

THE LEGISLATIVE ASSEMBLY OF MANITOBA  
8: 00 o'clock Friday, March 26th, 1965.

MR. ROBLIN: Now that we have reached government business it would perhaps be convenient to the Honourable Member from Brokenhead if you were to call the Committee on Ways and Means.

MADAM SPEAKER: . . . . . found that on my page here.

MR. EVANS: The adjourned debate, Madam Speaker, on the motion to go into Ways and Means.

MADAM SPEAKER: The adjourned debate on the proposed motion of the Honourable the First Minister and the proposed amendment thereto by the Honourable the Leader of the Opposition. The Honourable the Member for Brokenhead.

MR. SCHREYER: Madam Speaker, this is my second opportunity to give my Party's views on this government's budget and economic policy, and I consider it a privilege for myself, and I wish to thank my colleagues and my Leader for this opportunity. I consider it to be an interesting task, since budgeting is coming to be more and more the very basis of good government, since after all, with each passing year, more and more progress is taking place. This progress is the result partly because of economic growth due to private industrial investment, and also largely because of the programming and expenditures of government, so it is in fact becoming more important.

Years ago it may not have been so important or so interesting to comment on a government budget, because the attitude was pretty cut and dried. It could be expressed in a rule of thumb . . . . . the old school of economics being that a formula's something as follows -- that when the government's outgo exceeds its income the upshot is its downfall. I heard that statement once expressed by the Honourable Robert Thompson at the University and I was highly amused by it, but it does reflect the thinking still of many people in government and I think this is unfortunate. People would still take the view that government finance should be regarded in the same way and in the same light as household or home financing, where the two cannot in fact be compared at all.

Madam Speaker, to get down to the text of the budget as delivered by the First Minister, I wish to comment that the Premier claims that the record high levels of activity during 1964 were effective in most sectors of the Manitoba economy. In absolute terms his statement may be correct. Provincial income has increased, but in relative terms -- and I suggest that relative terms are the more meaningful ones -- the picture of the economy in Manitoba is not as bright as he would have us believe. Looking at some of the indices as given in the charts appended to the budget speech and headed "Manitoba's Provincial Sector Activities Gross Value" we see the following: That while the increase in manufacturing activity was \$47 million two years ago, last year it was only \$42 million, a decline in manufacturing activity of some \$5 million. The increase in construction activity two years ago amounted to \$69 million, but last year there was an actual decline of \$6 million from the year previous. In mining, the increase two years ago was \$11 million; last year it was \$5 million; expansion was cut by over 50 percent; the rate of growth was sharply reduced. The area headed "Other Resources" it is interesting to note the steady decline in activity which began in 1958 seems to be becoming arrested, but the growth rate in this area remains far from satisfactory. In agriculture, between 1962-63 there was actually a decline in revenue and a relatively large increase last year of some \$43 million. However, this increase, as surely will be admitted, is due entirely to the favourable circumstances here and the unfavourable circumstances that obtained in other areas of the world, thus causing favourable conditions for export, etc. Retail trade showed a growth between 1962-63 of some \$33 million, and last year a growth of \$64 million. In other words, a doubling.

Now this increase in the percentage rate of growth over the past year can be explained largely in terms of the increased income for the farmers over the same period of time, and the farmers' good fortune, as I said, can in no way be attributed to the acts of the provincial government but are really the result of optimum favourable conditions.

One thing that does show up rather clearly, Madam Speaker, is that when the agricultural sector of our economy here in the province is doing well, when it's buoyant, it shows up immediately, but immediately in retail trade and in the general economy of the province, and therefore I suggest that this is a very basic reason why members of this Assembly should become and be willing to become more militant in seeking for improvements in farm prices, and

(MR. SCHREYER cont'd).....I would hope that the Member for Souris-Lansdowne who opposed the resolution sponsored by the Leader of the Opposition relative to wheat prices, would reconsider his position inasmuch as the impact of farm prices on our provincial economy is so crucial.

All of the indices and figures which I have used up to this point indicate that while, as the First Minister said, there was an increase in the productivity of the economy over the last year in absolute terms, the rate of growth in our province relative to previous years, shows a decline, but the First Minister also said in the course of his remarks that unemployment -- that the labour force in Manitoba had achieved virtually full employment in the year 1963-64, but despite that statement there are some, again, some indices or some data to show that there must still surely be elements of unemployment or under-employment in our province by virtue of the figures of rising relief costs, etc.

Now it is true, and it is certainly true, as the First Minister pointed out last day, that the phenomena of rising relief costs is part of the over-all North American picture, and just for the sake of information of Honourable Members in this Chamber, I would refer them to the US News and World Report of March 8th last, in which it shows that despite a buoyancy in the American economy -- a real true buoyancy -- despite that, relief costs have in the past eight years gone up 42 percent and are rising pretty steadily from year to year, growing disproportionately to the population growth, which is to me significant.

Insofar as the Provincial Treasurer's remarks on the economic outlook for the next year are concerned, I would like to say again that it is obvious that there is a general decline in the rate of economic growth of the economy in this province. Two indicators of a possible minor recession are revealed in the Premier's own figures. Total expenditures on construction have declined over the past year, while, on the other hand, sales of life insurance and other securities have increased -- a fact which might, I suggest, reveal that people simply are putting their money more into savings because of some sort of psychological factor, some sort of psychological feeling of insecurity or lack of optimism or lack of faith in the economy of our province, and for that matter perhaps in the economy of our country. But it does seem to suggest perhaps a diminution or lessening in economic optimism.

Insofar as school grants are concerned -- the Provincial Treasurer made reference to that during the course of his speech -- it is interesting to note that while the amount of provincial government school grants to local boards has increased in absolute terms relative to the expenditure of local boards, that in relative amounts the amount of provincial assistance has declined. The provincial government gives grants for teachers' salaries to local boards, and if I may refer to a brief from the Manitoba School Trustees Association it would appear that the basis for the grants is particularly lacking in perception. To quote from the brief, and I quote now: "Whereas the salary for a P1 A1 teacher for his first year of teaching is \$100.00 to \$200.00 more than the grant earned by the board for that teacher, the difference steadily increases. The 5th year difference is \$500 to \$600, and in the 7th or 8th year the difference in many cases is as much as \$1,000.00." The hiring of inexperienced teachers in preference to experienced teachers is in fact encouraged by the grant schedule and practice. There are school boards in the province which as a result of the grant system make it a very definite practice to avoid keeping a teacher for a period longer than two or three years. Therefore, the school divisions concerned with providing their students with the best possible education and the best possible teachers are effectively penalized for their responsible attitude by the system of government grants.

I would also like to point out that this government persistently refuses to forward the school grants to the division boards until five or six months into the fiscal year. Now we have had resolutions on that in this Chamber. The resolutions have been defeated. A practical and actual consequence of this refusal means that of the \$24 million in school grants that are forwarded six months late, it means that school boards and divisions across the province have to borrow this amount of money in totality amounting to \$24 million, and they borrow it at about 6 percent for 6 months -- it works to 3 percent. The end result is that it is costing the divisions in total approximately \$750,000, three-quarters of a million dollars, in interest charges as a result of this time lag, which the government I suggest is in a position to rectify and to remedy, but apparently they refuse to do so. Why? Perhaps it is because of some administrative block but it may also be because it would not be too impressive. They would not get much credit if they were to forward the money right at the beginning, so they prefer to save themselves some money since they can't get any favourable image out of it in any case.

(MR. SCHREYER cont'd),.....

If I might refer again to the priorities established by the government, it is interesting to note that the 1964-65 Department of Education Estimates represented last year 26-1/2 percent of the total budget, and this year as a percentage of total budget the Department of Education Estimates equal only 24-1/2 percent, an actual decrease. And of course I am not including that \$10 million that was included in the Estimates of the Department of Education that is actually intended for rebate. And I might say in connection with the rebate that it should really properly have come under the Department of Treasury. This was debated before -- I don't intend to spend time on that now. But I want to reiterate once again that the tax rebate direct to the homeowner is, and has the nature of and the characteristics of, a gimmick to conceal from the public the fact that the government's expenditures in education will decline by some two percent in relation to the total budgetary expenditures. Education, of course, could use this extra \$10 million, and if the government really wanted to relieve the tax load on the ratepayer it should have followed the recommendations of the Michener Commission and taken over some of the areas of expenditure from the school boards. The only thing that the rebate has accomplished has been to make the school trustees look bad in the eyes of their local people. I am -- and I certainly believe this -- I am convinced that the municipal officials, municipal councillors, school board people and so on, are going to look bad in the eyes of the local people in the next few years, because they will be faced with rising costs; provincial grants will not be rising proportionately; therefore the municipal mill rate may have to increase. So then, to the local ratepayer, the situation will be something like this: money coming in from the provincial treasury directly, and then they have to pay it out to municipal coffers. And they will take it out -- they will vent their spleen on the municipal officials, and I think that this is a very bad turn for the municipal officials, and I would hope that the government will be able to change this practice and change its view, its policy in this regard.

The government appears to be very proud of its commitments for vocational and technical training and its anticipated expenditure of \$1.8 million for this coming fiscal year. Now while this represents an increase, and a needed increase, the fact that it represents a decidedly minor proportion of the budget for education illustrates the fact that this government has still not grasped fully what is happening in the world, what is happening during our time. The fact is that the bulk of our school population upon graduation will have to find employment in vocational and technical fields, and these areas are still receiving a lesser degree of attention by the government. Now there is improvement, of course, but the improvement is taking place at a rate that is slower than other fields.

The government in speaking of its program of aid to the University of Manitoba claims, with justice, that their grants have increased substantially, and that their grants system has done much to keep our tuition fees among the lowest in Canada. However, this government neglects to mention that many of the institutions associated with the University are, as I said the other night, in some danger of financial crisis. Now not very long ago, the students at the University asked for a freeze on the proposed fee increase until such time as reports of two commissions dealing with university costs could be received. This seemed like an eminently sensible request, but it was turned down by the province. It is our contention that rather than being proud of the fact that university students contribute only 19 percent of the operating costs of the University through fees, this government should be uneasy of the fact that it is necessary for them to contribute quite that much. If fees must be increased, then I suggest bursaries must be increased, and bursaries are not being increased according to the estimates before us, at least not being increased to any substantial degree. I think the increase comes to somewhere in the order of \$50,000 to \$75,000 net.

Madam Speaker, I would like to digress for a moment to make a point dealing with the school tax rebate and what was said in that connection by the Minister of Municipal Affairs. Speaking a few days ago, the Minister of Municipal Affairs said that one reason why, one reason why the possibility of extending increasing grants to local governments was ruled out, was because the province could have no assurance, could exercise no controls over the amount of municipal spending, and that therefore no tax relief might result. I would like to suggest to my honourable friend that this is quite an attitude for him or for anyone else in the government to take -- quite an attitude relative to local municipal government. Just because the Federal Government is making extensive grants to the provinces does not justify the Federal Government talking about imposing some sort of legal limitations on provincial spending. It would be audacious of them to suggest so, and I suggest that, despite the fact that the province

(MR. SCHREYER cont'd).....exercises sovereignty over municipalities, it is audacious of the Minister to suggest that the province somehow might want to or has a right to impose limits on municipal spending. I suggest that municipal officials can be trusted, grants can be increased to local government, people are sensible; they will not use it extravagantly -- no more extravagantly than the Provincial Government.

To return to some concluding remarks on this government's spending and policies regarding education, our government speaks of the system of scholarships, loans and bursaries available to the university student. It notes that provincial assistance in the form of bursaries and loans now stands at \$365,000, but of this figure of \$365,000, \$50,000 plus comes from other departments which used to make their own separate bursary grants in previous years, and in this figure is some \$50,000 that formerly used to be paid out in agricultural bursaries through the Department of Agriculture. And now they've been pulled out of there and snuck into the Department of Education bursaries, thus inflating the total. In fact, Madam Speaker, the amount of bursary aid has not been increased substantially this year at all, despite the increase in fees which will be effective next fall and despite the rising costs to university students. Now, it's true that we have the student loan program but it does not take the place of bursaries. It has a supplementary function.

