

THE UNIVERSITY OF MANITOBA

A STUDY OF POLICY CONTINUITY BETWEEN
THE PROGRESSIVE CONSERVATIVE AND THE
NEW DEMOCRATIC PARTY GOVERNMENTS OF MANITOBA,
1958 - 1977

by

© SHAUN MCCAFFREY

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SHAUN McCAFFREY

A thesis submitted to the Faculty of Graduate Studies of
the University of Manitoba in partial fulfillment of the requirements
of the degree of

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Abstract

There existed a fundamental similarity in the policies of the Roblin and Schreyer administrations during the years from 1958 to 1977.

By means of historical analysis, this thesis traces several major fields of public policy which characterized the Roblin Progressive Conservatives and the Schreyer New Democrats, demonstrating that although there were ideological differences between the two governments, the policies of the two administrations reflected a significant continuity. Both administrations maintained an interventionist presence in economic and social matters. Both governments were more active in their earlier years in office, and both slowed down somewhat in their later years.

This thesis focuses on five policy areas: education, health and welfare, urban renewal, northern development and general economic policy. A substantial continuity of policy was evident in all of these areas, demonstrating that the period of interventionist government in Manitoba initiated by Roblin, was maintained by the Schreyer administration.

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CHAPTER ONE

INTRODUCTION

The years from 1958 to 1977 were a time of major reform and expansion on the part of the Manitoba government, due to the relatively good economic times, the predominance of activist government in North America during the period and the individual efforts of the government's themselves. The Progressive Conservative government of 1958 - 1967 and the New Democratic Party Government of 1969 - 1977, both represented an interventionist form of government.

The Roblin administration assumed office in 1958 and immediately began to reshape the public policies of the province in accordance with a political philosophy which called for substantial government intervention. The Roblin government initiated the current contemporary phase of active government in Manitoba. The Schreyer government maintained this style of government during its period of office. It, too, promoted and enacted many reformist pieces of legislation and employed a policy of economic and social expansion. Both governments created and developed many government related services and greatly increased the levels of public expenditure and taxation. Both administrations experienced an earlier period of vigorous government action, which was followed by a more cautious period. Finally, both governments were comprised of ideologically diverse interests. For example, the

Roblin government contained progressives such as George Johnson as well as right wingers like Walter Weir. Likewise, the Schreyer government featured both genuine socialists such as Cy Gonick and populist conservatives like Joe Borowski. In the case of both administrations, the leader was able to impose his political will upon his caucus to a large extent.

In the field of education, the Roblin government under the influence of The Royal Commission on Education Report 1959 (The MacFarlane Report), greatly expanded the range of education services in the province. Many new schools and university buildings were constructed, teacher salaries were significantly increased and new, higher standards of education were promoted. As well, northern education programmes were improved as the government created The Frontier School Division in 1965. In addition, French language education was expanded to include a provision allowing for French to be used as a language of instruction in up to 50% of all subjects in public schools, beginning at the Grade One level. Further, the government expanded educational opportunities for native persons.

Similarly, the Schreyer government expanded existing educational services, and numerous new schools and university buildings were erected during its term of office. As well, it passed legislation allowing teachers

to retire at the age of 55 and improved the general level of teachers' pensions. In addition, it vigorously promoted northern education, building many new facilities in the northern region of the province. Following upon the French language reforms of the Progressive Conservative government, the New Democratic Party government passed legislation allowing for French as a language of instruction in 100% of the course curriculum of public schools, commencing at the Grade One level.

There also existed two significant differences between the two governments with respect to education policy. Firstly, while the Roblin government consolidated the public school system throughout the province, the Schreyer government modified the consolidation of the public school system, placing greater emphasis on local autonomy in education. As well, the Roblin government's education policy reflected a largely traditional authoritarian approach to education, whereas the Schreyer administration employed a more experimental approach, which included more varied course options and fewer prescribed courses. However, on the whole, the continuities in education policy were greater than the differences, particularly as both governments greatly expanded educational facilities, and increased expenditures accordingly.

There was similar continuity in the area of health and welfare policy. Beginning in 1958, the Roblin government

implemented a programme which brought about a major increase in the number and scope of health and welfare facilities. The Social Allowances Act of 1959 was a watershed in social reform as it initiated a comprehensive programme of health and welfare planning. The Progressive Conservative government also subsidized the consumer's cost of prescription drugs by 15%, making them more accessible to the average person. In addition, it improved the care and facilities of the province's senior citizens by extending health and welfare benefits and constructing houses for the aged. Likewise the Schreyer government constructed many new hospitals and treatment centres, and initiated community health clinics in the province. As well, in 1969, it reduced the level of medical care user fees by 88% and subsequently eliminated them. In addition, it also expanded dental care facilities and developed a programme which subsidized consumers 80% of the cost of prescription drugs. Further, like the Roblin government, it significantly improved the services and facilities available to senior citizens, constructing many senior citizens' homes and implementing a number of social care programmes.

There also existed an ideological difference between the two governments in regard to the availability of health and welfare services. The Progressive Conservative government adhered to the "needs" principle, whereby the

government provided health and social services only to those unable to pay. In contrast the New Democratic Party government promoted a policy of "universality", which sought to provide all citizens with the same access to health and welfare services.

With regard to urban renewal, the Roblin government initiated a programme of public housing for low income individuals. It implemented a programme of urban planning, seeking to reorganize and streamline urban and municipal government. In 1960, it created the Metropolitan Corporation of Greater Winnipeg, involving a new level of government for the City of Winnipeg and its suburbs in an effort to provide more co-ordination and efficiency in the delivery of some urban services. In addition, the Roblin government actively promoted the renewal and redevelopment of downtown Winnipeg. Likewise, the Schreyer government promoted public housing in Winnipeg and rural Manitoba, continued a policy of slum clearance and, in The Planning Act of June 1975, promoted long term municipal development. Further, it implemented a land banking programme, seeking to preserve lands for future municipal and economic development. In 1971, the Schreyer administration created Unicity, merging Winnipeg with its suburbs, in an effort to improve the efficiency and organization of urban government in Metropolitan Winnipeg. As well, it worked alongside private enterprise

in redeveloping downtown Winnipeg, and entered a direct partnership with a private firm, Lakeview Development, in the construction of the Winnipeg Convention Centre, completed in 1975.

The only substantial difference between the two governments with respect to urban renewal was the different policy of taxation in regard to Greater Winnipeg. The Metropolitan Corporation of Greater Winnipeg did not undertake any significant programme of tax redistribution. The disparities in taxation existent between the relatively wealthier suburbs, which generally had lower property tax rates, and the City of Winnipeg and relatively poorer suburbs which had generally higher tax rates, remained basically unchanged. In contrast, one of the major objectives of the Schreyer government's Unicity plan was to redistribute tax revenues from the wealthier to the poorer areas in an obvious move towards greater economic equality.

With respect to northern development, the Roblin and Schreyer administrations both pursued a vigorous policy of expansion. The Roblin government came to power championing the cause of northern development. The Economic Survey of 1958 reiterated the Progressive Conservative government's theme, as it called for massive northern expansion including mining and hydro electric development and a major northern roads programme. For its

part, the Schreyer government also engaged in an energetic policy of northern development, contributing substantial funds to the restoration of the town of Churchill, creating the town of Leaf Rapids to service a mine site, and pursuing a major hydro development project.

The two governments differed somewhat in their attitudes toward private and public enterprise, with the Roblin government less inclined to direct participation, in mineral exploration for example, while the Schreyer administration proved willing to exercise greater control, as in assuming the option of 50% of ownership in new mining exploration. Overall, however, the northern development policies of the two governments were similar in their efforts to develop the northern, and indeed the provincial economy.

Generally, both sought to diversify Manitoba's economy by assisting private investors and by creating public corporations: and both followed Keynesian theory in financing major public works programmes to stimulate economic growth. The Progressive Conservative government for example, created the Manitoba Development Fund, a Products Development Corporation and the Manitoba Design Institute, constructed the Greater Winnipeg Floodway and greatly expanded the province's roads and highways. Likewise, the New Democratic government advanced large loans to business through the Manitoba Development Fund,

which it renamed the Manitoba Development Corporation, and similarly pursued a major public works programme, particularly by building roads in northern Manitoba.

The costs of such activist government proved high: public spending during the Roblin period rose by about 470%, while the rate of increase during the Schreyer period was almost as high at 380%. These increases in turn, obliged both governments to borrow extensively, to introduce diverse new taxes and to slacken the pace of reform in their later years.

While both governments evidently believed in a "partnership" between the private and public sectors of the economy, they clearly differed in emphasis and degree. The Roblin government consciously championed the cause of private enterprise to a greater extent than the Schreyer government, which placed a greater emphasis on the quest for social and economic equality. This difference is exemplified by the Schreyer government's Automobile Insurance Act of 1970, which established a public corporation to provide automobile insurance. There was no parallel to this in the Roblin period. But apart from such an obvious difference, the Progressive Conservative and New Democratic Party governments, during the period from 1958 to 1977, did show significant continuity.

CHAPTER TWO

THE ROBLIN GOVERNMENT: THE YEARS OF REFORM 1958-1964

The Roblin government assumed office at a time of relative economic prosperity and generally buoyant social expectations.¹ During the election campaign of 1958, the Progressive Conservatives campaigned on the need to "bring Manitoba into the latter half of the twentieth century."² The Conservatives called for a more interventionist style of government than that of the Liberal-Progressive administration of Premier D.L. Campbell, which had been in office since 1948. On this platform, they won by a narrow margin and were able to form a minority government. Upon assuming office, the Roblin government began its task of making government an active tool of social and economic development.

During the years from 1958 to 1964, the Roblin government introduced widespread reforms to the education system of Manitoba. The government followed upon the recommendations of the Royal Commission on Education Report of 1958-59, by introducing legislation to amend The Public Schools Act. The Amendment initiated a significant

¹Sterling Lyon, Personal Interview, December 19, 1985.

²Duff Roblin, Personal Interview, January 14, 1986.

expansion of the education system by providing increased funding, services and staff to the province's public school system, as well as consolidating public school districts.³ Also included in the Amendment was a provision to provide grants to each school board division. As well, the Amendment required the province to pay 100% of the actual salary paid out to teachers, 60% of the cost of transportation, 50% of the cost of supplies, 40% of the cost of additional rooms in new school districts and 100% of the cost of text books.⁴

In addition, the Roblin government also agreed that programmes of religious instruction and moral training should be strongly encouraged.⁵ Further, it implemented a programme of building construction to accommodate the Faculty of Education at the University of Manitoba, and agreed to the formation of a University Standing Committee to periodically review the curriculum of the Education faculty.

