a married man and his wife, probably young because the average age happens to be lower than most of us in this Assembly, and probably with one or two children, and probably in the four to six thousand a year bracket and in the urban areas if not in the rural -- probably lesser in the rural -- but in the urban areas in the sort of twelve to fifteen thousand dollar home -- you know the old twelve hundred down and thirty year mortgage -- that sort of a set up, that's the average kind of couple as I see it. What's this going to mean to them. How much money are they going to save and so on. Well I'd like to look at an example since I am a representative of a Winnipeg constituency, the constituency is Elmwood, what this is going to mean for example to a person living in the City of Winnipeg. Well at present the Winnipeg assessment for education is 34 mills. That's very high. And I'll tell you why it's high. It's high because of all these supernumeraries. It's high because Winnipeg has to raise money to pay salaries beyond the schedule. It's high because the provincial government gives less and less money every year to the City of Winnipeg. Our budget this year is \$28 million; the provincial government is going to give us four - you know, they give us less every year. They say, "Your ability to pay increases so our grant reduces - decreases." Well, every year they give us more and every year taxes go up and every year Winnipeg tries to lead and every year Winnipeggers pay for it. The real terrific deal. So Winnipeg's assessment is 34 mills which is probably the highest in the province although I could be wrong there. -- (Interjection) -- You're higher? We have school districts that are much higher, says the Honourable Member for Rhineland. And under the present setup we're going to get a 9 mill levy, general levy, on homes property across the province. I don't think this applies to farm homes; it's unclear in the paper but I don't think it applies to farm homes. It applies to homes in cities, etc.

So Winnipeg, by reading this paper, is probably going to pay a high special levy given their new Foundation program, which everyone will greet with open arms, at least initially. They're going to have to pay a high special levy and the Minister in his paper says some divisions will pay 15 mills, and I think that he's probably thinking of Winnipeg and a few other areas. So instead of 9 mills they're immediately going to pay 15 mills and that means 24 mills, 24 mills compared to 34 mills. What does this mean to the average family, this man and his wife, this young couple with two children living in their heavily mortgaged twelve to fifteen thousand dollar house, earning \$4,000, \$5,000, \$6,000 a year? Well, if the assessment on a house like that is about \$5,000 - and I'm told that's roughly what the assessment would be - and if they're going to save 10 mills on \$5,000 assessment, this means they'll save \$50.00. Well that's not bad, you know; \$50.00 is \$50.00. The only trouble is they're losing the rebate. So they think they're going to get a reduction, they're mistaken. They're not getting any reduction; they're going to be about the same as they were before. They're not getting a rebate under the new system, and they're not saving \$50.00, so the result is that they will have roughly the same taxes as they did before. They will break even. And of course people who have an assessment of say, \$4,000, they would be saving \$40.00, but of course if they had gotten the old rebate they would have been ten bucks ahead. But they're not; they're not getting the rebate; they're not getting that stupid rebate, but they are going to get the increased cost and a special levy and so on, so instead of being 10 bucks ahead last year under the old system, they are now 10 bucks behind.

Now, a very important thing in this whole paper, and we just don't know the answer - and the Honourable Member for Seven Oaks and myself have been racking our brains on this one - we don't know what the government's going to do about the student-teacher ratio. This is really crucial. The present ratio is 35 students in elementary for one teacher and 30 in high school for one teacher, and we want a reduction in this and the government says its going to

(MR. DOERN cont'd.) . . . . give us the reduction. The key is, how far is the reduction going to go? A class of 35 people in elementary school is impossible -- sorry, I've got it wrong; 30 in elementary and 25 in high school. That's the present setup; 30 in elementary, 25 in high school. You notice I repeat myself a lot. That's because I'm a teacher and I'm used to teaching and you'll have to forgive me because it's a habit that's ingrained. I'm also saying it for my own benefit so it registers. But this is really crucial. This is really crucial because we want a big reduction so that say an area like Winnipeg can at least benefit. Maybe one way of Winnipeg getting around it is to accept the new reduced ratio but then to keep the old ratio students in the class room and use the extra money so-called for hiring supernumeraries. In other words they won't maybe reduce their ratio at all. They'll get more money but they'll use it to pay for supernumeraries.

