

THE LEGISLATIVE ASSEMBLY OF MANITOBA
8:00 o'clock, Tuesday, March 28, 1972

MR. CHAIRMAN: Resolution 28. The Honourable Attorney-General.

MR. MACKLING: Mr. Chairman, just before we rose the Honourable Member from Pembina evidenced a concern in respect to the cost to a local community of the RCMP services that are provided under extension contract and the fact that the Province of Manitoba had sent out a statement, embodied in a letter, to the effect that there was an additional sum necessary to be paid in connection with the past services provided under the extension contract, and he suggested we signed a contract and we are bound by it and so on.

Well, we are bound to provide the monies to the Federal Government pursuant to the contract that the previous administration entered into -- and I know that the honourable member wasn't part of that administration but some of his colleagues were -- we are honour bound, pursuant to that contract to pay to the Federal Crown the monies that they determine are necessary for the supply and equipment of an individual RCMP constable. They advised us from time to time what that amount is and there is a formula built into the contract which provides for an escalation to I think 50 percent ultimately. Now we are duty bound to pay the amount that is due under that contract to the Federal Crown, and then we in turn merely assign to the individual municipality or town the right that we have under that contract. So that's what we call an extension contract.

Now in 1971 we, the fiscal year 1971-72, we were advised by the Federal Justice Department as to the amount which we would have to budget for to provide for the cost of the RCMP personnel that we were being allocated pursuant to the formula with Ottawa, and we accordingly budgeted for that amount and we advised all those who had an extension contract what that amount was, in accordance with the information advised from Ottawa. That's only advice as to what we can expect will be the cost. It's not a formal binding contract per se. It's advice as to how much you budget for, and we in all honesty and integrity budgeted accordingly. Our estimates last year reflected that and in turn the budgets of the various cities, towns, municipalities that take advantage of the extension contract budgeted accordingly.

Well the Federal Government advised that they had made an error in their estimation, that they hadn't considered the substantial increase that was accorded to RCMP police personnel on a substantial wage adjustment that occurred in 1971; nor had they calculated for the increased cost of automobiles because of the elimination of fleet discount purchases and a number of other factors, and consequently they sent to us a revised cost of an individual police personnel budget, and instead of it being \$7,152 per man, it was \$8,210, and they said please send us the money. So we in turn just said to those to whom we had extended the right under that contract, please send us some money, because it's really a contract between the municipality or town, via the province with the Federal Crown. We extend to them the rights that we have and the obligations that we have and it's only fair that we do that.

MR. CHAIRMAN: The Honourable Member for Pembina.

MR. HENDERSON: Mr. Chairman, when we went into this contract at Manitou, we were told that that would be the total cost, \$5,152.00. We were not told that it would be any more. Now whether you made a deal with the Federal Government or not, or somebody made a mistake, if you did, I'd say it's between the province and the Federal Government. I don't think you have a right, after setting up a contract that's signed by both yourself and Mr. Weins, that you have a right to make a bill retroactive and come after a municipality or town for \$1,058, which is to some. It wasn't in 1970 when this contract was entered into, it was before that, and it was explained to us in detail at that time.

MR. CHAIRMAN: The Honourable Member for Sturgeon Creek.

MR. HENDERSON: Before you go on from it, I'd like an explanation. . .

MR. CHAIRMAN: The Honourable Member for Pembina.

MR. HENDERSON: I'd like an explanation from him. Does he really intend to try to collect this when it wasn't a part of the contract?

MR. CHAIRMAN: The Honourable Attorney-General.

MR. MACKLING: Mr. Chairman, I don't know whether at this stage I can definitively answer the honourable member. This is a cost to the province that was incurred legitimately for the expenditure and the provision of police services that were bargained with the towns and

(MR. MACKLING cont'd) municipalities with the Provincial Crown. Now whether or not we are going to be obliged to enforce the collection of that is something that I can't answer right now.

The money was legitimately charged by the Federal Government, we had to pay it and we think that the towns and municipalities should in turn, pay it, because those are the services that were provided under the contract.

MR. CHAIRMAN: The Honourable Member for Sturgeon Creek.

MR. FRANK JOHNSTON (Sturgeon Creek): Thank you, Mr. Chairman. Mr. Chairman, I'd like to just speak on this item - or ask the Attorney-General basically - this item of law enforcement. How much of these dollars and cents, the increase - can you give us the figures of how much more protection the Provincial Government is going to extend to the towns and municipalities under 500 population with this increase?

MR. MACKLING: Well, Mr. Chairman, part of the increased amount covers an increase of 18 police personnel for this fiscal year. I don't know whether the honourable member wants a listing of every area where police personnel are employed. That would take me a considerable amount of time and I don't know whether I have a definitive list as to where each detachment is located and how many men are in each detachment. But let me assure the honourable member that the police personnel that are budgeted for, 457 in 1971-72 and now 475 in this budget, are employed through the province on the general administration of justice. There is approximately -- excuse me, I'll just see if I can get the numbers -- approximately 24 police personnel of that figure of 475, plus another 4, there would be about 28 of those 475, the figure that I referred to you, would be police personnel on extension contract to towns, cities or municipalities that have an extension contract. The remaining balance are police employed in patrol of highways, employed in respect to investigation concerning all manner of crime, fraud, drug violations and so on; every aspect of excise and customs duty; every aspect of the policing of the laws within Manitoba.

