

THE LEGISLATIVE ASSEMBLY OF MANITOBA
8:00 o'clock, Monday, April 24, 1972

INTRODUCTION OF GUESTS

MR. CHAIRMAN: Before we proceed this evening I'd like to draw the members' attention to the gallery on my left where we have 48 students from the Rolla High School Band from Rolla, North Dakota. On behalf of all the honourable members, I welcome you to our Assembly.

COMMITTEE OF SUPPLY - Cont'd

MR. CHAIRMAN: Resolution 103 (a) (1) -- the Honourable Member for Swan River.

MR. JAMES H. BILTON (Swan River): It is not my purpose, Mr. Chairman, to hold up the proceedings but I have a few general comments I'd like to make before we get into the Estimates. And in the beginning I would like to mention a name of an individual by the name of George Renof. George Renof was a member of this House for some 20 years or more and was a pioneer of the Swan River Valley and is now buried in Bowsman only a short distance from his homestead where he plowed with oxen. He spent many many many years in the public life in the valley before he came into this House and certainly left his mark as far as the proceedings of this House and the province and his constituency was concerned. My purpose in mentioning the late Mr. Renof, Mr. Chairman, is the fact that we have a new public building in Swan River and it's serving a tremendous purpose and it has been in operation for some three years and many people have mentioned to me, and that is the reason I am mentioning it now, that it would be something nice to his memory to possibly dedicate that building to his name. It would -- (Interjection) -- it certainly wouldn't be an expensive operation, merely a bronze plate and some history and background of Mr. Renof, who I must say devoted his life to the province and it's people.

And, Mr. Chairman, I'd like to take this opportunity of extending my appreciation, and those of my colleagues, to the staff of the building, that is the protective staff who do a tremendous job year by year in taking care of the tourists and certainly the thousands upon thousands of young students that visit this Chamber.

I'd also like to compliment the people who are responsible for the general upkeep of the building itself. I believe the janitor service is doing a tremendous job because at all times the interior of the building is a credit to them all. And on another point, Mr. Chairman, for the benefit of the Minister, he's probably noticed it himself, as I have, the four flags beyond these doors. They were obviously put up at the time of the Centennial; I believe they've served their purpose, and they don't do anything for that area in my humble opinion and I would ask him to give some consideration to possibly removing them.

Then there is something else, Sir, that I have over the few years that I have been in the Legislature have endeavoured to do something about without a great deal of success. During my few years in public office it's been my privilege to visit many of the legislative buildings across Canada, and certainly in Ottawa, and I think that something should be done with regard to the portraits that are the fabric of this Legislative Assembly for the last hundred years and many of the portraits as you know, Mr. Minister, are in rooms which are locked and not on view to the public throughout the year. I believe that these paintings should be -- these portraits should be in the halls and the thing that has always disappointed me is that quite a large number of them are in the basement, and this to me seems to be an insult to those that have served over the years, and again I say it is part of the fabric of the buildings and they should be on display for all to see.

So with those few remarks, Mr. Speaker, I would remind the Minister if I may, if reminding is necessary that the portrait of Mr. Weir who is now divorced from politics altogether is available and I think he should take his place along with the rest of the Premiers that are hung around the building. Thank you, Mr. Chairman.

MR. CHAIRMAN: The Honourable Member for Assiniboia.

MR. PATRICK: Mr. Chairman, I wish to thank the Minister for answering my question that I posed to him the other day when he presented the Estimates. But I'd like to ask the Minister at this time, participation that the government will have in connection with the Convention Centre; the kind of money that the government will be putting in and can he give us any progress report. Will their administration be jointly with that with the government and

(MR. PATRICK cont'd) . . . the City of Winnipeg, or will the City of Winnipeg be completely responsible for the Convention Centre and . . .

MR. CHAIRMAN: Order. I wonder if the members who are conducting a caucus meeting could go to their caucus room please. The Honourable Member for Assiniboia.

MR. PATRICK: Thank you, Mr. Chairman. Perhaps the Minister can tell us at what stage of the construction, or development, the Convention Centre is, when it will be ready, and how many conventions have been booked to the present time? I think it would also be interesting to the members to know in what amount is the government participating, I mean amount of dollars and cents to -- how much money will the government be putting in the convention centre to have this place completed, when it will be completed, and what is forecasted for the bookings within the next foreseeable future?

MR. CHAIRMAN: The Honourable Member for Fort Garry.

MR. SHERMAN: Mr. Speaker, I would like to add a question or two of my own to the Minister with respect to the Convention Centre. I have already expressed some dismay at the admission on the part of the Minister and his colleagues in this House earlier, legitimate though that position may be, that they have decided to refrain insofar as it's possible, technically possible, from carrying any responsibility for the success of the Convention Centre. This is the understanding I take at any rate of the answers to my questions that I've received from the Minister of Public Works and colleagues of his on the question of the fate and the future of the Convention Centre. My understanding is that their position is one of making darn good and sure that they're off the hook if the Convention Centre doesn't work. Now I can understand the politics of that position, Mr. Chairman, and I'm not suggesting that there is any clinical responsibility on the part of the Minister and his colleagues to make sure the Convention Centre goes over successfully but I do suggest very strongly that there is a moral and a type of a spiritual responsibility, certainly a moral responsibility, to make sure that it succeeds because there has to be initiative and leadership given in preparing the success route for that institution and if it's not coming from the city then it has to come from the province, Sir, and it has to come from the Minister whose department encompasses the operation of that institution.

I think that we'd be interested in knowing just what kind of a deadline the Convention Centre construction program is geared to, just how critical and dangerous a strike at some point in time in the next eighteen months might be. I'm not suggesting that there will be a strike but there certainly have been rumblings of discontent from some of those organizations in the province, in the labour movement in the province who are either connected with the project, or by virtue of particular steps taken are not connected with the project. Now should some difficulty arise that resulted in a strike on the site I think the people of Manitoba and the taxpayers would be interested in knowing just how far behind the eight-ball that's going to set us in terms of competing with Calgary and Vancouver and Toronto, most notably, and possibly Chicago and Minneapolis, for convention business. The whole project and purpose of this structure presumably, Sir, is to bring conventions and trade show traffic to the Province of Manitoba and the spin-off from that traffic hopefully would be felt throughout the Province of Manitoba -- it's not just for Winnipeg it's for the entire province. But we're in a race to win the attention and the favours of those institutions and industries and organizations around the world, and particularly in North America, who are looking for places to hold their 1973/4/5/6/7 etc., conventions and we're not that far ahead in the race.

I know that in terms of construction we're ahead of Calgary, but Calgary has many other peripheral advantages to offer. Vancouver I know has hired an executive from private industry to become the head of their convention bureau, or their convention traffic programs so that this person who is a man of about 50 or 55 years of age with, hopefully, presumably 10 or 15 years of energy ahead of him, has relinquished a job in private industry -- he was with one of the airlines I believe -- and gone to the City of Vancouver to become the head of their convention bureau to get out and drum up trade and traffic for Vancouver. Now that's the kind of league we're in, and yet our convention centre has no general manager at the present time, to my knowledge, and it has no sales force going out and attempting to solicit business and solicit conventions, and it has as I say the shadowy prospect of a possible strike at some time in the not too distant future which would really put the kibosh on the construction schedule.

So I would like to ask the Minister's comments and opinions on these questions and ask him whether he does not consider it a part of his moral responsibility, anyway, as the Minister

(MR. SHERMAN cont'd) of Public Works in charge of the department which has taken initiative, and he himself personally has taken a great initiative in seeing this Convention Centre go forward, and I'm glad I remembered that, Mr. Chairman. I would like to put on the record that I commend and congratulate the Minister for the lead that he took, and the lead that his colleague, the Minister of Finance, the Acting Minister of Urban Affairs took when political pressures of a sort were building up half a year ago, three quarters of a year ago, against the Convention Centre, these two Honourable Ministers held the exercise on course and it's in no small part due to their foresight that we're going to have a Convention Centre. But notwithstanding that it's not going to be of all that much advantage to us if it turns out to be a white elephant, and I think that having taken the leadership and assumed the responsibility that he did, that the Minister did, that he's now got a further responsibility to sell the thing and make sure it's filled.

MR. CHAIRMAN: The Honourable Member for Thompson.