These initiatives in education reflected an activist desire on the part of the Roblin government to bring about long term social progress, and also indicated a certain

³An Act to Amend the Public Schools Act, November, 1958, Statutes of Manitoba, p. 76.

⁴Ibid., pp. 77-78.

⁵Manitoba, Report of the Royal Commission on Education, November 1959, p. 23.

conservative orientation with regard to the "quality" and "standards" of education. These policy reforms caused even the traditionally pro-Liberal Winnipeg Free Press to praise the efforts of the Roblin government.⁶ In addition, a 1959 poll published by the same newspaper claimed 80% of decided voters favoured the Roblin government's plan of merging school districts into larger divisions.⁷ Plebiscites regarding the government's consolidation plan were held in all 36 Manitoba school districts in February 1959, with the government carrying 32 of the voting districts.⁸

With respect to the financing of universities, the Roblin government introduced legislation for a university fund raising plan, which pledged the province to grant two dollars for every one dollar given to the university by private sources.⁹ In addition, in November, 1959, it announced a \$20 million expansion programme for the University of Manitoba.¹⁰

⁶"Change in the Province", Winnipeg Free Press, December 31, 1958.

⁷Ted Byfield, "Poll Shows Voters Like School Plan", Winnipeg Free Press, February 21, 1959.

⁸"New School Plan Stacks Up Large Majority", Ibid.

⁹"Province to Grant \$2 for Every \$1 Given", Winnipeg Tribune, November 16, 1961.

¹⁰Joyce Meyer, "20 Million Expansion for University Campus", Winnipeg Tribune, November 11, 1959.

Another new education policy was the introduction in 1963, of French as a language of instruction at the elementary school level in public schools. This provision marked the first time in almost half a century that French was allowed to be used as a major language of instruction in public schools,¹¹ and encouraged a new interest in the French language in Manitoba. This policy reflected the Roblin government's attempt to promote a greater awareness of the French language and thereby contribute towards a greater understanding of the two main linguistic elements within the nation.

Finally, it can be noted that between the years 1958 - 1967, a total of 225 new schools were built in Manitoba, over half of them between 1959 and 1961.¹²

During this period, the Roblin government also implemented reforms to aid elderly persons, needy children, native persons and the handicapped. These provisions were included in the government's Social Allowances Act of 1959, which represented an attempt on the part of the government to provide "freedom from catastrophic illness", and to provide a stronger system of

¹¹Paul Beaulieu, "The Transfer of Electoral Allegiance in Ethnic Politics: A Study of the Voting Behaviour of Franco-Manitobans 1969-1974", M.A. Thesis, University of Manitoba, 1976, p. 44.

¹²Manitoba Department of Education Annual Reports, 1958-59 - 1966-67, "School District Expenditures."

health and welfare services. The Act stated that no resident of Manitoba should lack...

- (a) such things, goods and services as are essential to his health and well being, including food, clothing, shelter, and essential surgical, optical, dental and other remedial care and attention; and
- (b) an adequate funeral upon his death.¹³

The Act was intended to combat poverty by providing basic welfare services for those Manitobans who could not afford them. It placed greater responsibility on the province in the area of social services. Under the provisions of the Act, the province agreed to assume responsibility for incapacitated persons and for neglected children, previously considered the exclusive responsibility of the municipalities. As well, it committed itself to assisting families whose husbands and fathers had deserted them or had been imprisoned for more than one year.¹⁴ This Act represented the core of an extensive social development policy. By 1960, the total cost of the Social Allowances programme amounted to approximately \$100 million.¹⁵

With respect to medical care, the Progressive Conservative government in 1962 introduced a proposal for a widespread medical scheme that would involve universally

¹³The Social Allowances Act, August 1959, Statutes of Manitoba, p. 412.

¹⁴Ibid., p. 413

¹⁵Peter Desbarats, "Cradle-To-Grave Protection Cost Tops \$100 Million", Winnipeg Tribune Jan. 28, 1960.

available medical care, regardless of income, medical condition or location, with a stipulated premium "within the range of the great majority of Manitobans."¹⁶ The Roblin government's plan was to be carried out in conjunction with the federal government. However, in keeping with the government's philosophy, participation in it was to be voluntary, and it was later rejected in favour of the federal government's compulsory plan. In May 1962, the Roblin administration implemented The Hospital Services Insurance Act, under which it agreed to pay the costs of providing insured services to injured residents receiving hospital care.¹⁷

In regards to dental and pharmaceutical care, the government in August 1960 opened a new low cost dental clinic in central Winnipeg, whereby low income individuals could receive dental care at a much lower rate than that offered by private dentists. As well, the government agreed to pay 15% of the cost of prescribed drugs for persons whose low incomes qualified them for this assistance.¹⁸

¹⁶John Dafoe, "Roblin Proposes Medical Scheme", Winnipeg Free Press, January 3, 1962.

¹⁷The Hospital Services Insurance Act, May 1962, Statutes of Manitoba, p. 114.

¹⁸"Government Will Study the Costs of Retail Drugs", Winnipeg Tribune, August 17, 1960.

With respect to pensions, the Roblin administration called upon the federal government to increase Canada's old age pension funding by \$75 million.¹⁹ In addition, in 1964, it introduced "portable" pensions, in certain areas of the public service, allowing persons to transfer pensions from one job to another.²⁰

In the field of urban renewal, the Roblin government implemented significant reforms with respect to public housing, metropolitan government and commercial redevelopment. With regard to public housing, it legislated The Elderly Persons Housing Act, in August 1959, extending housing and social assistance to needy elderly persons. The Act also provided for government financial assistance in the construction of housing units for senior citizens. The government followed this with The Housing and Rehabilitation Act in May 1962 which initiated public housing construction in Manitoba.²¹ Also, in March 1960, it established the Metropolitan Corporation of Greater Winnipeg, to reorganize and

¹⁹"Hike Aid to Elderly Now: Duff", Winnipeg Tribune, July 23, 1963.

²⁰Legislative Assembly of Manitoba, Debates and Proceedings, Speech from the Throne, 1964, p. 1.

²¹The Elderly Persons Housing Act, August 1959, Statutes of Manitoba, p. 138.

The Housing and Rehabilitation Act, May 1962, Statutes of Manitoba, pp. 138 - 139.

centralize basic municipal services. The Corporation had the effect of creating one sphere of central urban government for Greater Winnipeg, which would act as an intermediate form of government between the individual cities and municipalities and the province.²² It consisted of a Metropolitan Council and ten Metropolitan divisions, and commenced operations in October 1960, under the direction of a Chairman, R.G. Bonnycastle.²³ The Metropolitan government acted as a planning agency with:

...sole and full responsibility for, and authority and jurisdiction over the planning and development of the Metropolitan area and the additional zone including the design, layout, and plan of the highways and public places, the erection and placing of buildings and other structures thereon and therein, and generally the uses for which land and buildings in the Metropolitan area and the additional zone may be put.²⁴

it also exercised control over arterial traffic routes, water services, sewage disposal, major parks, flood protection, civil defense and garbage disposal in all sections of Greater Winnipeg, including the City of Winnipeg and sixteen adjoining municipalities.²⁵ This move reflected the Roblin government's intent to make

²²The Metropolitan Winnipeg Act, March 1960, Statutes of Manitoba, p. 257.

²³Ibid., p. 315.

²⁴Ibid., p. 315.

²⁵Ibid., pp. 348-372.

urban government in the metropolitan area more dynamic and progressive, as well as to improve the efficiency of essential civic services.

With respect to neighborhood redevelopment, the Progressive Conservative government in 1962 announced a multi-million dollar development project for north and central Winnipeg, which included the establishment of parks and recreational centres and direct aid to new and existing businesses in this region.

The government completed this phase of urban renewal with its introduction of a six year "Manitoba Centennial" project in 1964, which involved the provincial government, the City of Winnipeg and private investors working together to redevelop the core area of Winnipeg.²⁶ It included the establishment of several new office and residential buildings. The government was eager to attract private business back to the core area of the City. The urban renewal policies of the Roblin government represented an interventionist approach to urban government, with a view to providing improved civic government services and to lessen the physical squalor evident in Winnipeg core area.

²⁶Legislative Assembly of Manitoba, Debates and Proceedings, February 5, 1964, p. 1.

The Roblin government also pursued a vigorous policy with regard to northern development. In September 1958, in conjunction with federal government, it introduced an \$8.5 million Winter Works programme, providing seasonal employment for highway construction workers and loggers in northern Manitoba.²⁷ Its purpose was to alleviate the chronic winter unemployment evident in the northern region of the province. In addition, it released an Economic Survey of Northern Manitoba which called for a partnership between the province and private enterprise in developing northern resources, with the government's role being mainly the creation of an economic climate favourable to attracting private investors.²⁸ In response the Roblin government created a Manitoba Development Fund, in November 1958, as a public corporation to administer financial assistance to private manufacturing plants, community development corporations, and small businesses including those involved in the tourist industry.²⁹ During the years from 1958 to 1967, the Manitoba

²⁷"Premiers Roblin, Frost Team Up to Open Northland", Winnipeg Tribune, September 30, 1958.

²⁸Arthur D. Little Incorporated, Cambridge, Massachusetts, Economic Survey of Northern Manitoba, 1958, p. 160.

²⁹The Business Development Fund Act, November 1958, Statutes of Manitoba, p. 17.

Development Fund loaned over \$52 million to various businesses.³⁰

These developments were accompanied by the International Nickel Company's announcement of the construction of a \$20 - \$25 million refinery at Thompson and the opening of a new oil refinery at The Pas, which caused Premier Roblin to predict a "new era" for Manitoba.³¹ As part of this, the government also commenced, in 1960, the construction of a power plant at Grand Rapids, at an estimated cost of \$140 million.³² It was completed in 1964.

The Roblin government's northern development programme during the years from 1958 to 1964, represented an attempt to stimulate economic development in a traditionally depressed region. The government's philosophy in this regard sought, in alliance with private enterprise, was to create long term economic growth.

With respect to general economic development, the government introduced a road construction programme for 1959, which called for "the greatest single appropriation

³⁰Manitoba Development Fund, Annual Report, 1967-68,
p. 7.

³¹"Refinery Began at The Pas - Roblin Predicts New Era", Winnipeg Tribune, August 1, 1961.