They provide general police activities in all the undeveloped areas, remote areas, local government districts, in every community that has less than 500 persons population, that's a responsibility of the Province of Manitoba, and so the entire number devote their efforts to the general policing of the province. The increase of 18 personnel are taken up with increases to the drug squad, various rural detachments, one at Gillam for example, two at the International Airport, one in Rossburn, one in Dauphin, one in Falcon Beach, one in Thompson, one in Wabowden, one in Emerson, and four of the additional police personnel are for extension contracts with cities, towns, municipalities that have requested them. So there is an increase of 18 in actual personnel and the allocation of those 18 is as I have indicated.

Now if the honourable members want at some future date, I can give you the breakdown as to where all of the other 457 are located, but they are scattered in detachments right throughout the province.

MR. CHAIRMAN: The Honourable Member for Fort Garry.

MR. SHERMAN: Thank you, Mr. Chairman. Mr. Chairman, I would hope that my silence when the Attorney-General was speaking before the committee rose at 5:30 would not be misconstrued by him as reflecting anything other than courtesy. It should not be interpreted by the honourable gentleman as reflecting acquiescence in what he had to say at that time. I was interested in what he had to say and I wanted to give him a chance to say it and I wanted to hear it, but I return to the basic point, Mr. Chairman, that law enforcement costs are necessary of course, a necessary part of our social costs and that they are rising and that some serious attention has to be given to the discovery or development of a formula that will enable society in Manitoba to cope with that cost, to cope with that vital and necessary service, without continually overloading the taxpayer, and particularly that taxpayer who is bearing a heavy share of education costs.

Now perhaps the honourable gentleman does not think much of our proposed formula, of our proposed solution to the difficulty, but something is necessary and I would hope that he would agree that something is necessary. An increase in his appropriations on this item this year, Mr. Chairman, of 35 percent would indicate either that the Attorney-General has not conducted a search for the kind of solution to which I am referring or, that if he has conducted such a search he has so far been unsuccessful. I would ask him, Mr. Chairman, whether he cannot find and his department cannot find, and his colleagues in the government cannot find some way in which to tie the cost of police protection to real property ownership and to real

(MR. SHERMAN cont'd) property taxation; whether or not the answer does not lie in shifting that burden to the real property owner and the real property taxpayer, so that municipalities can raise their own taxes to finance their own police protection insofar as that is practical and possible.

As for the specific objections that the Attorney-General raised to the proposal we made, I would want and we would want time to study the technicalities that he raised in debate this afternoon and the opportunity to address ourselves to the problem further in consideration of these estimates possibly at the time when the votes on concurrence are before the committee, Sir.

MR. CHAIRMAN: The Honourable Attorney-General.

MR. MACKLING: Mr. Chairman, in answer to the Honourable Member from Fort Garry, I don't take as consent silence from the Opposition. Sometimes I take it as other things but certainly not always consent. Nor do I take an organized babble or outcry as necessarily full recognition of the logic that emanates from this side of the House either.

The honourable member has reiterated his position and he's put it on record, and I want to assure honourable members that the converse position has been argued to me consistently by those who have made representation to me in argument that the Attorney-General's budget should include more costs of the policing of the Province of Manitoba, and the argument has largely been thus: smaller communities haven't got the tax base upon which to justify the increasing costs of protection, and yet, in our age of tremendous mobility, smaller communities particularly within a reasonable radius of Winnipeg can be subjected to the incursions of lawlessness that are beyond the capacity of the local community to deal with, and the argument has been addressed vigorously to me that the province must assume much more of the costs of general law enforcement and relieve the municipality of these costs.

MR. CHAIRMAN: The Honourable Member for Swan River.

MR. JAMES H. BILTON (Swan River): Mr. Chairman, I just have a brief question I'd like to put to the Attorney-General. As I understand him, that there are 475 members of the Royal Canadian Mounted Police in Manitoba - that's the total number? -- (Interjection) -- There will be, and we are paying the total cost, or will be paying the total cost of that 475 members of the Force as I understand the Attorney-General. Just what is the Federal Government contributing toward the upkeep of those men, particularly when they have to enforce the Federal statutes throughout the province? What is their contribution toward those men being here in that they have this to do?

Another point that I'd like to have cleared up. He did mention that two of the eighteen that are going to be hired are to be out at the airport. I wonder why this is so when that is a Federal establishment? Why should the people of Manitoba have to pay for the safekeeping of that Federal establishment?

MR. CHAIRMAN: The Honourable Member for Roblin.

MR. J. WALLY MCKENZIE (Roblin): Well thank you, Mr. Chairman, I just have one brief comment to add to the remarks that have been already made by the Honourable Member to my left and that is with regard to the 35 percent increase which we are debating and discussing, you still haven't solved the Ethelbert problem or the Grandview problem, even though you have increased the expenditure and I think this is the real quarrel - that a village that has more than 500 people finds it just can't find the resources or the money to police its village, and whether we have to look at a formula of 1,000 people, or 1,200 people, I'm not certain what the figure should be but and I thought in this 35 percent increase that the Ethelbert problem and the Grandview problem would be resolved, but unfortunately they are not, and this of course is what we are trying to explain to the Honourable Minister.