Now a part that I really like here is on Page 4 of the White Paper and it's at the bottom, if I might read three sentences: "Some indication of the order of magnitude of the change is given by our estimate that the new Foundation program would total about \$95 million in 1967 if all districts opted to form single district divisions. This compares with an estimated total for all primary and secondary school budgets in 1966 of \$90 million. The new Foundation program in 1967 would exceed the total of school costs in 1966 by \$5 million."

That sounds very good. You know what it sounds like? Sounds as if the province is paying for the entire costs, the entire costs of public and secondary education in Manitoba. I mean that's the way they put it together. It says we pay \$5 million more than the total cost last year; therefore it sounds as if we're going to pay the total cost this year, throw in 5 million bucks more and the result is that of course we're covering the whole thing. Well of course this isn't true and of course the Minister didn't intend to deceive us in this section but it sort of comes out that way, nevertheless.

Well I've done some figuring here and I have some pretty interesting statistics as to just what the province is going to pay and what it has paid. 1966, the total costs, the total costs of public school, primary and secondary schools in Manitoba for 1966 were around \$90 million and the government gave \$38 million in grants. That's 42 percent of the total costs last year. Now, they want to include their rebate; they want to say, and they keep saying it over and over again, "Don't forget the rebates, fellows, \$12 million because that makes \$50 million and that's 55 percent. Well, I think they'd have to put up quite an argument there to get me to accept that point and I won't accept it. But I can accept it theoretically for the sake of argument because even on their figures they pay for 55 percent. On my figures it's 42. Not just my figures; talk to the trustees, talk to the teachers, talk to people who know something about education and they will say that it's only 38 million not 50 million.

Now this year we don't know, we don't know - maybe the Minister doesn't know either - what the total costs of education are going to be. We know that the Foundation program will cost 95 million, but what about the special services? What about the special services? We're not sure of how much the special services are going to cost, the total bill for everything in this year, but I think we can guess that it might cost a few million more. So I would like to use a figure of 105 million, an extra 10 million. That might be high but it might not be. So if we look at what the province pays, they're going to give us - if you read their white paper - they're going to pay 65 percent, 65 percent of 95 million; that's 61.5 million. That's their total contribution. They say that's 65 percent of the Foundation program. Right. But that is only 60 percent of the total costs so how much more did they really give us?

In 1966, on my figures, they gave 42 percent of the entire cost of primary and secondary education in Manitoba, 42 percent. On their figures, which they will valiantly argue for, they gave 55 percent. And I think on both of our figures, and I think the Minister will agree with me here - I'd be interested to hear if he doesn't - they will pay 60 percent of the total costs or 65 percent of their Foundation program. So really, on their own figuring, if we want to use their statistics and I may as well use them since it's even worse against them, they are only giving 5 percent more. They paid 55 percent of the total cost before, now they're only paying 60. Let them talk their way out of that. But of course the government is giving more money and of course they are giving a bigger percentage and we like that but it's not good enough; because they gave last year, last year using their own figures, I may as well keep using their own figures because it sounds worse, they paid \$50 million. \$12 million of that was rebate but they're going to use it so I'll let them use it. And this year they're giving 61.5 million. That's 11.5 million, and that is an increase of about 22 percent -- 22 percent. And what will be the whole cost - I just got lost here for a moment - what will be a whole cost of last year compared to this year.