³²"Gigantic Power Plant Set for Grand Rapids", Winnipeg Tribune, January 18, 1960.

for capital expenditure in the history of Manitoba."³³

The government's roads programme reflected the belief that government could stimulate economic and social development by improving the province's transportation network.

In addition, the government, based upon the recommendations of the Royal Commission Report on Flood Cost Benefit, began construction of a massive floodway along the south-eastern edge of the City of Winnipeg. As well, it urged that ring dikes be built around towns and villages situated along the Red River, and quoted the Report's estimate that these measures would accrue benefits of over \$10 million per year.³⁴ To help cover the floodway and dike costs, the Roblin government sought a programme of joint financing including an estimated \$63 million in federal aid.³⁵ After some initial hesitation by the federal government, an agreement was signed in 1961, and construction began that year. The floodway was completed on schedule, in 1967.

The Department of Industry and Commerce noted in its 1960 Annual Report that total construction in Manitoba had reached a record level of \$345 million in the previous

³³Peter Desbarats, "Record 24 Million Set for New Roads", Winnipeg Tribune, October 17, 1958.

³⁴Manitoba Royal Commission on Flood Cost Benefit, Report 1959, p. 1.

³⁵Charles King, "Roblin Seeks \$63 Million Floodway Aid in Ottawa", Winnipeg Tribune, July 8, 1959.

year.³⁶ In 1960, provincial building construction increased by an additional \$20 million and was in contrast to the national trend which illustrated a slight decrease in construction.³⁷ As well, the provincial government in 1962 assisted construction of a major new sewage disposal system in Winnipeg at an estimated cost of \$31 million.³⁸

With regard to economic planning, the Conservative government significantly expanded the Provincial Planning Service in 1960, creating a more activist mechanism. The next year it appointed a Committee on Manitoba's Economic Future, with the objective of creating 40,000 new jobs by 1970.³⁹ In 1963, influenced by the Committee's report, entitled Manitoba 1962 - 1975: Committee on Manitoba's Economic Future, it began aiding private business on a larger scale, in subsidizing job training programmes. It also transferred certain welfare benefits to Indian and Metis persons for employment projects. In addition, it provided direct tax incentives to entrepreneurs who would

³⁶Dept. of Industry & Commerce and Manitoba Development Authority, Annual Report, 1960, p. 5.

³⁷"Building Upsurge May Soon Reach \$20 Million Mark", Winnipeg Tribune, May 3, 1960.

³⁸"Province Backs Major Sewage Program, Winnipeg Tribune, February 23, 1962.

³⁹Colin Godbold, "Probe Aim: 40,000 New Manitoba Jobs", Winnipeg Tribune, July 6, 1961.

locate in economically underdeveloped regions. To assist this programme, the government repeatedly appealed to secondary industry and to small business to take a greater role in the development of the Manitoba economy.

Addressing the Legislative Assembly in February, 1962, Roblin outlined his government's approach to job creation.

I say that we have to work hard to try and increase the income of the people of Manitoba, but there's nothing to be downhearted about because we are making progress in this direction. We are increasing the number of jobs in this province. The Industrial Development Fund alone, and it's a very small thing really when you compare it to the great scope of economic activity of the province, has provided we reckon about 1,000 new jobs in the course of its operation in the last year or two.⁴⁰

The Roblin government also created a number of corporations and economic agencies during this period. In 1962, it established a Manitoba Research Council, created a Products Development Corporation and introduced a Manitoba Design Institute, whose aim was to establish confidence in Manitoba products in foreign markets.⁴¹ Subsequently, it created a Manitoba Economic Consultative Board and a Manitoba Export Corporation, designed to help small and medium sized manufacturers and producers in the

⁴⁰Legislative Assembly of Manitoba, Debates and Proceedings, February 22, 1962, p. 120.

⁴¹John Dafoe, "Duff Sets Economic Program" Winnipeg Free Press, November 24, 1962.

sale of Manitoba products abroad.⁴² These policies again demonstrated the Roblin government's willingness to create public agencies in order to promote economic growth and to supplement the private sector. In 1963, a Winnipeg Free Press writer noted that 15 new factories had been established in rural Manitoba since 1960 and attributed this in part to the Roblin government's stimulative investment policies and its attempt to diversify industry in small Manitoba centres.⁴³

Thus, from 1958 to 1964, Manitoba's Progressive Conservative government led by Premier Duff Roblin, demonstrated considerable energy in several areas of provincial responsibility. Its major intent was to revitalize the Manitoba economy by assisting private development, and to play a major role in initiating social progress by means of expanded health and welfare programmes and more accessible education. For these purposes, it proved willing to increase expenditures substantially. By the close of the period, however, the increased costs of the government's new programmes suggested that the pace of reform should be slowed.

⁴²Ibid.

⁴³Claire Marcus, "Once Quiet Towns Hum with Industry", Winnipeg Free Press, June 1, 1963.

CHAPTER THREE

THE ROBLIN GOVERNMENT: THE YEARS OF CONSOLIDATION1964 - 1967

The years from 1964 to 1967, when Roblin resigned the Premiership, were in general characterized by a consolidation of the reforms begun in the earlier period. The Progressive Conservative government displayed less energy than in its earlier years and instead focused upon the need to raise revenues in order to support the cost of its reforms. This was partly due to the philosophy of the government itself, which believed in the need to reduce spending after a period of intense activity, as well as to the natural "cooling off" period associated with governments after a time of much reform.

Education policy during this period, focused on the improvement of facilities at the universities and vocational schools, on new services in the north, and on instruction in the French language.

In October, 1965, the Progressive Conservative government implemented a \$12 million programme which included substantially expanded technical and vocational services, as new courses and facilities were created at Red River Community College and Technical Vocational High School, and a new teacher training college was constructed

in Brandon.¹ In addition to this, it added several new buildings to the province's three universities, including one University of Manitoba building named after the Premier himself.

Following upon its earlier province-wide programme of amalgamating secondary schools, the Roblin administration in 1966 began to take measures to unify the elementary school districts of rural Manitoba. This initiative and the other education policies reportedly drew general praise.² The government in March 1967, conducted a plebiscite in rural Manitoba on the question of single elementary school districts. Its proposition in favour of consolidation was defeated in 19 of 33 constituencies.³ Nevertheless, the government continued with its programme, though at a more cautious pace.

With respect to northern education, the Progressive Conservative government in 1966, implemented educational programmes for native persons, as part of its "northern community development" scheme. This provision increased the quality and variety of courses available to native persons in subjects such as English, Social Studies and

¹"Educational Program", Winnipeg Tribune, October 6, 1965.

²"Educators delighted with Duff", Ibid., February 5, 1966.

³"Voters Flunk School Plan", Ibid., March 11, 1967.

Mathematics.⁴ In addition, Northern Manitoba's first residential high school, Frontier Collegiate, opened at Cranberry Portage in February 1966.

In December, 1966, the government passed legislation which substantially increased the scope of French language educational curriculum. Roblin was sympathetic to expanding French language services in Manitoba, believing that such reform would project a positive national statement with regard to bilingualism in Canada. The government's legislation permitted 50% instruction in French of other subjects such as Mathematics, Chemistry and Social Studies.⁵

In the field of health and welfare, the Roblin government concerned itself primarily with the continuation and modification of the major reforms of the 1958-64 period. Speaking in the Manitoba legislature in February 1965, Roblin outlined the social basis of his government's welfare policy and contrasted it with the policy of the previous administration:

⁴"Roblin Promises Indian and Metis Jobs on Nelson", Winnipeg Free Press, February 14, 1966.

⁵Legislative Assembly of Manitoba, Debates and Proceedings, December 5, 1966. p. 1.

Social allowances: \$2.7 million when we came in and over \$10 million today, and why? Because we did produce the scheme to help the aged who couldn't get along on their pension. My honourable friends opposite never did that for the old age pensioners. We have done it. If we had to do it over again, we would, even if it cost money, because this is taking care of human beings. We may be criticized because our scale is not extravagant enough. That is the usual criticism we get. But we try to run a medium course between too much and too little.⁶

In February, 1965, the Progressive Conservatives commenced a two year construction plan designed to expand the facilities of Winnipeg's Children's Hospital at an estimated cost of \$5 million.⁷ In addition, it promoted a 10 year comprehensive hospital construction programme, including the establishment of three new Metropolitan Winnipeg hospitals, the Grace, the Victoria, and the Concordia, (the latter two were completed during the Schreyer years), at an estimated cost of almost \$60 million.⁸ Between 1958 and 1966, the Roblin government spent over \$40 million on forty-four hospital projects, with over half of this spent in 1966 alone.⁹

With respect to medical care, Roblin in 1965, reiterated his preference for a voluntary comprehensive

⁶Ibid., February 23, 1965, p. 284.

⁷"Hospital to Add \$5 Million Wing - 68 Extra Beds", Winnipeg Tribune, February 2, 1965.

⁸"Hospitals Try \$50-60 Million in New Growth", Winnipeg Free Press, January 21, 1966.

⁹Manitoba, Dept. of Health and Social Services, Annual Report, 1968, p. 4.

medicare programme as an alternative to the Pearson government's mandatory scheme. He claimed his plan would cost about \$10 million a year instead of the estimated \$35 million federal plan, but would provide free coverage only for needy persons and would allow other subscribers to pay for their own medical care.¹⁰ This was rejected by the federal government, which in 1967 initiated its own medical care programme. The Roblin administration subsequently created the Manitoba Medical Services Insurance Corporation, providing medical insurance for 70% of Manitoba residents,¹¹ and by 1969, the province was a full participant in the federal plan.

In a related area, assistance for disabled persons was made easier and by 1967, there were some 1,547 persons receiving disability allowances as compared to only 819 such persons in 1957.¹² Total provincial spending on health and welfare increased by 800% between fiscal years 1957-58 and 1967-68.¹³ With this money, the government

¹⁰"Roblin Wants Voluntary Medicare in Manitoba", Winnipeg Tribune, July 23, 1965.

¹¹The Manitoba Medical Services Act, May 1967, Statutes of Manitoba, p. 188. See also A. Esuke, "The Issues That Led to the Development of Medicare in Manitoba", M.A. Thesis, University of Manitoba, 1978.

¹²Manitoba Dept. of Health and Social Services, Annual Report, 1968. p. 4.

¹³Manitoba, Dept. of Finance, Estimates 1957-1958.

virtually restructured and transformed the entire Health and Welfare System.

With respect to urban renewal policy, the Roblin government continued consolidating municipal administration and finance, and adjusting the Metropolitan Winnipeg government. In addition, it expanded its public housing programme.