MR. MACKLING: Well dealing first with the Honourable Member from Swan River. We are presently in the fiscal year 1971-72 paying for one-half the cost, one-half the cost of the salary of 457 RCMP personnel. When I say one-half, I stand to be corrected a few percentage points. I believe it is 47 percent of the salary of each individual police constable, the salary of a police constable with equipment and the ancillary needs is \$19,900 for each man.

In 1971 we were charged 47 percent of that cost or \$9,353.00. So the Federal Crown put up 53 percent of the cost of the police personnel that the Province of Manitoba hired pursuant to the contract that was entered into when he, I think was a member of the government, or at least on the government side.

Now that contract provides for an escalation in the percentage payable by the province up

(MR. MACKLING Cont'd) to a maximum of 50 percent for the fiscal year 1975-76 when the contract then will be renegotiated and I hope I'll be in a position to do that.

Now he asks about the airport. Well the airport, it's an international airport, but it's the joint responsibility of the province and the Federal Government and the City of Winnipeg and there is an undertaking in respect to policing, fire protection and so on because the Department of Transport, or at least the Federal Government, pays to the -- it used to pay to the City of St. James-Assiniboia and somewhat to the City of Winnipeg, grants in lieu of taxes to cover police protection, fire protection and all of the other services that any corporate taxpayer is entitled to. And one of the inputs that we make at the International Airport is some police services. Now presently the arrangements for policing the airport is a joint one. The City of Winnipeg, that is the Unicity Police, the City of St. James-Assiniboia Police and the RCMP, provide for security, surveillance, particularly of transient persons, some of whom from time to time can be, or are suspected to be, international criminals. And I don't have to remind honourable members that we're living in a very mobile age. We have people who practice their nefarious practices in a very sophisticated way and move by air and we in co-operation with the Federal Government and the local police forces, provide some input there at the International Airport. And the point is made, too, that this is our understanding of the general arrangement in every province of Canada that where there is an international airport facility there is some provincial and local police input. In -- (Interjection) -- I'm sorry I didn't hear that -- (Interjection) -- It happens to be in the City of St. James-Assiniboia and that I suppose -- that at least strikes a happy chord in the minds of some anyway.

The question about Ethelbert and Grandview: the Honourable Member from Roblin disagrees obviously with the Honourable Member from Fort Garry because if you want more police in Ethelbert and in Grandview then I've got to get more money in this budget to provide for more police and I can't cut this budget. I've got to find more dollars to hire more police for communities that are just over the 500 mark. The honourable member says why is it that if a village or community is 525 rather than 498, they shouldn't get police. Well there's been -- we didn't invent that line, I didn't. I inherited that, or we inherited that criteria from a previous administration and the honourable member may have reflected on it when he was on this side of the House. I think that in all honesty I have to admit that I don't know the particular logic of that argument and I frankly have indicated to my colleagues and others that we're going to have to look at that because as I've argued the communities with a very small tax base find it difficult to provide for the kind of law enforcement that they need. But if you argue that way, and I don't blame you for arguing that way, then you've got to provide more general government dollars to pay for it and not ask the small community of 525, or 550 or 600, or what have you, to pay out of their tax dollars for the policing that's necessary. And you can't have it both ways.

MR. CHAIRMAN: The Honourable Member for Swan River.

MR. BILTON: Mr. Chairman, just a brief comment and I'll sit down. And I appreciate what the Attorney-General has just told us. He tells us that's \$19,000 a year per man. The Town of Swan River, 4,000 people, we're paying in the neighbourhood, the last figure I had was something like \$40,000 for 4,000 people. Am I to tell the people that the province is putting up \$9,000 towards each and every one of those four men?

MR. CHAIRMAN: The Honourable Member for Roblin.

MR. McKENZIE: And let's -- to the Honourable Minister -- take a look at the Russell and the force that's in Russell and Roblin, there's likely, I don't know what, but there's a lot of men in both of those detachments and I'm sure they're not paying . . . the point the Honourable Member for Swan River raised that . . .

MR. MACKLING: Mr. Chairman, I thought that perhaps I had indicated that the \$19,900 covered salary, equipment and ancillary services. It wasn't salary alone. I did indicate that. It covers the training expenses of an individual constable, that has to be budgetted for by the Federal Government, and that goes into the cost of that policeman to us; the car that they operate, that's provided for; the uniforms, the communications equipment, where they employ aircraft walkie-talkies, other sophisticated communications equipment, that's all covered. All of the ancillary costs of the police function are demonstrated in a per personnel cost to the Crown, and that's what we pay for.

Now the Honourable Member from Roblin says well look at this community or that one they've got more police there. Well we operate detachments to service large areas of the province and for economy purposes we put police in detachments. We don't put one in a remote

(MR. MACKLING cont'd) situation. We put them in areas of the province where they have communications equipment and they police areas away from that point. They police highways in the smaller communities from that detachment, and the local community doesn't pay for those people who are policing outside of that urban unit. Only where they have an extension contract for the employment of those police personnel do they police the local community.

MR. CHAIRMAN: The Honourable Member for Fort Garry.