I pointed out during the Estimates of the Department of Education that grants made by this government to the University have been increased in the past few years to a respectable degree, but I want to say, finally, that the proportion of money granted to the University in Manitoba is less, is less than it is in some other provinces, and particularly is this true when you compare it with the Province of Ontario where grants to universities have doubled in the past four years, whereas in Manitoba the proportion of the budget given over to university grants has remained virtually static.

The First Minister made mention at one point of the government's plans for educational upgrading through technical schools and technological institutes. I refer him to a speech made earlier in the session by my colleague from Logan, in which it was pointed out that eight of the 10 schemes undertaken under the joint Federal-Provincial Vocational Training Plan were designed for people with high school education. This is essential, but just as essential, however, is the need to raise the educational level of the unemployed and the under-employed to the degree that they are capable of undertaking the training which will enable them to cope with our modern technological age. I would also refer to the Honourable Ministers opposite that my colleague from Logan's suggestion, that they examine the possibility of adopting the virtually unlimited idealism of the younger people in this province to assist in a program of educational upgrading, a sort of local Peace Corps, be undertaken. I would point out that in the United States -- and I think that in the past two or three years there has been a spate of programs launched which could well serve as a model for us to follow here in Canada and even in the Province of Manitoba, to follow I mean on a proportionate scale. There's no point in going overboard with massive spending programs and so on, but I think if we look at some of these new approaches in the U.S. and try to carry some of them out on a proportionate basis, that we would be doing a great service for many of the adults under-employed, unemployed, and many of the young people today who are drop-outs and so on.

Specifically, I would like to refer to the special programs which have been launched on the initiative of the Federal American Government, acting in conjunction, however, with the state and local governments in that country. For example, members here are well familiar with President Johnson's anti-poverty program and his talk about The Great Society, and I think many sophisticates or would-be sophisticates are prone to scoff at this program that is being undertaken as being so much political pap and so on, but I want to say that they have in fact launched Job Corps programs, where hundreds of youths across the country between the ages of 16 and 20 who are drop-outs, the high school leavers, where they are taken into urban and rural training centres and they are trained in practical type work skills, and they have adopted into this system of Job Corps programs all sorts of rural conservation camps each housing 100 to 200 young people, and these are dotted all across the United States accommodating over 15,000 young people, who, except for this sort of thing, would be today faced with despair and no sort of future at all.

In addition to the Job Corps program we have the Neighbourhood Youth Corps program with a slightly different twist, designed to serve a slightly different need and a slightly different purpose. Then in addition to that, they have received already over 10,000 applications by young people to serve in the Domestic Peace Corps and that too will have the nature of skill

(MR. SCHREYER cont'd). . . . . training, training for adult life, for those young people who either because of lack of native ability or else because of lack of seriousness in high school, fell out, dropped out somewhere in Grade 9, 10 or 11. I think that on a small scale we could be thinking about that sort of thing, Madam Speaker.

And then in addition to that, in addition to the Job Corps and the Neighbourhood Youth Corps and the Domestic Peace Corps, the Federal Government has taken the initiative along with the state's and local governments in setting up these Education Centres that I referred to before, and what is interesting about it is that the amount of money granted by the Federal Government is granted over to the state's and local authorities for the building of education centres to service surrounding schools including private and parochial schools. And I think that is interesting.

It all amounts to this, Madam Speaker, that where there is evidence of poverty, where there is evidence of ignorance and lack of skills on the part of people, young or adult, the Government of the United States, the people of the United States, through their government if you like, are starting to attack these problems with a vengeance. And if they continue to attack these problems the way they are, through their anti-poverty program, through their program which they will set up under the Appellat. . . . Bill, if they continue with this pace the American people will soon indeed achieve the Great Society that they're talking about. But what makes a society great, in my opinion, is not whether it has a particularly high standard of living, but whether or not it is taking concrete steps to the ultimate of its capacity to attack poverty, ignorance and disease, and they certainly seem sincere in their efforts right now.

Now, Madam Speaker, if I may, I would like to turn briefly to the Premier's budget statement on Dominion-Provincial relations. And here I must say that I was disappointed, because on the one hand the Premier referred to the concept of contracting out. On the one hand he seemed to refer to it with approval; then on the other hand he didn't seem to approve it very much either. He was unable to take a definite stand on the problem of confederation -- not that it's his sole duty to take a stand on this problem which bedevils the best minds in the country -- but his statement on contracting out; obviously he considers it an important issue because he made mention of it, and it is, admittedly, a revolutionary change in the customary constitutional processes of this country. But to quote the Premier, he says, "We shall probably not contract out ourselves, and do not recommend it as a general proposition to the people of this province; but it may perhaps be one practical way of easing areas of current federal-provincial friction and of reconciling the conflicting views on areas of current interest and jurisdiction between the government of the centre and the provinces."

Obviously then, the Provincial Treasurer does neither approve nor disapprove of the contracting out process. He says in effect it may be a worthwhile experiment and then again it may not be. I'm not quarreling with that statement because there's nothing there to quarrel with. I can remember the First Minister chastizing members on this side about mugwumpery once; and I would suggest that this is as stern an example of mugwumpery that we've heard for a long time.

Madam Speaker, my Party is the only Party in Canada to date which has had the courage to take a stand on many of these crucial constitutional and confederation issues. My Party believes, as a matter of fact, that there are two major cultural groups or nationalities within Canadian Confederation, that this fact is already partly recognized in our constitution in the BNA Act, and that it should be further recognized. We believe that this country would be better served by giving more adequate recognition to the special status of Quebec, and by treating the other nine provinces as just what they are -- provinces. In so doing we could block the trend toward denuding the Federal Government of many of its necessary powers, necessary for the continuation of a national standard of service and also necessary for the maintenance of adequate fiscal and monetary powers.

I think that we must come to admit that the idea that Quebec is a province just like any other just will not work in our country, and if we try to insist on that score we are going to end up having to say that all the other provinces are entitled to the same amount of autonomy, the same amount of contracting out privileges as Quebec. And so, until we come to admit that Quebec is not a province like the others for basic constitutional reasons, we are either on the one hand going to have to oppose and thwart Quebec's legitimate demands for more control in its own provincial economy, which will not do, or on the other hand we will have to say that all provinces have a right to more and more and more autonomy until in fact the leaders of

(MR. SCHREYER cont'd).....the provinces will in truth be provincial war lords, as the Winnipeg Free Press has pointed out on previous occasions. And so as a matter of making a clear statement, I would then have to say that we find nothing wrong with contracting out certain programs for the Province of Quebec, but that it is undesirable and detrimental to Canada's national interest for all other provinces to contract out to equal degrees.

Why is it so necessary in our opinion for the Federal Government to be left with adequate fiscal power? Why is it so necessary in our view for the provinces to desist from encroaching further on federal fiscal power and other constitutional powers? The reason that it is so important for the Federal Government to be left with adequate powers is because if the Federal Government gives over too many powers to the provinces, we will -- who knows where the dividing line is beyond which the Federal Government will be too weak to act counter-cyclically in the event of recession, and so on. It is clear that social capital expenditures for health care, hospitals, alternative care facilities for education, for technology and so on, these costs are rising rapidly. They must rise rapidly because of the acceptance of the welfare state, because of growing technology and the strains this puts on education, etc. The costs are rising rapidly, and on the other hand, the provinces are the ones who have the primary power in these fields. The provinces have the power but they don't have the revenue. Therefore, the solution is not to give these areas over to the Federal Government for undue centralization, nor is the answer for the Federal Government to get out of the taxation field more and more. The answer lies in a continuation and an extension of the system of federal grants. There are some people who attack federal grants to provinces because they think that it just doesn't work for one level of government to raise the revenue and to grant it out to other levels of government to spend. It might not sound very sensible, Madam Speaker, but when you compare it to the alternatives it sounds not only sensible but sane. I can just imagine what would happen if the several provinces were given extensive taxation powers. We would be left with a Federal Government that would in effect not be able to deal with recession, with stagnation in the economy, with inadequate aggregate demands, etc. It would not be able to stimulate the economy when stimulation was necessary.

The Federal Government can extend the grants. In fact I would back the First Minister to the hilt in the statement he made yesterday that the federal grants for higher education were simply inadequate. This is perfectly true in my opinion. The Federal Government can extend the grants and the Federal Government must increase the grants. It can do so because it's the Federal Government that has the power of monetary management. It is the Federal Government, through the central bank, that has control of the monetary volume in this country to a large degree. And since it has fiscal and monetary management powers, all the more reason why the Federal Government should be more prepared to assist the provinces at this time, particularly when the time is one in which the provinces are finding themselves pressed to the wall with rising costs in the field of social and human resource development. But I would repeat, reiterate for the final time, my firm belief and the belief of my party that federal fiscal and monetary power must not be impinged upon by the provinces because it's federal fiscal and monetary power that is a matter of life and death for the Canadian economy and for the Canadian people. I believe myself that given strong manipulative federal fiscal policy and money policy, depressions and recessions need never happen again, never. And it is my firm belief and the belief of many others that the 1958-61 recession which Canada experienced was in large part avoidable, but the federal government was guilty of following the wrong monetary policy and also at the time we -- for some strange reason -- did not consider devaluation, and I would agree with the Honourable Member for Souris-Lansdowne that dollar devaluation was one of the best things that could have happened for the Canadian economy and particularly for western agriculture when it took place just a short while ago.

And so if I might summarize our views on this particular aspect, Madam Speaker, I would say that the right policy in our opinion is one of support for a fiscally powerful and manipulative Federal Government but one that uses that fiscal and monetary power to make massive grants to provincial government for social capital projects, for war against poverty, disease and so on, as is being done now, as is being done even more in the U.S. and should be done even more here. Provincial governments can actually administer these programs and I believe they can administer them better than the Federal Government but they need financial assistant grants to a much larger extent than they're getting now and in this regard I think again we are facing or going to have to face with the kind of resistance that comes not from rational thinking so much as from a mental block. There is a mental block I suggest in the minds of many

(MR. SCHREYER cont'd). . . . . people who cannot conceive of Federal Government increasing its grants to provinces by any substantial amount over what they are doing now. But this is exactly what is being done in the U.S. federal system. Multi-billion dollar programs initiated by the federal government by way of grants from the federal to state and municipal governments. And I think that they are going to achieve much there.

To deal with those problems that plague people, that make people despair, those people who are receiving less than \$3,000 a year by way of annual income. These people are indeed very much in need of help. And not the kind of help that they get from welfare. All that kind of help can do is allow them to live a kind of life where they have adequate nutrition, etc. It must go beyond that; it must go toward helping them in terms of acquiring interests, skills, but not just skills but interest in the world around them. And that's where these different training programs and job programs come in.

Madam Speaker, I am running behind time so I shall omit some of the comments I was going to make. And I want to turn now to taxation, the taxation aspect of the Premier's budget, the Provincial Treasurer's budget. Let me say at the outset that taxation in itself is nothing more, nothing less than a means that we have for paying for civilization. Without taxes no civilization. I think that's perhaps trite but I think it's also -- it bears saying in this Chamber where we hear so much talk and so much criticism about taxation and about taxes. So we have no criticism insofar as the fact is that this government is levying taxes and I might add a good deal of taxes. But I think it does matter on what basis the taxes are levied and how the taxation policies affect the people of the province. In the special session last year the Provincial Treasurer introduced legislation imposing a whole raft of new taxes. He tried to give the impression that he was acting on the recommendations of the Michener Commission. It is true that the report indicated that the province would have to look for new sources of revenue. However, this statement was predicated on the assumption that the province would be taking over new responsibilities, new areas of jurisdiction from the municipalities. The report also recommended that there should be a clear and distinct delineation of the respective responsibilities of the provincial and municipal governments. While the Premier has attempted to give Manitobans the impression that he is acting under recommendations of the Michener Commission report, especially with regard to a so-called school tax rebate, he is actually working in direct opposition to the policies proposed by that commission which he himself established. Rather than clearly defining the areas of responsibility, the Honourable the First Minister's new taxes have done nothing but make the situation still more muddled.