(MR. DOERN cont'd.) . . . . Well it was \$90 million last year for primary and secondary total, and I'm saying it will be about \$105. It's more than 95 because they're paying 95, so it must be 105 or more. Now that is an increase of 17 percent. In other words, the actual increase is 17 percent and they're going to give 22 percent, so again, I must be right, in other words, they're paying 5 percent more. It looks as if they're paying a fantastic amount, but it's 5 percent according to their own figures. But of course they're going to shift it around in different places and of course Winnipeg will get more money and so on and so on, but I think the whole picture is not quite as glittering as the Minister would lead us to believe or as he honestly himself believes. I'm sure that's the case, that he honestly believes that this is an excellent program. It is excellent in some places but it's not quite as good in others.

Well, Mr. Chairman, I have more to say on this White Paper and I have a lot more to say on the Department of Education but this seems to be a logical place to stop because I'll simply pick up these points later in the debate and I think I will make my points when I have a chance to.

MR. EDWARD L. DOW (Turtle Mountain): Mr. Chairman, my first words in regards to the debate on the education estimates have to be words of congratulation to the Minister and to the department for bringing down a basic financial program for our educational system in Manitoba. This is something that in the past number of years, particularly on two commissions that have studied the financing of municipal and educational facilities in Manitoba have come down with practically the recommendation that we should have a basic mill rate spread across the board. So I have commendation for the Minister in bringing down this, what he calls a revolutionary system of financing education. He asked for certain words of criticism or guidance or whatever you wish to put with it and I have a few that I would like him to take into consideration in fulfilling this program.

My first thought is the Foundation program if it bears a realistic cost at the present time, or whether we're walking into a system that is going to get us into what we had been before, an escalating system that's going to end up in the sort of financial chaos that we've had in the past number of years with our system of education. If our Foundation program is realistic, if our program is current, with the actual costs, and there is one thought that has been broached in many fields that at the present time with the 35 percent of the cost of education being charged to the real taxpayer, the economists say this is the maximum; 35 percent is the ideal cost or the maximum cost to be charged to real property.

True, each division should be subject to special frills and so on if they so desire, but I'm wondering, Mr. Chairman, if some consideration should not be put into effect as to a maximum in regards to special levies. If you follow the tradition of municipal financing over the past since Manitoba was formed you find that municipal councils are restricted by a maximum charge and I'm wondering if there's any merit, somewhere along the line, I'm not suggesting what amount, but I'm suggesting that I think it would ease the tension in regards to taxpayers if they knew that the amount could not be more than a certain figure.

I have some reservations in the detailed administration of the Public School Finance Board. Maybe it's my characteristic that I'm skeptical of these boards as they're formed seem to take the prerogative that they are the final say and everybody else has got to wait - and if this Public School Board is going to follow the actions of our Manitoba Hospital Commission Board, then I'm going to suggest to the Minister that his department is in dire trouble.

If you go back and check the actions of this particular board, the Hospital Commission Board, you find that budgets are prepared quite early in the fall, a Board has certain ideas and certain actions that they would like to take and the New Year starts and they have to put this into application, and sometimes it's two months, three months, and sometimes longer before the final remarks come back from the Board that they have reduced your budget, and so at the end of the year in some cases these particular institutions like hospitals, find themselves in a difficult position. So I suggest to the Minister that pretty rigid control be set with this board, that these budgets, as they approve them, get back into the taxing position in good time so that the various municipal corporations can levy the taxes in good time and get them out. There is a difference that's advantageous. Some of the cities issue tax certificates at discounts where these monies can be paid in at the first of the year. Now others offer discounts when they're paid; others put their tax notices out later. So you got a variety here and it affects them all and I think we should take the ones at the first and so some control should be set up and I would suggest to him very quickly that it should be positive when these budgets are approved and when they get back to the proper forms.

(MR. DOW cont'd.)

I do have some concern, Mr. Chairman as to whether this figure of 33 mills for non-revenue bearing property is good or not. I accept the principle that commercial enterprises should pay a higher contribution because then in turn this is turned back to the consumer and he's going to pay it anyway. But I'm wondering are we out of line with this figure in regards to other provinces? If we take the figure of 33 mills and the unknown quantity of the special tax, we could be up to a very substantial figure - 45, 50 mills or higher. Now the industry that is here have to accept the burden or get out; but when we propose this type of tax against industry coming into Manitoba, is this not a point that they will take a look at? It means in large industrial plants it runs into a large sum of money and I'm wondering if this figure, this relationship is good for the future development of our province.

