

THE LEGISLATIVE ASSEMBLY OF MANITOBA

8:00 o'clock, Monday, June 21, 1971

COMMITTEE OF SUPPLY

MR. CHAIRMAN: Resolution 84. The Member for Churchill.

MR. BEARD: I have only got a couple of miles of road in my constituency -- (Interjection) -- half of Manitoba. I have been hearing complaints about the cost of building northern roads in the last few days and I think that members will probably appreciate more how much it does cost to develop the north and what it costs business and the people in northern Manitoba to conduct their business. I think now that members appreciate the cost of operating in the north they will listen a little when we talk about the needs of people that are in the north.

When we talk about roads in that half of the province we have to look long and hard to find them, and I hesitate almost to bring up the topic of the Churchill roads, but really I think it's right. The Minister of Consumer Affairs says it's impossible, and so have many other Ministers said it's impossible and so I suppose others will say it's impossible in the future, and if you take that kind of a look I think you would have to admit that it would be impossible. But it doesn't need to be; nobody is asking or expecting the road to be built in one year. I think that if they would take that attitude and build a few miles a year, and start from Churchill, use the native Indians to train, use Manpower money to conduct training courses, then there is no reason why some road can't be built each year so as to extend the road system out of Churchill and provide for people, or give the people that hope at least that it will be finished some day, but if it's never started, then of course the people take the view that it never will be built.

So rather than the Consumer and Corporate Affairs Minister saying it's impossible, I wish he would take another look at it and say to his colleague it would be possible if we would build a few miles each year until it is completed. -- (Interjection) -- Well, you'll have to put up the pot and then decide how many miles you are going to build. But it's the money that would be appropriated toward it each year, not how many miles would have to be built each year, but in some places maybe where it is extremely bad you may only get a mile or two miles built, maybe half a mile. When it comes to bridges they wouldn't be able to build them right at first, but this is fine, this at least would at some time or another give them a winter road out if not an all-year-round road and then later we would hope to have it extended to a year-round road. Certainly if they had taken that attitude with the CPR railroad they would never have got it finished. If they had said it was impossible then, we still would be waiting for the road because it would be impossible the next year too. But somebody back then said it was possible, and they not only built one road they built two, and on top of that they built highways. So I don't think that anything is impossible today if you are really looking at the benefits that this province will derive out of pushing the frontiers of this area further north, or enlarging the frontiers of our province.

But I don't throw this all on the shoulders of the provincial government. I still feel that the Federal Government should be putting in money as they did years ago on Roads to Resources programs, as they have on Road to Resources programs in the Northwest Territories and in the Yukon. This money is available; the policies are available if somebody will get around to using them. I think they have got to start now though if we are going to get anywhere on this type of a road. And this isn't only for Churchill, Mr. Chairman, the town of Gillam, the Kettle Rapids development, Ilford, and there's the many Indian Reservations that are in that area too which would in some way or another benefit from this type of road system.

But there is another road system that is very necessary, and particularly in my constituency and probably in most of the other northern constituencies, and that's winter roads. Winter roads are as important to northern Manitoba as all-year-round roads are to southern Manitoba, and I feel that this Assembly must give its consent to the building of these types of roads for northern Manitoba and they must accept the costs of them. The costs aren't as much as all-year-round roads, but winter roads are very important. They would allow for competitive tendering on the freighting into isolated communities. It would allow for a great deal of work for the people in those communities and there is no reason why again that the Federal Government cannot chip in and use moneys to lift many of the reservations out of isolation. Many of the people are residents of Manitoba as well as the Federal Government having responsibility for them, and I believe that winter roads must become a high priority in the Minister's building, opening of northern Manitoba.

(MR. BEARD, cont'd.)

I would hope that he would get together with the Minister of Mines and Natural Resources and come up with a program which would assist the Indians in getting needed income, and assistance also, of course, in transporting the product into their communities. In fact I would go so far as to say that I would hope that maybe they would have a transportation setup that would allow the Indians to provide their own transportation. Whether this be under government monopoly or not I really do not care, just as long as they'd have something that would open up the transportation in the north.

On this one point I do again, as one other member today, take exception to the Minister of Transportation saying that those that voted against the helmets for motorcycle drivers have to bear the responsibility for the blood that was shed, etc. It sounds pretty good if you stop there, but who is going to accept the responsibility for the blood shed on the thousands of accidents, car accidents, bus accidents that we have in a year. Surely if those people were made responsible citizens and had to wear helmets in their cars and buses you would find a lot less accidents, only of course this is not practical, just as it isn't practical to make people on motorcycles wear helmets where they are more subjected to the weather than those people that are in the automobiles or buses. Well, I say that's a bunch of malarkey. I think that the motorcycle drivers are responsible people by and large. Their accidents aren't that high and certainly all their accidents do not result in damage to the head.

The Minister was correctly quoting statistics on the cost of upkeep of his cars and he said he had to ask another half a million dollars to repair the cars so they would not have to buy the new ones when the large automobile companies decided to do away with the - what is it? - with the reduction in prices on sales to the province. I just worked out -- he said he had 2,300 cars and he would need at least a third of them traded in, and if he took the 780 times the top cost - he said five to six hundred dollars - if you took it times 600 it is only \$468,000, and yet he has had to borrow half a million to repair the old cars and he ends up with old cars whereas if he had bought them it would have been cheaper and he would have ended up with new cars. So I think there's two sides to that story.

The last thing I would like to talk on is the student drivers. In the training program that we have had for student drivers I find that it has been a credit to the government and to those who were included in the program because it made good drivers out of students that were learning to drive for the first time. I would think, really, that if we could bring those students back at the end of the second or third year, probably second year, and have them undergo another training program and let them pay a larger share of that, that it would keep them as good drivers. Sometimes you forget easy and fast. I know I've had two children that have taken the course and they are proving to be very good drivers, but I think that a year or two after maybe they should have another go at it. Maybe it is my bad driving that rubs off on them, but I see them having a chance to maybe slide back a bit, and if we can't do it with all drivers, certainly with our young drivers I would hope that something could be done.

I wonder also where this comes into Autopac, whether they will give credit to these student drivers when they have taken the course for the first year. I understand that there is quite a reduction for those people who have taken this course and I would hope that this would carry on as an incentive to the youngsters, or to the young adults rather, to be good drivers and to continue on to be good drivers, because really, if you hit a man in his pocket that's the place he feels it most, and I think that if these students realize that if they carry on with their good driver training habits that will be money in their pocket and it should be the incentive, the necessary incentive to keep them driving as a good driver should drive.

MR. CHAIRMAN: The Member for Charleswood.

MR. ARTHUR MOUG (Charleswood): Thank you, Mr. Chairman. I just have one or two remarks to make. I am sorry I wasn't in the House when the Minister started introducing his Estimates last week; I was out of town. I was out in Saskatchewan - and it will seem strange to know that somebody out of this Legislature was in Saskatchewan and they weren't campaigning. I was trying to stay in line with the balance of my caucus colleagues. I was simply out lining my own pockets throughout the country and not paying attention to legislative duties.

I scanned through the Hansard, some eight pages or more of the Minister's introductions, and as I say, I am sorry I wasn't here because it is impossible to put together off paper what he says. It is even harder when you're here because he mumbles, mumbles, mumbles, mumbles, mumbles. Once in a while he hollers loud "Breathalyzer, get the breathalyzer, this is

(MR. MOUG, cont'd.) . . . what you gotta get." Believe it or not the press, you got the press sold so good that they quote it. They'll put you in the paper -- if you get up and call my colleague from Morris a damn liar they'll put that in the paper. They've got you believing that you are the great "I am". Mr. Chairman, that is exactly what they've got him believing. He knocks everybody -- (Interjection) -- you be quiet, you had your shot last week while I was out in Saskatoon campaigning. He gets up and he talks about putting air in tires, checking gas caps on trucks. He gets up and knocks - absolutely everything that's nonsensical this man brings into his Estimates, and we are supposed to stay here and stay awake. Now if we can do that and get up and criticize his Estimates, I would like to know how.

He goes into the detail of the north. He spends all of the money in the north. He says in his introduction that an idiot can construct highways. He has proved himself wrong there because an idiot can't construct highways. You ask anybody in southern Manitoba, and an idiot cannot construct highways. We've had proof of that for the last two years because we have seen no highways in the south. He should read Heavy Construction News last month, the national magazine. There is a free enterprise government in New Brunswick and they say, the Highways Minister says down there, "New Brunswick can no longer afford the luxury of scheduling highway construction priorities on the basis of political advantage but must base its total highway construction program on the results of scientific analysis and total requirements planned within the overall constraints of financial resources. Highways Minister Stuart Brooke told the Legislature petty political considerations have no place in planning the highway system." Now, there's something that the Highways Minister - I'm willing to table that - let him take it home and read it. It is a very good item, I think, that he could get a lot of miles out of.