The Leader of the Opposition when he was making his speech on the budget a few days ago did list and make reference to several of the new taxes that have been imposed or increased in the past year. For example, drivers' license fees are up 25 percent, automobile registration is up 25 percent, gasoline tax is up 3 cents a gallon or approximately 20 percent, motor fuel tax roughly the same, increases in the price of beer and liquor, and increase in cigarette taxes, a five percent tax on light, power, telephone, heating fuel and so on. Out of all this the government is prepared to collect about \$22 million from these extra taxes and to rebate \$10 million to property owners. Now the \$22 million, I think most members are aware, the \$22 million in taxes, consumption taxes, is equivalent to a 3 percent sales tax, 3 percent general sales tax. I wouldn't be far out. Two and three-quarter percent general sales tax perhaps. And that's not small potatoes.

Now this \$10 million rebate to the property owners, this is ostensibly to reduce the education or the school tax but the effect it will have, the relief effect it will have will, as the Honourable Member for St. John's pointed out, have a very uneven impact by way of relief, comparing the various home owners, that is to say the way in which the different property owners hold their property. Some hold it in large parcels, some hold it in small parcels, several small parcels. They will be receiving multiple rebates and there will be some amount of unfairness as a result of that and then there is the problem of the renters, the tenants. By the way, in Winnipeg it is my understanding that more householders are tenants than there are home owners so the relief effect will be affecting fewer people, affecting less than half the people of the city. A landlord who owns ten homes will get \$500 in tax rebate while the tenants will be paying -- in the ten homes the ten tenants will be paying about a thousand dollars in extra taxes. This is a very lopsided kind of relief; \$500 relief for one and a thousand dollars in extra taxes for the tenants whose rent will not go down. All this, all this has the effect, Madam Speaker, of being a gimmick, which is what it's been called by other members here and that's what I called it during the debate in the special session.

(MR. SCHREYER cont'd).....

I think one reason why this sort of thing was attempted was because the people who are most adversely affected by it are also the ones who are also the ones who are least organized. Similarly with the heating fuel tax. It's having a very adverse effect on the lower income people. And the lower the income the more adverse the effect and the lower the income the more poorly organized are those people and so this taxation was imposed in effect, among other reasons, because those who would want to protest were least organized to protest and least able to protest.

Madam Speaker, I simply cannot understand why we would want to impose consumption taxes in a time, at the same time as we are reducing and is it not a fact, are we not reducing taxation on incomes and corporation revenue? It would be different if income and corporation tax were at a high level as it was and we were afraid to go further with it, but at the very time when we are making reductions in provincial taxation of corporations and on income, at the same time we are having a tax-load imposed on heating fuel, on utilities and so on.

And in any case, Madam Speaker, I want to say that in Canada we already have a taxation system that is disproportionately heavy on consumption. I mentioned this the other day and it did not seem to have much credibility to many members here. But I want to put into the record, in a more effective way than I have in the past, a comparison of taxation levels in eight major industrial countries and this is data taken from the U.S. News and World Report of March 8th last, which in turn is taken from the U.S. Treasury Department, which is official data then. And I quote, "Taxes on income and wealth on the one hand and taxes on consumption, consumer taxes, on the other." Now at the top of the list is the United States with 78 percent of its taxes being taxes on income and wealth and only 22 percent of its revenue coming from consumer taxes. And by the way, this is for all levels of government. Next is Sweden -- correction -- Netherlands, with 71 percent of its revenue coming from taxes on income and wealth, 29 percent from consumer taxes. And then Sweden with a ratio of 66 to 34; and then Japan with a ratio of 66 to 34; and then Britain, 65 to 35; and West Germany, 65 to 35; and Switzerland, 64 to 36; and then Canada, 61 to 39 -- 61 percent on income and wealth, 39 percent coming from consumer taxes. And this bear in mind, and I repeat, is taxation revenues taken as an amalgam from all levels of government, but it does point out pretty clearly that we are already taxing pretty heavily on consumption, on consumer items, and that perhaps we should be moving toward more taxation on income and wealth. The United States can do it, and substantially more than we, and still -- and still -- experience a good rate of economic growth. I think that pretty well destroys the argument that if you impose taxes, more taxes on income and wealth, that you are somehow jeopardizing the possibility of continuing economic expansion. I think it's the other way around. If you tax less on the consumer, there will be more consumption. The more consumption there is, the more will be what the economists call aggregate. Demand -- the more aggregate demand there is, the more there will be of private investment, because there is a market and so on and so forth. But I suggest that if this theory has flaws to it, so does its opposite.

Madam Speaker, I have demonstrated that there has been a downturn in economic activity in this province. I submit that the way to put a stop to this trend is to use public money whenever necessary to give a boost to the economy. I suggest that this government's program of hospital construction, of nursing-home facility construction, could be expanded or speeded up, that roads could be built in the north, that we could be building the education centres that I was referring to before. We could do all of these things whenever there was found that our economy was failing to grow at the rate that was necessary or desirable. There are many things that could be done in order to inject government spending into the economy if this would in fact buoy up the economy. Now I know that there will be some fear, some criticism of this sort of statement, on the grounds that "where is the money coming from?" I can already see some of the Liberals to my right cringing at the very idea of spending any more money than we are. Well I might inform my honourable friend that Liberals in the United States, whom I would regard as my political brothers, they are the very ones who are pushing for massive government spending. They are my brothers. For the Liberals in this Chamber I suppose I would have to call them my political cronies, not my brothers -- half-brothers, perhaps. I suggest that if members are really interested in where the money could come from to do all of these things which are necessary, and to do all of these things as a pretext for getting funds injected into the economy that the New Democrats, not just here but in Ottawa, can help -- can help you find some of the answers. And I think to start -- the place to start is for



(MR. SCHREYER cont'd).....all of us to look at the first annual report of the Economic Council of Canada, commonly referred to as the Deutsch Report, and you can find the relevant passages around Page 122 to 126, and again Page 190 to 199. Under the heading, "Trend in Government Revenue to 1970. The Council claims that Canada's economy is moving from a state of under-utilization to the level of potential output. In real terms, the combined effect of a rapid increase in the size of the labour force, a significant decrease in unemployment and continued gains in man-hour productivity, have been projected as generating an average growth over the next few years, of 5.5 percent per year. At this rate of growth, the gross national product will rise by 45 percent by 1970, giving a powerful upward momentum to the flow of government revenue." The report then goes on to project government revenue and expenditure at the level of potential output by 1970, and claims that the projection indicates: "A possible surplus for all governments combined in Canada of the order of \$2.2 million and most of this projected surplus would be at the federal level." The report claims that federal revenues will be most radically affected upward, since federal revenues come from the most elastic sources. However, provincial revenues will be subject to the same phenomena only to a lesser degree.

And therefore, out of this, Madam Speaker, I would suggest that there is reason to look forward to even greater grants from the Federal Government, in the light of its projected surplus revenue and that is why I say again that I agree so much with the Premier when he indicated recently that federal government grants must be increased. And I say that they must be, for the reason of the task to be done. I say that they must be increased for the reason that there must be on hand sufficient injection of public funds to keep the economy buoyant, and I say that the Federal Government can make these grants and can increase them, because it has the fiscal competence to do so, along with the monetary management power.

And then to skip a bit, Madam Speaker, I want to point out that Dr. Deutsch who headed up this report, this committee, is by no means a wild-eyed extremist or a silly economist. He is considered to be one of the most moderate and sensible of economists in the country. And he and his committee have made this conclusion that by 1970 the problem will not be one of deficit, etc., but rather they are now concerning themselves with the problem of too much of a surplus, and they're worried now about what they call "fiscal drag". During the Diefenbaker years, if I can use that expression, many of the newspapers in this country began to cry alarm about the recurrent annual deficit, but it seems that our most sensible economists, some of our most respected economists, are looking forward to the problem of excessive surpluses which they are afraid will cause fiscal drag. If you think Deutsch is alone, and he and his friends are alone in this matter, I would also refer you to "Business Week" of March 6th last, and in that periodical there is reference on Page 66 to a Joint Economic Committee of Congress, headed up by representative M.W. Griffith of Michigan; and the committee has invited testimony from all sorts of economists and economic experts in the United States. And what is the synthesis of their representations and testimony? They are convinced that the federal government revenues by 1970 will be excessive on the basis of present rates of taxation. They too are worried about fiscal drag, caused by excessive surplus.

Madam Speaker, it is almost beyond belief I would think, for many members here, but I suggest that there is too much -- it would be too much of a coincidence, the fact that in Canada and the United States two separate teams of investigators come up with the same conclusions. So I do not think that we must concern ourselves with deficit financing as being such a grave threat, or do I think we have to worry so much about debt in our country. In fact, the opinion of some of the best men in the field is that there is such a thing as too low a debt, because when the debt gets too low it impedes upon the federal government being able to manage money supply. It impedes against what they call the central bank's open market operation and so you want a certain volume of debt, and far from being in some way an encumbrance, it can actually be very much of a necessity in the economy.

So, Madam Speaker, it seems that in the years ahead, the alternatives to government will be as follows: (1) To actually cut taxes substantially, which they are in part doing in the U.S. already; or secondly, to vastly increase government expenditure in order to utilize the excessive revenues in order to avoid fiscal drag; or thirdly, to revise the system of taxation basically; or for a combination of the previous three. At this point, I would like to suggest that perhaps Canada will be able to do both -- cut taxes to some degree, but if it were to cut taxes and not increase expenditures I think that would be imbalance, or poor balance, because there's no point in cutting taxes for the sake of giving more purchasing power to the

(MR. SCHREYER cont'd).....private sector. Some of this is necessary, but you can overdo it. Private opulence, as economist Galbraith calls it -- private opulence, when there is public squalor, is inexcusable, and I think that we should try to work along the direction of some balance, some tax cuts and also increased government expenditures at the federal level, and also by way of increased federal grants to provinces, and Lord knows that the provinces in Canada do need more revenue, more grants, because look at their debt pictures. Manitoba is not alone. The debt picture is at first glance appalling, but it's not alone in this regard, except I do want to say that if you are one to be afraid of debt, at the provincial level, debt is more dangerous, if you like, or more unsettling than it is at the federal level, because most of a provincial debt is held outside the province. In a sense then it's exterior debt which has to be paid back, and when it is being paid back it is detracting from the purchasing power, the volume of available funds within the province. But within the country as a whole the debt picture is not appalling and is nothing to be alarmed about. In any case I would remind my honourable friends that when you talk about debt, you must relate debt not just to per capita, but you must relate it to per capita income, but I'm afraid that even on that score the debt in Manitoba has grown disproportionately both to population obviously, and also to per capita income. On the basis of relating the debt to the total provincial income in 1952, I have it worked out -- the provincial debt was 14 percent of the provincial income and today the provincial debt is 44 percent of the provincial income. Well, this could be an indication of government bungling of some kind. It could also be an indication that government is carrying out its responsibilities in programming for human betterment and so on, and it is not getting sufficient revenues for constitutional reasons under the BNA Act because of inadequate federal grants and so on.

Madam Speaker, at this point I was going to come to the remarks made by the Honourable the Leader of the Opposition. He referred to the budget as a goose egg budget. I would, if pressed to give it a nickname, I would refer to it as the "treadmill budget", because it presumes to give some sort of tax relief, and in fact it doesn't give real relief. I would refer to it perhaps as the "undermining of local government budget", because it is the kind of budget that reveals that this government is not going to deal with local government as openly as it should, but is instead going to make rebates directly. I would give it these names perhaps instead.