Following upon the Royal Commission Report on Local Government Organization and Finance, the Progressive Conservative government in 1964, relieved the municipal property tax burden by assuming from the municipalities a larger proportion of the costs incurred for schools, health care and welfare allowances. Further, in 1966, it announced modifications designed to make the Metropolitan Winnipeg government more efficient, and in the same year passed The Local Government Boundaries Commission Act "...to establish a commission to recommend the reorganization [i.e. consolidation] of boundaries of local government units."¹⁴

In March, 1967, Municipal Affairs Minister Thelma Forbes, startled many observers by announcing that "...there are some 40,000 families whose income is not sufficient to buy or rent homes" and called for the

¹⁴The Local Government Boundaries Commission Act, April 1966, Statutes of Manitoba, p. 365.

implementation of a widespread public housing programme.¹⁵ This was followed in May 1967 by The Manitoba Housing and Renewal Corporation Act, which created a provincial agency to provide housing to economically disadvantaged persons:

The purposes of this Act are to improve standards of living accommodation in the province and to assist residents of the province to obtain living accommodation of reasonable standards.¹⁶

During its first year of operation, the Manitoba Housing and Renewal Corporation initiated housing projects in north, west and central Winnipeg.¹⁷

Meanwhile, the government continued its policy of northern development and devoted large sums to diversify the economy. In July 1965, it advertised the availability of \$100 million to finance what it described as "Operation Industrial Breakthrough,"¹⁸ and followed this with a "job help" programme, in September, to assist persons of native descent in finding employment if they were 17 or

¹⁵"40,000 Can't Buy or Rent Homes", Winnipeg Free Press, March 7, 1967.

¹⁶The Manitoba Housing and Renewal Corporation Act, May 1967, Statutes of Manitoba, p. 85.

¹⁷The Manitoba Housing and Renewal Corporation Annual Report, 1968-1969, p. 1.

¹⁸Manitoba, Report of the Commission of Inquiry into The Pas Forestry and Industrial Complex at The Pas, Manitoba, 1974, Vol. 5, p. 1911.

over and had been out of high school for at least a year.¹⁹ It involved advertising in native communities the availability of jobs on public works projects and in the private sector. The government continued this the following year, with an announcement in February 1966, that native persons would get jobs on the Nelson River project, and a \$30 million joint federal-provincial hydro-electric scheme, involving development of the Nelson River System.²⁰ This was followed by the expansion of the Grand Rapids power station by 33%, the extension of new main line hydro connections to Thompson and The Pas, and a resulting reduction in hydro consumer rates.²¹

In March 1966, the government of Manitoba signed an agreement with Monaca A.G., a Swiss consortium, to establish a saw mill and a pulp and paper mill at the Pas. Monaca A.G. subsequently created the firm Churchill Forest Industries (Manitoba) Ltd., to carry out this plan of development assisted by the availability of "up to 100 million dollars of provincial money."²² This agreement

¹⁹"Roblin Introduces 'Job Help'" Winnipeg Free Press, September 25, 1965.

²⁰"Roblin Promises Indian and Metis Jobs on Nelson" Winnipeg Free Press, February 14, 1966.

²¹Legislative Assembly of Manitoba, Debates and Proceedings, Throne Speech, 1966, p. 1.

²²"North to Get \$100 Million Industry", Winnipeg Free Press, March 8, 1966.

caused Industry Minister Gurney Evans to predict that "...the development of the north will be traced from 1966."²³ At this time, the government evidently believed that the new mill would be established and operate reasonably expeditiously but the pace of construction proved significantly slower than anticipated.

A more encouraging development was the 34.5% increase in the number of persons employed in the mining sector between 1961 and 1967, due partly to rising metal prices.²⁴

With respect to finance, the Department of Finance, Estimates reveal a 470% increase in government expenditure between fiscal years 1957-58 and 1967-68.²⁵ In addition, the direct public debt of the province increased by 71%²⁶ during the same time period while the indirect debt grew at a rate of 1,653%.²⁷

In order to finance the rising cost of government, the Roblin government beginning in 1964, imposed a series of new taxes. In that year's budget, these had the effect of

²³"Project a Bonanza to North", Winnipeg Free Press, March 9, 1966.

²⁴Harold Chorney, "The Political Economy of Provincial Economic Development Policy: A Case Study of Manitoba 1958-69", M.A. Thesis, University of Manitoba, 1970, p. 124.

²⁵Manitoba, Dept. of Finance, Estimates, 1957-1968, p. 1.

²⁶Manitoba, Dept. of Finance, Manitoba Budget Statement and Economic Review 1959, p.39

²⁷Ibid.

increasing heating and telephone costs by 5%, gasoline 3 cents per gallon, cigarettes 5 cents per pack, and beer by 15 cents per dozen.²⁸ The provision regarding the increased heating cost was repealed in the following year and there were additional minor increases in the taxes on gasoline, beer, liquor, and cigarettes. In June, 1967, a province-wide 5% sales tax became law.²⁹ In addition, personal income taxes increased from a rate of 16% in 1958 to 22% in 1967, while corporate income taxes rose from 9% to 11% during the same period.³⁰ The overall level of taxation increased by 1,300% between fiscal years 1957-58 and 1967-68.³¹

Duff Roblin resigned the Premiership of the province in September 1967, to contest the national leadership of the Progressive Conservative Party. He was succeeded by former Highways Minister Walter Weir, who chose to take the government on a substantially more conservative course. For example, the Weir government reversed the Roblin government's dedication to bilingualism, slowed

²⁸"Our New Prices on Gasoline, Cigarettes and Liquor" Winnipeg Tribune, August 18, 1964.

²⁹The Revenue Tax Act, April 1967, Statutes of Manitoba, p. 291

³⁰Canadian Tax Foundation Provincial Finances, 1963, p.34 and Ibid., 1971, p. 36.

³¹Manitoba, Dept. of Finance, Estimates, 1957-68.

down its medical care reform and cancelled a \$60 million
1966 hospital project initiated by the Roblin
administration.

CHAPTER FOUR

THE SCHREYER GOVERNMENT: THE YEARS OF REFORM 1969 - 1973

Premier Weir dissolved the legislature in May 1969, calling a general election for June 25. He was defeated by Ed Schreyer, who became the first New Democratic Party premier in the province's history.

During the election campaign of 1969, Schreyer campaigned on a platform of "change", claiming that the New Democratic Party represented the only true party of reform.¹ Upon assuming office, his government launched numerous initiatives in the fields of education, health and welfare, urban renewal, northern development and the economy. During 1970 alone, for example, it passed a record number of 125 bills.²

Its education policies sought to further equality and accessibility. According to Vincent Bueti, it "viewed education as a broad social service function, capable of

¹"N.D.P. is Only Party of Reform: Schreyer", Winnipeg Tribune, June 24, 1969.

²James A. McAllister, The Government of Edward Schreyer: Democratic Socialism in Manitoba. McGill-Queens University Press, 1984, p. 22.

both responding to diverse community needs and potentially reforming society".³

With this goal, it began constructing extensive educational facilities providing \$10.5 million for example, on the additions to the University of Manitoba, including a University Centre building and the Frank Kennedy Athletic Centre, and to the University of Winnipeg including expansion of Riddell Hall and new athletic and recreational facilities.⁴

The Schreyer administration also significantly increased public teacher salary grants and pensions, and provided for earlier retirement.

Amendments to The Teachers' Pensions Act in 1970, permitted teachers 55 years old whose number of years service and age equalled 90 or better to retire with full pension, and provided supplementary monthly allowances to be paid out in 1970, 1971, and 1972 to teachers who had retired one year previously.⁵ Further amendments were made in 1973, providing full pensions at age 60, to

³ Vincent J. Bueti, "The Educational Policies of the N.D.P. Government in Manitoba 1969-1975", M.A. Thesis, University of Manitoba, 1980, p. 61.

⁴ "10.5 Million Plans for University Community", Winnipeg Free Press, July 30, 1970.

⁵An act to Amend the Teachers' Pension Act, July 1970, Statutes of Manitoba, pp. 615-617.

teachers with at least 10 years experience including 5 years of consecutive service.⁶

With regard to the Educational curriculum, the New Democratic government pursued a policy of administrative decentralization, with an experimental curriculum, allowing more diverse options in areas such as art, music and local culture, and fewer prescribed courses. Education Minister Saul Miller outlined the government's intention to "localize" administrative authority:

It is the policy of the Department of Youth and Education to strengthen the local school boards and the schools so that they may discharge their responsibilities more effectively and respond adequately to the needs of the communities.⁷

Dr. Lionel Orlikow, Assistant Deputy Minister of Education, in charge of the Planning and Research Branch, stressed the Department's commitment to equalizing educational opportunity:

The objectives of this branch are to provide a comprehensive system of education offering equality of educational opportunity, responsive to the needs of society as expressed by the community and the individual.⁸

⁶An Act to Amend the Teachers' Pension Act May 1973, Statutes of Manitoba, p.161.

⁷Manitoba, Dept. of Youth and Education Annual Report, 1970, p.9.

⁸Manitoba Dept. of Education Annual Report, 1971-72, p. 34.

The government's greater emphasis on individual interest and local authority reflected its belief that this type of programme would provide greater accessibility.

With respect to minority languages, it passed Bill 13, in 1970, permitting the use of French as a language of instruction in 100% of the daily curriculum in Manitoba schools.⁹ As well, the Act allowed for the use of other languages such as Ukrainian and German, in schools on a part-time basis.¹⁰

Further, in 1972, Cultural Affairs Minister, Laurent Desjardins, officiated at the opening of a new French language teacher training college in Saint Boniface.

In the area of health care, the new government shortly after it took office, drastically reduced the medicare premiums by 88%,¹¹ and subsequently abolished premiums completely on the ground that such costs should be paid from general public revenue, raised on more of an ability to pay basis. At the same time, it began establishing community health clinics, completing ten over the next six years, to provide more accessible neighborhood health care to low income individuals who were seemingly left out of

⁹An Act to Amend the Public Schools Act, July 1970, Statutes of Manitoba, p. 599.

¹⁰Ibid.