Reading the Letters to the Editor of the Tribune, this letter is headlined "Some Comments on Borowski's Words. It has been reported in the Tribune that Mr. Borowski, the Honourable Transport Minister, "it says, but it should be Highways Minister, he couldn't handle Transport, "It bothers me", this man says, "It bothers me to see people" - he's quoting the Minister - "It bothers me to see people in influential positions get away with things like this." -- (Interjection) -- You mind your own business. In church you do your hollering; here I'll do my hollering. He goes on to say, "What influential person has been getting away with things? A Minister of the Crown must surely be an influential person to receive a suspended sentence for contempt of Court when another person, Rival Dural, recently convicted of the same offense received a jail sentence. He must surely be regarded as getting away with things." Further on the issue, the same article, is reported Mr. Borowski speaking about pilfering by civil servants. "He said if there is not enough evidence to obtain a conviction the employee is simply fired." The man goes on to say, "Is this another case where this person is getting away with things? In Mr. Borowski's case there is not enough evidence, and indeed a conviction was obtained, but apparently Mr. Borowski has not been fired." He goes on to say, "It bothers me to see people in influential positions get away with things like this."

I think the Minister is well aware of what the man was getting at. You forget the shoe was on the other foot. It was all right while he was condemning, but when he would be in the position that he was being spoken to, it doesn't apply. It doesn't apply.

MR. BOROWSKI: That's exactly what it implies.

MR. MOUG: Yeah, a law for the rich and a law for the poor. You're the Minister of Transport, he says here; I say Minister of Highways, a type of Minister of Highways, and because you have the influence and the support of the Treasury Bench you don't pay your debts in society. You get off with it. You go back and sleep on the steps again and tell us that . . .

MR. GREEN: On a point of order, is the honourable member suggesting that the Treasury Bench has some influence over Mr. Justice Nitikman? If he is, then I would suggest that he withdraw the remark.

MR. CHAIRMAN: The Member for Charleswood.

MR. MOUG: Well I would certainly hope that the Treasury Bench has some sort of influence over the magistrates in this province. It is to be hoped that they are controlled . . .

MR. CHAIRMAN: Order, please.

MR. GREEN: Mr. Chairman, the honourable member said that because of Treasury Bench influence the Minister of Highways, rather than receiving a jail sentence, received a suspended sentence. The particular sentence that my honourable friend is referring to was imposed by a Judge of the Supreme Court - of the Court of Queen's Bench of the Province of

(MR. GREEN, cont'd.) Manitoba, not a magistrate, and I'm asking him whether he is indeed suggesting that the Treasury Bench has influence over that Court of Queen's Bench Judge which he said, or if he doesn't, then he should withdraw his statement.

MR. CHAIRMAN: The Honourable Member for Fort Garry.

MR. L. R. (BUD) SHERMAN (Fort Garry): On that point of order, Mr. Chairman, I think the record will show that the House Leader is misquoting - perhaps not deliberately, but misquoting the remarks of my colleague from Charleswood. The Member for Charleswood said that the Minister has the support of the Treasury Benches. We assume that to be correct. He has purportedly the support of the Treasury Benches; it was not in the context of the case to which the Minister is referring at all.

MR. CHAIRMAN: The House Leader.

MR. GREEN: Mr. Chairman, the honourable member made the remark - and if I'm not quoting him properly then he can say so. He said that because Mr. Borowski has the support of the Treasury Benches and thereby - and he used the word "influence" - that he did not receive the sentence from a Court of Queen's Bench Judge that he ordinarily would have received. If he is not saying that, then let him say that he is not saying it.

MR. CHAIRMAN: The Member for Charleswood

MR. MOUG: Well here's the same old problem, a high school dropout versus professional debater of the House. It was explained very well by my colleague from Fort Garry. I have no intention of withdrawing or going back through that again. You bring me the Hansard tomorrow and I'll show you what I said. It's in there.

MR. CHAIRMAN: The House Leader on a point of order rose and asked the Member for Charleswood to clear a particular point and I would ask the Member for Charleswood to address himself to the clarification of this thing. The Member for Charleswood.

MR. MOUG: We are now here into close to 70 hours in the Estimates and there's no way that I'm going to let him flog us down in time the same as the Minister is doing at the present time.

I read in his introductions of his Estimates, Mr. Chairman, where the Minister said that they put a \$50,000 increase into high school driver training. He criticized the insurance industry of the Province because they withdrew from their participation in this endeavour because the government introduced Autopac, just because they brought in a simple Bill 56 last year and made compulsory insurance and drove the free enterprise right out of the province. He took this opportunity and said in Hansard, "I take this opportunity to publicly condemn the insurance industry of the Province of Manitoba, simply because we introduced a government operated monopolized insurance program". Gut robbers, absolute gut robbers on that side of the House, Mr. Chairman, and I will not withdraw that regardless of who stands up. They take the bread off the table of how many people in this province? How many agents was there - 800? 1100 agents? They take the food right off their tables. -- (Interjection) -- Now there comes another guy again - and I can always remember in August of '69 when the Member for St. Vital then, Jack Hardy, was standing up talking and he said, "It reminds me of Avon. Ding dong, ding dong." Same thing, Avon is back. I'll go along with Jack Hardy. I don't think you sell it, I think you wear it.

HON. RUSSELL DOERN (Minister without portfolio)(Elmwood): Why don't you say something?

MR. MOUG: You're saying, I haven't got an opportunity. Yes, the Minister without portfolio. I can see why you have to sell Avon products.

The province is being hit not only by the people that's out of work, but the half a dozen companies that's left here and are moving their head offices out of the province simply because of Autopac. So now the Minister all of a sudden is up in arms and he wonders why did they stop supporting high school driver training. Can't figure it out. They were supporting it in the first instance because they wanted to lower the accident rate in the province and educate the children to be better drivers. You know, this is one of the places where you've got to take your amount of money, I think it's \$150,000, you've got to tax it up against your Autopac; that's part of the cost that you're paying to run your own insurance policy.

One thing about it as I read through there, it's nice to see that the Minister has changed his policy. He says that it's interesting to note that the judges, the magistrates in the province are throwing the book at the lunatic drivers. He thought that was real good. He goes on to say further in his Estimates that the Ambassador from Poland was over here, the Minister met

(MR. MOUG, cont'd.) with him and the Ambassador was really enthused with the idea that Manitoba was the all-low accident area, highway deaths and all, but he didn't read the same papers as I read because Ontario and Quebec is far lower. The Minister went on to say that he obliged them by giving them the several ways that they went about lowering this accident rate. I think a good service could have been done to the province if we could have sent the Minister there and willed him on to the Ambassador of Poland; he would have done a great service for them and as well possibly cleaned up our provincial problem here. Thanks, Mr. Chairman.

MR. CHAIRMAN: The Member for Brandon West.

MR. EDWARD MCGILL (Brandon West): Mr. Chairman, I have just two or three questions for the Minister. The first relates to the Assiniboine River bridge and I notice it's listed among the projects to be completed. Now, to my knowledge, the actual construction has not begun and I'd like to ask the Minister if he can be more specific about when the project will begin. I know it's related to the four-lane road which will cross the bridge and go out north on First Street, that's Highway 1A, and the last report I had in the paper was that the Minister stated that this project could not be continued with until all of the land acquisitions had been made. I'm interested to know whether these acquisitions have now been completed and whether the Minister can say whether this will go ahead.

I note too that the new Highways Garage is going ahead on North Hill. Last fall the Minister was reported in the Brandon Sun as saying, "We are planning to use that garage also for auto repairs under the government auto insurance plan." I wonder if the Minister could confirm whether that's his present intention. The garage is now pretty well along in the steel work and I assume will be completed sometime in the next few months. So I'm sure that the garage operators, the businessmen in Brandon would be interested to know whether the Government of Manitoba is going to repair automobiles under the Autopac plan in the Highways Garage.

A final question, Mr. Chairman. The Minister talked about studded tires last October and said that in spite of the inclination of Ontario to have a ban on studded tires that Manitoba would certainly have them for the season '70 - '71. Since that time I haven't heard any further comments. I wonder what the Minister's plans are for the '71 - '72 season. It seems that Ontario is getting fairly firm on the idea of banning studs on the highways. It would be interesting to hear what the Minister of Highways in Manitoba plans to do.

These are just three of the items, the two respecting the Highway 1A to Brandon, the bridge, and the extending the highway to four lanes is a rather important issue for that area of western Manitoba and we would certainly like to hear the latest reports on those projects.

MR. CHAIRMAN: The Minister of Transportation.

MR. BOROWSKI: Mr. Speaker, I think it's going to be a hotter evening that we expected. I would never have believed that we could hear so much nonsense from a bunch of so-called intelligent people elected to this House to represent our constituencies.