MR. BOROWSKI: Mr. Speaker, I'd like to say a few words on these departmental Estimates. First of all I would like to congratulate the Minister on the elevation to his new job and also to his new super wide and super duper car that he is driving with reclining ashtrays and all the other things that he has in it. I think it's certainly fitting for a Minister in that position to be driving first-class and I congratulate him for it. He also has --(Interjection)-- He has a power ashtray I understand, Mr. Chairman.

I'd like to say a few words about two items, cars, and the other one is the white elephant referred to by the Member for Fort Garry, and that is the Convention Centre, and I think the Member for Fort Garry knows the feelings I have on it. I don't really condemn the government although I am convinced that we are building the second white elephant in Manitoba, the number one was CFI which cost us over a hundred million. I think the Convention Centre is another one, and the reason I say I don't completely blame the government is because the previous administration made a commitment of \$5 million -- I see the Member for Charleswood is acknowledging the fact that they did make that commitment -- so we were in effect, and I was in a position to know some of the commitments since I've had the distasteful job of trying to shoot it down or handle it as best as I could. I'm sorry to say I wasn't successful; there was more Ministers felt that this was something we couldn't get out of. Now we're in the thing, Mr. Chairman, and I think the Member for Fort Garry is right. We're hooked for \$15 million, whether they're the city taxpayers or provincial taxpayers, they're still Manitobans they're going to have to shell out not just in the 15 million but there's going to be the cost of servicing the loan of 15 million at current interest rates. It doesn't take a magician to figure out how much that's going to cost per year, and there's the cost of promotion, and finally there's the cost which all governments have is grants to conventions. The previous government had it; we have it, and I think that you have to do it to compete with other cities. Each convention if it's of any significance gets a grant from the Provincial Government which runs into quite a bit of money and once the Convention Centre is going -- and we must assume that it will be at least half successful -- that means that there will be a great many more conventions, which means there will be a great deal more grants that the Provincial Government is going to have to make. And I think that it's important that the issue be settled once and for all whether we run it, the city runs it, or we run it jointly, whichever way it's going to be done it should be cleared up once and for all that somebody has responsibility, and whether it's Case Tractors, or International Nickel, or some other organization, so they will know precisely who they must go to to negotiate the best deal for space, display space, etc., to come into and make the display here.

The question of cars: I think it's a well known fact the policy of the government was for one year, we would withhold purchases in co-operation with a couple of other provinces until the situation was clarified regarding the discounts that were withdrawn by the big three, and I believe it's being clarified, although the Minister hasn't let us in on the secret as how much of a discount we are getting, or how much it's costing us more than it did under the old policy of large discounts. Now we are back in the position where we are buying these cars.

I am sorry to see that the government has made the decision to go into big cars -- (Interjection)-- Well that seems to be the case. They're following the policy of the previous government so I suppose both should be condemned for it, but I agree with the Opposition when once in awhile they say you shouldn't do it just because we did it. I agree with them. There comes a time when we tally up the costs and we have to make a decision: is it really necessary

(MR. BOROWSKI cont'd) . . . for a social worker, or for a nurse, or for say some person working for the sales tax department who runs around checking the books to see if everything's okay --(Interjection)-- Is it really necessary for him to have a big car? You know, I don't think it is. --(Interjection)--

I look at the sales, I look at the sales of Datsuns and Volkswagens, and they're increasing by leaps and bounds every year, and we know who's buying these cars - it's taxpayers in this province and in Canada and North America. It seems to me that we who are presumably here to serve the taxpayers, if it's good enough for them that we serve to drive these cars, surely it's good enough for us to drive them also, I regret, I regret very much that the government has taken the position where they are continuing the policy of buying approximately 80 percent - and if I'm incorrect I'm sure the Minister will correct me - 80 percent --(Interjection)-- Well you can tell the union about it. Union employees don't use tax money. We're talking about the money that we have to raise from the taxpayers, and put it into big cars but to add insult to injury, Mr. Chairman, that we are getting cars with power steering, and power brakes --(Interjection)-- and power ashtrays for Ministers, and I think that's wrong.

I know the argument used by the government, and by the staff - they tried to convince me, they didn't - apparently they have been more successful with the new Minister and we really shouldn't fault him too much. They've convinced them that when you come to trade that car in that you can get a couple of hundred dollars more on a trade-in. Well if that was true I don't think you can argue but I've looked at some of the figures of what we've received for trade-ins and the figures that I have seen certainly do not indicate that there is that much of a premium received by the government when they trade in the old cars on new ones and therefore I hope that the government will look at this policy once more and change it.

Also I hope that they'll consider doing what Saskatchewan is. Instead of trading off these cars, and small dealers have a very difficult, great difficulty bidding on our cars because how can a small dealer take two dozen cars and put them on his lot. He just can't do it. So that means that it eliminates all but the big dealers in this province to bid on cars and we can do things. We could get a better price on our purchases, we can get a better price on the old cars because if we sell them publicly, at public auction, I think we can get more money. Saskatchewan Government has been doing it for some time and they feel they're getting more money, and even if you got the same money I'd feel more comfortable that the taxpayer who pays for it in the first place, bought that car for 600 rather than giving it to a dealer who has to load on a profit which, you know, you can't fault him for that. He has to park it in a lot and he has to fix it up, he wants to make a profit, and rather than have us go through that long way around if there's going to be any benefits, let's give the benefits to the taxpayers who paid for those cars in the first place and that is, by selling the cars directly to the public and I hope the Minister will take that into consideration and recommend it to Cabinet. Thank you. That's all I have for now.

MR. CHAIRMAN: The Honourable Member for Charleswood.

MR. ARTHUR MOUG (Charleswood): Mr. Chairman, I just wanted to mention briefly to the Minister in regards to parking and the situation we have around the building here. There is a certain amount of -- I missed the one night when he was introducing this area -- (Interjection) -- I'll get going, don't worry. He was introducing his, the area where he was introducing, I should say, his Estimates, and I thought a very important thing around the Legislature here is the lighting situation on the parking lot. I know it was suggested that you underground park them and make it a memorial in your name, and I didn't go along with that particularly because I think you've been dead too long really to come up with anything that we should after you, but surely we should have a better parking situation. The one we got now is somewhat good but the lighting outside is terrible, you know, and you go to Memorial Boulevard and say that we should possibly move down there, you said this afternoon, and put an underground -- your department had thought about that -- (Interjection) -- I figured that if you look at the lighting in this situation with the Memorial Boulevard problem we have there with whatever it is, whether it's transient people who are coming into that park, be they hippies, or whatever they are, I think there is a problem as we walk outside this door. -- (Interjection) -- Now, there's only -- Yeah, the younger set, yeah. There's some people are scared, Russ, particularly of the hippie type that wander around here, and some, Sir, that might be scared of the union type. Who knows! But I think that there's a certain amount of that that should be taken into consideration, Mr. Chairman, and give some protection to

(MR. MOUG cont'd) the members that walk in and out of this building, because we're not all that safe, you know. There's some of us that may have reason to wonder about that. -- (Interjection) -- There's a certain amount of static in the air tonight here, Mr. Chairman.

One other thing that I wanted to mention. You know as you look at power ashtrays versus power steering, you know, this is something that -- great concern about. It's something like abortions versus tubal ligation, you know, it's not that majority a thing. It's one and the same thing really, you know, and if you're part of one, you're part of the other. I don't think that anybody should worry about -- if our Minister wants a power ashtray in his car, or power steering, I say let him have it.

MR. CHAIRMAN: Resolution 103(a)(1) - The Honourable Member for Rhineland.

MR. JACOB M. FROESE (Rhineland): Mr. Chairman, I didn't have the opportunity the other night when the Minister opened his -- (Interjection) -- It wasn't that bad -- introduced the Estimates of his department, and first of all let me congratulate him on taking and assuming the Portfolio of Public Works, and I do hope he will do a good job. I think if he hadn't married in the interval that he would probably have some things a little different. I think the coffee shop for one I think would be a little more fully furnished if he was still single, but let it be at that, I still feel that there could be some improvements.