MR. SHERMAN: Mr. Chairman, at the risk of infringing upon the Committee's generosity I just have two more questions and then I'll resume my seat and I won't get up again. The first of them the Attorney-General may not particularly care to answer because he may think it's rethreshing old straw; the second one I think does deserve consideration by the Attorney-General. The first one is this: he has said you can't have it both ways. Well what I'm saying to him is that we're faced with a 35 percent increase this year, and there will be presumably no end to that kind of cycle, no end to that kind of continuing, expending, requirement, and what I'm asking him is whether or not there is some formula that can be applied that would enable the taxpayers of Manitoba to handle this expense to cope with it more realistically and to shift the burden in such a way that the municipalities themselves can rely to a greater extent on real property for it. Now there may not be a possibility of such a formula but then the alternative to that is a 35 percent increase next year, and another one the next year, and the next year, and so on. That's question one which the Attorney-General may wish to dismiss.

Question number two: he has said that the increase in the budget which is \$1.18 million or approximately 35 percent, is reflected in part by the addition of eighteen RCMP constables, 18 new RCMP constables, I believe that's right. What I would like to ask him is, to what extent does that increase reflect the intention of the government to provide more funds to municipalities to meet the costs of police?

MR. CHAIRMAN: The Honourable Attorney-General.

MR. MACKLING: Well, Mr. Chairman, the honourable member goes back on the question that, or on the formula he proposed, and I hear "passed" being called -- with respect I have to defer from passing immediately. He points out the problem of the escalating cost of providing services to people. But that's reflected in every aspect of our society, whether it be in law enforcement, education, health and welfare, the cost of processing legislation, the cost of maintenance of these facilities, everything seems to have a built in momentum. But we're living in a society where there is far more demand for law enforcement and for effective protection, and I shudder to think of what the demands are going to be in the future because we're living in a much more permissive society; we're living in a society where there's much more confrontations, much more alcoholic disease, much more drug addiction, much more violent crimes. And I can't forecast to the honourable member that we're going to be able to shift this somewhere and get more equity. Because there is an easy end. The answer that he proposed was to shift it away from the consolidated revenue -- the cost of the consolidated revenues of the province, and put it in respect to the local government which will tax for it, and you'll relieve them of certain taxes in other ways. But I say that that isn't going to assist in any material sense the local governments that are faced with this cost.

Now in respect to the other matter that he raised -- I'm just looking for my note on that -- I thought I had it here somewhere, the other -- I'm sorry I lost my note on the other point that you raised.

MR. CHAIRMAN: The Honourable Member for Fort Garry.

MR. SHERMAN: It was the question, Mr. Chairman, of the -- to what extent does the increase reflect the provision of more funds to municipalities?

MR. CHAIRMAN: The Honourable Attorney-General.

MR. MACKLING: The extent that the increase does mean more police protection for communities under 500 in population as indicated in the new personnel that -- in areas where I indicated. There will be as a natural consequence of having more police personnel in Gillam, more police protection for that area. Similarly in respect to Rossburn and Dauphin. It's highway patrol but there's another policeman in that community, in that area. Falcon Beach, Thompson, the rural detachment -- that doesn't cover the Town of Thompson who employ police personnel under an extension contract, but in the rural area -- Wabowden, Emerson, and in those areas there will be an increase of law enforcement at no cost to the municipalities in those areas.

MR. CHAIRMAN: (Resolutions 28 and 29 were read section by section and passed.)

(MR. CHAIRMAN cont'd)

That completes the estimates of the Department of the Attorney-General.

Department of Consumer, Corporate and Internal Services. On Page 115, on Page 15, pardon me. Resolution 42 (a) -- The Honourable Attorney-General.

MR. MACKLING: Mr. Chairman, it is with delight that I take my feet to now introduce the estimates of the -- my colleague the Minister of Consumer, Corporate and Internal Services. I speak now with a different hat on and, Mr. Chairman, before going into a detailed consideration of the estimates of this department I thought that in a general way I would cover some of the activities of the past year, And some of the points that hopefully will be further developed during consideration of specific appropriations within the Department.

By way of over-all comment I should like to say that there has been a high and effective level of activity in all branches making up this varied department and the volume of this activity has been increasing. This increasing workload will in part be met by some very modest additions to the staff of a few of the branches and partly by even larger demands upon the existing staff. It is my intention, if I can hear myself think, Mr. Chairman, . . .

MR. CHAIRMAN: The Honourable Attorney-General.

A MEMBER: That's the opinion of one honourable member.

MR. CHAIRMAN: Order please.

MR. MACKLING: It is my intention in these opening remarks to deal principally with the Consumers' Bureau, with its responsibility for the administration both of the Consumer Protection Act and the Landlord and Tenant Act. Consequently, Mr. Chairman, my remarks respecting some of the other branches will be brief and will be dealt with first.

With respect to the operations of the Queen's Printer, honourable members are aware, Mr. Chairman, of the major physical reorganization of the premises of the Queen's Printer. This office now is established in large newly completed quarters in the basement of the old Civic Auditorium, or to give it its appropriate correct title, the Provincial Library and Archives Building. Some members have expressed concern about alleged delays in getting out updated statutes. I have looked into this matter and new procedures have been devised. The method to be used from now on is simply this: the Queen's Printer will mail copies of all bills passed by the Legislature once Royal Assent is given to all subscribers of the continuing updating of statute service. The updated pages for the consolidated statutes will then follow as quickly as they can be annotated and printed. The estimates of my budget contain provision for additional staff to speed up the annotating and printing. I know that's a terrible thing, this increase in the staff of the civil service but I deem it necessary, and we deem it necessary to provide a more effective service.