The Member for Morris got up and made some wild unsubstantiated charges about some statistics dealing with safety, and before the froth can dry on his mouth he was out like a shot out of "H" through the door and talking to the cameras. He knows very well, and so does his colleagues, that the statistics he read out in this House were false, deliberately false, as is the statement made by the Leader of the Opposition and the Member for Charleswood about suggesting that the Department of Transportation was taken away from me. He knows very well there was no such department, there wasn't a single employee transferred; in fact I have taken on Public Works which is about 600 men. They know that but for some reason they go on television and they say we should cut the Minister's salary by, what was it, two-thirds, because he's lost two-thirds of his department. That's a deliberate lie. Why would a person make that kind of a statement? You all know that's not true. And we had the same statement from the Member from Charleswood. If you want to criticize me for something I'm doing then by all means criticize me, but don't manufacture all kinds of garbage and bring it in here and try and peddle it off as the truth.

It's funny how the Opposition have a very sensitive spot when you talk about the reduction of death on highways. There were in there for eleven years and they couldn't do anything about it, or they didn't care and every time I bring it up it seems to be a needle in their side. You know, back out on the farms - and it's a long time since I left the farm - they used to have a way of testing a hog to see if it's got enough fat on it. This is true; it may seem funny. The simple way, and a farmer is not educated, didn't have the benefit of education that some of the members of this House, they stick a needle and they stick it in the hog's backside and, you

(MR. BOROWSKI, cont'd.) . . . know, the fat has no nerves so it just stands there and when it hits the meat then the hog squeals. You know, I get the same automatic response from the Conservatives here when I talk about safety. And I'm not trying to draw a parallel between them and the hogs out of respect for the hogs -- (Interjection) -- I expect that from the court jester and the linguistic acrobat from Morris, but I'm really surprised to see some of the other members, which have been acting in a very responsible and mature manner in this House suddenly they get on the bandwagon, and they're making ridiculous and outrageous charges, like the Member for Brandon a moment ago said that I had made a statement that we're going to get into the car repair business. I've never said any such thing and he knows that. He knows that that statement was erroneously quoted, probably in the Free Press, and it was corrected the next day. What I had said was that when we move out from the old garage and move into the new garage, the old garage will be used for a car appraisal clinic. He knows that, and yet for some reason he gets up, hoping that maybe the headlines will be tomorrow, "Government Still is Considering to Repair Cars." Nobody ever made any such statement on this side of the House. What are you trying to frighten garage people for? That is the type of scare tactics that we see from the other side.

MR. CHAIRMAN: The Member from Brandon West.

MR. MCGILL: Mr. Chairman, if the Minister will accept a question, is he not aware that this is from the Brandon Sun and it's a quotation of his remarks?

MR. BOROWSKI: The quotation originated in Winnipeg and the Brandon Sun naturally, a country paper, picks up the stories from Winnipeg, because this is where the reporters are and report to the press. I don't see any reporters from the Brandon Sun sitting up in the gallery so obviously you can't accuse them of making that mistake, but if you want to, go ahead.

Now, I'd like to deal with the statistics - you know, I think this will prove the type of tactics that the Opposition will stoop to. Somewhere they got the Canada Safety Council report and they trotted out a bunch of figures which are completely inaccurate. I have the same report that he was talking about, and let me quote you the figures then you decide who's a liar in this House. This is the The Highway Act, Canada, first half of 1970.

MR. MCKELLAR: The word "liar" is not parliamentary and it should not be used in this House.

MR. BOROWSKI: . . . applied to you.

MR. MCKELLAR: He's referring to every one of us when he's talking, accusing us all, and I would ask you to make him withdraw it right now.

MR. CHAIRMAN: The House Leader to a point of order.

MR. GREEN: Mr. Chairman, I think that the honourable member said that he will read figures and that the members will decide a question. He didn't accuse anyone of being a liar.

A MEMBER: He did so.

MR. BOROWSKI: Well, there's the automatic hog reaction again. Mr. Chairman, here's the figures that I have before me for the first half of 1970, and when I made that statement . . .

MR. JAMES H. BILTON (Swan River): On the same point of order, regardless of what the Leader of the House had to say it was, as pointed out by the Honourable Member for Souris-Killarney, the accusation was made and you have insisted that members on this side withdraw certain remarks. We have as a body been accused of lying and the Minister of Transportation said that he's going to refute the lies, or at least he intimated that and he should be made to withdraw it, Sir.

MR. CHAIRMAN: The House Leader to a point of order.

MR. GREEN: Mr. Chairman, with the greatest of respect, that's not the way I heard the remark. The remark was made -- I think that the figures that the Minister of Highways had given to the House were brought into question by somebody else. The Minister says that he is going to read the figures and that the House will decide which figures are liars, or who is a liar, but I don't think that he accused anybody in the House of being a liar.

MR. CHAIRMAN: That is my recollection of the situation. The Minister.

MR. BOROWSKI: Thank you, Mr. Chairman. The figures are - and this is Manitoba figures first of all. In 1969 - this is fatal accidents - 70. I'd better take the traffic deaths rather than the accidents. Traffic deaths, 1969, 66; and traffic deaths for 1970, 45. Saskatchewan - 79 for '69 and 65 for 1970. Alberta - 148 for 1969; 180 for 1970. British Columbia - 203 for 1969; 248 for 1970.

Now let me read the summary of the highways below -- (Interjection) -- I'll answer that

(MR. BOROWSKI, cont'd.) question in a moment. During the first six months of 1970 traffic deaths decreased by 5.7 percent as compared to the same period in 1969. Traffic injuries dropped 2.3 percent and total accidents 1.8 percent, a figure hard to appraise because of new accident reporting procedures - get this - in Ontario, New Brunswick, Saskatchewan, the Yukon. Now there's some more mathematical gymnastics, the same type that the Federal Government was involved in in unemployment figures. When the Opposition said so many unemployed, he said, well that 's not true, the way we got the statistics set up it's really not that much at all. But we knew, we in Manitoba knew and people across Canada knew the figures were phoney, just as the figures that are given by Ontario are phoney. They are not accurate, and this report here - not printed by New Democrats - the Canadian Highway Safety Association says that because of reporting procedures, they've twisted around -- (Interjection) -- let me finish -- traffic deaths were down 13 in Newfoundland, one in Prince Edward Island, 21 in New Brunswick . . .

MR. McKELLAR: Mr. Chairman, on a point of order.

MR. BOROWSKI: . . . 18 in Nova Scotia, 23 in Quebec . . .

MR. McKELLAR: Mr. Chairman, on a point of order. Would the honourable member table that report?

MR. CHAIRMAN: The Minister.

MR. BOROWSKI: He wouldn't believe it anyway if I tabled it. Ontario - 21 -- I'm sorry -- Nova Scotia - 23; Quebec - 119; Ontario - 21; Manitoba - 14; Saskatchewan - 1. They increased in Alberta and British Columbia. Now I'm not a mathematician, but when these figures were released in this statement, the last line, they increased in Alberta and British Columbia, I gave the figures to my Executive Assistant, I said would you figure out the percentage increase for Alberta and British Columbia. Their figures were -- and you could check them yourself, I read them out -- 17 and 18 percent respectively. I'd like to have that read in the record and I'll table this thing. As a matter of fact, if the member would like I'll photostat it and send a copy to each member in this House, so we don't make any more wild and ridiculous and unsubstantiated charges in this House to somehow downgrade what the police and the Courts and the various government organizations are doing in this province to bring down the fatalities.

Now having said that, Mr. Chairman, first of all I'd like to bring to your attention that when I was cut off this afternoon I am told by the House Leader that when a Minister is bringing his Estimates there is no time limit, that was my understanding, and my understanding from the House Leader is that the 40 minutes does not apply to the Leaders of the Opposition when they're speaking and to a Minister when he's bringing down his Estimates. So I will be going over the 40 minutes, in essence, is what I'm trying to say. -- (Interjection) -- Well any time the Opposition wants me not to answer questions I want them to -- I don't want them to say and make the same charges they did against the Minister of Consumer Affairs when he refused -- he sits there like a blimp and refuses to answer questions. You can't have it both ways. I was speaking on the operation of the maintenance section. This is some more of the deadly stuff I've been giving that I know will put the Opposition to sleep and it's probably just as well because they wouldn't understand it anyway. A typical standard is one for dragging. It is based primarily on traffic count but does allow for other factors such as soil type. Similarly standards are set for all major activities. The new reporting procedure combined with the computer makes it possible to quickly check whether or not the work in the field is being done as planned. No matter how good the planning we are still subject to the weather and to the pressure of the taxpayer. A good example of this was a year ago this spring. It was not possible to meet our maintenance objectives because of the continual rain. In fact it was so bad in some areas that our equipment did more harm than good. This year we have been more fortunate and our field activities are considerably ahead of last year.