Mr. Chairman, I would like to make a few comments in connection with the Department of Public Works and I hope the Minister takes this to heart and does listen, because when we take a look at Public Accounts we see the various buildings and the grounds and so on, and this is listed on Page 43 of Public Accounts and we find that by and large most of the institutions, the administration buildings, colleges and schools and miscellaneous, what have you, are all in the larger centres, and Winnipeg has by far the most of them. But outside of Winnipeg we find that The Pas, Selkirk, Brandon, Portage la Prairie, those are the chief other points where you find governmental institutions. And I feel that this is not quite in order. I feel that we should be decentralizing and that more of our larger towns receive the benefit of public buildings and institutions in this province. We find, too, that in rural Manitoba as well the law courts buildings, the land titles buildings, the health units, they're all more or less in one and the same location. In my area it's Morden, and why must they all come to Morden? Why can't we have some in Altona, some in Winkler, and some in the other places? Why must we concentrate all these buildings in Morden? And I feel that -- I am taking very strong issue on this that if we are going to spend more money in Public Works Department, that we do decentralize and not just congregate all these institutions in just a few particular places. I feel that this is not fair to the people living in rural Manitoba.

Then, too, we find that the Federal Government is doing the same thing that again Morden has got the Federal buildings, and why should we not have a more general distribution. On top of that we find now that the government is giving preference -- we had a cannery in Winkler and what happened? Lo and behold the government will open the one in Morden which was closed and thereby close down the one at Winkler. I feel this was a very great injustice to the people in that area because we had the facility; it was in operation. Why not put that to use rather than renovating the other and taking machinery out of the Winkler one and transferring it to Morden. I feel that this was very wrong indeed.

MR. CHAIRMAN: I would draw the honourable member's attention to the department that is under discussion. I don't think that that Morden Cannery is under the Department of Public Works. -- (Interjection) --

MR. FROES: Yes we are on Public Works. I was pointing out what was already happening and in addition to that, what was happening what was being done by the Department of Industry and Commerce as well. They were just compiling that injustice.

MR. CHAIRMAN: I would suggest to the honourable member that when the Department of Industry and Commerce comes up that he raises his point at that juncture.

MR. FROESE: Now I too find that when we look at the institutions as far as the Government of the Province of Manitoba, provincial buildings, furnishings and grounds -- is this not Public Works Department? I'm sure it is. And what do we find, they will increase the facilities at Portage la Prairie and yet we have voluntary groups working in our area, Winkler and Morden combined. We have a workshop for the retarded adults and they want just a little help from the government and yet it is not coming forward. -- (Interjection) -- It hasn't been coming forward. And I feel that this government should certainly do a little more towards helping these organizations who are giving so much of their time voluntarily,

(MR. FROESE cont'd) free gifts

MR. CHAIRMAN: I wonder if the honourable members could carry on their meetings and conversations outside. It's very difficult for the Chairman, and it's very discourteous to the member who's speaking. The Honourable Member for Rhineland.

MR. FROESE: I do hope, Mr. Minister, that you will take this into consideration and when requests are made that you will listen to their pleas and that some of these monies that are spent on public works will be spent in centres such as Altona and Winkler and St. Jean because I know there have been requests in the past, and I know that they are going to be making further requests in this regard. And I feel very strongly that something should be coming forward from this government in that respect. The adult workshop certainly has been a great benefit to not only the -- (Interjection) -- Pardon? Yes.

MR. CHAIRMAN: The Honourable Member for Crescentwood.

MR. GONICK: Would the honourable member wish to see more public housing constructed in Winkler?

MR. CHAIRMAN: The Honourable Member for Rhineland.

MR. FROESE: Public housing in Winkler? We have some in Altona and I thought for a while they had difficulty finding people to fill it although apparently this is now settled that they have the necessary people who will rent these quarters.

But I am not as much interested in the public housing as I'm interested in these other offices that are being built and in grandiose manner. We find that a big Convention Centre here in Winnipeg is going to cost millions. Yet what do we find is being spent in rural Manitoba? It's peanuts compared to what's being spent in the City and I feel that we should have a better balance in this because it's not only the people in Winnipeg that pay for these buildings and these monies that you spend in Greater Winnipeg. It's the rural people that are paying for a large share of this, and I feel that more should be coming their way.

We find too, Mr. Minister, that there is a list of properties listed in the Public Accounts, and we discussed them this morning, but apparently there is a large list of properties held by this government that are completely written off and that there is no record, no public record as far as the public is concerned. Even we as members have no knowledge as to what properties are owned by this province, and by this government, and I think we should have access to that knowledge and I think it should be incorporated in Public Accounts for future years so that we would know. Because if they're written off and now that you want more authority under the bill that is before us to so dispose of properties, you could easily dispose of these properties that are written off and sell them to whoever you may decide to for a few dollars for that matter and in this way give kickbacks -- (Interjection) -- Friends of the Party, the Member for Lakeside says. But I feel that we should have a list of the properties that are owned by the province so that we know when we look at Public Accounts, when we look at the financial statements that this will be all-inclusive. Surely enough, in any public's financial statement you will find that wherever there are investments that a record is made of those investments that are purchased and those that are sold, and I feel that the same should apply to our provincial records here in Manitoba.

On the matter of airstrips, I find that in the Public Accounts, too, under the Public Works Department, that monies are being spent for airstrips and I feel that the government could do well to spend some money in my particular riding for this very purpose. We have an airstrip but it needs blacktopping . . .

MR. PAULLEY: I do not believe that airstrips are within the Public Works Department. I think by and large they're in the Department of Mines and Natural Resources.

MR. FROESE: Yes I realize that as far as new monies spent there might be some provision in that department but once they are constructed they become the property and they're listed -- (Interjection) -- and I could read it for you from Public Accounts if you want to but they are listed under the provincial buildings and furnishings and grounds and etc., so that if monies are being made available for such purposes that we do get our share in rural Manitoba, and in southern Manitoba I am referring, not spend all the money up north as has been the practice, I think, for the last couple of years.

Noting from the Estimates that there will be about three-quarters of a million dollars spent on provincial buildings and projects -- I hope when we get to that point that the Minister will give us an outline as to what this money is supposed to go for so that we will know on what terms we are speaking of when we allow and allocate that much money for that purpose.

(MR. FROESE cont'd)

The matter of the Gimli agreement, maybe I should wait till we reach that particular item so I would like to question the Minister on that as well.

MR. CHAIRMAN: The Honourable Minister of Public Works. -- (Interjection) --
The Member for Lakeside.

MR. HARRY ENNS (Lakeside): Mr. Chairman, I recognize the Honourable Minister is anxious to answer and I assure him I just have another matter that I'd like to raise prior to him answering -- he did give an answer to many of the questions and I thank him for that. I thank him particularly for the obvious consideration that he's prepared to give the suggestion that I made to him the other night, and quite aside from what other members from this side may say let me assure him that I have no compunction about naming a building after the Honourable Minister he chooses . . . go on this course.

But it was really -- it was the other question that I asked the other night about what I termed to be the inordinate increase in security costs. I believe the actual figure is some 66 percent. You mentioned something about that but I thought really what I was after, we did after all go through an era, or a period, where we had a fixation about security. It seems to me there was a key missing, or lost, or something of that nature, and perhaps now that we are dealing with power ash trays, or what have you, we might as well bring up the question at what costs to the Manitoba taxpayers underwent that particular period of this government's development? I don't know, but I was hoping that in the Minister's reply he could suggest just how much money was spent in the changing of locks, in the installing and issuing of new keys, and in the review of the personnel, and the interrogation of personnel, because of this missing key. I have yet to determine whether it was a key that opens up a bottle, or a can of Spam, or Klik, but anyway a key was missing. I even hear, Mr. Minister, that there was some electrically controlled locks installed in the building for the benefit of greater security, and so forth, and perhaps really that was what I was after when I was asking about the inordinate rise of the security measures, a rise by the way that is involved, to my figuring somewhere in the neighborhood of 66 percent.

My recollection, or in fact the end result is one that I would also like to bring up is a pet grievance with the Honourable Minister because it seems like the only thing that has happened is that the door to the Member's john is forever locked in off-session time, and I find a great deal of discomfort of not enjoying these premises of a Minister's office any more when I come into the building in between sessions time and I have to look about for a security guard to open the door to the member's -- well, so much.