I should also, Mr. Chairman, perhaps be remiss if I didn't point out that the sheer volume of the major progressive legislation in the past three sessions has placed additional heavy demand on this service. I think the honourable members opposite will agree even though they say "now, now", the Queen's Printer, the Queen's Printer's duties with respect to the placement of printing orders with Manitoba firms continues to remain substantially the same, and I trust that the Honourable Member from Swan River is listening as well as talking because I think he has some interest in this matter. I will reiterate, I will reiterate for his benefit and his alone, Mr. Chairman, that the Queen's Printer's duties with respect to the placement of printing orders with Manitoba firms continues to remain substantially the same despite some public commentary to the contrary. As in the past each printing order valued at \$200.00 and more will be put up to tender and the contract will be awarded in the usual way to the lowest bidder who can satisfy the Queen's Printer that he can do the job. In those cases where the successful tender is a union shop we instruct that the union label be shown. Orders under \$200.00 continue to be allocated as in the past by the Queen's Printer. There is no change in procedure except that the Minister of the Department requesting the printing order shall concur in the proposed allocation.

Now dealing with the Purchasing Bureau, Mr. Chairman. We are planning additional staff, and I say that with all due respect and with all due deference to considerations for the growth in the civil service. But let me explain. We are planning additional staff as well for the Central Purchasing Bureau because of the heavy increase in workload. Both additional demands by line departments and the introduction of new programs, such as the rural water and sewage plans, regional secondary schools and winter employment programs have contributed to the increase. Perhaps the most dramatic statistic I can use by way of explanation is the

(MR. MACKLING cont'd) preparation of bid invitation. In 1968-69 there were 65,000 such bid invitations. For the current fiscal year we estimate 132,000, more than twice as many. The value of the final purchase orders placed also has risen substantially, almost 50 percent from 18.2 million '68-'69 to an estimated 26.8 million for this fiscal year.

I should also like to inform the members that in keeping with our policy of open government it is our intention to make public on a continuing basis the firms with whom orders for major purchases were placed by this bureau. As total purchase orders now run around 24 thousand a year, we are currently determining what is a reasonable basic dollar value of purchase orders that we would use in our public reporting system as well as the most efficient means of extracting the information from this huge volume of material.

MR. CHAIRMAN: If we could have a bit less noise in the Chamber. It's very difficult for the Chair to hear what is going on. I seem to be getting a continual babble from all sides of the House. The Honourable Attorney-General.

MR. MACKLING: Thank you, Mr. Chairman. Mr. Chairman, in respect to the Securities Commission, in the Throne Speech reference was made to the continuing high level of primary distribution of securities to investors in Manitoba. As well the volume of prospectuses -- I don't know whether that might be prospects -- analyzed and cleared by the Manitoba Security Commission in the 1971 calendar year end was more than 13 percent, was up more than 13 percent from the year previous. To facilitate the clearance of national securities issues, the Securities Commissions of all provinces of Canada, except Nova Scotia and Newfoundland formulated a procedure whereby a single commission can act as the principal jurisdiction to co-ordinate the requirements of all of the participating regulatory agencies. The underwriters of the financial community have found the new facility a great convenience and have made much use of it since the province has introduced it in April of last year. A number of additional joint policies have since been adopted by the Commissions. The conception and implementation of these national policies represent a most successful and encouraging example of what can be achieved by active inter-provincial cooperation.

Mr. Chairman, turning to the Consumers Bureau, one of the most encouraging developments within the Consumers Bureau is the increasing use that Manitobans are making of it. This reflects both the need and acceptance of such a service, as well as the ability of the bureau to meet the demands made upon it. It administers legislation designed to correct imbalances in buyer-seller, borrower-lender, and landlord and tenant transactions. The Bureau has developed a proficiency in this area of human concern and thus been enabled to correct a considerable number of consumer and tenancy problems.

The volume increase in most areas of activity in the past year is up over 100 percent. For example in the first 11 months of this fiscal year, up till February 29th, 1972, the bureau handled over 50,000 phone calls, 49,930 to be precise. More than twice the 23,414 recorded in the ten months from its start on June 1st, 1970 until March 31, 1971. Office interviews as well rose from 799 in the final five months of the previous fiscal year to almost three times as many -- 2,235 in the present year. Furthermore, matters have been dealt with expeditiously. Of some 2,300 complaints processed in the past year, one thousand eight hundred fifty-six have been closed and 444 are still in process. Apart from the closed complaints, which were disposed of by the bureau, a total of 29 prosecutions were filed. Of these, 23 were filed under the Consumer Protection Act. Three of these cases were stayed. Warrants were issued in two other cases, and there were 15 convictions and three are pending. In addition, three cases were referred to Winnipeg City Police for fraud charges. Under the Landlord and Tenant Act six prosecutions were filed and all six persons were convicted.

It may be of interest to the honourable members to learn that the number of complaints under the two Acts is approximately equal and that the geographical source of complaints is about two-thirds from the City of Winnipeg and one-third from other areas of the province. In recent months, the volume of complaints from outside Winnipeg has been increasing and this is attributed to the Consumer Services officers field trips and to the acceptance of collect long distance station to station calls to the Bureau from any point in the province. The latter process was started in September 1971 and since that time, 437 calls have been received. Some of these were to request information but many of them were complaints requiring attention.