Another problem that we must face is the impatience of the taxpayer for service. An example of this is our calcium chloride treatment program where everybody wants the service the first dry week of spring and yet it is uneconomic to have this much equipment available at any one time. In winter the prime purpose is to restore the roads to snow or ice-free conditions as soon as possible after a storm. This becomes particularly difficult when storms come in the middle of the night and roads become blocked or ice covered before morning. This could of course be overcome by having crews stand by all night but to date we have not felt justified in this additional expenditure. The problem's extenuated by an ever-increasing demand for service by the public. It was only a matter of some ten years ago when a road was considered

(MR. BOROWSKI, cont'd.) in fair shape if a car could get through in second gear, nowadays if a motorist cannot travel 60 miles an hour all the time he complains about it. Our winter maintenance last year amounted to \$2,450,000.

Further to our maintenance - this is that grand scheme that we introduced thanks to the Conservatives who hired somebody from Toronto, not a Manitoba firm, they've been making a lot of hay, but all the carpetbaggers we're bringing down from the east and west and other places; these carpetbaggers were brought in - probably their political friends from the east, at \$180,000. We were saddled with this group; they brought in a program and would you believe it, Mr. Chairman, the first critics of this program that we were saddled with were the members of that side, particularly the Member for Morris; and as a matter of fact there's one other member that said the roads are the worst they've ever been in years. Well, isn't that incredible. All we are doing is complying with the recommendations that their people recommended; that they committed us to; and they've got the gall to come into the House and complain. Well, there's reason for complaint last year as I've indicated -- we had a wet spring, it didn't make any difference who was in office, if it rains the roads are bad. But we have made some changes after a year of experience with the system.

No. 1, reclassification of 529 miles. This came about primarily as a result of new traffic counts and in some incidents as a result of particular problems, specific locations. In all cases the reclassification involved moving a road into the next category and there are five categories or classifications in this system that was developed as a result of the consultants. The most significant effect of this reclassification upward is to increase the dragging. It is anticipated this will cost us \$60,000 additional.

We started our maintenance management system with a basic standard for regraveling of 75 yards per mile per year. The year's experience has proven that this was not adequate in some areas and a change of standards has been adopted as follows: Class 2, 75 yards changed to 100 yards; Class 3, 75 yards changed to 100 yards; Class 4, 75 yards changed to 85 yards; Class 5, 75 yards unchanged. The anticipated increase in cost of this is \$230,000. Mowing standards is changed on our Class 2 highways. Originally, our standard consisted of two cuts on a shoulder twice per season. This has been increased so that the second cut will be made at the bottom of the four slope rather than only the two cuts on a shoulder. This Class 2 contains the majority of our main paved highways; it does not include our most important one, such as PTH 75, Trans Canada Highway, etc. which are being mowed full width. The anticipated increased cost of this change is \$34,000. It was unanimously felt by both districts and head office that because of the importance of this class of road it was simply not good enough to leave them in the rather ragged appearance that our first year's standard produced. Total cost of changes amount to an anticipated \$324,000 per year.

Once again, Mr. Chairman, I would like to emphasize that when the Member for Morris is complaining about us breaking the law, we weren't breaking the law, we had a choice of pollute the atmosphere, poison the water for the ducks and the prairie chickens and the fish, or mow an extra time per year. We chose the more expensive way, I thought the more sensible way; I've been overruled by cabinet; this year we will spray. There was no law violated as the Member for Morris suggests.

Mr. Chairman, I was speaking about the Taxi Commission when I opened my budget estimates last week and although I spoke about the study that's being done I did not report on the Taxicab Board as such, and I'd like to just read a few paragraphs giving the highlights of what the board did during the last year; "The Taxicab Board held nine hearings in 1970 compared to seven in 1968. The quota of 400 taxicabs remained constant through 1968 to 1970. In 1970, 86 extra cars were placed into service for the Christmas and New Year period compared to 93 in 1968. There were 1,240 drive-yourself vehicles listed in 1970 compared to 996 in 1968. Taxicab inspectors made 1,393 individual inspections of taxicab meters in 1970 compared with 992 in 1968. There were two hearings in the period of 1968 to '70 that should be mentioned as they differed from the usual type of application. In November 1969 the board heard and approved an application by the Winnipeg Taxicab Operators Association for an increase in the minimum wage of drivers and an increase in taxicab rates. In November 1970 the board after hearing representations from the drivers, the industry and the public, ordered an increase in the minimum wage paid to drivers." That is the finalization of my report on the taxicab industry.

I'd like to briefly deal with the Transport Board, Mr. Chairman. In the year 1968 to '70 the revenue of the Motor Transport Board Section of Highway Traffic and Motor Transport

(MR. BOROWSKI, cont'd.) Board increased by \$147,000.00. This was due mainly to an increase in commercial truck registrations of 453 - from 4,701 in 1968 to 5,154 in 1970; and an increase in miscellaneous revenue of 41,400 from 157,433 in 1968. There was an increase of 4,043 inspectors' reports, from 16,958 in 1968 to 21,001 in 1970. Applications heard by the Motor Transport Board section of the board increased by 103 from 133 in 1968 to 236 in 1970. There was a large increase in extra provincial applications under the Federal Transport Act, a total of 42. Extra provincial applications were much heavier and time consuming than intra applications, consequently the work load of the board was greatly increased and the larger volume of traffic engendered greatly increased the work of inspectors and office staff.

In 1970 small compact portable scales were purchased and proved so satisfactory that the purchase of additional scales are planned in order to make a wider check on truck weights which should pay dividends in protection of highways. A reorganization in the department has recently been made and more inspectors will have to be taken on staff. The scales we talk about here, Mr. Chairman, are the portable ones that have been used in the past but were not law. A trucker could simply say, "I'm not going to pay the ticket on that basis," and the department then of course was faced with a time wasting proposition of hauling the trucker to the next weigh scale provided it was within ten miles as specified under the section of The Highway Traffic Act. We changed the Act last year and we have found that these weigh scales have eliminated a lot of those problems, and not only that, since they're moving scales the truckers are watching their loads much more closely than has been the practice in the past.

As of May 1, 1970 the duties of the Public Transportation section of the Highway Traffic and Motor Transport Board was placed under Mr. C. C. Lee, Administrative Officer who was also made Secretary of the Taxicab Board. This change will cover buses, intermunicipal liveries and taxicabs. In May 1968 the board, due to the railway change in its rates to a cube or density concept and as our rates within Manitoba are based on a railway freight classifications, held two public meetings at which representation was made by several groups. As a result of those hearings and studies made by the board, the board came out with a proposed order in respect to conditions of carriage rules and regulations to be effective January 1, 1969. However, strong representation was made to the board from various parties regarding the proposed rates and their effect on the public at large as well as the trucking industry. As a result of this extensive renewed interest the board felt that further study should be made and several new public hearings were arranged.

The board after advertising and requesting submissions had hearings in February and March 1969 in Brandon, Dauphin, The Pas, Thompson and two in Winnipeg. Those hearings were to hear submissions on proposed conditions of carriage rules, regulations, rates and charges governing the movement of freight within the Province of Manitoba by public service vehicles.

In 1967 the National Transportation Act was passed with implementation of Part III though the portion dealing with extra provincial motor carriers was not proclaimed. It has become evident that Part III would affect the provinces greatly and preliminary talks began with the Canadian Transport Commission in the fall of '69. Together with other provinces considerable study was subsequently made to determine the economic regulatory effect on individual provinces. Meetings were held in Ottawa in December '69, November '70 and May '71 and at a later meeting an advisory council was formed to study uniform regulations, economic impact of Part III and to facilitate flow of communications. The Manitoba Board has a member on the council and that member is Mr. Peter Dygala who has had two meetings in Ottawa since our meeting in May. With increased surveillance of the highways in respect to protection for overload there has been an estimated 25 to 50 percent increase in workload for motor vehicle inspectors. Increase in applications under the Highway Traffic Act, speed zones, crosswalks, updating of regulations and the rescinding of old regulations has over the past year caused an increase of about 10 to 15 percent on workloads. This should fall back to normal shortly. However, re-training program in the office will still require additional staff for a period of up to three to six months.

Anticipated increase in handling of applications for advertising signs along highways is difficult to assess; as members of the House are no doubt aware we've rescinded an old law that was meaningless, have substituted a different one which is going to mean I think many headaches and a lot more work. Thus because of the amount of control, members of highways will be placed under the Highway Protection Act and method of dealing with the present

(MR. BOROWSKI, cont'd.) advertising signs has not been finalized. When plans are complete and the necessary regulations set out there'll be an increase in workload for the next two or three years.

I may say in conclusion of the transport report there's presently an application before the board to increase the package handling I believe of 50 cents for each parcel. The board has had hearings; I expect the board will be bringing down a decision shortly. It's our understanding there's been no increase for about three years now and I would anticipate that the board will probably look favourably upon the industry's request for an increase in fees for handling.