Now maybe the Honourable Minister would chose this occasion, particularly in view of the fact that, you know, I would deem a rather unfair, you know, personal chastisement was made of the Minister just recently as to certain costs that he had inferred upon the taxpayers, maybe he could suggest to us when he further explains this inordinate rise in this particular budget item, just what did that little exercise of searching for keys and replacing locks, cost the Manitoba taxpayers? Thank you.

MR. CHAIRMAN: The Honourable Minister of Public Works.

MR. DOERN: Mr. Chairman, the Member for Swan River mentioned a number of interesting points, and I think that his suggestion of a name for a building in Swan River is one that we'll give consideration to. I personally have a preference for buildings named after people rather than simply named after a function. I, for example, am not terribly inspired by the fact that our building is called The Provincial Library and Archives Building. Some people prefer a description. I tend to prefer a building named after a person who had something to do in Manitoba history, or made a contribution to the province.

I'd like to thank the Member for Swan River for his kind comments about the good works of the Department of Public Works, and I certainly take seriously his suggestion of attempting to better display the portraits of former Speakers, and Premiers of the Province. I might tell him that I know there are two previous Speakers and one previous Premier whose portraits are stored at this time, but I might also tell him that we have recently ordered plaques for them because these portraits, I don't know if they are properly framed, but I know they are not properly designated, and we have taken that step and hope to in the near future give them a proper unveiling. -- (Interjection) -- Well including the previous Speaker but one, because one previous Speaker is on our side and then those of us who were here from 66 to 69 recall the Speaker of that day.

(MR. DOERN cont'd)

The Member for Assiniboia asked a number of questions about the Convention Centre. I've answered some of those before for the Member for Fort Garry, but I might just say, in general, that I see the Convention Centre in three stages. First the planning stage, then the construction stage, and finally opening day, and the operation from that point on. We worked very closely for a long time with the Metropolitan government to plan the Convention Centre, and then when the decisions were arrived at when the amounts of money were agreed upon, when the general concept was formed, we then take the position that in the construction stage, or phase, then it is best and quickest to have one level of government, in this case now the City of Winnipeg, to oversee the construction phase because I think that all of us are aware of the fact that too many cooks can -- what is it? spoil the pudding, or whatever, spoil the soup, and that if you have too many levels of government making decisions, it slows up the decision-making process. So we believe that the elected councillors and the technical advisers of the City of Winnipeg are competent and can take the general thrust that was agreed upon, can work within the budget, and can oversee the construction phase. At the point when we get to actual operation, when we get to operations, then I think at that time we can re-examine whether we wish to become involved at that point.

We have had inquiries for rentals of the Convention Centre -- I know that my honourable friend, the Whip of the government caucus, is one of the most ardent supporters of the Convention Centre, and he and the Member for Winnipeg Centre, they have a tentative booking apparently for New Year's Eve, December 31st, 1973. They are betting, putting their money where their mouth is in effect, hoping that should the Centre come in ahead of schedule, or in the most favourable possible way, that they will be the first renters of the auditorium. I think that demonstrates a faith in the government, and in the city, but I think, Mr. Chairman, that it is more realistic, less optimistic but more realistic to assume that in the spring or summer of 74, that the Centre will open.

My Honourable friend the Member for Fort Garry who is a keen booster of the province, like my honourable friend from Assiniboia -- both strong tourism and recreation men like myself and the Minister of Tourism and Recreation I'm glad that he offers us his support, moral and spiritual, as he describes it. I might say that the Minister of Urban Affairs of course is most directly connected with the Convention Centre project. I was on a committee with members of Metro Council, I have a continuing interest and my department and the Department of Urban Affairs are both accessible and willing to at any time participate and work with and be consulted by members of the City Council.

Of course the Minister of Tourism, I think, will probably play the greatest role in promoting the province, and as I have said before, Mr. Chairman, I believe that in promoting Manitoba, and in promoting Winnipeg, those materials will be of great value in attracting conventions to this province, because the people will come for two reasons, one for a proper physical facility, and secondly, because of entertainments, or recreation, or climate, or whatever you have to offer, and in our case I think we can offer a capital with great cultural facilities and sport facilities, we can offer recreation, swimming, hunting, fishing, etc. throughout the province.

My honourable friend has this continuing concern for strikes, and in this matter, Mr. Chairman, I can only say that when one plans a building one must always be concerned about the supply of labour, about the possibility, academic or otherwise, of any strikes, and I think that our record in that department, the Manitoba labour record is very good indeed in the sense of a small number of strikes in comparison to other jurisdictions. We have to be concerned about a shortage of materials, or holdups, or planning problems, or construction problems. I can think of an example of a hotel that was constructed near the border of Ontario where they began the construction and found out they had all sorts of problems in piles, and then had to reconstruct the hotel, had to pour in more money, had to spend more time, and the result is that the cost of that project went up significantly because of physical and problems in excavation, so one always has to hope and one always assumes that barring acts of God, or barring material shortages, or labour problems, that things will work out and for that reason our target date is the summer of 74.

There are conventions that are being inquired about, not only in 74 -- my honourable friend is betting on December 73 -- but there is also inquiries for the mid and late 70's, and we are in the business of booking ten years in advance. This is the way conventions work.

(MR. DOERN cont'd) They don't work one year in advance, they work years in advance.

We're in this game prior to much of our competition. There is talk in Toronto of a convention centre but really nothing happening; there is talk in Calgary, and so on.

My honourable friend and colleague the Member for Thompson characterizes the Convention Centre as a white elephant. All I can say to that, Mr. Chairman, is that the proof of the pudding is in the eating, and in 1974 when the Centre is unveiled and the conventions roll in, and we start seeing the effects of the building and so on in time, time will prove one of us right, and I think that there have always been skeptics, and my honourable friend is a skeptic, but I simply say to him, the Centre is being built, the money has been committed; I say let's get behind it, let's promote this, and let's make it a success. -- (Interjection) -- My honourable friend -- my other colleague describes him as being cynical and demonstrating some cynicism and a lack of faith here.

My predecessor in Public Works of course was one of those who was instrumental in convincing this government, and our friends to the west, to institute a boycott on big-four cars, and that boycott held for a year. Throughout that time, Mr. Chairman, one of the big four, I might mention the American Motors Corporation continued to offer the previous discounts to the government, whereas the other firms did not. It is in our estimation we feel that when we took the boycott off, and I might point out that our sister province, or our other province of Alberta, never did have a government car fleet, so in a sense it was really a boycott not of the Prairie Provinces but of Manitoba and Saskatchewan. Alberta pays mileage, and I think that has a certain merit up to a point, but after a point I think it is more economic to purchase an automobile than to reimburse the driver. There's an obvious break even point.

When we had a boycott in 1970 the last time we purchased really prior to the boycott there were half a dozen bidders, but when we reopened after the boycott we had fourteen bidders, so we feel that competition is always healthy in keeping prices down, and we wish sometimes there was more of it than less of it. When we traded it is very difficult to make a comparison of what we gained by our boycott. We know, for example, that our vehicles that were traded had a much higher mileage than was previously traded because they went an extra year, but we feel that, even though the average price of a vehicle was up one estimate -- it's very difficult to make comparisons, but trying to compare a number of cars with the number of cars previously purchased, we feel that they may have up something like some \$80 on an average, but we also know that those same cars had additional equipment that became standard, manufacturers are always making more things standard equipment; so even though we feel that the retail price was up, or the price to us was up, we know that there was also more equipment that was simply added into the car, so we feel that we came out fairly well. It gave us a chance to reassess our purchasing policies, and as I said there was a greater competition than previously. In examining the bids one can see that when there are more dealers one gets the break.

We estimate that we probably saved some \$15,000 on our first bid of some 250 automobiles, and since there was some concern, and is concern about the Canadian automobile industry, there was some massive layoffs announced by General Motors, we feel that this also provides work for Canadians. I might also point out, Mr. Chairman, that we now buy a larger percentage of compacts and intermediates than was bought previously, and that in answer to the question of larger cars, we attempt to allocate cars where they are mainly used for city driving, we are attempting to buy smaller cars; where cars are used primarily on the high-ways then we believe that the larger standard vehicle is more appropriate.

My honourable friend questions the use of power equipment, power steering or brakes on cars, but if one is attempting to trade in a car that is a standard car with no power steering and power brakes, and you're dealing in hundreds of vehicles, I think that your trade in value is not very good.