The next point that the Leader of the Opposition made was that spending money in itself is no guarantee of success, and I would agree in the sense that the Department of Industry seems to have been operating on the basis that if you spend money that alone is going to achieve some kind of success. I think that the department has been chasing good money after bad. I could refer to a couple of loans made under the Industrial Development Fund but I'll leave that for today. But I want to say that I can recall so clearly two years ago when I spoke on the budget, and I said that we are now coming to accept the idea of planning in government. We all are -- all parties. But now the question is, what kind of planning? We talk about partnership between government and industry, about real partnership. My friends over there talk about indicative planning by government. The government makes studies and then sort of indicates a path and leaves the rest to industry. Well you just keep that up, Madam Speaker, or rather if this government just keeps that up, as the Department of Industry seems to be bent on doing, it will be spending money without avail, and will be making true the words of the Leader of the Opposition, namely, that spending money in itself without directive planning sometimes is wasting money.

My honourable friends aren't consistent either, for on the one hand they talk about indicative planning, on the other hand they are submitting briefs to the Federal Government reminding the Federal Government that with regard to air transportation policy, with regard to Air Canada, which is a Crown corporation, it is presumably to function and work independently. This government is reminding the Federal Government all the time that it is up to government to indicate and direct the air policy and to direct the policy of that corporation, etc. I needn't go to the exact sources but I finally took some advice from the Honourable Member for Gladstone and I brought these so-called propaganda sheets here, and I can list -- I think I'll try and go as long as the Honourable Member for Gladstone -- I can list the quotes directly here from these propaganda sheets, where the Department of Industry and Commerce and this government is saying, and I quote: "The political and economic structure of Canada is such the Federal Government must take an important role in development of Canadian air industry. It must not leave the development of policy to an organization whose major concern

(MR. SCHREYER cont'd). . . . . is internal operating efficiency.'"

Now let's just take that sentence, Madam Speaker, and consider it. We have an air industry here organized under Crown corporation. It is supposed to operate, like all firms, for the sake of efficiency as well as to provide a service. This government is saying to the Federal Government that you cannot let a firm operate strictly on the basis of internal operating efficiency; you must consider the policy ramifications and you must not leave to that firm the development of policy. It is up to government. It is up to government to direct that policy. Well, I won't quarrel with that statement. We never have. We never will. But I think we have a right to ask of our friends opposite that they be a little more consistent themselves; that if they are going to say this to the Federal Government, if they are going to insist that the Federal Government should direct the policy of a particular industry, they too should be prepared to direct, to some extent at least, policy and development decisions in our industrial economy--(Interjection)--Well yes, I think the two are to some large extent synonymous.

When I read through the briefs submitted by this government to the Thompson Enquiry Commission, I found myself in agreement with them, but what surprised me so much was that these sort of briefs should be written up and submitted by a Conservative Government, by a government composed or formed of a Conservative political party. It seems then, Madam Speaker, that when their ox is being gored they are prepared to be planners, and directive type planners, but if left to their own, they go back to their old ways, refuse to plan with direction but instead spend money on advertising to promote industrial development. They can spend money on advertising all they like, and in itself it will be no indication of success. In fact, the evidence is clear that despite five years of effort by the Department of Industry of this province, the amount of increase in industrial jobs has been very, very small indeed.

Well, this might sound like harsh criticism but much of it could be read in between the lines of the statement made by the First Minister himself when he was testifying before the Thompson Enquiry, when he said that Manitoba's record of industrial development was not what it should be, was not very impressive; Manitoba was having difficulties. Well, this is nothing to crow over, but it is worth mentioning if only it does help us in getting at the true situation. I would like to add to this that it's not so surprising. It's not so surprising at all that the increase in the number of jobs in the economy of this province has been so small. The reason it's not surprising is because the evidence is that in the whole American economy last year the number of jobs created by the private sector of the economy was less than 20 percent of the total. In other words, industrial job openings or opportunities last year in the American economy, presumably free enterprise economy, well over half of the jobs created were created either directly or indirectly by government programs and government spending. I think we have come to the point, Madam Speaker, where we on this side need advocate no longer the establishment of Crown corporations and public agencies here, there, and everywhere, because the nature of the times we live in seems to necessitate massive government involvement in the economy in order to maintain a rate of growth. Now the enlightened governments of the United States, and when we get them, in Canada, see this, and so we need not press any longer for government or public corporations, etc. All this is coming. If it doesn't come you are going to have mounting unemployment, and I would suggest to my honourable friends here that they should not feel so bad, that the number of industrial job openings has not been large or impressive because it's part of an over-all continental phenomena, and the only way to create more jobs then, is to, not to spend on advertising necessarily but to participate in directive planning, participate in real partnership -- not a weak partnership, but real partnership with private capital.

Madam Speaker, I apologize for having taken as much time as I have. I would like to close by saying that the Leader of the Opposition, when he referred to debt and taxes through the major part of his speech, did put a good case to show that taxation in this province had the kind of incidence or impact that was disproportionate and unfair, and he did also show that the debt load was increasing. I would merely add, not so much the fault of this government, perhaps, as the fault of the Federal Government to give adequate grants, but whatever the reason our debt load is climbing to a position where, for a provincial economy, it is something to arrest one's attention; and all the while, and in spite of this -- in spite of increased taxes and increased debt -- our economy has not been stimulated. I don't have to say that. The Premier himself said it at the Enquiry not long ago, and so what does it mean? It means indeed that we are in a treadmill position, and so accordingly, Madam Speaker, I find that the amendment

(MR. SCHREYER cont'd) . . . . . proposed by the Leader of the Opposition can be supported, and I would merely like to amend it by addition. So I move, seconded by the Honourable Member for Seven Oaks, that the motion be further amended by adding at the end thereof the following: "On a planned and orderly basis which would insure that every Manitoban would be enabled to share in the benefits of an affluent society, directed to the enhancement of human dignity."

MADAM SPEAKER presented the motion.

MR. FROESE: Madam Speaker, I beg to move, seconded by the Honourable Member for Fisher, that debate be adjourned.

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

. . . . . continued on next page

MR. ROBLIN: I beg to move, seconded by the Honourable Minister of Education, that Madam 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.

MADAM SPEAKER presented the motion and after a voice vote declared the motion carried and the House resolved itself into a Committee of Supply with the Honourable Member for Winnipeg Centre in the Chair.

COMMITTEE OF SUPPLY

MR. CHAIRMAN: We're on resolution No. 30.

MR. MOLGAT: I hope that the Minister will not disappoint us and cease the very interesting discourse that he was involved in.

HON. GEORGE JOHNSON (Minister of Education) (Gimli): Mr. Chairman I do want to just complete a few remarks on curriculum. I have sincerely been trying to enrich the A-vitaminosis of educational content in the members opposite by trying to point out some of the highlights in curriculum which after all is really the heart of the department, but after comments from certain observers and after hearing the Honourable Member from Brokenhead, now I see how easy it is as he has done, to diagnose the patient but lose him because of a lack of treatment. I would like an opportunity on vocational education to assist the Professor, the Honourable the Member from Brokenhead in some of the grass roots happenings that are occurring with people in our province. However, there are a couple of items in curriculum which I think I should share with the members of the committee and I would be glad to enlarge upon them later -- I'll just skim over them and enlarge upon them later, if they wish.

With reference to reading -- (Interjections) -- I know there's a member of the House that's interested in this matter. There's a fairly large scale experiment as you know, being carried out in the Winnipeg School Division in the use of phonic -- supplement series entitled "Phoetic Keys to Reading", and a similar experiment with this series is also being conducted in Fort Garry School Division. Reports on these experiments are being relayed to the sub-committee of the Elementary Seminar charged with the responsibility for reading. I explained last night that the Elementary Seminar is broken up into sub-committees and they're studying the results of an extensive questionnaire that was distributed to over a thousand teachers in the province last spring at the instigation of the advisory board. In addition the Elementary Seminar Reading Committee had before it the reports of the experimentation which have been conducted with various other new reading series throughout the province in recent years. As an example of other experimentations some 33 classes in Grades 1, 2 and 3 are using the Canadian Reading Development Series. This is in the Greater Winnipeg area on an experimental basis. This is a new Canadian reading series which introduces phonics much earlier than the Curriculum Foundation Series now in use. These classes began in September '64 and have not proceeded far enough to permit any evaluation as yet. This on-going revision has been very carefully phased into the revision work that has been undertaken as a result of the Elementary Seminar and detailed reports on achievements to date were presented to the Seminar during their initial deliberations.

The advisory committee therefore have in addition to, as I said earlier in response to questions at the beginning of the session, suggested to our teaching training institutions to use more methods in phonics in the teaching of teachers and also of course the department take the stand that they have always encouraged or allowed phonics to be used throughout our system. These experiments are going on. The Advisory Board is fully cognizant of them and they have referred the materials as they have come in experimentally and other materials to this reading committee of the Elementary Seminar group, elementary curriculum committee, and between these two groups and with the activities of the curriculum branch within the department, the final material will be in by next June when this phonetic keys experiment is completed and we'll have some better idea of just where we'll go from there.

I should point out to the committee that those of us who went to the M. I. T. building, the old Ford building on Portage Avenue to see our Teaching Aid Centre literally thousands of work books and different methods of phonics are available through that branch and are listed for the use by teachers throughout the province and many series are available to them.

I briefly want to refer to the occupational entrance course to tell you that a preliminary study was performed in the summer of '63 as I reported last year of a number of terminal programs for slow learners which were being conducted experimentally in various school divisions in the province. The interest shown by teachers, trustees and administrators in that

(MR. JOHNSON cont'd) . . . survey of terminal and slow learning programs was such it was thought advisable to establish a seminar to begin the planning of such a course. The seminar has drafted proposals for a course designed to meet the needs of students commencing at about Grade 7 level for whom the regular school program don't provide adequate educational opportunities and the preliminary report suggests a program that might run as long as five years paralleling Grades 7 to 11 and which makes provision for adequate educational grounding in the core academic subjects as well as vocational and related vocational skills.

It may be of interest to the committee to know that in selecting the seminar members for this particular project a departure from the normal procedure was carried out in that due to its special nature and the limited number of teachers who'd had experience in dealing with the experimental program of this kind, invitations were sent to the various school divisions which have been experimenting with terminal programs or had programs for slow learners and we asked them to nominate their most knowledgeable and experienced teachers in planning the program. Work is already underway in the elaboration of the recommendations of the seminar into detailed outline. The work however, will proceed more slowly than in the other regular courses because of the nature of it and the necessity of co-ordinating the content of this course with the development such as the junior vocational school that's being planned for Winnipeg and the vocational schools to be opened at Brandon and The Pas. They will have to co-ordinate and make sure there's no duplication. I think really the nature of the training to be given in this course in short in these institutions will have similar characteristics as we can appreciate.

In the field of second languages I would just like to mention to the committee that the revision of a conversational French program for grades 4 to 6 is being completed. In addition the committee drafted a pilot course for teaching conversational French in Grade 1 to 3 and a number of school divisions have asked for and received permission to conduct pilot classes in these grades. Because this is designed to lead into the established programs in grades 4 to 6 permission to conduct these experimental programs was restricted to those districts and divisions which already had established conversational French in 4 to 6. The elementary sub-committee is now pursuing its revision work into grade 7 and 8 and conducting its discussion in close co-operation with the committee established for the revision of the university entrance French program.