¹¹Chuck Thompson, "Few Surprises Likely in Speech from the Throne", Winnipeg Tribune, Aug. 13, 1969.

the existing health care system, believing it to be complicated and far removed.¹²

In the field of welfare assistance, the government enacted legislation to amend The Child Welfare Act, expanding rehabilitation treatment centres for neglected children and for juvenile delinquents.¹³ Further, the provincial government, in conjunction with the government of Canada, introduced a guaranteed annual income programme, to be conducted on an experimental basis. Schreyer defended this policy by reference to the poverty prevailing in Manitoba and throughout Canada:

There is still with us a rather large problem of too many families not having an adequate income. In fact, by Economic Council standards, about 4,000,000 persons (in Canada) are still below the poverty line. The great increases in expenditure under social welfare in recent years, carried out under a multiplicity of programmes have not adequately solved the problem.¹⁴

Initially, the programme provided direct aid to about 500 persons,¹⁵ but was later dropped by the government, in its second term of office.

¹²Manitoba Health Services Commission Annual Report, 1975, p. 201.

¹³An Act to Amend the Child Welfare Act, July 1970, Statutes of Manitoba, p. 776.

¹⁴"Schreyer Outlines Guaranteed Annual Income Test", Winnipeg Tribune, July 10, 1971.

¹⁵Ibid.

In addition, the New Democratic government, acting upon the recommendations of the Barber Report on Welfare Policy in Manitoba, further expanded the scope of essential welfare services by implementing a system of employment counselling services, in an attempt to provide greater incentive for persons on welfare to seek employment. In 1972, it also passed legislation which required each municipality to administer welfare services to needy persons not eligible for provincial aid under The Social Allowances Act.¹⁶ By this time, Manitoba welfare rates were significantly higher than in most other Canadian provinces: generally 8 - 14% higher for families receiving social assistance.¹⁷

Another reform of this period was the establishment of a voluntary non-profit dental corporation to provide dental care to lower income individuals, who could not previously afford the services of a private dentist.¹⁸

As well, the government continued hospital construction programmes, begun by the Roblin administration and

¹⁶Manitoba Welfare Advisory Committee Annual Report, 1972, p. 5

¹⁷Welfare Policy in Manitoba: A Report to the Planning and Priorities Committee of Cabinet Secretariat, Province of Man., by Dr. Clarence L. Barber, December 1972, p. 50.

¹⁸The Manitoba Dental Services Corporation Act, Aug. 1970, Statutes of Manitoba, p. 135.

involving an estimated expenditure of \$97 million.¹⁹ This included massive renovations to the Winnipeg General Hospital complex, a \$17.5 million addition to the St. Boniface General Hospital, and the establishment of a new Victoria Hospital in South Winnipeg.²⁰ Also, the government developed a rural hospital improvement programme involving such regional centres as Dauphin, Flin Flon, Gimli, Grandview, Portage La Prairie and The Pas. Further, the government accelerated mental health research, with the establishment in 1971 of The Manitoba Health Research Foundation Act, which allowed the Foundation to establish hospitals, clinics, or centres, and to enter into research agreements with provincial universities regarding mental health.²¹

Total provincial spending on health and welfare increased by 62% between fiscal years 1968-69 and 1972-73, rising from \$117,400,110.00 to \$191,295,100.00.²²

In the field of urban renewal, the New Democratic government, in February, 1970, announced a \$15 million plan to finance a 1,300 unit programme of public housing

¹⁹"17.5 Million Expansion for Hospital", Winnipeg Tribune, February 25, 1970.

²⁰Ibid.

²¹The Manitoba Health Research Foundation Act, July 1971, Statutes of Manitoba, p. 409.

²²Manitoba, Dept. of Finance, Estimates, 1968-1973.

throughout Manitoba, including projects in Churchill and The Pas.²³ The programme was administered by the Manitoba Housing and Renewal Corporation, the agency created earlier by the Roblin government. The government extended its programmes to Winnipeg suburbs later that year.²⁴ Its objective was to de-ghettoize poverty in an attempt to alleviate it. In conjunction with this plan, the government implemented a slum clearance programme in the inner City of Winnipeg, demolishing slum tenements, and either replacing them with public housing or helping private developers to construct low-rental housing projects.

With regard to the revitalization of downtown Winnipeg, the provincial government joined with the federal government, the City of Winnipeg government and a group of private developers in a \$26 million commercial development plan.²⁵ The project involved the construction of an office building, an apartment block, a hotel and a convention centre, and was completed in 1975.

²³Bob Culbert, "To Push Public Housing", Winnipeg Free Press, February 4, 1970.

²⁴"Provincial Government Plans Low-Rent Project Despite Protests", Winnipeg Tribune, July 9, 1970.

²⁵"Metro Plans \$26 Million Development", Winnipeg Free Press, August 11, 1970.

The most controversial urban policy was the establishment of Unicity government in 1972. The plan was based upon the Manitoba Legislature's Standing Committee on Municipal Affairs Report of 1971, which called for a single municipal government for Greater Winnipeg, with the new City Council to be divided into 50 wards, and a unification of all major municipal services.²⁶ On this basis, the government amalgamated Winnipeg and its suburbs and included a provision which allowed the Unicity government to impose a standard property tax throughout Greater Winnipeg, with an equalization of mill rates.²⁷ Previously, the tax rates of relatively affluent suburban districts such as Tuxedo and St. James-Assiniboia, remained significantly lower than those of the City of Winnipeg and the relatively poorer suburbs. The general intent was to reduce rates in Winnipeg, St. Boniface, Ft. Garry and East Kildonan, and to increase rates in Tuxedo, Charleswood, North Kildonan and St. James-Assiniboia. This reform reflected a desire to co-ordinate and centralize urban government and to redistribute the tax load of Winnipeg citizens.

²⁶Manitoba Standing Committee on Municipal Affairs Report, 1971, p. 576.

²⁷The City of Winnipeg Act, July 1971, Statutes of Manitoba, p. 663.

Throughout this period, the Schreyer administration also pursued a vigorous policy with respect to northern development. In its Throne Speech of August 1969, the government outlined its plan to stimulate the economic development of the province and to reduce regional economic disparities.²⁸

In August 1970, it passed legislation which allowed it to purchase shares in private development firms, to make loans to private investors and to supply grants to promote research and development of Manitoba's natural resources.²⁹ Following upon this, it implemented The Communities Economic Development Fund Act, in July 1971, "...to encourage the optimum economic development of remote and isolated communities within the province," and to provide financial and/or other assistance to existing private enterprises and local community development funds.³⁰

The New Democratic government also embarked on a major townsite development programme. In 1970, it established the Leaf Rapids Development Corporation, which in effect

²⁸Legislative Assembly of Man., Debates and Proceedings-Speech from the Throne, Aug. 14, 1969, p. 3.

²⁹The Manitoba Natural Resources Development Act, Aug. 1970, Statutes of Manitoba, p. 871.

³⁰The Communities Economic Development Fund Act, July 1971, Statutes of Manitoba, pp. 453-454.

created a town to service a mine site.³¹ The mine itself was owned by private investors, while the government provided housing and other socio-economic services to this remote northern community.³² This project included a plan to integrate native persons into the work force by training them in mining skills.³³

In July 1970, the Schreyer Government, assisted by the federal government, introduced a plan to develop the Town of Churchill. It included the construction of a civic centre, health and recreation facilities, public housing, and a school at a total cost of \$8 million.³⁴

Two years later, it reinforced this with a general five-year plan for northern Manitoba, based largely on a Northern Task Force Report of that year, which urged more government involvement in the northern economy, to ensure

...that northern residents shall receive levels of opportunity equal to those afforded other citizens in Manitoba, especially in the quality and availability of health and education services.³⁵

³¹James A. McAllister, Op.Cit., p. 30.

³²Ibid.

³³Peter C. Briant, Man. Economic Development Advisory Board Conference on Economic Development in Manitoba Report, October 1971, p. 36.

³⁴Ibid.

³⁵Egon Frech, "5 Year Plan Ready for North", Winnipeg Free Press, March 3, 1972.

The project's major goals were the creation of 1,000 jobs per year, the completion of an air transportation system and the construction of roads and highways at an estimated cost of \$12 million.³⁶

To develop mining, the N.D.P. government attempted to form a partnership with private investors. The Kierans Report, released in February 1973, called for a gradual government takeover of the mining industry. However, Schreyer responded by calling the report "too drastic and retrospective".³⁷ Instead the government decided to initiate a policy which allowed it to assume 50% ownership of all new mining ventures in the province after 1973, leaving the remaining stock in the hands of private investors.³⁸ Thus, while the government played an interventionist role in the development of mineral resources, it declined to initiate any major public takeovers, opting instead for a more moderate approach.

The Schreyer government also implemented a substantial hydro diversion scheme on the Nelson River, that had its origin in the Roblin government's plan of 1966, and modified amid controversy by the Premier and Manitoba

³⁶Ibid.

³⁷As Quoted from Nelson Wiseman, Social Democracy in Manitoba: A History of the C.C.F. N.D.P., p. 143.

³⁸Sidney Green, Personal Interview, February 3, 1986.

Hydro Chairman, David Cass-Beggs.³⁹ The new elements included a reduced level of flooding at Southern Indian Lake, with compensatory regulation of Lake Winnipeg. Despite heavy criticism, the government proceeded with this modified scheme and ultimately completed one of the most extensive hydro projects in the history of the province.

In general economic development, it also maintained an interventionist policy, as it provided substantial loans to private business, established a student employment programme and assumed control of the province's auto insurance industry. Addressing the Manitoba Legislative Assembly in 1970, Industry Minister Len Evans summarized the government's economic policy in the following way:

I'm suggesting that we do live in a mixed economy and, if anything, there's probably a world trend towards and a national trend towards more government involvement in our economic life as technology becomes more complicated and as the public themselves, make further demands on the government sector. And I say we will welcome private investment, private investment will continue to play an important role in the development of the Manitoba economy.⁴⁰

Throughout the early 1970's the government placed a major emphasis on public corporations as tools to develop the Manitoba economy. In 1970, it amended legislation

³⁹Manitoba Hydro: Report on the Clearing Program for South Indian Lake, Aug. 1972, pp. 20-24.

⁴⁰Legislative Assembly of Manitoba Debates and Proceedings, May 4, 1970, p. 1565.

governing the Manitoba Development Fund, renaming it the Manitoba Development Corporation, and enabling the Corporation to move into an equity position with a number of private firms such as Saunders Aircraft and Flyer Coach, a manufacturer of buses.⁴¹ Industry Minister Evans called the corporation "the key agency in promoting new industrial development and expanding businesses in the province."⁴²

The Schreyer government's most controversial economic reform was the establishment of provincially owned auto insurance. In April, 1970, the Report of the Manitoba Automobile Insurance Committee was released. It cited many inadequacies in the private system of automobile insurance, noting that "the present system is designed to return only 62.8% of the premium to automobile accident victims", and called for a province-wide public auto insurance system.⁴³

Initially, the government accepted all of the Report's recommendations. However, it faced strong opposition from its political opponents and from the well financed

⁴¹James A. McAllister, Op. Cit.