My final point, at this stage, Mr. Chairman, my honourable colleague raises a question of public auction. This is something that we are looking into. I don't think it's clear cut. I think that it looks very good on the surface, but you do have to make changes to cars, you do have to store the vehicles. We are going to experiment with a lot of cars, I think, sometime in the spring or summer, set aside some 50 vehicles, invite the public to come in and look at them and tender for them, and see what the results are.

MR. CHAIRMAN: Order. The hour being 9:00 o'clock, and the last hour of every day being Private Members' Hour, Committee rise and report. Call in the Speaker.

Mr. Speaker, the Committee of Supply has directed me to report progress and asks leave to sit again.

IN SESSION

MR. SPEAKER: Order, please. The Honourable Member for Logan.

MR. WILLIAM JENKINS (Logan): Mr. Speaker, I beg to move, seconded by the Honourable Member for Osborne, that the report of the committee be received.

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

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PRIVATE MEMBERS' RESOLUTIONS

MR. SPEAKER: Private Members Hour on Monday. The first item - order of business is Private Members' Resolutions. Proposed Resolution of the Honourable Member for La Verendrye, No. 12.

MR. PATRICK: Mr. Speaker, we ask leave to have this matter dropped to the bottom of the Order Paper.

MR. SPEAKER: Very well.

The Honourable Member for Portage la Prairie, No. 13. The same?

MR. PATRICK: Yeah, the same, Mr. Speaker.

MR. SPEAKER: Very well. No. 14. The Honourable Member for Assiniboia.

MR. PATRICK: Mr. Speaker, before I move the Resolution, I ask leave of the House to make one slight change in the operative part of the Resolution to put the words in "consider the advisability".

MR. SPEAKER: Is it agreed? (Agreed) Very well.

MR. PATRICK: I beg to move, seconded by the Honourable Member for Churchill,

WHEREAS many real property owners have been reluctant to improve or repair their homes because such repairs and improvements result in higher assessments, which, in turn, would mean higher taxes; and

WHEREAS it is desirable to encourage real property owners to properly maintain and improve their property,

THEREFORE BE IT RESOLVED that this government consider the advisability to enacting legislation at this session of the Legislature to give a five year exemption from increased assessments on real properties which have been improved or repaired where the cost of such repairs or improvements does not exceed \$2,500.00

MR. SPEAKER presented the motion.

MR. SPEAKER: The Honourable Member for Assiniboia.

MR. PATRICK: Mr. Speaker, I believe that most of the members here are aware that at least 50 percent of the people in Winnipeg make around \$6,000 or less, and I believe that it is also a known fact that people on low wages usually live in poorer housing accommodation, some are poorly insulated, some are poorly wired, some need decorating, others need complete rehabilitation, some of these homes need new roofs, and what we find when these homes are rehabilitated, their assessment is increased, and invariably their property tax also is increased. So the reason I presented the Resolution to the House to perhaps change the present legislation, and I feel that such things that when the homes are improved the assessments should not be increased. For instance I know that when some changes are made they do increase the value of the property, but however, Mr. Speaker, such things as improving landscaping, or improving fences, should not increase the assessment. I believe that it should be specific in legislation that interior and exterior painting and decorating should be one of the items not to increase the assessment. Such things as roof repair, or new roofs, is another item that should not increase assessment. Such things as new stucco, or siding repairs to the outside, or new stucco or new siding should also not increase assessment. Repair or replacement of heating equipment with the same type of equipment should not increase assessment. Repair or replacement of plumbing fixtures, or plumbing itself, I believe, in my opinion, this should not increase assessment. Repair or maintenance of garage, or any other out buildings or windows, in my opinion, should also not increase assessment. And at the present time, just the opposite happens when some of this work or repair is done, or rehabilitation on the property takes place, they raise assessment on the property, and as a result the property tax is much increased.

Another reason I bring this resolution forward, Mr. Speaker, is because Canada in one of the richest countries in the world and we still find it that we are unable to shelter many of our citizens in a decent fashion. Despite our resources we have failed our basic function of our civilization.

Mr. Speaker, a large proportion of homes are at the present time built with CMHC financing, and the CMHC financing usually will qualify a borrower with an income of say perhaps in the neighborhood of \$8000 or more, and we find ourselves that the average income of Canada is much below that figure of \$8000; it's closer to the figure of \$6000. Clearly this indicates that the CMHC loans were for above average income families, while the lower

(MR. PATRICK cont'd) income people had to live in more crowded homes, and at the present time I am sure that we are all aware that the interest rates are at an almost all-time high, and just the last week the interest rates on residential homes were increased again, from 9 percent to 9 1/2 percent. I am sure that most members in the House are aware that in the last while the housing crises have been receiving considerable amount of publicity and I believe will receive a tremendous amount of publicity until a solution is found to improve the present conditions, and it doesn't mean, Mr. Speaker, that I agree what we are doing at the present time in Manitoba, which is building a great number of homes for our low income people, our low rental homes, and this in itself in my opinion will create a tremendous burden on many of the people in Manitoba unless we make it feasible for those people in Manitoba to be able to purchase their own home, or to be able to live in their own home.

I know that the Housing Committee that Task Force that has been carried out throughout the whole of Canada, and almost invariably every person that was interviewed that's living in the low rental housing was not particularly happy because it is still their desire to be able to own their own home. I know in many instances this is impossible to accomplish and to accommodate these people when they are on a very low, or at the bottom of the wage scale, but surely many of these people can find accommodation in many of the used homes that we have at the present time. I think it should be made feasible that many of the homes should be able to be rehabilitated, remodelled and even if we subsidize the interest rate for these people, or make a complete outright grant, in the long run this will be much cheaper for this province instead of going into a tremendous amount of numbers of homes to be built continually for the low income people.

I know from my own experience and I have checked into some of them, and I find that even in some of the low rental homes you find that have been built quite a few years ago, there are vacant apartments. I find also that there are many people or I shouldn't say many, there are some people living in some of these apartments that have an income as high as many of the members in this House, so perhaps there should be better control. I know that the Annual Report of Economic Council of Canada also warned that the costs of home construction should be reduced.

Mr. Speaker, I think failure to keep pace with the requirements is creating in my opinion a shortage of houses in different parts of Manitoba, in different parts of Canada, for the lower income people. Again I state we have to go quite a ways to catch up for the people that needed homes in the lower scale, but I think we have reached a time now where the Minister should give serious consideration, that he should make it possible and feasible for many of these people who are making six or seven thousand dollars a year, or \$8000, that they should be able to own their own home outright if it means a grant, an outright grant, I understand this is presently being accomplished in the Province of Ontario. I understand this is being accomplished in the Province of British Columbia, so I would like to see the Minister, and hear from him if he is giving any consideration to this aspect at all in the Province of Manitoba.

Mr. Speaker, Canada has prided itself on a high percentage of home ownership. I think that the municipal governments, the provincial governments, and the federal government have taken a tremendous amount of pride in this ratio, but what has happened in the last few years, the reverse has been the record, that very quickly we are reaching the stage where not too many people are able to buy a home of their own, and as a result even in the City of Winnipeg the statistics will show that we are building many more apartments than we are building separate individual homes.

I know that most members are familiar that over the past, only three years, the interest rate has increased anywhere from 7 percent to as high as 11 percent a year ago, and it's dropped down, and again it's up to 9 1/2 percent at the present time, which is a very high cost factor in housing. I think that to a certain extent the housing industry is hampered by high cost of mortgage money and sometimes the housing industry comes second best when it comes to mortgages. I think it's the responsibility of the government to find a solution to some of the problems, and our solution is not a tremendous and massive scale of construction of low rental housing. I said perhaps that we have reached the stage which maybe we have filled the gap that was required, and I'm not saying that there wasn't a gap to be filled because there are people somewhere at the bottom of the scale that will not be able to own a home under any circumstances, but I feel that if the Minister continues with the present program.