The Latin program, in connection with Latin, it is interesting to note that the University has already adopted one of the recommendations of the University Entrance Seminar in that for entrance to certain faculties it was agreed to accept Grade 12 Latin in place of Grade 12 Mathematics. However where Latin has substituted for maths as a senior matriculation subject it has to be taken in addition to a second language. German has been revised from 7 to 12 and the revision is continuing. Pilot classes are being conducted this year in grades 9 and 12 using new books and instructional material. In Ukranian, the pilot program introduced in '63/64 at the grade 9 level in some 19 schools has carried on through grade 10 last year and into grade 11 in the coming year. The committee recommendations for the grade 12 program have just been submitted for consideration. As was pointed out last year the university has previously accepted grade 10 and 11 Ukranian as allowable optional subjects in the University entrance course and now that the complete program is available from 9 to 12 inclusive, it is being submitted to the university for consideration by the matriculation committee of the Senate with regard to its possible acceptance as a complete senior matric subject up to and including grade 12.

The program for Français is available in the province now from 1 to 12 inclusive. In addition the committee have revised 9 and 10 using the new time allotments recommended by the University Entrance Seminar. The Français Committee have also prepared an optional course in literature français for grade 10 in accordance with another of the recommendations of the University Entrance Seminar. Permission has been granted for a limited number of school divisions to experiment with this in grade 10 to determine the suitability of the textbooks and content for purposes in this course.

Revisions are continuing in the industrial arts for junior highs schools guidance. In '63/64 new outlines were prepared for such courses as automotive mechanics grade 9, drafting grade 7 to 9, electricity 7 to 9, home ec, plastics, metal work and woodwork. All schools teaching any of the grades 7 to 12 are now in possession of competely revised guidance programs of studies covering grades 7 to 12. This is a result of extensive work by the most experienced guidance teachers in the province and represents a detailed comprehensive guidance program.

(MR. JOHNSON cont'd) . . . . In addition, the increasing interest in curriculum development continues throughout the province. The number of requests for permission to conduct experiments in the use of new texts and materials at all grade levels continues, and the reports submitted as a result of these experiments are of considerable value not only to the curriculum branch but to the various teaching committees who are engaged in the task of revising courses and subjects. Too much stress can't be placed on the importance of carefully planned controlled experiments in the actual classroom using the text and materials and methods which will be of the most improvement of education in our school system. The enthusiasm and interest which is being shown by teachers, trustees, administrators in formulating, evaluating, conducting these experiments is much appreciated.

I can inform the committee there are now over 300 teachers from our schools actively engaged in committees of various kinds and various grade levels. In addition, the staff of the branch has been increased this year, since last September, by the addition of an experienced vice-principal from the Winnipeg Public School Division who is serving on a loan basis as a consultant in the elementary curriculum revision. The estimates of this branch make provision not only for an increase this year in the permanent staff but for the continuance of consultative services which have proved so beneficial over the last two years. We are also making provision for the continued payment of substitute fees so that teachers who are engaged in curriculum committee work may be freed from time to time from classroom duty, to spend brief concentrated periods of study on their revision work. I would like to express the appreciation of the department to the trustees and administrators who co-operate so well with the department in this work. It has been possible for the various curriculum committees to carry on their work expeditiously and efficiently without depriving the students in the schools of the service of these competent teachers for unnecessary long periods.

I'd also like to point out that special provision is made this year for additional sums of money to provide for increased programs of in-service training to prepare teachers for the introduction of new courses and texts. I've made mention earlier of the familiarization workshops to be conducted this spring in the new mathematics for teachers 4 to 9. The in-service familiarization courses are based on the new grade 8 text, "Introduction to Modern Mathematics" designed to provide specific training for teachers of Grades 8 and 9 as well as an introduction to modern maths for teachers in the lower grades as a preparation for again newer texts in these lower grades. In this way teachers in the lower grades will gain insight into the foundation in modern maths which will greatly ease their preparation to teach new materials at the grades 4 to 8, and 7 level when final decision is made concerning the actual text to be used, and similar training carried out in other subject areas. I want to publicly commend the Manitoba Teachers Society for its willing co-operation in assisting in the organization of these large scale familiarization courses.

With respect to the mathematics, I'd like to add another heading and advise you of the -- and I have mentioned the series of instructional exercises or sessions in the new maths which will be delivered through the medium of television in the coming fall term. With respect to the new mathematics, I just want to share with the committee that a very senior teacher in our Winnipeg School Division system was -- I heard this, caught this on the radio one evening -- being interviewed on -- she was introduced to the new mathematics material last year, and having a fixed pattern of teaching over many years, this is the person who at first might have -- I think she was rather critical of just what this was all about until she understood it, and the result of her experience this year with the new mathematics is that she says it attempts to emphasize not only how but why. It is not enough to know that two-fifths and one-fifth equals three-fifths and so on. Students must know why it's true. For years, most of our students have felt they must be told what to do. We gave them a rule and they followed it. The new course encourages a student to study mathematics for himself and it has proven that for years we have underestimated the potential of our young people. In this course they are dealing with maths concepts at a much earlier age than previously thought possible. She was asked: "Do you say then it's a more difficult course?" "No", she said, "it wasn't more difficult: it is a different approach. The terminology is different." She makes the interesting observation that in this age of computers and so on we might tend to mechanize to the degree where our children forget how to compute, and she says this is a purely personal feeling, but the length and depth of the course should be determined by the ability of the class, but as the student becomes familiar with the new approach she feels those who have had no background in mathematics benefit much more from this course. She said, "We're living in a technological society."

(MR. JOHNSON cont'd) . . . . It has been said that more mathematics has been discovered in in the last sixties than all preceding ages of time. These discoveries have resulted in new uses for mathematics in the fields of science, sociology, psychology and business. We must train our students for tomorrow. And finally they asked her, "How are you finding the grade 8 students reacting to the course?" She said, "The students like it much better than the former course. It is more challenging. Young people like to discover. I have found that some students who have never liked maths before enjoying the course." And she said that she sincerely hopes that this course will be a success. But the way in general terms with these elementary studies, if we just take maths as an example, the elementary seminar sets up sub-committees who choose texts and syllabi and courses, and these are tried out on experimental basis, the different texts, with a select group of teachers or a group of teachers who introduce it, experienced people, introduce it into the classrooms, using the recommended text and materials, then report back to the Seminar Committee. As a result of this work in the last year this spring, between now and the summer term, the Manitoba Teachers Society is assisting us in the department and so on, in training teachers in these new methods, and then following this in the fall with a series of television lessons that will be beamed to the teachers some Saturday morning throughout the province.

However, I did spend this time on curriculum. It is as I say, the curriculum -- there's never been as much activity in the history of the province. I think as a layman in this field I would say that this is the heart of your department. This is what everything else is created for, the methods and the means by which we get the material into the children, comes from our appreciation of the material we want to give them. There has been some changes in the examination system in the coming year, but I can leave those few remarks for a few moments.

MR. CAMPBELL: Mr. Chairman, when the honourable gentleman who is now the Minister of Education was in his former position of Minister of Health and Welfare originally and later on as Minister of Health, I always admired and gave him credit for the thoroughness with which he approached his tasks of trying to educate, even in those days, we folk in this House on the work of the department that was before us for examination; and certainly he's doing the same thing here. I for one am impressed by the very very complete report that the Honourable Minister gives, and I hesitate to be so brash as to take a contrary view from what his department does about some of these matters, and I fear that I will be branded once again as being old-fashioned when it comes to talking about education. I don't pose as an expert. We have a good many people I imagine in this House, quite a few, who for a time at least made the profession of teaching their chosen field. I believe that was the case with the Honourable Member for Pembina and certainly the case with the Honourable Member for Emerson. It is still the case with the Honourable Member for Brokenhead. Those who have operated in that field permanently, or semi-permanently, or those who are still in it, are I think the best qualified to discuss the educational estimates. I can claim, as I think a good many of the other members of the House can, only having taught during the short period when I was trying to get enough money to go through the university or college as we called it in those days; and I would not have the effrontery to try and pretend that I am an expert in any regard.

But I have been taking a special interest in this question of reading in recent years, and perhaps I've had, as I've quoted to the House before, perhaps I've had one qualification at least to learn about education, because with our family of seven children, six of them graduated from the university, most of them from Manitoba. The one who didn't graduate from the university got her R. N., and I have always considered that just as good as a university degree. Most of those children, more than half of them, have taken post-graduate training, and so through the years I have been exposed to a good bit of the education that's been in the process of being communicated to the children. And it wasn't very long after they passed out of the schools that I started getting interested in the education of the grandchildren, so I'm going to be close to it for a good many years yet. With the case of our own children, I saw them in a one-roomed rural school, "the little red schoolhouse" that my honourable friends expect me to defend against all comers, I saw them there. I saw them in the Portage la Prairie area, and I saw more of them than any place else of our own children in the Winnipeg area. So I've at least been exposed to some of the more modern education, and I'm watching right now some of the grandchildren who are struggling with this problem of reading and thank goodness, some of them are in a school where they take the phonetic training, and some are in the one where they take the other type, the type that seems to have in a good many cases in the urban areas supplanted the phonetic method. And I am watching this with great interest.



(MR. CAMPBELL cont'd) . . . .

Three years ago I think it is, that I proposed to the House that we should examine for ourselves, this House, this question of reading because it was represented to me. I'm quite willing to confess Mr. Chairman that I'm getting one side of this question because my natural predilection is toward the, what we might term the old-fashioned method and it seems to be that it's the people who support that method who come to talk to me about it. I know that in most cases there are two sides to any question and I'm not considering myself as an expert but I believe the people who talk to me about the phonetic method have at least given it enough attention that they're entitled to be called well-informed on it at least. Well it was three years ago that I brought the question before the House and made a motion regarding it. The Honourable Member for Pembina whose interest in this matter I respect and appreciate amended the resolution that I had to refer the question to the Advisory Committee and that was done. I want to say right here, Mr. Chairman, that as far as the former Minister of Education is concerned, and the present Minister, I do them the plain justice and nor more than to say that with a little bit of discussion that I've had with each one of them on the subject, it strikes me -- they can speak for themselves -- but it strikes me that both of them were and are rather sympathetic to this point of view. It strikes me that maybe both of them have been led for one reason or another to believe that perhaps the reading program in the area here where what I shall call the new method is being employed, has not been satisfactory and that they were watching with some considerable interest and sympathy this experiment that's been going on.

But it seems to me, Mr. Chairman, that this experiment has gone far enough now after three years that we should have some concrete reports from it and it seems to me that the area of disagreement and misunderstanding, and even controversy, that still surrounds the question is more than should obtain after the attention that's been paid to it. Now I recognize the fact that -- and I thank the Minister for the statement that he's made. He has mentioned the fact that this is before the curriculum committee still and he's mentioned quite a few details that I will get a chance to study more carefully later on -- I recognize that this question is still before his curriculum committee, but it's going to take as I gather it. some time maybe, maybe two years or so still before we have a final decision on the question by the curriculum committee itself and perhaps there's some steps to be gone through after that. In the meantime I am told that there are not a few but many children coming home from school in Winnipeg with notes from their teachers telling them that this child needs help in reading, and the great point Mr. Chairman, that I am met with is that the department does not have a text for either the teachers or the parents to help the children with the phonetic method of reading. This is why I was asking the Minister the question some time ago, are certain books available through the Textbook Bureau and the Minister gave me a statement that I am sure represents the position of the department on the matter but it seemed to me to add up to the fact that there hadn't been many requests for them and so they are not being stocked. I am told that parents who try to buy those text books are told rather shortly by the Textbook Bureau people that they have to order them in rather large quantities and the parents are not able to do that, and don't want to take the position of stocking quantities of these books. The fact seems to be that they simply are not available and yet I'm told that there are many parents wanting to help their children to catch up on reading and they want the phonetic method. Now if you think this is an easy job to do just try it sometime teaching reading and particularly try it with some of these children that have been started on this sight, look, see method. I've had the opportunity of trying it and it's not easy. I can still get along reasonably well with the ones who were started off on the phonetic method, thank goodness some of them are, and it seems to me that they make much greater progress.