⁴²"Corporation Is Key to Industry Growth", Winnipeg Free Press, June 29, 1971.

⁴³The Report of the Manitoba Automobile Insurance Committee, Apr. 1970, p. 26. See also Joy Cooper, "The Politics of Automobile Insurance: A Case Study", M.A. Thesis, University of Manitoba, 1977.

campaign of the province's insurance agents. Schreyer attempted to defuse the issue by appealing to the public in a pragmatic way, insisting that his government's programme was efficient and practical:

The Government of Manitoba intends to proceed with the establishment of a Crown Corporation for the purpose of selling automobile insurance. We are convinced that such a corporation can provide better coverage at lower rates than the existing system. We intend that the corporation will offer a basic plan to be sold to motorists along with license plates. We also intend that the corporation will send supplementary coverage in competition with private underwriters. This public corporation underwriting of auto insurance is in principle unassailable and beneficial and should receive approval in principle in the bill that is now before us.⁴⁴

In the end, the government compromised its original intention of giving a Crown Corporation a monopoly to sell its auto insurance, and permitted private agents to sell it as well.⁴⁵ The Automobile Insurance Act was passed in August 1970, and became law the following year.

With regard to job creation, the government established a Summer Student Employment Program (S.T.E.P.) in 1972, providing seasonal employment for students in areas related to their studies. The programme sought to stimulate students' interests in meaningful temporary employment with the possibility of its leading to

⁴⁴Legislative Assembly of Manitoba Debates and Proceedings, Aug. 9, 1970, as quoted from Paul, Beaulieu - Editor, Ed Schreyer: A Social Democrat in Power, p. 25.

⁴⁵The Automobile Insurance Act, August 1970, Statutes of Manitoba, p. 1372.

permanent employment. The government spent an estimated \$4.3 million in implementing the new programme.⁴⁶

During its first term of office, the Schreyer government significantly increased the level of expenditure and taxation. Overall public spending increased by 65% between fiscal years 1968-69 and 1972-73.⁴⁷ In addition, the government enacted a series of additional taxes beginning with a 2.2% corporate tax increase in 1969.⁴⁸ It followed this with the imposition of a graduated income tax on mineral resource profits,⁴⁹ and a personal income tax increase of 6%.⁵⁰

Thus, the Schreyer government in its early years continued and expanded on the initiatives of the Roblin government in several major areas of public policy. Like its predecessor, it sought to promote and improve the availability and delivery of government services. To accomplish this, it further increased the level of government expenditure and taxation and defended this increase as an economic investment in Manitoba's future.

⁴⁶"Gov't Ups Student Aid to \$4 Million", Winnipeg Free Press, April 15, 1972.

⁴⁷Man. Dept. of Finance, Estimates, 1968-1973.

⁴⁸Legislative Assembly of Manitoba, Debates and Proceedings, September 8, 1969.

⁴⁹ Sidney Green, Personal Interview, February 3, 1986.

⁵⁰Canadian Tax Foundation, Provincial and Municipal Finances, 1971, p.78.

CHAPTER FIVE

THE SCHREYER GOVERNMENT: THE YEARS OF CONSOLIDATION1973-1977

In June, 1973, the Schreyer government was returned to office with a narrow majority. Its second term was characterized by a significant slow down of activity. While the government remained interventionist, it lacked its initial reformist intensity with regard to policy development. Its policies in education, and urban renewal mainly reflected a consolidation of its earlier reforms, while in health and welfare and northern development, it continued to be innovative. Its economic policies were also interventionist, but less costly as it increasingly tried to restrain expenditures. This was due in part to the economic slowdown which occurred after 1974, and to the normal decrease in government action which usually follows a period of great activity.

Its education policies demonstrated a continued commitment to equalization of opportunity and the expansion of services. The government in 1973 released the final Report of the Core Committee on the Reorganization of the Secondary School, which repeated its goal of promoting individual fulfillment:

Thus it is the belief of the Core Committee that the school system must be firmly committed to the goal that every individual shall be aided to achieve all that is best in him, the development of his strengths and talents embracing not only the intellect and skills but also emotions, feelings, personality, character and moral and spiritual growth. The ultimate goal for the individual is continuous self-discovery and reconstruction of experience, and the reshaping that permits him to become that best that he may be. Thus schooling becomes part of a never ending process geared simultaneously to the needs of the individual and society.¹

Following upon the recommendations of the Core Report, the New Democratic government invited ideas with regard to the curriculum, from local boards, teachers, universities and community colleges and generally welcomed public participation. Its preference for a less authoritarian type of education lay in the belief that society could no longer provide young persons with specific value guidelines, because the pace and complexity of social change made them obsolete. Accordingly, it introduced a new curriculum for secondary schools, providing more optional courses. This policy also reflected the government's desire to "democratize" the education process, by giving students more influence in the planning of their curriculum.

With respect to cultural education, the government established a French language immersion programme which

¹Manitoba, Dept. of Education, Report of the Core Committee on the Reorganization of the Secondary School, 1973, pp. 1-2.

was adopted in 1975 in Winnipeg schools such as Sacre-Coeur and Brock-Corydon, where Anglophone pupils would receive all their instruction in French.² A supplementary provision allowed other languages of instruction, including German, Ukrainian and some native languages such as Cree.³ As school divisions across the province gradually introduced these languages, they served the Premier's avowed dedication to multiculturalism and bilingualism.

In addition, the government began to streamline the education department in 1975, as it reduced the number of education branches and increased co-ordination in programme development.⁴ This move reflected its desire to consolidate the diverse programme developments from its first term.

With regard to financing, it now provided only modest increases: for example, from the fiscal year 1972-73 to the fiscal year 1973-74, total spending on education rose from \$129.5 million to \$134.7 million, an increase of about 4%.⁵ But it continued to increase grants to the

²An Act to Amend the Public Schools Act, June 1975 Statutes of Manitoba, p. 325.

³Ibid.

⁴Manitoba, Dept. of Education Annual Report 1975 - 1976, p. 5.

⁵Manitoba Dept. of Finance, Estimates 1974, p. 17.

province's universities: for example, in 1977, the operating grant to the University of Manitoba was raised by almost 12 percent.⁶ However, there were few new buildings constructed during this period, as the government levelled off the expansive drive of its first term of office.

In contrast, there were several innovative health and welfare reforms. In 1974, the N.D.P. government passed The Child Welfare Act, establishing a Director of Child Welfare, with more extensive authority over the various agencies in the field, evidently to assure more accountability and control.⁷ Meanwhile, it also increased provincial social assistance by 22.3% in October, 1974, provided increased food allowances for single persons under 65 years of age, and authorized a 13.9% increase in funds for clothing and personal needs.⁸ Speaking in the Legislative Assembly, Premier Schreyer outlined his objectives with the following comments:

It's no secret, Mr. Speaker, that in order to try to break the vicious cycle of poverty to the

⁶"U of M President Says \$65.3 Million as 1977-78 Provincial Grant is Fair", Winnipeg Free Press, February 4, 1977.

⁷The Child Welfare Act, July 1974, Statutes of Manitoba, p. 159.

⁸"Welfare Rates Get Big Boost" Winnipeg Tribune, September 18, 1974.

extent that we have pockets of poverty in our midst, that there's no point in yearning nostalgically for some way to do it in a dramatic one fell swoop. The more probable way of succeeding is to concentrate public expenditures - yes that's a dirty word for my honorable friends opposite - to concentrate more, not less, public expenditures with respect to the younger generation. If the battle can be won there in terms of greater opportunity and education and manpower training and back of that adequate nutrition, etc., there is some concrete hope that this vicious cycle of poverty can be beaten.⁹

Another major anti-poverty policy, involved an income supplement for low income families, including the working poor.

The government allow passed legislation in 1975 which increased the number of publicly funded dental services and centres, and supplied publicly paid dentists, at no extra charge, to lower income patients.¹⁰ As well, it instituted a universal pharmacare programme that reimbursed a family for 80% of its annual prescription drug costs over 50 dollars.¹¹

Further, during the years from 1974 to 1977, government funding of day care centres increased

⁹Legislative Assembly of Manitoba, Debates and Proceedings, April 26, 1974, p. 2829.

¹⁰The Dental Health Services Act June 1975 Statutes of Manitoba p. 287.

¹¹James A. McAllister, Op. Cit., p. 68.

dramatically and the number of such centres expanded from 12 to 165.¹² In 1976, maximum annual grants available to day care centres increased from \$100 per child to \$500 per child.¹³ In addition, the government expanded rural health care, opening in Killarney a \$2 million health care complex which included a 30 bed personal care section as well as laboratory and x-ray facilities;¹⁴ and in Brandon, it opened a 200 bed health centre, to provide specialized programmes, day care and treatment for handicapped children.¹⁵

As in education, total government expenditures on health and welfare were somewhat smaller in the Schreyer government's second term than the increases allotted during its first term. For example, the overall increase in health and welfare spending between fiscal years 1972-73 and 1973-74 was only 3%.¹⁶ Likewise,

¹²Graham Parley, "Daycare Funding Better - Not Good" Winnipeg Tribune, Feb. 5, 1977.

¹³"Manitoba to Spend \$1 Million Subsidizing Daycare Centres" Winnipeg Free Press, Apr. 17, 1976.

¹⁴"2 Million Health Care Complex Replaces Hospital Nursing Home" Winnipeg Free Press Apr. 17, 1976.

¹⁵"New Health Centre Opens" Winnipeg Tribune February 19, 1974.

¹⁶Manitoba, Dept. of Finance, Estimates 1974, p. 25.

expenditures only increased from \$280,915,900.00 in fiscal year 1974-75 to \$308,559,400.00 in fiscal year 1975-76, a rise of 10%.¹⁷

The urban renewal policies of the Schreyer government during its second term of office included expanded community planning and continuing extensive construction of public housing. The Planning Act of June 1975, established a Director of Planning, and an interdepartmental planning board, to formulate policies to provide an effective distribution and development of land, in an effort to regulate rural development.¹⁸ Two months earlier, it also reconstructed the municipal district planning system, by recognizing four new planning districts around the City of Winnipeg. It attempted to convince municipalities to join regional planning districts, arguing that as a result of unplanned development, a lack of sharing of rural services was evident and good farm land was needlessly being taken out of agriculture.¹⁹ As well, the province purchased 5,000 acres of land east of Winnipeg, at approximately \$80/acre,

¹⁷Ibid., 1976, p. 1.