(MR. PATRICK cont'd) when we see, even in some of the low rental housing units today, that there are some vacant suites, and I am told by some people that there are people living in some of them that make fairly reasonable salaries, perhaps proper consideration has not been given into planning, the location of these projects. I know that I can tell the Minister without any equivocation about the Burrows-Keewatin, it was not located properly; it's not close to any shopping centres -- (Interjection) -- what's that? -- (Interjection) -- I'm not saying that you did, but I'm just pointing out that the problems that do arise in constructing low rental housing. What's that? -- (Interjection) -- I know that the Minister can show an example for the rest of the country, and perhaps lead the way and remove the five percent sales tax on residential housing, or at least rebate say the first buyer of a home. Rebate the first time that a purchaser buys a home for the first time, rebate him the five percent and put pressure on the Federal Government to do likewise in respect to the 12 percent sales tax. I think that he can lead the way.

Mr. Speaker, I know that it's been stated in quite a few reports in Winnipeg -- I know that the last report that was done by the Metropolitan Corporation of Greater Winnipeg, it was stated that there were at least 5,000 dwellings that are in such bad condition that they should be reported. Now I can't add any weight as to how accurate a report it was in respect to that many houses, I can't say, because it certainly is a large number of homes. But my point in presenting the Resolution, this would be one way and a great incentive to many people to rehabilitate their homes, to fix their homes, to put new plumbing in, to put their roof in, if at least they were given -- I'm asking for five years of assessment exemption up to, if the home is improved, up to a figure of say \$2500. I understand that this has been the law in some other provinces for a few years now, and it's working out quite well. So I'm sure that this would not be any expense. -- (Interjection) -- It is done in Ontario, yes it is, it's been done in Ontario this past year.

Mr. Speaker, I know that for many years condominium housing has been very popular in the United States, it's been very popular in Eastern Canada. I know when it was introduced, the legislation was introduced in one of the States, there was some 30,000 units built in one year, but the condominium legislation has not caught on to its popularity in Winnipeg and in the Province of Manitoba as it has in the other parts of Canada, and the other parts of this country.

I do say to the Minister that I hope that he will be able to give consideration to this Resolution. All I'm asking for at this time in the Resolution is to make sure that such things as exterior and interior painting and decorating is exempt from any increase in assessment, to make sure that roof repair or renewal is exempt, to make sure that new stucco or new siding, or repair of that type, is exempt from any new assessment, repair or replacement of heating equipment, or repair or replacement of plumbing fixtures, repair or maintenance say of steps, sidewalks should be exempt from any increased assessment. If we put a limit of \$2500, this is not a large exemption; I'm asking only for a period of five years. I think this would be a great incentive for many of our people in older areas to be able to improve their properties -- and many of these repairs have to be done; many of the houses have to be insulated, and we are asking for assistance because we find ourselves that many of our people on lower incomes, who are living in the older sections of the city, or in older parts of residential areas, and surely, Mr. Speaker, I don't think this is asking too much, because in many instances if there was any improvement, such as new heating, or equipment put in there has been re-assessment in the house and as such, there was an increase in taxation. So the point that I again wish to make, Mr. Speaker, that this is done I know in some of the other provinces, and I think this is one of the best assistances that the Minister can give to the housing industry and particularly to some of the people in the lower income groups.

I also will reiterate, -- (Interjection) -- yes it does, but, Mr. Speaker, many of your newer residential areas will not have to do this same type of repair that has to be done. Many of the newer residential areas do not require new stucco, or new siding, or new roofs, or new heating equipment, but usually this type of equipment lasts 20 to 25 years, or new plumbing, and it's not quite often that I think people will be replacing new equipment just for the sake of replacing or putting unless they want to put in a new type of bathtubs, but I'm sure that in your older area this goes on every day. All I have to do I would like to take the Minister of Finance out into some of the older areas and he can see himself, he can witness where there are repairs taking place every day, on almost every street, where there's four or five houses being completely . . .

MR. SPEAKER: Order, please. The Honourable Member's time is up. The Honourable Member for Lakeside.

His time is up unless it's by unanimous consent he can't go on.

The Honourable Member for Lakeside.

MR. ENNS: Thank you, Mr. Speaker. You know the matter of assessment comes up in so many different forms it's always an intriguing subject. I'm afraid, though, that in the manner and way in which the Honourable Member for Assiniboia has raised assessment tonight in this Resolution reminds me somewhat of the difficulty that his federal counterparts are having as they ponder their election polls these days, they are wondering how they can put off the evil day, or the day of reckoning, and really this is what I would have to read into this proposal that will have the exemption now but we'll get nailed later on, and it's amazing how fast the improvements can be added up, but certainly it is no remedy to the question of assessment.

Also the question of assessment as proposed in this Resolution takes into fact -- it does not take into consideration at all the subject matter of whether or not it has any consideration of a most used phrase and an aptly and properly used phrase, that is the ability to pay principle in this particular cause. We speak about assessment in many ways, and I'm sure the members opposite will suggest that an easement in assessment was brought about in the proposals by the Minister of Finance with respect to the shift of education costs -- not an easement in assessment but insofar as that the tax load generally is based on the assessment, the tax burden, that to that extent one could even stretch one's imagination to say that a relief of some measure is being afforded in that way.

We have, on this side, Mr. Speaker, suggested specific instances of tax burden relief via assessment, or through assessment, by stating that the education tax for instance should be removed completely off the old age pensioners, or off of productive farmland.

Well, Mr. Speaker, my only reason for rising now is in the hopes that I can support an amended Resolution which I'm sure will be coming forward from the members opposite, from the government, because there is, of course also the -- (Interjection) -- yeah. There is also of course another kind of assessment that comes out, and that is the election promise assessment that is made by people who are looking for favour with the electorate at the time of election. And I would be more than prepared, Mr. Speaker, to support the New Democratic Party literature of -- that was before they were government, Mr. Speaker, which says a New Democratic Government will give you a tax exemption on the first \$2000 assessment of your residential property. Now, Mr. Speaker, there was no qualifications here as to who should get it, or the ability-to-pay principle, nor was there any suggestion that perhaps to get this tax relief or tax burden, that they would have to fill out umpteen forms of income tax, sixteen pages of them, and send them in for some kind of relief measure, no it was a plain, clear understandable statement, \$2000 assessment of your residential property. I would say that that meant \$2000 for the Minister of Finance's home, or the Minister of the Attorney-General's home, or for anybody else's home. Now this was the policy of the New Democratic Government, prior to them being voted into office. That was three years ago, Mr. Speaker, by the way and really, Sir, as a service to the government who after all one has to be concerned about, they are our government, and I would not want them to get up and attack this resolution in a manner that is not, that they would feel embarrassed about later on. It's in the true spirit of offering constructive criticism from the benches of the Opposition. I don't like to see my government, you know, embarrassed by perhaps without thinking rejecting a resolution that has some merit. I only want to steer the government in a proper direction, in a direction that they themselves have the wisdom of, that is, of course, prior to taking on the responsibility of government. Now three years later, Mr. Speaker, I would certainly like to indicate, now mind you I should indicate to you that I haven't had an opportunity to caucus this with my group on this side. I may have some difficulty in doing that, but I would want to indicate to the Minister of Municipal Affairs, certainly to the Acting Premier, the Minister of Finance, that I would use my utter and complete influence on my group to consider favorably an exemption of the kind that was promised to us by the New Democratic Party during the last election.

Now, Mr. Speaker, this exemption that they speak about, is one that in fact of course has built into it some recognition of the, it's not the ability-to-pay principle but the criteria of need principle. Those people's homes, who are in the five, four, five, six or seven thousand dollar assessment bracket are the ones who perhaps require the exemption of the 2000 basic exemption most. The homes whose assessments is considerably higher is considerably more

(MR. ENNS cont'd) the \$2000 assessment doesn't mean that much. But certainly as an uncomplicated way of doing of things, and really I think this government, you know, after doing their utmost for the last three years to devise the most complicated forms and formats of trying to assist us, today the Honourable Member for Inkster demonstrated for us how our taxes have in fact gone down if anything in the last three years. Now, Mr. Speaker, maybe they have, I don't think really they have, Mr. Speaker, I think that if I asked the honourable members that belong to our community who pay their income taxes, who receive their pay cheques the day after the increase in income tax rise took place, would answer in a loud chorus as to what's happening to our general taxation level.