Now what are these parents to do. The children are coming home from school with notes from their own teachers that this child needs help in reading and they want to help them with the method that they, like myself, believe would be the best way to help them and they are not able to get these good texts that are available. They tell me that one of the good texts is one that -- and I do give the former Minister of Education credit in this that during the time that he was Minister a course was established at the Teachers College in phonetic reading because this was necessary, if you are going to make some beginning in this program then it seemed logical to at least teach the teachers who perhaps hadn't had that method themselves to have it. And they tell me that the text that the teacher out at the Teachers College I believe her name is Mrs. Turner, has developed, is an excellent booklet, excellent text. But these

(MR. CAMPBELL cont'd) . . . . mothers that want to teach their children reading can't get it. That's what I'm told. And the other one "The Phonetic Keys to Reading" is not available for general distribution either. Now this may be, and I believe the answer is given that it's because this experiment in Winnipeg is not completed and I am told that there's a report called "864" that has already been laid before the Winnipeg School Board and that that report should be pretty carefully studied.

I don't want to weary the House by arguing this matter at great length once again but it is three years since we were talking about it before. I do give the two Ministers credit for having started on this work, and I think sympathetically, I have that feeling. I do not charge that the fault lays at all with the Department of Education. I'm not charging that a fault lays any place. I'm trying to find out what is the reason for the delay. My informants tell me that the report that has been given already shows that the classes, not the official classes perhaps, because there are some official and some unofficial, but taken together that the report that's already available shows that the children in the classes taking the phonetic method of reading have made considerably more progress than the others. I would think it's time for the education department itself to concern itself in this experiment that's been carried on and the way it's being interpreted. After all it's about six years since the Royal Commission on Education, that is a pretty good commission, recommended that increased attention should be paid to the phonetic method of reading. It's two or three years I believe since the Manitoba Trustees made a similar suggestion and I'm not trying to say there has not been something done about it. There has been something done about it. It was a great step I think to start the teaching of the phonetic reading in the Teachers College itself. That was a big step and the fact that the teachers themselves are now being instructed I think is a very forward plan. But when the teachers go out, even these who have received instruction in the phonetic method, when they go out I am told there are still no texts available for them with which to teach. Well now this is a hard thing to understand -- except I believe those that the Honourable Minister referred to tonight in his statement because I believe he said that there were a lot of texts of the "Phonetic Keys to Reading" and perhaps one other that he mentioned were available. I believe those are the ones that were made available by the grants that the Department of Education gave to this experiment. Is that correct? If it is why we can hear that later on. So I do give credit to the Ministers and the Department for what they've been doing. But I'm told that for the people who want the texts "More power to them", or "Phonetic Keys to Reading" that it's difficult if not impossible for them to obtain. And the Minister's answer to my question I undertook to say in effect that the Textbook Bureau simply wasn't making them available and I think that we should . . . .

Now I'm not in a position to interpret the experiment that's been carried on, I believe it carries the designation "864" in the City of Winnipeg and I was interested to hear from the Minister tonight that a similar one is being carried on in Fort Garry. I hope for the sake of the many people who have taken a great interest in this question and are taking an interest in it now, that we can get the Department of Education officials to actively intervene in this question and assess the progress that's already been made, and I'm quite willing to abide by their conclusions on it because I certainly think they're better able to evaluate them than I am. But in the meantime, I would urge that if the progress that's already been made in this experiment indicates that there really is a significant difference in the progress of the children that are on the phonetic method as compared to the ones that were on the other method or methods, that at least the phonetic method be available as a supplementary or extra course, or something of this kind, so as to make it available to the teachers who want it, and with the blessing of the Department of Education; and particularly or in addition, that the texts that a good many people want to avail themselves of -- some of them being teachers, some of them being parents -- be made available so that they can at least have this help in trying to meet with this problem.

MR. JOHNSON: I do want to say to the Honourable Member from Lakeside, that one could not be Minister of this department and not be aware of the problem of reading with all the -- but I can assure him that there is no desire in the department to withhold at all and the thing is that this experiment they tell me, Phonetic Keys to Reading, particular experiment, won't be completed till next June. But there is more activity and thought going on in the department now in this area than has ever gone on before, I'm sure. We have a curriculum branch well staffed. We have a top person from the Winnipeg School Division in a consultant capacity in the elementary curriculum revision. We have the various series of reading materials in the schools. The policy in the department I understand is to have the teaching of phonetics,

(MR. JOHNSON cont'd) . . . . which has always formed part of any reading instruction given in our schools and I am sure as the Honourable Member from Lakeside knows, conflicting opinions come forward with vigor and force, and it's a matter of the amount of phonics and when it's introduced as I see it as a layman; but also I know it's a matter of word articulation. I think though that the department's aim is simply to provide the best possible reading instruction we can and to keep an open mind until all the facts are before us.

I can inform the member for Lakeside that I have spoken to members of the Advisory Committee who have this under -- these are mixed as you know of laymen and educators, and speaking to the lay personnel on there -- there happen to be two physicians on that Advisory Board that gives it a real down-to-earth content if you may say; and talking to the other -- there's no lawyers on that committee -- and I find that talking to these gentlemen, they are most concerned about the very matter that the Honourable Member for Lakeside is bringing up. But I simply fail to understand, and I know the honourable member hears this from time to time -- I can't understand why there's a lack of materials.

The other day, when we went to the Teaching Aid Centre out here on Portage Avenue where the Textbook Bureau is now located, I showed the honourable members who were able to come the large number of work books in phonics; all kinds that were there on the shelves. The member from Carillon can substantiate that. I asked for a copy of the -- to illustrate the wide use of phonics material, phonics work books here that are stocked in the Textbook Bureau and listed on our order forms. For this, sales for '64-'65 in April, this was for '64-'65, April 1st to date: Phonics Handbook for Teachers, 71 sold; Look, Listen and Learn, Book I, 1331; Book II, 1503 sales. The numbers are the numbers of sales. Book III, 260. Eye and Ear Fun Book I, 121; II, 124; Fun Book III, 126, IV, 166. Reading Through Phonics, Book I, 7237; Reading Through Phonics, Book II, 6742; third book in this series, 5743; the fourth book, 3709. Reading Readiness, Reading Through Phonics Primer by Edwards, 2400. Phonics We Use (a), 3065; and then Phonics We Use (b), 3000; (c), 4300; (d) 2600; (e) 1300. But the Hays and Wingo series of Reading Through Phonics, the total sales are very minimal. They're not stocked at the Bureau at the moment because of the limited requests, and the requests for this book total 4, 19, 3, 1, 50, 2, 64, 2, 2, 1 and the 50 and the 64 came from strangely enough the RCAF Station at Gimli, so one school was using all those -- most of the orders on that particular series.

Now I think the honourable member will be happy to know that the advisory committee are very concerned about this whole matter. The interpretation of the findings to date are in some dispute frankly as to their interpretation. The most experienced personnel in the field of elementary curriculum are looking at this along with the advisory board and the full-time staff, and the most thorough and careful examination is being made of current reading series as I indicated, and methods to determine the most effective use of reading instruction. As a layman I say that there is a tremendous use of phonics materials in our schools being given to teacher trainees, and the more I see of this it seems to be the degree of phonics or the amount or the extent to which phonics are used and how they're used and I simply, as a layman, say to myself, if I was trying to teach a child how to say the word "come" phonetically, I simply couldn't do it by phonics alone. There simply has to be some sound co-ordination and sight, and I think all the senses come into play, and I wouldn't want to -- I bow to a person like the Honourable Member from Pembina before I would say to what extent, and I think it's to that extent and these experiments that we hope will give us these answers, but I can assure my honourable friend, the Honourable Member from Lakeside that this is engaging a great deal of the time and attention of our people and I would hope that he would accept the fact that there is an awful lot of material being dispensed throughout the province in the field of phonics at this time.

MR. CAMPBELL: Mr. Chairman, I accept the fact that my honourable friend is speaking as a layman, assures me that he's going to take a personal look at it, and quite frankly I think this would benefit by the fact that a layman did take a look at it, because I think maybe it's got into the field of experts to such an extent that it's perhaps becoming more confused rather than arriving at any conclusion. In the number of texts that the Minister mentioned, Mr. Chairman, he didn't mention the one -- one of the two that I asked about, "More Power to Them." I think maybe that's Mrs. Turner's own book, is it? Textbook.

MR. JOHNSON: That was just a workbook, 30 pages I believe. I have a copy of it in the office, "More Power to Them". It's just a set of notes prepared by one of the elementary curriculum instructors at the Manitoba Teachers College which she distributed to the class.

MR. TANCHAK: Mr. Chairman. Thank you. I would say that after listening to the

(MR. TANCHAK cont'd) . . . Honourable Minister that I do not think that he will ever be discouraged when "Under the Dome" says that he read and he read and he read and he read. I think that's what he referred to before. I noticed yesterday he did read and read and read. Quite a few members almost fell asleep, but I didn't. I enjoyed it all the same. What I like about him is that whenever he gets up, he speaks, not only with his lips but he's got his mind, his heart, his whole being in it, and he tries to do his best. But one thing I'd like to draw attention to is that these -- the clock keeps ticking and ticking and ticking away, and I think that right now in estimates we've spent something like 31 hours and about 21 1/2 minutes, so maybe the Honourable Minister is not being fair to the rest of the Ministers because when the Minister of Agriculture comes up and then he takes up so much time, and the Attorney-General, the rest of the Ministers probably will have to sit here till maybe 12 o'clock, 1 o'clock, but I'm happy that the Minister of Education will be through with his.

However, I can appreciate the problems of the Minister of Education. He's got all kinds of problems, curriculum changes, merit rating, new arithmetic, general course, examinations, phonics, vocational planning, and he's got a story to tell here that even if it took three, four times as much time, there would still be things to tell and something to explain to the people, and I hope that the Minister measures up to this task. It's quite a task.

I'm happy to hear that there are improvements in curriculum. We on this side have been urging the Department of Education to appoint a permanent body to improve our curriculum. For some time we have been doing it, and I think that the present body is trying the best they can offer.

There's one thing that I would like to draw attention here. I'd like to see one item here somewhere in the estimates. It could be that there's some appropriation for it, but I would like to see one item definitely, "research". Maybe it is hidden somewhere here. I'm sure there is a certain allotment to research, but I would like to see the item "research". I have been told by a very progressive school teacher, about 2 or 3 weeks ago -- from Gladstone this teacher is -- but he does not think that there is enough research as far as the Department of Education is concerned. In other words, he told me, and I think I know what that is, he says, "There's a little cubby hole somewhere in the basement of the Department of Education," he says, "and that cubby hole is crisscrossed with cobwebs." I know that there is quite a bit of research in the City of Winnipeg. The teachers, the school boards here do quite a bit of research, but I may suggest that it might not be just fair to have the City of Winnipeg, the School District of the City of Winnipeg, carrying the whole, most of the burden -- I wouldn't say the whole burden of research. I think that it would be quite in order for the Department of Education or the Treasury to set aside a certain sum, a larger sum than we have at the present time for research. Research -- and I know that there is experimentation, a new approach to arithmetic and phonics and so on. Speaking about phonics, in my nineteen years experience as a teacher I've had to resort to both methods. When I did start in elementary schools, the first few years that's the only way we could teach the pupils at that time. It was the order of the day I presume -- (Interjection) -- Phonics, yes, and I found it quite satisfactory. But I'm sorry to say that when the new system was introduced I didn't have very much to do with primary grades because I went a little higher into high school, teaching high school and I didn't have too much. But speaking to some of the teachers who are presently using the method, the sight method, a lot of them of the older ones who have been instructing in both methods seem to think that there is some advantages in the phonetic method. That's about all I could say about that part of it, but I am sure that some effort is being made to come to some understanding.