May I also say that as a result of our opening of Highway 6 to the north, the industry, the buses and the trucking companies have reduced their fares and their freight charges to Thompson, Wabowden, Gillam, Churchill, Lynn Lake anywhere from 10 to 35 percent, which is having, I think, a very tremendous effect on the north. International Nickel, I understand, is the recipient of approximately \$600,000 saving as a result of this reduction. It's not something that I would normally want to particularly brag about but the fact is this is the effect that it has on the Inco operation, and it's had an effect on all operators in the north. It's my hope that Hudson Bay Company and the other people doing business in the north will see fit to pass on the freight reduction in the form of lower prices in their shops in the various isolated communities.

Also, I would like to mention for the record that Thiessen Bus Lines, which includes Manitoba Motor Transit, come along with a scheme that is going to give a 25 percent reduction to our pensioners. And this is one of the things that was rather humorous during the by-election. For two weeks I carried a slip of paper in my pocket, asking myself should I reveal this good piece of news to the people of Ste. Rose or shouldn't I, and of course the record will show I didn't. It was announced after the polls closed that the bus reduction is in effect, and I understand from our MLA from Ste. Rose that it is having quite an effect on a lot of the people from that constituency. They travel to Winnipeg by this bus company because it is the only one that runs there and they are very happy with the reduction.

Now, Mr. Chairman, I would like to deal with another important item and this has to do with Part III of the Transportation Act. In case the members of the House aren't aware, back in 1953 I believe there was a Supreme Court case which was lost, and as a result of that Court decision a chain reaction was set off that culminated in the Federal Government passing certain legislation. Although there has been very little publicity and surprisingly little comment or questions from the Opposition, this is probably one of the most important things happening in Manitoba where the trucking industry is concerned, and I would like to give a brief report on what's going on in our discussions with the Federal Government under Part III. The Advisory Council composed of Federal and Provincial . . .

MR. GREEN: Mr. Chairman, if the Honourable Minister is starting on a new subject, perhaps now would be the time for the Committee to rise.

MR. CHAIRMAN: The Member for Assiniboia.

MR. PATRICK: Mr. Speaker, perhaps I can ask the Minister now and he can take it as notice and give us information next day we resume his Estimates. Can he give us the accident ratio for the first quarter of this year as compared to last year - 1970 and '71 - yeah, Manitoba.

MR. CHAIRMAN: Committee rise. Call in the Speaker.

IN SESSION

MR. SPEAKER: The Honourable Member for Winnipeg Centre.

MR. J. R. (BUD) BOYCE (Winnipeg Centre): Mr. Speaker, I beg to move, seconded by the Member for Flin Flon, that the report of the Committee be received.

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

PRIVATE MEMBERS' RESOLUTIONS

MR. SPEAKER: The proposed motion of the Honourable Member for Assiniboia. The Honourable Member for Assiniboia.

MR. PATRICK: Mr. Speaker, I beg to move, seconded by the Honourable Member for La Verendrye,

WHEREAS there is an urgent need in Canada for more and better housing;

AND WHEREAS the most economical method and the method most in keeping with our economic system is to allow such individual to make his own decisions regarding his housing accommodation;

AND WHEREAS the cost of home ownership has been rising rapidly;

AND WHEREAS mortgage interest and taxes are legitimate charges against income in rental accommodation;

AND WHEREAS it is urgent that the Government do everything in its power to stimulate home ownership and home construction;

THEREFORE BE IT RESOLVED that the Government of Manitoba request the Federal Government to give urgent consideration to allowing the homeowner to deduct mortgage interest and property taxes paid with respect to his home from his taxable income.

MR. SPEAKER presented the motion.

MR. PATRICK: Mr. Speaker, I know that this resolution will have many ramifications and definitely requires considerable more research than I have been able to do on it, but I think it is worthwhile to bring it before the House and I think it is worthwhile for the members to discuss it and debate it because for many years now we, as Canadians, have prided ourselves on the high percentage of home ownership in this country and in this province, and I think in the last, perhaps fifteen to twenty years, we can almost perfectly and rightly say that we are becoming very fast a nation of renters instead of homeowners and I think this is most unfortunate.

I have brought before this House and before the Legislature on numerous occasions other resolutions such as to remove the 5 percent sales tax, such as to remove the 12 percent federal tax, such as the condominium legislation which I prodded the government along for years. When other provinces were building as many as twelve and fifteen and twenty thousand condominiums we didn't even have the legislation, and even at the present time I am not certain that this legislation received proper publicity that would have had much better result in this city and in this province than it has had to the present time. So I believe that it's worthwhile to again bring a resolution before the House that is somewhat different in nature and I am sure that it will receive at least some debate and some consideration from members on all sides of the House.

Mr. Speaker, we must also appreciate that in Manitoba alone we have 67 percent of the people that make less than \$5,000 a year, which makes it almost impossible for them to purchase a home of their own. -- (Interjection) -- 67 percent - that's according to the Minister of Finance.

The other point that I am concerned, and concerned quite a bit, from the information that I have on very good authority is that the Province of Ontario has initiated a program where the people in the low rental housing are able to buy their units at the present time with a low down payment. They would have had to live in there, I believe, at least a year or longer before they are eligible and they can buy them with \$500.00 or \$600.00 down payment, and I would hope that the Minister of Municipal Affairs would undertake to find out. My information is that Ontario is taking advantage of this and is selling for the CMHC the low rental housing to the people that are living in them at the present time.

And we can also go further. Every report that has been conducted in this country that has been done by the Federal Government, by other provincial governments, we come back to the same thing, that people are still inclined and still wish to own their own home. They would sooner do it, even if they make a very small amount of money, they would prefer to own their own house instead of renting and pay money to the landlord, be it the government or someone else.

And of course I think that owning one's home has many benefits as well. I mean there are such things as pride of ownership, it's your castle, you can do as you like, you can decorate it as you please, you can have parties, you can talk as loud as you want which you can't

(MR. PATRICK cont'd.) necessarily do in an apartment. The same thing with size of family, one or one dozen, which you can't necessarily do, or have that large a family in an apartment. I think there's other factors as well. A lot of people have hobbies, they have workshops, they can have a small workshop in their basement, they can have gardening - and a lot of people appreciate now with more leisure time they like to do gardening. They can do that in their own home which is not possible to do in an apartment. They can have their barbecue parties and many other things. For instance, I know that in many apartments it is impossible to have a cat or a dog, while what you do in your own home is up to you.

I think that home ownership builds an equity in your house, establishes your credit. I think that you have a certain amount of stability, and even there is an income potential as well. Many people happen to own some of the bigger homes, if their home is two storeys or two and a half with ten rooms and who have been able to buy these houses with CMHC financing, they can rent one or two rooms and be able to at least pay some of their expenses. I feel that there is many benefits in being able to own one's home and I think that we should do, as government, do everything possible to make this feasible and have people able to own their houses because in the last few years, in my opinion, I think we quickly have reversed the trend and all you have to do is just look at all the statistics in respect to construction, apartments as to the number of houses being built. So we are becoming a nation of renters and the pride that we used to take in the high percentage of home ownership is quickly disappearing. So for this reason I introduced this resolution and I hope that it will receive consideration in this House.

Mr. Speaker, you must appreciate as interest rises, as labour costs increase, as material costs increase, it becomes almost very difficult or impossible for an average person - when I say average, that's making below \$8,000 or \$9,000 - to be able to buy or save any money for a home. I still feel that in almost most cases the people would choose the privacy and the dignity of a personal home instead of living in, say, a government low rental - and I have no arguments with the government low rental housing because I think that we needed them - but we have reached a point where at the present time I think that where the Minister is spending a considerable amount of money, I think that we should at least offer to make it possible for these people to be able to buy their own house within even a low rental structure. I know that I have talked on homes and home ownership in this House on many occasions. I have had an opportunity to help some people acquire their homes and I know they do it at great sacrifice to themselves, they do it at a sacrifice to their family, because they wish and they prefer to live in a home of their own instead of renting.

There is one point, and one of the members has already asked me, one section where it says that mortgage interest and taxes are legitimate charges against income in rental accommodation, and I would like to just explain this. What I meant in that, a landlord can deduct interest on his mortgage payments, he can deduct tax as against income against that property. That's what it is. I didn't mean that a person renting is able to charge his rent against his income. What I had in mind is the landlord has the right to do that at the present time.

So, Mr. Speaker, I would have been glad the other day if the Federal Government would have reduced the 11 percent sales tax. This was not the case and I think that we should treat this proposal before the House as a - and I feel that every government must treat home ownership in Canada as a top priority and must do everything possible to make home ownership much easier and have a program that would make it much easier for the people to be able to buy homes.

As I mentioned, I do not totally disagree with low rental housing but I do disagree with the concept that the government should own all the homes, and with the program that we have at the present time, and if we continue it for any period of time, I think that this is what we will end up with, where the government will be owning a large percentage or all of the low rental housing. It is a tremendous program at the present time that we are involved in, I believe some 63 million dollars, and I still feel that it should be the people who should be owning these homes or should have an opportunity at least to own these homes instead of the state, and I think if there is anything we can do to help people to be able to buy these properties we should do so. I hope that the Minister will be able to explain under what legislation and how it can be done in Ontario. I know there was a considerable news release to that effect in there where they advised many people so they can buy their home, and I know I have asked the Minister quite some time ago and have had no reply to the present time.