¹⁸The Planning Act, June 1975, Statutes of Manitoba, pp. 197-199.

¹⁹"Province Buys 'Future Town'", Winnipeg Free Press, April 22, 1976.

claiming this site could one day be used to create a satellite town;²⁰ although since a subsequent administration sold this land, the possibility was not realized.

The government also continued to expand the stock of public housing. It created a total of 4,430 public housing units between 1973 and 1977,²¹ as compared to 6,709 units constructed between 1969 and 1973.²²

In its final year of office in 1977, the Schreyer administration launched a \$20 million renewal plan for Winnipeg's core area, including the construction of 500 new housing units, several new office buildings, a laboratory and a parking garage.²³ This reflected its persistence in trying to combat inner city poverty by renovating or removing run down "slum" areas. The N.D.P. government also continued its northern policies for townsite redevelopment, outdoor resorts, conservation, mining development and government assistance to private investors.

²⁰Ibid.

²¹Manitoba Housing and Renewal Corporation Annual Report 1975 - 1976, p. 23.

²² Ibid.

²³David Lee, "N.D.P. Launch \$20 M Core Housing Plan" Winnipeg Free Press June 18, 1977.

In 1974, it mobilized local residents and associated interests in developing the Churchill area, and implemented landscape redevelopment and recreational projects, housing, new parks and children's play centres.²⁴

Further, in 1973, it created Manitoba Mineral Resources, a Crown corporation, to promote mineral exploration: by 1976, according to a press report, five of the seven exploration projects then active were financed fully by this corporation.²⁵

In addition, the N.D.P. government, by way of the Manitoba Development Corporation, entered into an agreement with Misawa Homes of Japan to invest in the Component House Manufacturing Company of Gimli, to produce 500 housing units,²⁶ and the government invested 15 million dollars in this plan, before abandoning it in 1976, as unworkable.²⁷

²⁴Man., Dept. of Municipal Affairs, Municipal Planning Branch, Landscape 1974: Churchill Townsite Redevelopment Project Report, p. 63.

²⁵"Govt. Mineral Exploration Funded 100% by Taxpayer" Winnipeg Free Press June 11, 1976.

²⁶Joan Bowman, "Misawa, MDC to Advance \$15 Million Each to Plant" Winnipeg Tribune Sept. 17, 1974.

²⁷Ibid.

Earlier meanwhile, to supplement such activity by the Manitoba Development Corporation, the Manitoba Trading Corporation was created in June 1974, "to encourage, develop and increase Manitoba exports and trade."²⁸ Agents of the Corporation went abroad during the 1970's, advertising Manitoba's services and resources in an attempt to further the exchange of Manitoba's goods with other jurisdictions.

In addition, the government maintained its policy of contributing large amounts of money to private business, under the aegis of the Manitoba Development Corporation. Resources Minister Sidney Green noted that the government by 1974, had loaned the corporation \$240 million.²⁹ In 1977, it increased this financial support to include Ajax Equipment Limited, which received \$200,000.00 and Kitchen Craft of Canada, which received \$500,000.00 in government funds.³⁰ The M.D.C. also provided sums of money to a number of publicly owned firms such as Dawn Plastics which in 1977, received a total of \$316,000.00³¹ and Columbia

²⁸The Man. Trading Corporation Act, June 1974, Statutes of Manitoba p. 350.

²⁹Egon French, "Reduce Loans MDC Is Told" Winnipeg Free Press February 18, 1974.

³⁰Manitoba Development Corporation Annual Report, 1977, p. 13.

³¹"MDC Approves Loan to Dawn Plastics" Winnipeg Tribune, February 8, 1977.

Forest Industries, which in 1975, obtained \$4,279,375.00.³²

In its last year, the Schreyer government also financed an extensive \$20 million public works programme partly to alleviate the problem of rising unemployment. This included local government community employment projects and institution employment projects.³³ One example, operated through the Manitoba Health Services Commission and the Public Schools Finance Board, enabled hospitals and school divisions to hire extra employees for up to three months.³⁴

With regard to finance, total government expenditure increased by 380% between fiscal years 1968-1969 and 1977-1978.³⁵ In addition, the direct debt of the province rose by 95%³⁶ during the same period; whereas the indirect debt increased by 296%.³⁷

³²Manitoba Development Corporation Annual Report, 1977, p. 13.

³³MaryAnne Fitzgerald "Province Makes A Start at \$20 Million Attack on High Unemployment" Winnipeg Free Press, May 12, 1977.

³⁴Ibid.

³⁵Manitoba, Dept. of Finance, Estimates 1978 - 1978, p. 1, pp. 34 - 36.

³⁶Canadian Tax Foundation, Provincial & Municipal Finances, 1973, p. 46, 1979, p. 69.

³⁷Ibid.

These increases in expenditure, prompted the government to levy various increases in taxation. In 1974, it legislated the Pari Mutuel Tax Act, which placed a 10% tax on racing bets.³⁸ This was followed by a 3% increase in provincial gasoline taxes in 1975,³⁹ and the imposition of a corporation capital tax in June 1976, which placed a tax on corporate assets.⁴⁰ By 1977, Manitoba had the highest business tax rate in Canada, which included a 15% corporate tax and a 13% small business tax.⁴¹ Total government taxation increased by 300% between fiscal years 1968-69 and 1977-78.⁴²

Finally, it has been noted that the average number of public bills enacted annually by the government decreased from 102 during its first term of office to 67 in its second term.⁴³

From 1973 to 1977, the New Democratic Party government continued to initiate social and economic reform, though at a diminished level from the 1969-73 period; and continued higher levels of expenditure, although the annual

⁴⁰The Corporations Capital Tax Act June 1976, Statutes of Manitoba, p. 762.

⁴¹The Corpus Almanac of Canada, 1978, p. 106.

⁴²Dominion Bureau of Statistics, Provincial Government Review 1973 p. 24, Statistics Canada, Provincial Government Revenue 1977, p. 32.

⁴³James A. McAllister, Op. Cit. p. 22.

increases were smaller in apparent response to the province's mounting debt.

In 1977 the Schreyer government was defeated by the Progressive Conservatives led by Sterling Lyon, who consciously moved the government to the right, promoting a platform of smaller, "streamlined" government and the need for accute, protracted restraint.

CHAPTER SIX

CONCLUSION

The Roblin and Schreyer administrations both practiced a vigorous, interventionist style of government. Both governments were established at a time of relative economic prosperity, and at a time when interventionist governments were common in North America. In addition, both administrations succeeded and were followed by governments that were noticeably more cautious in their public policies. The Liberal-Progressive government of D.L. Campbell and the Progressive Conservative government of Walter Weir, both maintained a relatively passive role for government, with an avowed commitment to a balanced budget. Likewise, the Lyon government was elected on a platform of "less government" and the need for accute, protracted restraint. As well, the Roblin and Schreyer governments were also more active in their earlier period and more restrained in their later period.

Duff Roblin and Ed Schreyer both believed that government could play a positive role in working to improve and expand the economic and social opportunities of the people of Manitoba. Both leaders were able to impose their political will upon their ideologically diverse caucuses to a substantial degree. Both administrations enacted extensive reform legislation with

respect to education, health and welfare, urban renewal, northern development and the economy.

There existed an ideological difference between them, however, on the degree and scope of government intervention. While Roblin's Progressive Conservatives tended to stress sound economic investments in the province's future, Schreyer's New Democrats placed a greater emphasis on promoting social and economic equality. The Roblin administration avowedly attempted to promote economic development by private enterprise to a greater degree than did its N.D.P. successors. It is also evident that the Schreyer government was willing to go further in trying to reduce income disparities, notably in its redistributive and corporate taxation. However, overall, their policies were remarkably similar in encouraging social and economic development with large government expenditures.

In essence, Roblin initiated this progressive, interventionist style and Schreyer maintained it. As University of Manitoba political scientist M.S. Donnelly noted, "Roblin altered the philosophy of government in Manitoba."¹ In contrast to the Liberal-Progressives he defeated, Roblin was willing to take economic risks in

¹Quoted By Ralph Hedlin, "The Improbable Revolutionary," The Toronto Star Weekly, Mar. 3, 1962.

the hope that public investment could revive Manitoba's economy. In retrospective appraisal of his government, he declared that it took office in 1958 with the objective of "bringing Manitoba into the latter half of the twentieth century", and sought to serve the interests of all Manitobans² by making their province a more dynamic place to live. After 1969, Schreyer emphasized such a similar approach that one observer commented: "in many ways the new government appeared a continuation of the Duff Roblin period; and it was rumored that Roblin considered Schreyer his natural successor."³ Another related perspective has been expressed by an historian of the Manitoba N.D.P.:

The N.D.P. insisted repeatedly, just as Conservative and Liberal governments in earlier years that government programs were designed to serve the interests of all Manitobans and not those of particular segments of society. It was a view of society that claimed to transcend class divisions in pursuit of some ostensibly higher public, provincial interest.⁴

Needless to say, it is a platitude of political discourse to assert an active commitment to the welfare of all citizens, but in the specific policies advanced by the two

²Duff Roblin, Personal Interview, January 14, 1986.

³Thomas Peterson, "Manitoba", Canadian Annual Review for 1969. University of Toronto Press, p. 132.

⁴Nelson Wiseman, Op. Cit., p. 139.

ideologically different, but temperamentally similar, Premiers of Manitoba, the continuity is undeniable.

In education, for example, both expanded services, constructed many new facilities, promoted northern education and attempted to provide aid to parochial schools. The Roblin administration launched a virtual revolution in the province's education system with substantial increases in funding, services and staff: teachers were given large pay raises, modern consolidated and technical schools were built, and over a dozen major new university buildings were erected, one of them appropriately named after the energetic premier. Likewise, the New Democratic government continued the extensive construction programme with additional northern schools in particular, and a notable expansion of the now autonomous University of Winnipeg and Brandon University. In regard to northern education, the Roblin government created the Frontier School Division in 1965, attempting to provide greater opportunities for northern students, whose isolation had previously denied them effective access to secondary education. The Schreyer government maintained and expanded this division, and introduced various programmes for Manitoba's native peoples, belatedly acknowledging the worth of their heritage and culture.

Both governments also expanded French language education services in the province. The Roblin administration in 1965 enacted legislation allowing for the use of French as a language of instruction in 50% of all courses and the Schreyer government passed legislation in 1970, which permitted the use of 100% French language instruction in the daily curriculum.