There is one more item I would like to mention and this also comes not as a criticism from myself but from several teachers. And it's the matter of setting examination papers. It still seems to be the practice that teachers are asked, teachers who are active at the present time, are asked to come and set examination papers and they usually do it in their spare time after they have already put in a full day's work. They're tired, probably not as anxious to spend as much time or they don't put themselves as much to the problem as they should, and the opinion of some of the teachers is that there should be a standing committee for setting the examinations, well trained people who would be permanent and probably they could even test these examinations periodically, not the final, I mean, but similar, on some students throughout the schools and see how they work, before they are finally put to the students as a whole at the end of the term. It may be something worthwhile. I just pass this on as it was passed to me by several teachers.

(MR. TANCHAK cont'd) . . . .

In the last decade I think we have all witnessed, I know it's true, many changes in curriculum and we've been trying to achieve some uniformity in the curriculum as far as the rest of the province is concerned. I realize that it is a very very difficult problem but I'm happy to say that there was some improvement on it although it is not complete. We have been witnessing changes in general upgrading of high schools in Manitoba, huge sums of money have been spent to house our rapidly increasing student population. The federal government to encourage the parents to keep their children in school is now providing them, the parents, with a \$10 incentive to keep them above the age of 16. But it seems to me that we like to take some credit for the progress that we have made -- I'm talking about this House and I'm including the government and in this general back slapping it seems to me that we're forgetting or paying very little attention to the great numbers of dropouts in our high schools of Manitoba. When I'm referring to these dropouts, I'm not as familiar with the percentage and the numbers in the city schools but I am with those in the rural school areas and that's what I'm referring to, the rural areas. Percentage-wise it seems to me that this has remained unchanged for over ten years, the dropouts, and in my opinion it's very serious. Even now only about 20 percent of our boys, and these statistics are taken by teachers, I asked the teachers to do in two different areas in rural districts. There's still about 20 percent of our boys and girls who go to school only 20 percent of them complete grade 12. I may be wrong, the Minister may correct, we stand corrected. About 80 percent of those students become dropouts and I'm afraid that these dropouts will increase, especially in rural areas if something isn't done. I am afraid when we adopt the new curriculum completely it is going to be worse. Because we know that most of our divisions -- and here I come back, I should say "no use flogging a dead horse", I'll come back to the rural school divisions who say that most of our divisions in rural areas will not be able to offer the student, with the exception of some of the larger areas, we will not be able to give our students the advantages of the general course unless a radical change is made. I understand that the Minister is thinking of something, because the government permitted in the past the construction of those small high schools that I referred to before which is contrary to the recommendations of the Royal Commission on Education. Except in Winnipeg, Brandon and Portage la Prairie and maybe the odd larger centre where the divisions are larger and the schools are adequate in size, the average number of our high schools per division is four and a half. I think I'm correct there. And the average number of teachers per school in those high schools is 6.4, that's the average. That's taking all of the rural areas excepting these larger centres. Therefore, it shows that the average is a 6.4 room high school if you do not count the gymnasiums and the libraries, I mean active classrooms in there. And now to do justice to this general course it is recommended that only high schools with at least ten rooms should tackle this general course. Students who are not of university calibre may thus be denied the opportunities of a general course because the schools could not give them the general course; therefore they will have no alternative but simply to drop out.

In the rural areas, and this applies the same to the urban areas, educational costs have spiralled in the last few years upward. Parents in rural areas have a good reason to complain that in spite of our high taxes our schools do not accommodate all their children. They become dropouts, some of them. I wonder if we've reached the stage where our schools are there just to educate the chosen few. That may apply to the rural areas because I do not think that our present system in most of the rural areas is adequate. The seriousness of this problem of dropouts is becoming more and more evident every day. The demand, rightly or wrongly, seems to be for better trained help every day. Practically any young boy or girl who applies for any position, the first question that's thrown at him is what degree of education have you got, what education you have. Therefore if they haven't the proper education, they may become dropouts.

I don't know what the solution to this problem is, probably the Minister has. I am sure that he is aware of this problem. Maybe the problem is consolidation and centralization of schools, what the government is trying to attempt now. That could be one problem. Maybe this problem is a psychological one, maybe it still originates in the primary grades. It is quite possible. Maybe our educational system, our curriculum is maybe too strict or probably it's not challenging enough or maybe it's too demanding. It is hard to say. But I think that it is a problem that should be looked into because in my opinion this problem of dropouts is quite serious in our age.

MR. LEMUEL HARRIS (Logan): Mr. Chairman, as has been emphasized here, several times in this session that we have a problem on our hands in this respect, a very serious problem for this reason, that the bulk of our people in this day and age haven't the education to take on the responsibilities that are going to be thrust on them in the next few years. Now I'm not saying this to deride what we have done or anything else, but if we are going to accept the challenge, we have to go out and meet it, and if we don't meet it well then there is something wrong with us. So I say we have to put programs to educate these people, we've got ten programs in there, and eight of them assume that a student has high school education. That is a fine thing, we can just imagine that in our own mind and say well that's so, we don't need to worry, it's just so. But you go and find out throughout the country here in Manitoba, it is not so. Because our people years ago didn't realize what was coming on us today and I say that we should go out now and assume a bigger load on education. Sure we say where are we going to get the money from. Well if you don't spend on education today, you've heard Mr. Krushchev say we're going to bury you -- and he will -- because his people are going out and getting educated and they're going to assume all these positions that we want our people to do and our people won't be able to accomplish what they are going to do. The reason why I say that is this that I want to see our people keeping ahead of everybody in this world because I say with this education today it is the greatest thing ever. Down in the United States I think they have turned over \$800 million, that is to bring the people that are in the poverty level up. And the only way that they will do that is through education. And when you see these people that are going to get this education and the people that are spending the money on them, they are recognizing what is going on. Now I say here in Canada we should do the same, because if we don't well as I said before, we are going to be lost. As Krushchev said, "I'll put the steamroller on you. I don't need to do nothing else, education is going to do it." Now I'll let my colleagues carry on from there. Thank you.

MR. GRAY: Mr. Chairman I asked the Minister of Education today when will he get through with his estimates. He said that when they will celebrate my eighty years of life. In other words, we have to wait another almost five years. So I thought perhaps I got enough nerve to get up and take up one or two minutes on the question of education so my grandchildren will not say that I haven't taken part in such an important subject.

For a week now, almost a week, we have had the discussion which is not wasted, it's a very intelligent and informative subject but I think perhaps we have to come sometimes because I do not want to stay here another two or three months, by the way the estimates are progressing. I have one suggestion to be considered by the Minister. I have a daughter, a teacher in New York and she had to go through four years in Columbia University until she was taken in as a teacher in Grade 1. She is quite an intelligent girl because she had a good education in Manitoba, or Winnipeg. This suggestion would not be in time 15 or 20 years ago, when the salaries of the teachers were very small, they had no inducement. After all they've got to live. Outside of the ideal that a teacher may have to try and see that we have an educated world, particularly at this age, at this time where there is no positions available for a girl who wants to take up higher education, and particularly the teachers. Now that they're getting a better wage -- I don't know whether it's efficient or not -- why not extend their academic education by a year or two longer. Perhaps let them get first a BA degree, and then they would do the work without spending so much or time on education on discussion right in this place, in this House. I feel that if they extend their academic education they would have taken away a lot of the work from the Department of Education. They could be the overseers; they could still watch. But some of the work and some of the suggestions made here should be up to the teacher to do it. Now the only question is if they have to go to university or extend their teaching education training longer, they may not be so willing at the salary we give, so we'll have to consider more the wages now and extend their period of education. This is the only suggestion I make to the general discussion.

MR. CHAIRMAN: . . . 4 (a) pass . . .

MR. CHERNIACK: Mr. Chairman, you speak so softly that I don't know what number we're on.

MR. CHAIRMAN: 4 (a) (1).

MR. CHERNIACK: Pardon?

MR. CHAIRMAN: 4 (a) (1).

MR. CHERNIACK: 4 (a) (1). All right, I'll wait.

MR. CHAIRMAN: 4 (a) (1) pass -- 4 (a) (2) pass.

MR. WRIGHT: I'm one of these people that diligently sit here and try to get an opportunity to say something once in a while, and I don't mind . . . if I might say just a word on curriculum. The honourable member to my right made mention a few minutes ago about research, and I have been interested for some years now in the experiment that's being carried on at Burnaby, B. C. I asked the question last year as to whether or not we were aware of what's going on up there in regard to the segregation of the sexes in Grades 1 and 2; and I quoted last year at great length from an article in MacLean's magazine entitled, "Our Schools are Loaded Against Boys". And being one of those people that believe that our schools are loaded against boys I'm intensely interested in the experiment that's going on up there. For instance, the Honourable Member for Lakeside mentioned the other day about the St. John's boys school. I think he like myself have quite a high regard for it and I am convinced that one of the reasons for the success of it is the fact that these boys while they're small are segregated, because a lot of young boys are actually bored in school, and when they start out and they get these paper cut-outs, playing with all the activities of the girls, I really think they get off to a bad start. So I would be interested in wondering whether or not our people here are watching this experiment. Now, the young lady that's in charge of it has a PhD from the University of Alberta, and she says they're not trying to cram the idea down the throats of other people, but so far in the two years they've had this, very revealing facts are coming out, and I would be interested in knowing whether we are aware of it.

While I'm on my feet, Mr. Chairman, I'd like to mention phonetics. It seems to be quite in order for us laymen to get into it, and I have had quite strong feelings about this for some years. But then I think we have to be fair, because I attended for two or three winters psychology classes in a university in the evenings, and one of the things there that we were made aware of at the very beginning was that we enter this life under very different circumstances. In going through some tests out there for the average adult I was told that it was quite proper or common for the adult to be able to recall 9 numbers. Well, the professor after asking you these 9 numbers and getting you to repeat them, then asked the question, "How did you repeat them?" Well, you don't think very much about this. "Did you hear them in your mind's ear or did you see them in your mind's eye?" And I had to recall that I heard them in my mind's ear, and by attending these classes I realize that I go through life depending a lot on my ears, and there are other people that see them. So I think that with the phonetic system it was quite easy for me to learn to read with that system. And it is quite easy for me to spell because people who are good readers are usually good spellers. But I do believe, to be fair, that there's a place for both systems, and I think if we could catalogue or segregate our people into classes it would be much easier for teachers, because the children who go through life depending on their ears certainly can learn very quickly with the phonetic system. But we have other students who are very good readers who can learn by the sight method. But if a child who goes through life depending on his ears is suddenly confronted with a new system then you meet with trouble, and I think it's just as simple as that. In Toronto the children there on entering school, they all enter there with a chronological age of six years, but they soon find out that there are children in these starting classes with a mental age of four, and also of eight so it's foolish to put them all in the same class. And I think that while I personally lean to the phonetics method I am at a loss, being equipped as I am I'm at a loss to understand why they would use any other method; but then again knowing what we are taught in psychology I have to also believe that there is some place perhaps for the sight method too. I just want to put my thoughts on the record, Mr. Chairman.

MR. CHAIRMAN: 4(a) (1) pass, 4(a) (2) pass.