The number of licenses issued under the Consumer Protection Act is increasing and the amendments to enable control of pyramid selling have created additional workload. Nevertheless, they have been generally effective and it is expected that Manitobans will not suffer losses

(MR. MACKLING cont'd) through investment in pyramid marketing schemes as they have in the past. In one isolated instance, it was found that a person had made an investment with an unlicensed vendor and it is doubtful if any recovery can be made as the vendor has left the province. It is intended therefore to publicize the hazard of such investment so that people will know the requirements of the Act and be forewarned. I would like to record that the Consumers Bureau in its licensing program benefit greatly from liaison with the Better Business Bureau and municipal offices. The cooperation extended from these sources is commendable and highly valuable.

The information and education program is proceeding with greatest emphasis being placed on development and circulation of the Landlord and Tenant pamphlet which was printed during the past year. I will ask the pages in the next hours or tomorrow, if the case may be, to distribute copies -- oh they're here -- to distribute copies to the members. Ninety thousand of these pamphlets have been circulated throughout the province and further effort is being made to place them in the hands of all interested persons. Approximately 40,000 additional copies of the Consumer Protection pamphlet have also been circulated this year. Bureau officers continue to make field trips throughout the province to extend the information program as widely as possible and to make the services of the Bureau known and available to all residents in and outside of Winnipeg. Awareness is increasing as evidenced by the increases in complaints and calls.

The functions of the office of the Rentalsman and the function of the Consumers Bureau established under the Consumer Protection Act are identical in that their responsibilities are: (a) to receive investigate and mediate complaints about suspected breaches of the respective Acts; (b) to investigate actual breaches of the Act and take such action as may appear appropriate; (c) to disseminate information about the provisions of the Acts in the widest and most effective manner; and, (d) to generally supervise operations of the Acts.

In fulfilling the responsibilities of the Consumers Bureau, Consumer Services officers have made field trips into all urban and rural areas of the province. At the time the office of the Rentalsman was established, it was decided that this responsibility should be integrated with that of the Consumers Bureau to avoid, and I want to underline this, particularly for the honourable members of the Opposition, to avoid unnecessary staff expansion and to provide the desired service most expeditiously and economically. Mr. Chairman, we believe in getting the most out of our dollar and developing systems to work in integration so far as possible. It was considered practical that while the officers were servicing a territory under the Consumer Protection Act, they could also extend the service of the Rentalsman in the same territory at the same time. This has enabled effective delivery of the desired service without establishing an entirely new branch. It would have been the easiest thing in the world, Mr. Chairman, to have established separate administrative bureaucracies for each section but we considered that kind of expense something we must avoid and try to maximize the benefits of individual personnel who are doing similar functions, and that is what we have been doing in the operations of this department.

Because of the innovative nature of the statutes, it has been difficult to forecast demand for service and the staff required to provide it adequately. Accordingly, the staff has been increased only as sustained demand warranted. And I know there'll be honourable members who will say that we haven't staffed enough; and I know that there may be members on our side of the House who want to see more of an outreach, more of an investigative process rather than on a reliance on complaint orientation. On the other hand, there are others who want to see government only respond to complaints and have no outreach capacity, no educational capacity.

In these Estimates, we are making provision for three junior consumer services officers as well as one additional senior consumer services officer. The senior officer will provide direct support to the Rentalsman and Deputy Rentalsman in handling arbitration. The junior consumer services officer - officer's responsibilities are primarily those of handling telephone enquiries, certain office interviews, and some complaints thus freeing the senior officers from closely confined office work so that they are freer to conduct necessary investigations, detailed handling of complaints and extension of the consumer and education program. This staff increase is modest in view of the developing volume of demand for service in the areas of both consumer protection and administration of the Landlord and Teant Act.

With additional staff, greater effectiveness will be attainable. Greater emphasis will be

(MR. MACKLING cont'd) placed on the information and education program so that people will be more alert to the rights, responsibilities, and remedies in all types of transactions thus they will be better able to bargain more effectively on their own behalf.

Mr. Chairman, I have a number of other general comments that I could address to members at this stage, particularly in respect to particular areas of activity that are the responsibility of this branch of government. But I hesitate to go into much more detail in general commentary about the problems and of the ever-increasing complexity of consumer legislation and the necessity of flexibility and awareness to meet those problems.

I hope at some other occasion either later on, probably not tonight, but in the days ahead, to say much more about the problems of pyramid selling and the attempts that we have been making within the branch to meet this problem.

I think also, Mr. Chairman, that honourable members may wish more detail in respect to the work of the Rentalsman and I hope to be able to provide further specific commentary about that program but I think at this stage that I will confine my general remarks to those that I've made at this stage.

MR. CHAIRMAN: Resolution 42 (a). The Honourable Member for Sturgeon Creek.

MR. F. JOHNSTON: Thank you, Mr. Chairman. I intend to be brief on the general remarks and I thank the Minister for his explanation of the Consumer and Corporate and Internal Services Estimates, and I assure him we will be asking many questions on the different sections of the Estimates as he said. He would be able to comment more in detail on the activities of the Consumers Bureau, Public Information Services and Purchasing Bureau, etc.

It's very nice to know that when you first stand up and talk on the Minister's Estimates that you know that you're going to have \$15,600 saved immediately because - or at least unless there is a - the Minister of Consumer and Corporate Affairs chosen or appointed half way through this fiscal year -- at the present time we have the \$15,600 in there and I know that the Estimates are not drawn upon if they're not needed but it looks as if we've got a saving right here already. I assure you that this cannot be kept for the fun times or distributed among other ministers and what have you. --(Interjection)-- Yeah. And also that I certainly don't think the Attorney-General would like to have the two salaries; he likes the work but I'm sure he doesn't want the salary.