There admittedly existed some differences in the education policies of the two governments. Firstly, while the Roblin administration moved swiftly to consolidate the school divisions of the province, the Schreyer government, to a degree, modified the consolidation process by placing much greater emphasis on local autonomy and initiative especially in tailoring courses to local interest, and in promoting democratization. This stood in contrast to the Roblin government's more traditional and authoritative approach to education.

With regard to health and welfare, both administrations embarked on major programmes of construction of new hospitals and related facilities, and demonstrated a firm commitment to increased benefits for low income citizens.

In 1959, Roblin commenced an eight year programme which virtually overhauled the province's entire welfare system, with a greatly increased range of services, and as early as 1962, began moving toward a comprehensive medical

insurance programme. Likewise, the Schreyer government enacted a series of welfare revisions, including significant amendments to the Child Welfare Act, in 1970, which gave the province a greater role in child care, by expanding treatment centres for neglected and troubled juveniles. As well, it participated in a joint project with the federal government to test the feasibility of a guaranteed annual income on an experimental basis in an attempt to alleviate poverty on a better basis than welfare. Similarly, it followed the Roblin government's initiative on medical insurance by reducing user fees by 88% in 1969 and subsequently eliminating them altogether. Both governments also provided expanded dental care and pharmacare coverage for Manitobans. Government subsidized dental care clinics were established under both governments. As well, both administrations subsidized the consumer cost of prescribed drugs.

Again, there existed a philosophical difference between the two administrations with regard to the availability of health and welfare services. Roblin believed in the "needs" principle, whereby the government provided health and welfare services only for those unable to pay⁵. Conversely, Schreyer supported a concept of

⁵Duff Roblin, Personal Interview, Jan. 14, 1986.

"universality", whereby all citizens should be eligible for the same health and welfare services. At the outset of his first term, Schreyer contrasted this viewpoint with Roblin's:

I had also noticed that others, like Duff Roblin, have been advocating a selective approach to welfare and pension programmes and I don't deny for a moment that one can find validity there, too. But in the end, I've come down on the side of Stanley Knowles because I believe that universality means a saving in administrative costs, against having means testers investigate all around. Also, there is equity because those receiving a pension who don't need it are paying something back in the way of income tax. And if they're not, that means they are only of modest means anyway, so those few extra dollars shouldn't be begrudged them.⁶

Thus, while Schreyer supported a more comprehensive social service approach than Roblin did, he also stressed economic savings and efficiency, arguments well in line with those supported by Roblin.

In the field of urban policy, both governments consolidated municipal government in Metropolitan Winnipeg, both financed urban renewal and public housing and both sought through specific target projects to assist commercial redevelopment in the declining inner city.

⁶"Ed Schreyer: What Does He Stand For" Winnipeg Tribune, July 5, 1969. Stanley Knowles, referred to in the passage, was then the N.D.P. Member of Parliament for Winnipeg North Centre and a long esteemed spokesperson for universal social assistance and pensions.

To this end, in 1960, the Progressive Conservative government created the Metropolitan Corporation of Greater Winnipeg, amalgamating several basic municipal services throughout the Greater Winnipeg area, and creating a two tiered government, with a Metropolitan Council assuming specified responsibilities from the existing municipal divisions. This new level of government was intended to increase the efficiency of civic government in the Winnipeg area, specifically with control over arterial routes, water services, flood control, municipal parks, sewage and garbage disposal, and planning future growth. Following this pioneer enterprise, the New Democratic Party government, in 1971, established Unicity, consolidating the City of Winnipeg and its suburbs into one urban government, in effect increasing the degree of co-ordination begun with the Metro experiment. Metro was the original impetus which led to creating Unicity,⁷ which attempted to improve a basic plan that had been established by the Roblin government. Similarly, the Roblin government, in 1960, commenced a low cost housing and slum clearance programme, which was substantially extended in 1967, under the direction of

⁷Saul Cherniack, Personal Interview, March 21, 1986.

the Manitoba Housing and Urban Renewal Corporation. The Schreyer government in turn used the M.H.R.C. to launch its own much more ambitious programme of public housing, extending it to rural and remote regions as well. Finally, with respect to commercial redevelopment of Winnipeg's downtown area, Roblin began the renewal of the run-down Main Street neighborhood with a new City Hall, Safety Building, Planetarium, Museum and Concert Hall; while the Schreyer government, in the area between Broadway and Portage, joined with private business in assisting the construction of a multi-million dollar Convention Centre and private hotel complex, completed in 1975.

The major difference between the two in regard to Winnipeg's renewal concerned taxation: The Metropolitan Corporation did not and could not redistribute tax among wealthier and poor municipalities, while one hope, as yet unrealized, in the Schreyer government's creation of Unicity was that there would follow a redistribution of tax revenues to the benefit of the relatively poorer areas, specifically the inner core, where most poorer families lived.

Policy continuity is also evident in northern development. Beginning in 1958, the Roblin administration embarked on a major programme of road construction, winter works employment, and tax incentives to attract investment

there. In the same spirit, and with even greater determination, the Schreyer government also pursued northern development, in 1971 for example, with a special Communities Economic Development Fund, which provided grants and loans to private enterprise in the region. Under the Roblin government, northern mining developments began with government assistance and encouragement, at Thompson, Chisel and Salt Lake, and during the Schreyer years, the operations at Thompson were expanded and the government assisted, with town site development and the establishing of a new mine at Leaf Rapids.

As well, both governments promoted major, and costly, hydro development. Between 1960 and 1964, the Roblin regime constructed a \$20 million power plant at Grand Rapids. It followed this in 1967, which after abundant controversy, was completed, and supplemented by a Lake Winnipeg regulation outlet by the Schreyer government. Both governments believed that the huge, relatively untapped hydro electric resources of northern Manitoba could reap an "economic bonanza" for the province if developed properly and both actively sought to achieve this result.

Further, both governments played a key role in townsite redevelopment at the town of Churchill. Between

the years from 1958 to 1961, the Progressive Conservative government provided assistance to business developers in Churchill and committed itself to aiding in employment start programmes in that town. For its part, the New Democratic administration continued the community redevelopment plan at Churchill, with the intent of reducing the chronic stagnation and poverty in the area.

Finally, both tried to help the native population. In 1965, the Roblin government initiated a "job help" programme made available to native persons who had been out of high school for at least one year. In addition, the government ensured the employment of native persons on the Nelson River Hydro project. The Schreyer government also attempted to integrate native persons into the work force by training them in mining or business skills and then helped them find jobs or start their own business.

A major difference in the northern policies was in the N.D.P.'s greater public intervention in the resource economy. While the Progressive Conservative government provided direct aid to private entrepreneurs involved in resource development through the Manitoba Development Fund, as, for example, in the ill-fated forestry venture at The Pas, the New Democratic administration imposed a provision allowing it to purchase half of the equity in mining ventures after 1973. Thus, the N.D.P. was willing to go somewhat further in extending government ownership

in the economy. Significantly, however, it rejected the Kierans Report recommendation of a gradual government takeover of the mining industry, and Premier Schreyer repeatedly tried, sometimes with little success, to reassure private investors that his government was not antagonistic towards them. In practice, perhaps, this difference between the two did not amount to much: the initially private C.F.I. complex ended up in receivership and became a Crown corporation, while the public mining ventures of the N.D.P. had no significant effect in altering the private structure of the province's industry. And from their different points of view, the result was similar: both administrations attempted to diversify the northern economy with admittedly only modest success.

More generally, the Roblin and Schreyer governments both maintained an activist economic policy, created various public corporations, implemented major public works, and engaged in a variety of economic planning devices. Both evidently believed in a "partnership" between the private and public sectors of the economy; the difference lay in the degree of emphasis the two governments placed on the different sectors. The Progressive Conservative government believed that private enterprise should play the primary role in economic development, assisted by a strong public sector, whereas

the New Democratic administration emphasized government as the leading edge of economic development, supplemented by a substantial private sector. Yet both proved willing to create public corporations, to be used as tools in economic development. The Roblin government established the Manitoba Development Fund in 1958, to provide subsidized loans to private enterprise; the Schreyer government renamed it the Manitoba Development Corporation and continued its lending activities on an even more extensive scale, probably far beyond Roblin's original intent. In addition, both established export agencies to promote Manitoba products on the international trading markets: Roblin created the Manitoba Export Corporation, which the Schreyer government developed into the Manitoba Trading Corporation.

From 1958 to 1977, the size and scope and cost of government grew at a rapid rate. In per capita terms, government programmes and expenditure increased at a higher rate under Roblin than under Schreyer. Total provincial government spending increased by approximately 470% between fiscal years 1957-58 and 1967-68; whereas the overall increase in expenditure during the period from fiscal years 1968-69 to 1977-78 was approximately 380%.

The level of taxation and public debt also increased significantly under both governments. Total provincial government revenue by taxation, increased approximately 13

times between fiscal years 1957-58 and 1967-68, and by 400% between fiscal years 1968-69 and 1977-78. As well, the direct public debt of the province increased by 71% between fiscal years 1957-58 and 1967-68, whereas the indirect debt expanded by 1,653% during the same period. Likewise, during the Schreyer years, the direct debt increased by 95%; while the indirect debt grew at a rate of 296%. Thus, the primary "revolution" in the growth of government expenditure, services and taxation, occurred during the Roblin period, and was maintained during the Schreyer years.

There did exist a significant difference between the two governments with respect to taxation policy. The New Democratic government sought to redistribute wealth to a greater degree than had its Progressive Conservative predecessors. This is evidenced by the Schreyer administration's implementation of a 2% increase in corporate tax rates in 1969, its levy of a mineral royalties tax on "windfall" profits, and its introduction of a corporation capital tax which taxed the assets of large and middle sized businesses. The Schreyer government was also willing to intervene in the province's economy to a greater extent than its P.C. predecessors, as evidenced by its Automobile Insurance Reforms, whereby the government assumed control over the auto insurance industry of Manitoba. However, notwithstanding these

genuine differences, the practices of the two governments were relatively similar.

Both administrations recognized the importance of large government expenditures as a means of stimulating economic growth, and both accepted the necessity of raising taxes in order to facilitate such expansion. In effect, the Roblin administration pioneered the contemporary system of active government in Manitoba, which was later continued by the Schreyer government.

Given that Duff Roblin consistently stressed that he was a Progressive Conservative, and that Edward Schreyer habitually termed himself a Social Democrat, rather than a Socialist, it was perhaps to be expected notwithstanding the apparent ideological differences between them, that their two governments should have demonstrated in practice such a high degree of policy continuity.

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