I have checked with many taxpayers over the weekend and I have found very little dis-sension when it's worked out in my feeble way, whether I'm correct or not, that in the western part of Manitoba and particularly in the constituency Turtle Mountain, the final tax paid by the taxpayer for education will be relatively the same or a small reduction and I find no quarrel with the taxpayers on this, taking into consideration that they feel that the increased experiences, the increased results from a better system of education they are quite happy - the fact that they have come out now with a more or less stable system of taxes for schools.

One or two things came up, Mr. Minister, that I think would be advantageous to publicize. As you know, all the people of Manitoba are not in the position that they have paid their taxes for 1965 and 1966, there are some still outstanding, and a concern comes up now that if we vote for the single school board division and the tax rebate is stopped, what effect does it have on our 1965 and '66 taxes? I know myself what I think should happen and what will happen but I think from the department it should be publicized the fact that when these people pay their '65 and '66 taxes they can still claim their rebate.

A few practical suggestions, Mr. Minister, that I have had brought to my attention in the past few weeks. I don't think any taxpayer begrudges the fact of paying taxes providing he thinks he's getting value for the dollar and there is one figure that he would like to have. The Department of Education through the years persist in establishing for publication there are 8,000 people wrote a history examination in Grade II and 75 percent passed. Well I'm not too good in mathematics but I could take that sheet and I could bring it around that I could find that there was only about 25 percent of the people that wrote the exams in total didn't pass at all. Surely the department can publish this fact that there was X number of pupils wrote Grade II and there was X number of pupils passed their grades clear. Now this would give the person that's paying the tax dollar an indication that what he is paying for he's getting that value for his money. I would suggest to him that this might be a little thought that he could pass out to the general public.

We're right in the midst of winter now, and we've had some dirty little blows, and we've had some little trouble in the transportation of pupils in the rural areas. One or two things that personally I would like to see compulsory in our transportation system is that we have a two-way radio system in these buses. A week ago Sunday there was a school bus moving a group of children for some exercises between schools and the driver slipped off the road because of visibility and he was two hours before I came along and stopped and I finally got some truck service out to get him out of the road. But I think a two-way radio equipped with school buses would be a safeguard to the pupils in the buses.

Another little thing -- these are all small I realize, but I think we're thinking of the safe-guarding of our children. Why not put an auxiliary heating system in our buses as a compulsory measure particularly in winter travelling. When you realize these children are driving long miles, they get in the buses with clothing that are suitable for the schools and suitable for around the schools, but they are certainly not suitable to tramp the prairies and I think some way in the setup of what is necessary for proper transportation that a compulsory heating system as an auxiliary be put into buses.

Mr. Minister, I have other remarks I may make along in your estimates, but in general I feel that this is a good approach to education. I know there will be some pitfalls but I say here, good luck to you in setting it out and I hope that the result is that we have still a better system of education in the province.



MR. SPEAKER: The Honourable Member for Seven Oaks.

MR. SAUL MILLER (Seven Oaks): Mr. Chairman, I'd like to first off congratulate the Minister for bringing in this White Paper. It's long overdue in Manitoba, certainly. Above all I think I'd like to congratulate the Department and the Minister and the new Deputy Minister, Dr. Lorimer. I look forward really to seeing whether Dr. Lorimer, whom I know and whom I admire greatly, will be able to withstand what has happened in the past to many good men who have entered this Department of Education. They seem to be ground up by the system. I'm hoping that Dr. Lorimer can withstand that and assume the leadership which he should and perhaps drag the government, perhaps kicking and screaming into the second half of the 20th century.