Now, Mr. Speaker, we have undergone such heated arguments in this Chamber about when there is a tax increase, or when there is not a tax increase, when there has been a shifting of relief from one sector to the other sector of our people, when somebody is getting shifted, or shafted, as the member from Swan River indicates, I genuinely appeal to the members opposite to go back to those heady days prior to having taken on the responsibilities of government, and ask you to leaf through your scrapbooks, come up to your own literature with which you approached the people of Manitoba, read that -- (Interjection) -- it's written in very plain and clear language, Mr. Speaker, a New Democratic Government will give you a tax exemption on the first \$2000 of assessment of your residential property.

Now, Mr. Speaker, that's a plain statement of fact, and if the -- (Interjection) -- Well now who said that? The Manitoba New Democrats heading for government. -- (Interjection) -- No, this was a piece of literature that every rural member, or every urban member ran under in the New Democratic election of 1969. -- (Interjection) -- Well now, Mr. Speaker, of course this is a unique situation. We've learned to believe; we've experienced, we've experienced the fact that it gets very difficult to get two ministers to agree -- (Interjection) -- Let me try it . . . -- (Interjection) -- There's another nice picture. Now, Mr. Speaker, while we're talking about pictures let me tell you, I have no objection to this kind of a picture, because you see that picture the New Democratic Party paid for. He looks considerably younger Mike -- (Interjection) -- I can actually believe, Mr. Speaker, while looking at him how people could actually vote for him. But then, of course, he had this on the back, he was promising his St. James residents \$2000 assessment. That was three years ago. That was three years ago, and what has happened? What has happened? -- (Interjection) --

Now, Mr. Speaker, fine, if they choose, Mr. Speaker, now to argue about which of the New Democratic pieces of propaganda they distributed at election time the people of Manitoba were supposed to believe, that's a very interesting point too. That's a very interesting point too. So let's understand something, Mr. Speaker, in the future I think we can, we want to be on guard and I think the members running under the New Democratic Party had better state very clearly that we only associate ourselves with this and this, or with that and that, or that portion of the ad that's appearing in the Free Press -- yes they actually used the Free Press during the election time, you know, otherwise they haven't got too many kind things to say for it but if -- well now, Mr. Speaker, I think I am belaboring the point. The fact of the matter is, the fact of the matter is that the Attorney-General in living colour suggested, suggested that every resident home owner in his constituency should enjoy a \$2000 exemption on their assessment. Now Mr. Speaker, that was three years ago -- (Interjection) -- Now, well come back to that complicated forty. A little while ago, the Minister of Finance suggested to me that I should not confuse assessment exemption on assessment with a shift of education taxes.

Now let's get back to how you have to get that \$140.00. Let's go back, it's already been demonstrated in this House that that old age pension couple that's living in that little home assessed at five or six thousand dollars that isn't paying owner's education taxes, isn't getting \$140.00. Hasn't that been established? Hasn't that been established? But you are telling me now that he's going to get \$140.00.

Mr. Speaker, I really again did not rise on this occasion to argue with the government, I am hoping that maybe they would take this help; that they would take this kind consideration that I have for the government before they reply or respond to the resolution before us, that they consider the advisability of amending the resolution because I believe the resolution is worded in typical fuzzy liberal language with typical fizzy liberal thought behind it. It's somewhat complicated and as I said before, it puts off the final day of reckoning, a trait that liberals have been know for in this country. But, Mr. Speaker, this government can do something about it. They can do something about it by living up to their electoral promises, that's what

(MR. ENNS cont'd) they can do, Mr. Speaker.

MR. SPEAKER: The Honourable Member for Gimli.

MR. JOHN C. GOTTFRIED (Gimli): Mr. Speaker, while I agree in principle that it is desirable to encourage real property owners to maintain and improve their property, the matter of granting a five year exemption for increased assessments due to improvement or repairs, is really a very complex one. I say this in all seriousness despite what the Honourable Member from Lakeside has said concerning our election promises, for while on the surface the resolution appears to be a good one, in reality it is perpetuating a wrong in that it tends to make ratepayers accept an inequitable system of taxation completely unrelated to ability-to-pay. The resolution as it stands, Mr. Speaker, would grant property tax exemptions to home owners in all income groups whereas I believe it should be more selective. In addition it would make possible a further taxation dodge by permitting a \$2500 exemption to a home owner and permitting him to sell this after a period of five years and begin the scheme all over again on his next home with all the improvements tax free. Part of the inequity as I see it is historic in nature and is part of our heritage as an agrarian society and that is probably why the Member from Lakeside is so keen on his own criticism.

There is to begin with the criticism frequently raised that our local tax structure, dependent as it is almost entirely on the property tax, is outmoded. At one time when the ownership of property reflected a fairly accurate index of income and wealth, property was a good basis for a tax system. But we are not now in an agrarian age and income and wealth are not restricted in large measure only to those who possess large amounts of real estate. It is probable that today property listed on assessment roles and thereby subject to local taxation represents something less than 25 percent of the wealth of the country. In other words, we ask 25 percent or less of the wealth of the country to support 100 percent of the local improvements; and because of direct grants from the general revenue to a somewhat lesser extent the costs of education.

Mr. Speaker, I feel that even greater efforts should be made to implement larger tax shifts from real property into other areas since our present method of local taxation leaves approximately 75 percent of the wealth of a country untaxed. And because government revenue must be maintained to care for present inequality in the distribution and enjoyment of our country's wealth, we are supposed to see this resolution as a progressive step in the direction of equalizing the burdens of taxation on all members of society. But how can we achieve this if we only tax 25 percent of the wealth of a country.

Now I am fully aware of what is implied in this resolution, namely that we should move towards a greater imposition of taxes upon the 75 percent of our society whose wealth is not indicated fully using real property as a base. But I wonder if that is what the Honourable Member from Assiniboia had in mind when he brought up this resolution because it appears so inconsistent with his frequent utterances on the inviolable position of free enterprise in our economy and that as a government we should be doing everything in our power to encourage big business, that is the group who possess in the main the other 75 percent of the country's wealth. And we are encouraged then to try to do everything to help them to establish in this province.

I suppose, Mr. Speaker, that the consideration of this resolution and how we dispose of it is largely a matter of where we place our priorities. The sanctity of big business or the sanctity of the home, or vice versa. Personally, I prefer giving a measure of relief to the home owner and the family man to enable him to live and bring up his children in a clean and healthful environment and the exemption from increased assessment due to improvement to his home would in my opinion help to achieve such a goal and make a positive contribution to the province.

But again we come back to the question of government priorities, and that is what the Honourable Member from Lakeside was building up to. At this point in time when the Federal Government has induced massive unemployment and world markets are shrinking, is it not more advisable to maintain provincial government revenue to better cope with the problems brought about by outside forces. Because of this I personally do not feel that such a concession should be given to all property owners since it would tend to thwart our aim of achieving the greatest good for the greatest number. Rather we should retain our powers of taxation in all areas and as we succeed in extending this power so as to make inroads into the 75 percent whose wealth could better be relegated and employed for the common good, I maintain that

(MR. GOTTFRIED cont'd) only at such a time should they accept a general concession to all ratepayers regardless of their financial ability to pay. Let us rather then, Mr. Speaker, work more towards the adoption of the principle of ability-to-pay in the area of property taxation.

MR. SPEAKER: The Honourable Member for Charleswood.

MR. MOUG: Mr. Speaker, just briefly I wanted to make one or two comments in regard to assessment because I realize that it's a very very important thing in any municipality, city, village, anywhere that you're paying taxes on the assessment of buildings because certainly there's something more to it than what is mentioned in the resolution brought forward by the Honourable Member for Assiniboia. You get into the area where improvements move in on your home whether you want them or not. You may be one of the minority that votes against improvements coming in down your street and if you happen to get a concrete street, they'll assess your land immediately after. If you put in a driveway in, and this is staying well away from the actual building, the structure of the building itself, you will pay a higher assessment. If you add a garage outside of the building you will have a higher assessment. So everything adds to the high cost of taxes that you're going to end up with regardless of whether it's something you really and truly need in your home, or whether it's something you get there by accident. Ornamental lighting, waterlines -- which is a real must -- sanitary sewer, which is a must if you live in a -- anywhere near a recently built up area. I don't say that concrete streets are a must, but I would say that two things that shouldn't increase the assessment of your property is definitely waterlines and sanitary sewers. And certainly storm sewers are a thing that's a must as the area grows and builds up and let's say overpopulates itself. We get into a position where we need storm sewers. So all these things add in and supposedly increase the resale value of your property and this is what the assessor looks at when he comes around to assess your property rather than whether you need it or not. He comes in and says, well you have it there now and you're going to pay. You're land is worth more; the resale value of it is worth more; and it was forced upon you rather than coming there by something you needed or something you were looking for.