The Consumer and Corporate Estimates are basically again, Mr. Chairman, an indication of increases in bureaus that the government apparently feels are absolutely a necessity for having an increase in staff. All of these bureaus have worked through the past fiscal years but the increase this year on all these estimates is just a little bit far-reaching. The operation of all these bureaus hasn't changed the life of the people of Manitobans all that much, and I assure you that this year when taxes are as high as they are all over this particular section is another indication of just not really holding the line as much as you could have.

And, Mr. Chairman, I would but look forward to the Attorney-General giving us more detailed explanation on the number of people that have been hired in the different departments of these estimates, and I don't know that we'll have all that much time to do it tonight, but there are many questions I'm sure are going to be asked on this side.

I'd like to thank the Attorney-General again for his explanations and just repeat again that again we have a situation where we have a lot of fat in a budget and I think there could have been some line-holding in this particular area.

MR. CHAIRMAN: The Honourable Member for Lakeside.

MR. ENNS: Mr. Chairman, there are others within the party that will be making more specific examination of the Estimates but I am intrigued with the - just for a moment with the piece of literature that was just handed out by the Attorney-General and two questions come to mind.

First of all I wonder if in replying, after more questions no doubt from this side, would the Attorney-General give us his reasons for discriminating that - the discrimination that he exercised when only 90,000 Manitobans were favoured with his photograph and the particular message contained therein. I'm sure most Manitobans would have liked to have seen his photograph. And secondly, the real question is, I see no union label marked on the pamphlet that has been distributed and I had assumed particularly the rural press is very well aware, because of course it means jobs for the small printers throughout rural Manitoba who have been arbitrarily cut off from that source of employment and . . . jobs in rural Manitoba because unfortunately the number of staff involved usually, or up to now, has not led organized labour to make a serious attempt at organizing them, or, as I may also -- perhaps the other alternative

(MR. ENNS cont'd) may also well be, that the working conditions are such that the employees did not feel themselves compelled to see the necessity for organization under organized union shops. But the fact of the matter is that the government has made it quite clear in a previous press release that all government printing above a certain amount, I believe, in all fairness --(Interjection)-- well I'm all wrong. Well in either event. Philosophically I know that I am right, because philosophically I know the intent of the government opposite and that is to certainly patronize those who they feel they are philosophically compelled to patronize, and that is the question of the union shop; and as the Attorney-General indicated 90,000 leaflets printed, I would rather consider that I would expect to see a union label on it somewhere, particularly when I am apprised that my leader has his calling cards printed with a union label on it, so that I would suspect that perhaps there was an oversight here, and the Attorney-General may well choose to explain.

This particular piece of literature is but the first, Mr. Chairman, that undoubtedly will make its appearance. The Minister of Agriculture has also a very nice piece of literature distributed throughout the width and breadth of this province with their first page devoted to himself and his picture. I suppose that as we unravel, as we proceed with the other estimates, successive ministers will indicate how wisely they have spent the taxpayers of Manitoba in furthering you know their particular publicity about themselves. Thank you.

MR. CHAIRMAN: The Honourable Minister of Finance.

MR. CHERNIACK: . . . the Honourable Member permit a question? Does he deplore the fact that there is a union label on this piece of literature?

MR. ENNS: I deplore the fact that it's absent.

MR. CHAIRMAN: Resolution 42 (a). The Honourable Member for Rhineland.

MR. FROESE: Mr. Chairman, . . .

MR. CHAIRMAN: Order please. The Honourable Member for Rhineland.

MR. FROESE: Mr. Chairman, I think there is only one minute left however, maybe if I sat down, maybe we could pass these estimates tonight but in looking over the estimates, I find a matter of Public Information Services going up \$50,000. I'm just wondering where we're -- who's exercising thrift, or is this part of the government's election expense?

I notice that when these brochures come out, they make reference to Ministers only. So then the other day I read in the Tribune where the Minister of Public Works had hired a special assistant to work in his own constituency at a cost of some \$9,000.00. All this, in my opinion, this all adds up to one thing that the government is certainly furthering its own. I was interested in the Minister's remarks, opening remarks, especially . . .

MR. CHAIRMAN: The hour being 9:00 o'clock and in accordance with our House Rules, the last hour of each day will be Private Members' Hour. I move that committee rise and report. Call in the Speaker.

IN SESSION

MR. CHAIRMAN: Mr. Speaker, the committee of Supply has adopted certain resolutions and has directed me to ask leave to sit again.

MR. SPEAKER: The Honourable Member for Logan.

MR. JENKINS: Mr. Speaker, I beg to move, seconded by the Honourable Member for St. George, 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: According to the Private Members' Hour Tuesday night is Private Bills, Public Bills from private members - Private Members' Resolutions. Not having the first two, we go to Private Members' Resolutions.

On the proposed motion of the Honourable Member for Sturgeon Creek. The Honourable Member for Sturgeon Creek.