MR. JOHNSON: Mr. Chairman, just one word on a couple of matters raised to clear them up for the evening. On research, we give grants to the Research Council of the CEA, Canadian Education Association, which is still under discussion by the Standing Committee of Ministers. The recently formed Manitoba Research Council of course were a founding member. But I must point out that really throughout the curriculum branch, as I mentioned earlier, 300 teachers are involved and so on, this is really research at the grass roots throughout that curriculum development. We have the Director of Research of Examinations, he's called Supervisor of Research and deals mainly with examination methods and IBM scoring of exams and so on. We are participating at the CAA at the national level in the data processing experiments. The CEA have set up a --the various provinces are discussing with the Ontario curriculum and the Department there the possibilities of data processing and educational matters across Canada. We have the Federal Government and provinces continually reporting on research and technology and manpower training. So really most of the activities in the department are what you would call practical on-going research, in the departments and within the Deputy-Minister's office we have one statistician and one woman who is concerned mainly with developing research material for the department. Of course on the question of drop-outs I think the whole story here is simply one of --our retention rate is I think the best index of our success as a Department of Education. This is gradually rising and a massive increase as we know in high school students in the last few years has been most heartening and we hope it certainly keeps up. But the main thing I think is to maintain the interest of the child at school by introducing a variety of courses and allowing the child to reach his maximum potential insofar as we are able to do so.

The Honourable Member from Logan said --I think we are reaching down into the community more. This year we have extended the basic allowance for basic skills, on basic upgrading classes, to extend it into pre-employment and pre-vocational classes at our trade schools. At the moment there are 1,201 people receiving grants going back to school. On this basic upgrading program we have our plans at The Pas and Brandon; we have that massive problem in the north we've been discussing in the development of Cranberry. We have announced to allow smaller schools to plan multiple courses, especially the general and university entrance, planned extra transportation grants where this occurs, and extra teacher grants are being planned. We have of course the Junior Vocational School being planned. The Occupational Entrance Course Seminar has now been distributed to the people who are most knowledgeable and can advise us in this matter with respect to curriculum. All these measures in short form are I think the practical energetic means by which we are tackling this whole problem.

I must point out that I have been most amazed in the level of some that have come to us for basic upgrading. I don't think I would have believed it if I hadn't been in a position to see some of the things that I have come to understand a little better, such as chap who had never thought in other than fractions of a half and learning how to cut a board 7 and 3/8 inches. Something we take for granted; something that made him unemployable, but once he learnt it made him employable. The man of 72 learning to speak English in an English class in the basic courses and so on. I thought it significant that the people from New York, 14 directors at large, were most impressed with their visit to William Avenue and the kind of course Canada or Manitoba is offering at this level.

MR. CHAIRMAN: 4(a) (2) pass, 4(a) (3) pass.

MR. GRAY: Mr. Chairman, under (3) what's the reason for the reduction of about \$80,000 in expenditure this year?

MR. JOHNSON: This is the Grade 11 examinations this year --there'll be no charge for the Grade 11 exams. I think I should try and cover briefly, if I may, the highlights here this year because I think it's important for the members of the committee to know of the changes that have taken place.

Briefly --if I can be brief-- at the Grade 9 level the usual five tests are set by the teacher committees under the supervisor of the Inspection Branch, and over some 100,000 papers, Grade 9 exams, were marked under the direction of the Examinations Branch and these marks were recorded for the guidance of the staff in making promotions of Grade 9. Since 1962 the branch has been conducting experiments in the use of machine-marked examinations of an objective type. In 1962 this procedure was used with Grade 9 Science, and last year it was used for --'63 for Grade 9 Science and Social Studies, and last year was extended to Science, Social Studies and Maths and a mental ability test at the Grade 9 level. Wherever these



(MR. JOHNSON cont'd). . . . . objective tests have been used, marking has been accomplished speedily and accurately through the use of electronic marking machines, and as the marking procedure is carried out with machines, a careful and constant check, of course, is made in the accuracy of the machines by means of sampling procedures in which a certain number of papers are recorded by hand. A similar procedure will be followed in the Grade 9 exams in this coming spring, but as a result of experience certain modifications are going to be made to increase the proportion of teacher marked essay type questions on certain papers.

We hear concern about the dangers of objective testing, particularly in that it leads to the teaching and memorization of material and a diminution of the student's ability to organize knowledge and thinking on a given topic to express it in simple prose. It should be remembered that any exam, of course, is at best a measuring device and not a teaching method, and this applies most particularly to final exams of any type. Only a sampling can be made of all the work covered during the school term or year. To state that objective questions in a final exam will negate the objective of teaching a student to organize a body of knowledge and express it clearly in simple language, is of course to imply that two hours in June can outweigh the work of the year, and as a rule in the Grade 9 exams, this type of test is being used and the Grade 9 inspectors' tests are really only one measure of the student's ability to proceed at that grade, the term work being taken into consideration.

The objective testing incidentally as a measuring device has reached a very high peak of efficiency and is common accepted practice throughout the modern world. In a number of our sister provinces as well as in the United States and England, the objective tests as a measuring device have become commonplace, even for such important decisions as establishing entrance qualifications to university and English composition. With reference to our own Grade 9 situation, the marks obtained in the departmental exams as I said are not the sole criteria; they serve as an additional guide for the inspector in confirming or in a very few cases altering, the recommendation of the school based on term marks as to whether a pupil has passed or failed.

In Grade 10, over 16,000 students wrote inspectors' tests in five subjects last year. These exams were marked in the school by the teachers in accordance with a marking key supplied by the department. The marks were averaged with the term marks and signed by the schools and the result was then combined with marks in all other subjects examined locally by the school to give the student his standing.

In Grades 11 and 12, the High School Examination Board reports a significant increase in the number of papers written. In the past five years the number of Grade 12 papers in the university entrance course has doubled. The number of Grade 11 papers in this course has shown an increase of 66½ percent. As the annual report points out, the annual increase in the number of papers for both grades is more than 44,000, a figure almost equal to the total number of Grade 11 papers written in 1959. I'd like to draw your attention to -- while the number of papers to be marked, processed and recorded in Grade 11 and 12 has been increasing rapidly and steadily, the time available for the total procedure has not been increased.

The High School Examination Board and the Examination Branch are faced with one of the most rigid and demanding time tables that could possibly be set. It is only through the use of electronic equipment for the recording of marks and printing of marks statements, and the diligence of the staff, I may add, and the countless hours of overtime work, that the Examination Board results -- High School Examination Board results, have continued to be released to the public before the end of July. I would like to point out to the committee there is really no set date for the issuing of marks in July. Because of the tremendously involved procedure and necessity for the utmost accuracy, it is virtually impossible to predict even one week in advance the exact day in which marks statements will be issued. Nevertheless each year the public information media naturally continue to press the Department for a date on which the results may be expected. When in response to this pressure the board advises a target date, this is immediately of course taken as a fixed time by which these results must be issued regardless of unforeseen or possible delays. The record of the Examination Board and the Branch in meeting the basic timetable continues to be excellent, and the province has for years provided its students at the senior high level with wider opportunities in the form of early reporting, permission to appeal standing, re-read privileges and supplemental privileges than practically any other province in Canada, and I think it would be instructive for those who tend to be quickly critical of the administrative procedures here to consider the situation in other provinces where final examination results are not available often until the middle of August or the end, when there is no provision for appeal and re-read, and no provision whatsoever for

(MR. JOHNSON, cont'd). . . . . the writing of supplemental exams of any kind. I find that Manitoba is certainly envied for her examination system by the other provinces.

Before turning from a consideration of exams, I would like to comment on the change in procedure for this June. The Board of course has concerned itself for several years with the provision of completely externally set and marked pattern of examinations in the university entrance course in both 11 and 12. Now that the university has raised its entrance requirement to senior matriculation, the High School Examination Board has been able to decrease its emphasis on external exams at the Grade 11 level. Therefore, in June of '65 for the university entrance and general courses --the general course too-- the High School Examination Board will be setting external examinations of a two-hour duration in place of the former three-hour examinations. These examinations will continue to be written in accordance with the timetable published by the Examination Board, but the June exam will be marked in the school by the teachers --this is Grade 11 university entrance and general course-- and the promotion mark for June will be the average of the mark obtained on this examination and the mark assigned by the school for work done during the term. These marks will be reported to the Branch, Examination Branch, on forms supplied by the Examination Board, and an official statement of the Grade 11 standing will be issued by the Branch. There will be no examination fee for these Grade 11 June examinations.

The supplemental examinations in August will also be of two hours duration, set externally, but will be marked externally under the supervision of the High School Examination Board. For these supplementals in Grade 11 general course and university entrance course, eligible students will be required to make application and pay the normal examination fee. The standing on these supplementals will be based entirely on the mark obtained in this external exam.

These changes in the Grade 11 pattern of the university entrance and general courses will have several important results. In the first place, the students and their parents will be free of the cost of examination fees in June, and in addition the actual examination burden on the students will be lessened by the decrease in writing time required for these examinations. Of even greater importance, the judgment of the teaching staff concerning the student's eligibility to proceed with the work of the next higher grade and his work during the school year, will have considerable weight in determining his final standing in this grade.

It is interesting to note that the senate of the University has recently announced the adoption of an almost identical pattern for the same reasons, that is to reduce the amount of time given to formal examinations and to give greater weight to term work and laboratory results. At the same time, the fact that the examinations will continue to be set by committees of examiners appointed by the High School Examination Board will permit that board to maintain its statutory superintendence and control over examinations in these courses at this grade level, and will ensure that students and teachers are aware of the standards demanded by the High School Examination Board.

Finally, to assist the schools in the increased work which will be required of a number of teachers in June in fulfilling this responsibility, the timetable will be so established as to ensure that the writing of the Grade 11 examinations is completed well before the end of the school term to allow time for the necessary marking . . . . . committee work to take place in the schools in June. By that I mean it would be early enough in June to allow it all to be completed and I believe the examinations in Grade 11 this year will start on June 14th. By early in June I mean the 14th of June. Those schools eligible to receive accrediting privileges. . . . course without exams continue to be eligible to apply and to exercise this privilege. It is hoped that the Examining Board by the board that an increasing number of highschool schools will become eligible for this accreditation.

With respect to Grade 12, these exams will continue to be set externally and marked externally under the control of the High School Examination Board. An important change will take place in that the Grade 11 general course students will be examined, of course, at this level for the first time and will be examined by the High School Examination Board in a set of examinations of three hours duration, externally set and marked as with the university entrance course. Grade 12; the one difference between these two sets of examinations for these courses is that the final examination for the general course student will count 75 percent of the final mark. The remainder of the mark will be derived from a term mark established by the school and reported to the High School Examination Board. This of course is in accordance with the philosophy of the general course in which full content and methodology of the individual subjects have been so designed to demand a maximum participation by the student during the school

(MR. JOHNSON cont'd).....term. All examinations in the general course make provisions for the examination to reflect in significant proportion the student's work in the term.

Many of you will have noticed that the examination pattern adopted for Grade 11 by the board is almost identical to that that has been followed for the past 20 years in the Department at the Grade 10 level, the major difference being that in Grade 10 the departmental exams covered only the course subjects. As a result of this change in the examination procedures of the board at the Grade 11 level, the department is now able to implement for this coming June and August its recommendations concerning exams in Grade 10 resulting from a number of studies of examination procedures carried out at this level over the past few years --(Interjection)-- I'll just be one minute if I may

Before commencing this June the entire responsibility for examining students at the end of Grade 10, both in June and August, will be turned over to the schools. The department will supply only the examinations at the Grade 10 level for adults and pupils studying under the auspices of the Correspondence Branch. The marking and examining of these groups will be conducted by the branch also.

The effect of this change of procedure at Grade 10 is that schools will conduct final exams in the five course subjects at the school. I think it is most fitting that this occur at this stage. The supplemental exams for Grade 10 will be externally marked.

MR. EVANS: I move the committee rise.

MR. CHAIRMAN: Call in the Speaker.

MR. COWAN: Madam Speaker, I wish to report progress and ask leave for the committee to sit again. Madam Speaker, I move, seconded by the Honourable Member for St. Vital that the report of the committee be received.

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

MR. EVANS: Madam Speaker, I beg to move, seconded by the Honourable the Minister of Education that the House do now adjourn.

MADAM SPEAKER presented the motion and after a voice vote declared the motion carried and the House adjourned until Monday afternoon at 2:30 o'clock.