But certainly, Sir, as far as Ontario is concerned, they have a bill that went through the Legislature in 1971, it's an Act to amend the Assessment Act of 1968/69, Bill No. 127. And Section 93 of the bill or of the Act: "no amendment shall be made to the assessment of collectors' role pursuant to Sections 42, 43 or 44 by reason of an increase in value to the land because a building has been erected, altered or enlarged until the increase in value is at least in the sum of \$2500 at market value, or if the assessment in the municipality is at less than market value at an equivalent value." Now there's what I was saying, some people might need a garage, and it states in here very clearly that you can put up a garage, never mind painting the interior house, constructing a fence, pouring your driveway, you can even construct a new building apart from the one that you're using for your place of residence and have a second building on the property.

So certainly with that in mind, Mr. Speaker, I think that there's room that we give some consideration to the resolution that's been brought in by the Member for Assiniboia. I don't agree a hundred percent with him in every form of the resolution. I don't think that it's the perfect resolution. But certainly if a person wants to do something to their home to better their way of living, to upgrade the value of the neighbour's house by painting the outside of theirs, certainly I think it's something that they should be able to do. If it's a fence, if it's planting shrubbery, upgrading the landscaping, anything they're going to do is going to upgrade the entire value of the whole area, not just their own individual home, and when they do this I think that it shouldn't cost them money at the end of the year on their taxes. And with the government that we have today, with the promises they made, as has been mentioned with their election brochures, certainly they can go along with one little item like this because it's not going to hurt, it's not going to cost dollars, there'll be no tax shift or anything to do this, it's simply letting people live as they are and give them a five year concession on improvements they put on their home.

I think if you go into areas where you see low-cost housing, and if you have one or two that are on low income and they're living on a street where people that are middle income, if you have one or two on a street and there's eight or ten others that are on middle income, you'll find that when eight or ten on middle income paint their homes and keep their fences upgraded, keep their driveway, their grass cut, shrubs, etc., etc., the outside of the house

(MR. MOUG cont'd) painted, you'll find that those two that are in there on low income, possibly even renters that are welfare recipients, they will also upgrade their area because they feel somewhat ashamed to live in an area and be the two homes out of twelve that are somewhat drawing down the area and keeping it in a draw back position. So I think that this would also take in somewhat some of the people that are classed in the welfare and low income area and be a benefit to them, it'll give them something to work for and a goal to move towards and possibly help the government make good some of their promises that they put forward to us some three years ago. Thank you.

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

MR. WALLY JOHANSSON (St. Matthews): Thank you, Mr. Chairman. As a member for a riding in the central part of the city, I think it's incumbent upon me to speak on this resolution. My constituency St. Matthews has a considerable area which has been deteriorating over the past years. The Metro study done in 1967 for example indicated that the area from about Ingersoll East towards Colony was an area of deteriorating housing so, I in my constituency therefore have a large number of houses that can stand repair, and so the resolution of the Honourable Member for Assiniboia interests me.

I might add that his resolution is not original, or a new matter -- the Honourable Member for Lakeside pointed out at great length that the NDP had advocated this policy in the past. Not this policy but a policy of exempting home improvements.

I might also add that the last convention of the New Democratic Party passed a resolution a resolution which advocated that the government consider exempting home improvements. It didn't specify an amount like the Honourable Member for Assiniboia has done but that the government consider home improvements as a means of improving the repair and maintenance of property and it also recommended that the government consider a number of other methods of promoting the maintenance of property. I don't know if the honourable member mentioned this but the Lawson report in Ontario submitted to the Minister of Municipal Affairs in Ontario outlined a large number of proposed programs for the improvements of home maintenance and repair, and the Honourable Member for Assiniboia I believe stated that Ontario has implemented this scheme, and I'm not certain that he's correct. -- (Interjection) -- Does the member have a question? -- (Interjection) -- what year? Perhaps. I'd like to see the resolution.

However, because -- (Interjection) -- the bill. Because the NDP Convention passed a resolution on this matter, the government has to consider it, and will consider it. It will consider the advisability of a number of possible programs to promote the maintenance and repair of homes in this province. Now there are possible practical problems which the government will have to consider. One of the obvious practical problems is the cost to municipal government of such a program.

From the Honourable Member for Assiniboia's speech I didn't really get the impression that the cost of this program will be transferred to the Provincial Government. Perhaps I'm wrong but my impression was, the way this resolution is worded at least, the municipal government would have to bear the cost of this program. I understand that the Urban Association looked at this suggestion in Brandon and rejected it, partly because of practical difficulties and because of the potential costs for municipal government. So this certainly has to be considered.

The Honourable Member for Lakeside at great length attacked us because we hadn't implemented a promise which we made in 1969, in the election campaign of 1969. One of the promises we made of course was to relieve people of the burden of Medicare premiums. We carried that out. We promised -- and the Opposition by the way didn't agree with our method of doing it. They opposed our program when we brought it in in 69. We promised -- (Interjection) -- Auto insurance, government auto insurance, we brought it in in 1970. Did the Opposition support us? That promise they didn't want us to keep. We promised urban reorganization. What happened? We brought in a bill in 1971 to reorganize urban government in Winnipeg. How did the Opposition react? Did they ask us to keep our promise to reorganize urban government? No, they opposed it. We promised a shift from -- (Interjection) -- we promised a shift of the burden of property tax to methods of taxation which are based on ability to pay. We brought this in in a number of stages, including of course the present Education Tax Credit Plan which will be implemented through a credit or a rebate on the income tax. How has the Opposition reacted? They attacked it. So we get to the subject matter of this resolution and that is the necessity of encouraging the maintenance and the repair of property.

(MR. JOHANNSON cont'd)

Now I might point out for the benefit of the members in the Opposition if they -- they haven't brought this up. I might point out that the government has already begun to work in this area. We brought in this winter the Pensioner Home Repair Program. Now it's a strange thing but the Pensioner Home Repair Program has never been mentioned as far as I can recall by any Opposition member during this session. This is a rather important program we consider, and yet it's never been mentioned by members of the Opposition. Now I wonder why. I wonder why. Mr. Speaker, I have to come to the conclusion that the program is so popular it is such a success that the Opposition members want to forget about it. They feel that if they don't mention it, the public won't know that it exists and therefore that the government will get no credit for the program.

I might add that I have a particular kind of constituency. My constituency unlike the Constituency of the Member for Assiniboia contains very few people who have upper middle incomes, or incomes that are quite high. Most of the people in my constituency are working people, either blue collar or white collar working people. I have a very large number of pensioners in my constituency. I would estimate that I have over 500 home owners. Now that's - I'm referring to 500 homes that are owned either by single pensioners or couples. Over 500 - and these are the people who have the most difficulty in affording the cost of repairs to their homes. These are the people who generally have homes that are valued anywhere from twelve to twenty thousand dollars on the market and yet their incomes are quite low and they have difficulty because of this in effecting repairs on their homes. The Pensioner Home Repair Program which this government brought in provided \$1000 for any pensioner who was on provincial social assistance, provided 500 for any pensioner who was on the full guaranteed income supplement, and a graduation from 500 to 150 to those who had partial guaranteed income supplement, and 150 for those who had only the \$80.00 minimum pension. So it was the amount of grant that is given to the pensioner varied inversely -- the amount of grant was dependent on the need of the pensioner. And I might point out, Mr. Speaker, that this program was such a success that the program was over-subscribed, and I understand that the Cabinet had to authorize an additional sum of money to cover all applications that were received up to March 31st.

Just before you call it 10:00 o'clock, Mr. Speaker, I might also point out that the Manitoba Housing and Renewal Corporation has begun a program of renovation of existing housing. It's done this in Brooklands and it's doing this in Point Douglas. Now the program so far is on a very extensive scale but a beginning has been made, and a beginning has been made in spite of the fact that the Federal Government has not over the past number of years been providing urban renewal funds to provincial governments.

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