So what we are proposing in the resolution before the House at this moment is that the

(MR. PATRICK cont'd.) Provincial Government press the Federal Government to provide - which I have not mentioned but I would have liked to have seen the 11 percent sales tax reduced - I would also like to see the Provincial Government press the Federal Government to allow the deduction of mortgage interest and also the property taxes paid with respect to the home that the man lives in be deductible, or should be deductible from his income. So these are the things that we are proposing, and I know that if the Federal Government would not agree, would not recognize, perhaps in some small way the Provincial Government can, say, reduce at least its portion or the small portion that the Provincial Government is involved - I believe it's up to 39 percent. We are proposing that the Provincial Government recognize that taxes are imposed by the lower government. For example, if the home owner is charged \$600.00 per year in property tax, then I think that is it wrong to consider that the \$600.00 of his taxable income should be deducted from his taxable income? So this is what actually, in effect, that I'm saying.

At the same time, I am saying that the interest on the mortgage that he pays, say if his interest is, let us assume \$15,000 at 10 percent, so he would be paying for a year \$1,500, and again, if this man is making say \$8,000, I would say that that portion should be deducted from his taxable income. I know this requires a tremendous amount of research and there is many ramifications to it, but it has been done for many many years across the line in the United States. I know that their tax system is somewhat different than ours, but if you care to look at any research that has been done to the present time by chartered accountants and by many people, all have indicated that the taxpayers in the United States apparently has better benefit than we have, or a better break I should say, than we have in the Province of Manitoba or in Canada for that fact.

So I know it would require some consideration, it would require some tax reform, but if you look at what's happening in some of the other provinces, for instance British Columbia, the first time that a person buys his house for the first time in British Columbia he gets an outright grant of \$1,000 at the present time. I would say that this must be a considerable expense, and perhaps instead of that kind of a program, this type of program would probably have been much better. I understand there are some kind of grant as well in some of the other provinces, home owner grant, say young people, a young family that's buying a home for the first time they do get a grant, a thousand dollar grant which is certainly a large grant nowadays because you can buy under your CMHC financing a home with a fairly low down payment. So perhaps this could be considered and looked at.

I do have an article out of a recent column out of the Winnipeg Tribune that I would like to at least quote - perhaps I should quote the whole thing - and it makes some comparisons between tax in the States and Manitoba and, Mr. Speaker, I wish to quote: "Quite a few readers were astonished to learn from a recent column that Americans are entitled to a wide range of deductions in computing their income tax. If Edgar Benson, Federal Minister of Finance introduces this principle in his new budget next month it would provide great relief to Canadians.

"The principle in the United States is that one tax should not be imposed on another. Americans can deduct municipal and state taxes when calculating income tax. In the United States there is a recognition of the amount of taxes assessed by lower levels of government. If the municipal and state taxes take a larger bite, the federal government in effect takes a smaller one.

"One Winnipeg reader who has a brother in Lombard, Illinois, sent along his United States income return to show how it works. His brother Albert, who is married and has an income of \$16,172 in 1970, these were the deductions allowed from his taxable income: Realty tax, 697.60; state income tax, 277.48; sales tax, and it's 5 percent in Illinois and there's an automatic exemption computed according to a table by income and higher if it can be proved, 269.00; state gasoline tax at 7 cents a gallon, \$107.00; personal property tax, 36.75; contributions and donations, 280.00; miscellaneous deductions, 113.00. Albert is a mould maker, and miscellaneous deductions include repair, purchase of tools of trade, shop laundry, as well as \$5.00 deduction for rent of a safety deposit box. His total deductions amounted to \$1,780.83. Aside from his charitable contributions of \$280.00, the remainder would not be deductible from income tax" - oh yes, Mr. Speaker - "aside from his charitable contributions of \$280.00, the remainder would not be deductible in Canada" - and that's the point he raises, that this man is deducting \$1,700, or \$1,780 from his income . . .

MR. SPEAKER: Order, please. The honourable member has two minutes.

MR. PATRICK: So it also shows a total income tax for the same person in Manitoba, which would indicate that he would not have this deductibility which would cost him, I believe, twice as much income tax as it would in the United States. So what we are saying, Mr. Speaker, that -- you know from this article alone, it is very impressive from the one that has been prepared by the accounting firm in comparison to a resident in the States and the one here.

So, Mr. Speaker, in closing I wish to reiterate that this resolution was presented because we do believe that individual home ownership is a desirable goal for all Canadians, and with that in mind, this is the reason why I offered this resolution before the House and some of the examples I pointed out will probably be of interest and I hope it will be debated. I think it should be people that own houses and not governments. I realize that there are many ramifications and more research required, but I recommend this resolution very strongly to this House.

MR. SPEAKER: The Honourable the Attorney-General.

HON. A. H. MACKLING, Q.C. (Attorney-General) (St. James): I just wondered, Mr. Speaker, if the honourable member would submit to a question or two. I am wondering, Mr. Speaker, whether the honourable member would indicate, since he is a member of a party which is the government in power in Ottawa, whether or not he has made representation in respect to the principle of this resolution to the government in Ottawa and, if so, what answers they've given.

MR. SPEAKER: The Honourable Member for Assiniboia.

MR. PATRICK: Mr. Speaker, I have not made that request. I would like to have the benefit of all the members of this House first, and I'll tell the Attorney-General that I definitely will make a request to the Federal Government because I believe in it very strongly. I feel that home ownership is very important to many people in this province as well as in other parts of Canada, and I would like to have the benefit of all the members in this House.

MR. SPEAKER: The Honourable Minister of Mines and Natural Resources.

MR. GREEN: Mr. Speaker, would the honourable member permit another question? Mr. Speaker, what would the honourable member do about the situation that the person with, let us say, a \$10,000 mortgage will save \$800. the person who has a home with let us say \$100,000 with a \$60,000 mortgage

MR. SPEAKER: Order, please. The Honourable Minister is asking a question which is going to open up the debate. Questions are to get elucidation and clarification of the debate that took place not to expand it. The Honourable Minister.

MR. GREEN: Mr. Speaker, I attempted to formulate my question in compliance with the rule. The honourable member indicated that it would be a saving of, I think he mentioned a figure of \$15,000 and gave a saving figure at 8 percent, and I can't remember the amount that it came out to - \$1,200 would be the amount that would be deductible on that basis - and that man would ostensibly be able to put \$12,000 against his income. What does he see as a problem that the man with a \$60,000 mortgage would be able to put \$6,000 off of his income and then where would the money come from?

MR. SPEAKER: The Member from Assiniboia.

MR. PATRICK: Mr. Speaker, I'm glad that the Honourable Minister asked that question. I think that the NDP Party has always believed in universality and as far as I'm concerned it does not have to apply to all the people, let's perhaps give it to the ones that are in need.

MR. SPEAKER: The Honourable Attorney-General.

MR. MACKLING: My second question, I had another one. I'm wondering if the honourable member would indicate, since he believes in equity and the resolution indicates his concern about equity for homeowners, would he indicate how those poor people who can't afford a home but are living in apartments will benefit by this resolution?

MR. SPEAKER: The Member for Assiniboia.

MR. PATRICK: Mr. Speaker, if the Honourable Attorney-General would have been listening, I'm sure that he would have had the benefit of my remarks. I have on previous occasions requested the Minister of Municipal Affairs to think about the policies they have implemented in some other provinces where you can make it feasible for the people living in the CMHC low rental housing to be able to buy them. And I don't have to quote any statistics in this House because many documents that are collecting dust, many reports that are collecting dust and every single one has indicated - doesn't matter who has been interviewed, who has been asked the question and all the people would always answer the same thing: they would prefer to live in their own home instead of renting one or instead of living in the low rental housing.

(MR. PATRICK cont'd.)

Two minutes ago I said that the Minister should, in conjunction with the Federal Government, work out a policy where it would be feasible and where it could be possible for the people living in the low rental housing at the present time -- we are in the process of spending \$63 million for low rental housing -- so my request was that I think we should have a policy where these people would have the benefit, if they can, of being able to buy. I'm sure that many of them would be able to save because it doesn't take much money to buy these homes. I understand anywhere from \$500 to \$1,200 will put anyone in one of those homes and at the present time people are still buying houses at great sacrifices, they're making small wages and making sacrifices to their families and they're still buying homes so that they have a home of their own. So I'm sure if the Attorney-General would have listened he would have had the benefit of my remarks.

MR. SPEAKER: Are you ready for the question? The Honourable Member for Ste. Rose.

MR. PETER ADAM (Ste. Rose): Would the member permit another question? I'm wondering, Mr. Speaker, since the member is concerned about housing why he did not include in his resolution, and would he indicate why he did not as for the removal of the 11 percent sales tax on building materials that the Federal Government has now . . .