Having made that compliment I should go on to the White Paper. We have filed with us, or tabled with the House on Friday a White Paper. Now when a White Paper is introduced it gives the impression that it is a startling new document, something so completely different, a new approach, so to speak, to education. But in fact, it's not all that revolutionary. It recognizes what school trustees, municipal councils, teachers and other knowledgeable people have been saying for years, that the burden of taxation has to be removed from the shoulders of the homeowner because education is not a service to property; it's a service to people; and to the extent that we have a good and efficient and progressive educational system we will prosper and we can't do it by imposing the load on the ratepayer. Everyone agrees to that. The First Minister has often said it publicly but it's one of these areas somehow where everybody says it is a good thing but no one does anything about it. Now there is an attempt -- and I'll just call it an attempt because it certainly is not the final solution. When reading these white papers or any new formulas, statements of intent, there is a danger -- the danger is that the reader reads into it what he would like it to be. And when I first heard the Minister read this statement I found that I could very easily have been swept up by the cadence of the speech and by some of the suggestions made within the white paper and I might have been carried away by it, by the broad generalities of it. But let's face it the broad generalities are one thing, the specifics however will determine the success of this program. Basically we have two features in this program which merit looking at. One, it says in the paper that since the foundation of the entire educational system is primary and secondary education, it is necessary that we continue to improve the quality of this primary and secondary education. This is the purpose of the Foundation program. The second one is a more equitable taxation and the financing of it.

Now in a sense we have always had a Foundation program. The question is how realistic is this program. How progressive is it. Over the weekend in talking to people and reading the press I fear that we may be fooling ourselves into thinking that this is really far different than other so-called programs, because the Foundation program is really a sum of money. It is not a content, it is a dollar figure. A dollar figure which the government has taken based on costs in 1966. So that although the Foundation program does break new ground in that it accepts the concept of the differentiated or graduated tax levy - and in that regard it is a step forward - and it does establish a percentage of ratio as between provincial and municipal, it determines that with a 65 - 35, and it fixes that amount by statute and to this extent it differs from others. But insofar as a Foundation program is concerned the foundation really is not tied to content nor to program as I say but rather to the amount of dollars in any given year, the idea being in reverse that if you spend X dollars the by-product may be good content instead of the proper way, I think, which would be that you gear the amount of dollars to the content itself.

Now the idea of a ratio of between 65 and 35 percent, 35 to be borne by the municipality, 65 percent by the province, is of course applicable only on a provincial over-all basis. It does not mean that in every school division the province will step in and pay 65 percent of the Foundation program - and I think the Minister I am sure will agree that this is so. The grant formula will pick up 65 percent of the total of the Manitoba costs, not the specific individual costs within an individual division. In some divisions it will vary. In some divisions the Province may pick up over 65 percent of that division's foundation program costs; in other areas it will pick up less than that division's foundation program costs. If I am wrong I certainly would like to be corrected. So that really the percentages are being applied to a predetermined figure, a figure which as I say the government has established as 95 million dollars for 1967. Now we are told this is an increase of five million dollars over 1966, because that is the amount spent throughout Manitoba in 1966. But is this a realistic figure? And since the dollar figure is the key to the entire Foundation program let's examine whether 95 million dollars is in fact realistic,

(MR. MILLER cont'd). . . . whether a five million dollar increase over the preceding year is something that was pulled out of a hat or whether in fact it is a figure which bears examination.