MR. SPEAKER: The Honourable Member for Assiniboia.

MR. PATRICK: Mr. Speaker, again I feel that the Honourable Member for Ste. Rose was not paying attention. I have pointed out to him quite clearly that I had a resolution before this House asking government to request the Federal Government some years back to remove the 11 or 12 percent sales tax. I've made the same request of the Provincial Government to remove the five percent sales tax. I also said that I have put before the House resolutions and prodded the government for condominium legislation. I've asked for 2,000 exemptions for the people . . .

MR. SPEAKER: Order, please. The honourable member is expanding it into an argument. Would he answer the question? The Honourable Member for Assiniboia.

MR. PATRICK: The answer is, if he would have listened, I had resolutions before this House requesting that the 11 percent sales tax -- and if the honourable member wants it I'll introduce one tomorrow that the 11 percent sales tax be removed by the Federal Government.

MR. SPEAKER: Are you ready for the question? The Honourable Member for St. Matthews.

MR. WALLY JOHANNSON (St. Matthews): Mr. Speaker, the Liberals have been making great leaps forward lately. The last time I spoke on a resolution presented by the Liberal Party they were promoting the interests of the top four percent of the income groups in our province and now they've really become progressive, they're merely promoting the interests of approximately the top 50 percent of the income groups in the province.

The member's presentation was extremely interesting. We are constantly accused of being very dogmatic, the party of rigid adherence to doctrine, and yet what did the honourable member continually stress, individual home ownership, individual property ownership and an opposition to any state ownership in the field of housing.

A MEMBER: That's not true.

MR. SPEAKER: Order, please. Does the honourable member have a point of order?

MR. PATRICK: Yes. Mr. Chairman, for the benefit of the member I said . . .

MR. SPEAKER: Order, please. Would the honourable member state his point of order. The Honourable Member for St. Matthews.

MR. JOHANNSON: If I misquoted the honourable member I will apologize because I wouldn't like to do that. But my distinct impression was that he is obsessed with individual ownership of property and that he has an ideological bar to any state ownership in the field of housing or homes.

The member pointed out the fact that the Manitoba Government has responded to a real need in the housing area by coming up with a \$63 million public housing program, which is the largest public housing program in Manitoba's history. The number of units that this government will be building this year is somewhere around 2,300 units which is roughly an increase of a thousand percent over the program in the last year of the Conservative regime. Now this ordinarily might be something one would boast about but I don't think that we can really boast about a thousand percent improvement over the Conservatives, that's not anything to boast about, a thousand percent better than nothing still isn't very much.

MR. SPEAKER: Order.

MR. JOHANNSON: The Manitoba Government has responded in a massive way to a real need in the field of housing and it's responded to the problem of the rising cost of home ownership which is increasingly out of range as the member pointed out, of the incomes of people in lower income groups and in middle income groups.

Now the member seems to have single track mind. He is solely concerned with private ownership of homes whereas our government, I think, shows a great deal more imagination, a great deal more variety in our thinking than the Liberal Party seems to be capable of doing. We have a variety of programs which we're presenting. We are building public housing, we are participating in the building of senior citizens homes which are sponsored by civic organizations. We have helped in the financing of the first high-rise condominium in this city, which the member should appreciate because this is a promotion of a form of private ownership; mind you, it is a common ownership of a block and a common ownership - I should say of common areas in a block. We have -- I should say the Federal Government is still promoting limited dividend forms of housing, experimental forms of housing - and I might add that the Provincial Government has just begun to promote co-op housing and this is a first - well I shouldn't say this is a first, there has been some co-op housing in the province, the Willow Park development was built some years ago. This is a form of co-op where there is not individual ownership but simply shares in a project, and this government will be building, I understand, roughly 200 units of continuing co-op housing in Thompson. We are also experimenting for the first time in the history of the province with spread-equity co-ops. I understand there are plans for roughly 50 units of spread-equity co-op houses in Thompson. These are a form of co-op whereby the co-op continues as long as the building program lasts and then each individual ultimately owns his house once he has paid off his mortgage.

So the Provincial Government is sponsoring a variety of programs. We're also sponsoring the building of a whole variety of types of buildings; we're not simply building single family dwellings, we're building single family dwellings, duplexes, row houses, garden apartments, maisonettes, town houses and apartment blocks. There's a greater variety again in this program. It's very interesting, but up to 1964 CMHC followed a policy of the promotion of home ownership, the very policy that the member is advocating. CMHC followed this policy up to 1964 and the result was that at that point less than one percent of the housing in the country was public housing for the lowest income groups, and it was CMHC through a deliberate policy which made Canada a country of homeowners. CMHC changed this policy in 1964; it abandoned this policy. Now the Liberal Party in Manitoba is resurrecting the policy which the Liberal federal housing organization, CMHC, abandoned in 1964. -- (Interjection) -- Pardon? I really can't tell the honourable member whether Tom Kent was responsible for the changes in the National Housing Act. I am not aware that he was. If he was, I am not aware of it.

As a result of this policy there was nothing really done prior to 1964 to promote public housing. In 1964 the CMHC adopted a deliberate policy of encouraging public housing. However, only one province really acted when this opportunity was opened up and that one province was Ontario, and I give Ontario great credit for this. The Conservative Government in Ontario was capable of some vigorous aggressive policies and between 1965 and 1967 the Ontario Housing Corporation was building most of the public housing units in the country and they deserve full credit for that. What was Manitoba doing? What was the Conservative Government here doing? Nothing. They finally passed an Act in 1967 which would make it possible for the Provincial Government to take advantage of CMHC money, but then they did nothing with it.

Now I'd like to quote Albert Rose, housing authority, and this is a quote from "The Right to Housing" which was published just recently and I think this quote reflects our basic policy. "The most important change, or set of changes that could be made in our national housing policy would be a formal declaration that the federal and provincial governments intended during the remainder of this century to discriminate in favour of families and individuals in the bottom half of the income distribution. This group would include Canadian Indians and members of other minority groups. It would include the elderly and the not so elderly who are single, widowed or otherwise alone in our society; families headed by women with dependent children; families of chronically ill male heads; and intact families of fully employed parents whose incomes are clearly insufficient to rent or purchase housing in the private market and at the same time maintain a standard of living below which we would not want any Canadian family to fall. This change in national housing policy would be discriminatory. It

(MR. JOHANNSON cont'd.) would discriminate against the well-to-do and against the homeowner in favour of those individuals and families who really need substantial assistance to enable them to partake of some reasonable share of national . . ." So in the opinion of Rose it's going to take the remainder of this century to build up a stock of adequate housing for the lower income groups in our society who have been discriminated against in the past. This basically is the trust of our housing policy.

Also, the Government of Manitoba has announced previously that it has a commitment to relieve all Manitoba property taxpayers, including tenants, not simply homeowners, tenants, of some 12 to 20 million in education costs. This measure will directly help to relieve property taxation and it will help to relieve or reduce the cost of housing accommodation for the property taxpayer. This approach, shifting the burden of social expenditures from the property tax base, would seem to be a far more equitable method of assisting the property taxpayer than the extension of income tax relief which would benefit the wealthy more than the low income earners - and the Honourable Minister of Mines and Natural Resources was pointing this fact out. The policy of the Liberal Party would benefit higher income groups more than it would benefit low income groups, and this is not our policy.

Mr. Patrick's resolution -- pardon me, the Honourable Member for Assiniboia's resolution also is inequitable in that it favours the homeowner over the renter. If you're going to give equal treatment to all people in this province who occupy housing accommodations, the position of the renter also has to be considered and this government certainly is going to consider the renter when we reduce the burden of property tax.

Finally, the Provincial Government has requested, and will request again the Federal Government to adopt easier and an expansionary monetary policy which would bring down mortgage interest rates in Canada today, and we will certainly press for increased funds for our housing program. The Federal Government, or CMHC cut us back by about 20 million on our current program and we certainly intend to press them to the utmost to provide us with funds to pursue a really aggressive and creative housing policy.

MR. SPEAKER: The Honourable Minister of Municipal Affairs.

HON. HOWARD R. PAWLEY (Minister of Municipal Affairs) (Selkirk): Mr. Speaker, the resolution before us appears to be humanitarian on surface, but when one examines it closely one determines that it's not nearly as human in its approach to what is a serious problem of housing as it might appear to be. What the honourable member is attempting to do in fact is mix two problems into one. First, the problem involving housing and the need for dignity in housing with a taxation policy, and this is always of course a very awkward and generally a pretty dangerous route to pursue. It's a route that is of course frequented with many hazards along the way. One need only look at the various contradictions and problems that could occur.