Now the newspapers tell us that by and large across the Province the increases in teachers' salaries this year range -- or the request for increases range anywhere from 10 to 20 percent. Since about 70 percent of any school division budget consists of teachers' salaries, assuming the \$90 million of 1966 to be correct, then 70 percent of that would leave about \$63 million consisting of teachers' salaries. If the newspaper figures of 10 to 20 percent are valid, then even if it's only 10 percent the rise would be \$6 million over 1966. If the figure is 20 percent the rise would be \$21 million. There's also this fact: in the last eight years the normal and natural growth of total expenditures of all school boards in Manitoba has never fallen below the 8 percent figure. This would suggest that there is about a \$7 million increase over 1966, at least the most conservative estimate. Therefore, I'm wondering where the Minister got his figure of \$95 million; and since we're dealing in such huge figures, what is a million dollar more or less; but as I said earlier, since the Foundation Program is keyed to the dollar the extent to which the key or the \$95 million is incorrect to that extent it affects the entire Foundation Program and therefore the grants to the school divisions. It will mean that if the Foundation Program of \$95 million is not correct and not valid, then the special levies which will then have to be applied to homeowners would have to be that much greater.

Now the differentiated levy we are looking at is certainly more equitable than the present system, but I would like clarification as to which properties the 33 mills would apply to. The white paper refers to revenue bearing property in one part of the paper; elsewhere it specifically mentions apartment blocks. Now my question is this, what about duplexes or triplexes or fourplexes, or town housing for example, town housing developments which are becoming quite common in greater Winnipeg; or for that matter, even a house that's being rented out. After all these are revenue bearing properties and the taxes paid by these revenue bearing properties can be used by the person earning the revenue when filing their income tax return can be shown as an expense for income tax purposes. So I'm wondering whether there's any particular reason why apartment blocks are named specifically and these others were not mentioned at all, or whether this was because they were just dealing in generalities and the specifics may come later.

Now another area that I feel the Minister might clarify for me is this. Does the new formula eliminate the capital grant towards new school construction. Presently the school grants, construction grants range anywhere from 40 percent to 75 percent of approved construction costs. Now is this washed out? Therefore instead of that we will have -- I see the Minister is nodding yes -- therefore we will have the 9 and 33 mills will now apply instead of the grant formula. Now if this is indeed the case won't some school divisions pay more than they do now, because the school grant structure before was an outright grant from which no general levy or special levy was deducted, but if a school division qualified and received 60 percent, of let's say a \$100,000 building, the grant would be \$60,000.00. If that is washed out and is simply included into the total package with the 9 mills and 33 mills having to be paid by the municipality or by the division, then is it not conceivable that some of these school divisions will be paying more under this system in this particular area than under the old?

Now what about the approved classroom costs under the new and the old formula. Is the department going to go along with the archaic and the unrealistic figures, the \$15,000 for elementary classrooms and \$18,000 for secondary classrooms. I think it's quite a few years since any school division, particularly in the Metro area which I am more acquainted with, has been able to construct a building and keep it within the costs, the approved costs established by the Building Projects Committee and the Department of Education? I'm wondering too whether essentials such as adequate storage supplies, auditoriums, offices, team teaching rooms, audio visual rooms -- are these still considered to be not essential or will they be accepted as approved construction features and therefore approved for construction costs? Now for the present I won't pursue this but I'd like to get the Minister's clarification on it, because it does pose a number of questions.

On Page 9, the white paper goes out of the way not to criticize school boards in the Metro Winnipeg area -- I find this very interesting -- by stating there is no intention implicit in the new proposals to criticize the provisions of services offered beyond the Foundation Program. If there's no need for criticism, why use the word "criticize"? This is the most backhanded way of not criticizing I've ever run across. The truth is the department finds itself in a very awkward position vis-a-vis the school divisions in Metro Winnipeg -- and I think we should go

(MR. MILLER cont'd)..... beyond Metro Winnipeg, I think it's the large school divisions, generally, I think it includes Brandon, Portage and the other areas. I'd hate to look at this purely from the Metro area. It's true that the large divisions offer services beyond what the existing grant formula does provide and it certainly, I believe, will be beyond the new Foundation Program which has been outlined for us. And it's a darn good thing .....

MR. CHAIRMAN: It is now 5:30. I wonder if the Honourable Member would like to carry on at 8 o'clock tonight?

MR. MILLER: Fine, I'll carry on immediately after.

MR. CHAIRMAN: I leave the Chair until 8:00 tonight.