For instance in any given example we take, one particular homeowner who we might ascertain could have interest and taxes amounting to say \$1,500 with an income of 15,000 to 20,000, the resolution of the honourable member would in fact permit a deduction, according to his resolution, of this mortgage interest in property taxes from the amount of his taxable income. The result would be of course that the party in question with the very substantial income would enjoy a tax savings - if I recall, the tax that could be paid on such an income is in the neighbourhood of 35, 40 percent; in other words, four to five hundred dollars would be saved by that particular person, which appears of course on the surface to be very good as far as that individual is concerned. We then however have to bear two things in mind, that what we save one person we do have to shift on to the backs of another, so the question arises, where is this lost money to be recovered.

I would assume therefore that the Honourable Member for Assiniboia is in fact proposing a substantial shift in tax policy, because the people that we really want to assist in regard to housing in Manitoba I think should be those that are finding it increasingly difficult in order to obtain suitable premises for themselves because of a lack of income and earning, those in the 5,000 and under group. In the year 1968 to 1970, 29,000 units were constructed in Manitoba of which only 1,000 such units were of the type of units that those earning 5,000 and under could afford to utilize. So the problem basically is the construction of units in the province which can be occupied, which can be lived in by the heads of families earning 5,000 and under. This is the basic problem, this is the problem that we have to zero in on and we are not going to help the issue by clouding it, clouding it with taxation policy when we have a basic housing problem at stake.

(MR. PAWLEY cont'd.)

The suggestion for instance by the honourable member would not have for one moment have assisted or helped those people out in St. Lazare that we are now helping, people who - I had the opportunity to go through their housing accommodation a year and a half ago - were living in housing that, Mr. Speaker, cause one to sit back and to wonder with dismay, with regret and with sadness that such housing conditions should be permitted in the Province of Manitoba, such housing conditions that appeared to have been allowed to permit to continue in Manitoba despite much phraseology, much by way of verbal comment but no action for year after year.

Well at least, Mr. Speaker, there is a modest attempt now being undertaken to help people in that income group. I can recall on one particular instance of a shack, one room 14 feet by 12 feet, a mother and father and six children, two beds, one stove, one kitchen table and a cupboard. The father was working on minimum wage in the Village of St. Lazare. Now, Mr. Speaker, how can you expect a family living under such circumstances as that to grow up with a spirit of initiative, of desire, of a feeling of accomplishment, of pride that they are living in a country such as this that is bountiful and wealthy. How can you expect such a family and such young people as they grow up to feel that this is a country that they are proud of to be a part of. You can't. Therefore, a democracy I think, Mr. Speaker, is something that you have to build, you have to construct. Democracy is of many facets, and housing and shelter is a very important part of that democracy, and you cannot create or you cannot improve or remove housing problems unless you are prepared to zero in and help these families.

The honourable member's proposals would not have helped these families, because, Mr. Speaker, I don't really think that you could have found in St. Lazare, in the cases that I have in mind, 10 percent or 15 percent of those that weren't facing housing problems for their families that were destroying the dignity of those families; 10 or 15 percent of them that were paying one iota of income tax, that were paying anything by way of interest or taxes. No, these people would have not been assisted or helped. But the honourable member would have us pursue a reckless policy which would in fact place emphasis . . .

MR. SPEAKER: The Honourable Member for Assinibola.

MR. PATRICK: Mr. Speaker, would the Honourable Minister submit to a question?

MR. PAWLEY: Certainly.

MR. PATRICK: Would the proposal that I submitted, would it be of some assistance? I have no complaints of the government proposal, but it was just one of . . .

MR. SPEAKER: Order, please.

MR. PATRICK: . . . that would be of some assistance.

MR. SPEAKER: Order. I would like to point out to honourable members that they are free and able to ask questions, but it is not a means of starting another debate. Now they can ask a question, but if they start making a statement then it's no longer a question. The Honourable Minister of Municipal Affairs.

MR. PAWLEY: I only referred to this example to demonstrate that you cannot mix bananas with oranges, that this is a very distinct housing problem affecting low income people and that is the group of people within our community that we must be prepared to move in order to assist.

And I do believe, as the Member for St. Matthews so much better than myself has outlined, the "no" record of the previous government in this respect. He has mentioned the fact that between 1960 and 1968, despite the fact that there were large sums of monies being made available at the federal level, that in fact the Province of Manitoba did the least by way of housing of pretty well every other province in Canada. I don't know whether the honourable member - because I wasn't in the House in those days - I don't know whether the honourable member stood up and prodded and demanded that the former government act or not. I'm not sure. I don't recall, in those days when I was slugging it out in a law office in Selkirk, reading any excerpts along this way, but he may have been and I assume he was because I know that his intention is of the best in this respect and he should be commended for this.

Another salient fact that I would like to indicate is that in the year 1970 the Province of Manitoba has contributed per capita to housing in this province \$12.40, five cents per capita in Manitoba; and this compares with Alberta with \$10.10, a much wealthier province than Manitoba; and that province to the west of us now in the throes of a bitter and intense election campaign spent a miserable \$2.11 per capita on housing. So it's rather regrettable when you

(MR. PAWLEY cont'd.) combine a provincial Liberal administration with a "do nothing" policy of housing with a federal Liberal government that has just about as poor a policy in respect to the housing crisis.

So in conclusion, I think that the honourable member's intentions are fine, they're humanitarian in extent; I suggest however that they would not zero in on the real problem which is the problem of creating the means and the ability for those 5,000 and under in income, or 6,000 and under in income in order to permit them to resolve their own housing problems so they can live in some self-dignity.

One final point, the honourable member has a very very well-sounding phrase here, very patriotic free enterprise type of phrase in the second paragraph - the Honourable Minister of Transportation wonders if the Liberal Leader wrote it - which reads: "And whereas the most economical method and the method most in keeping with our economic system is to allow such individual to make his own decisions regarding his housing accommodation." Let me tell you, Mr. Speaker, that the people that I referred to in the village of St. Lazare did not have the power, did not have the ability or the scope or the freedom to make their own decisions, and therefore there is nothing ideological in this. They now at least have the freedom and the ability to live in some decent housing that's been erected and created for them by the province. And this is the danger when you attempt to even in the most subtle manner attempt to mix housing with taxation or with ideology. It is much deeper than that; it is a much more important question than to attempt to insert ingredients of ideology into a housing problem.

MR. SPEAKER: The Honourable Member for Rhineland.

MR. FROESE: Mr. Chairman, there's only a few minutes left but I think I should place a few things on the record. I, for one, certainly believe that our people still have pride in ownership and this is the way it should be. We should have resident taxpayers and not only transients, and this is what this program leads to, public housing, just to a transient population. We want people who want to reside here, who want to pay taxes, who want to be owners in this province.

I would like to read for the record -- (Interjection) -- I'll answer a question afterwards, my time is almost up now. I would like to read one paragraph from the British Columbia Government News, January-February issue, and I am quoting one particular clause here. It says, and I am quoting, "The provincial home acquisition plan has been an unqualified success during its first five years of operation. Since introduction of the plan the government has provided \$85 million for outright grants or second mortgage financing. A total of \$29,200,000 has been approved for 53,200 housing grants and over 51 million for 12,200 second mortgage loans. Accordingly, I am recommending a further 20 million be added to the provincial home acquisition grant fund from the current fiscal year revenue or the budgetary cash reserve to ensure continuance of this program."

This is what we see is happening in British Columbia and the program - I've advocated it here in past years - that the government should accept this principle of providing second mortgage money at low interest cost. I think this is one of the things that we need very badly in this province. It has been a great success in British Columbia where they have paid out over \$51 million to 12,200 second mortgage loans, people that borrowed money for second mortgages in order to acquire a home of their own. In addition to that, when the

MR. GREEN: Mr. Speaker, I wonder if the honourable member would permit a question.

MR. FROESE: He wants to disrupt me right now.

MR. SPEAKER: Order, please.

MR. FROESE: In addition to that, these people when acquiring a home get an outright \$1,000 grant, and certainly who wouldn't accept a \$1,000 grant in order to buy a new home. This applies to newly married couples, older couples who are buying their first home, and that is the record of the Social Credit Government in British Columbia.

The program that is being followed here is that we, instead of receiving resident people in Manitoba, we are just getting renters. I feel we should be encouraging our people in this province to own homes and the proposal here before us would be one way of doing it. And we are not asking to reduce the revenue of the Provincial Government. It says here that the Provincial Government ask the Federal Government to give consideration that monies paid on mortgage interest and taxes be applied against your taxable income. So why not? I am sure that this would work out to the best interest of the people in this province.

The people that are building and owning their homes are prepared to risk a portion of

(MR. FROESE cont'd.) their monies in a given project. At the same time, there is a certain amount of thrift involved here, that people are asked to save money and invest it in their own home. Surely this is a very good principle. This is a principle that is embodied in the Credit Union movement, which is a self-help movement and which has been growing since 1937 in this province and is increasingly growing year by year. In this way people are getting a stake in their own province, in their own home, and which only can work out to the best interest of the people of this province.

MR. SPEAKER: Order, please. The hour being 10:00 o'clock, the House is now adjourned until 2:30 tomorrow afternoon.