MR. F. JOHNSTON: Thank you, Mr. Speaker, I would like to move, seconded by the Member from Gladstone, -

WHEREAS pensioners are most vulnerable to the increasing burden of rising price and tax levels, and

WHEREAS in respect of pensioners the imposition of real property taxes for the purpose of paying education costs conforms to neither the "benefit" nor the "ability-to-pay" principles

(MR. F. JOHNSTON cont'd) of taxation.

THEREFORE BE IT RESOLVED that this Assembly consider the advisability of exempting residences owned and occupied by pensioners from the burden of education taxes.

MR. SPEAKER presented the motion. The Honourable Member for Sturgeon Creek.

MR. F. JOHNSTON: Mr. Speaker, the resolution before the House at the present time is what I would say is almost a situation of emergency. It is desirable, and I know all the honourable members of this House want to see the education cost taken from real taxes, and it is desirable as I said that the government would move towards that but, Mr. Speaker, the people in this resolution, or the people that this resolution refers to, are a group of people who are basically all on fixed incomes. Many of them are living on their pensions which have been decided many years ago, or they're living on pensions or supplements from government, and of course the Old Age Pension, but it all boils down again, that it is very fixed income. And certainly the cost of education is rising percentage-wise much more than the income of these pensioners, and the people that are living in these homes are people that have had them for a long time; they really don't want to move; they are not people who bitterly complain; in fact they are not even looking to moving into new public housing, etc., in many cases. They are people who are just saying to the government, for heaven's sakes, give us the opportunity to live in our houses. The imposition of the school tax on these people is getting to be a burden that they cannot carry much longer.

Now, Mr. Speaker, there's a previous resolution in this House regarding the education taxes on farm property, productive land, and this is just another move that the government could be making at the present time, and should be making at the present time, to start to take the burden of education taxes off those who do not really, or should not really have them on their shoulders. Mr. Speaker, on the Estimates that I have, and I'm sure that they are very close to being correct, is that to do this to the people, the pensioners living in their own homes at the present time, would cost approximately \$5 million, and that figure is really in the neighbourhood of one percent of this year's budget.

And I don't propose tax shifts, Mr. Speaker, when I am talking of asking the government to make this shift. What I would really be proposing is that the excess fat, as we have said, in the present Estimates before us can be trimmed to do something for the old age pensioner living in these houses. One percent of a \$575 million budget, and when we look at the excess of Boards, Commissions and increases in salaries, etc., throughout the Estimates, there's no doubt it can be found.

Mr. Speaker, the program that the government had for old age pensioners to upgrade their homes, etc., wasn't, I understand -- in fact I know of many cases where it wasn't that well received, and they wondered why it wasn't working at all well, but it's very obvious why the response from the old age pensioners wasn't that great. Again they have lived in these homes for a long time. They weren't really interested in having somebody come along and tear the house apart, or put it together, and put it together again, and have painters in in the winter time, so they really didn't respond to that which is an indication of -- these people are really happy. They enjoy their gardens. They enjoy the surroundings that they've lived in for a long time. They enjoy the families coming home to visit, and what they really enjoy is to be able to know that they can stay in this home without being taxed-out of it. Now using the words taxed-out of it is very strong, but that's really what is happening. If the education costs are going to continue spiralling as they are at the present time --(Interjection)-- well we might do something with them, but the spiralling at the present time -- these people deserve a break when it will only cost approximately one percent of the budget which has a lot of access in it.

These people have also raised their families and paid a lot towards education already. Certainly the argument can be put forth that there are families with several children who are struggling and have to pay education tax, and what do we do about them? And what we do about them should be done in the very near future by making a further shift in education taxes. But at the present time, Mr. Speaker, the government with the two resolutions before them, the one that is presently on the Paper which will be coming back, is one immediate area where we can give relief in the rural areas. This resolution will give relief in rural areas where people have their small homes in towns, and would also give relief in the cities where people want to continue to maintain their way of life.

Mr. Speaker, I have pretty well outlined what this resolution means and I use the word means. It means that people who presently have been living in this Province of Manitoba for

(MR. F. JOHNSTON cont'd) a long time, have paid a lot of taxes, and are on fixed incomes, will have the opportunity to stay in these homes without having a burden of tax placed upon them which is continually spiralling at a percentage much higher than the rate of their income, and the increased rate of their income is strictly on the basis of what the Federal Government or Provincial Governments decide to extend to them.

So, Mr. Speaker, I know that there will be many comments on this resolution. It is a move in the right direction. It's a move that should be taken right now if we cannot pay more than 75 percent of the education from the provincial funds at the present time, this is a move that can be made right now. It's a move as I say will cost only one percent of this large budget we have in front of us and, Mr. Speaker, I would say this, given the opportunity, if I couldn't find \$5 million worth of excess fat in here to help old age pensioners, I'd be very surprised. Thank you very much.

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

MR. JAMES WALDING (St. Vital): Thank you, Mr. Speaker. As a fairly new and a novice MLA I look to other members of this Assembly with some envy and admiration at the way some members can stand up and speak for 20 minutes or 40 minutes without saying on which side of the argument they're speaking, or which side they're prepared to take. But I rise to oppose this resolution, Mr. Speaker, and no doubt when I say that, the Member for Sturgeon Creek and every other member on that side is asking himself, well doesn't the Member of St. Vital realize the voting power of old age pensioners in this province, or doesn't the Member of St. Vital have any old age pensioners in his constituency? -- and he does he has a lot. And hasn't the Member of St. Vital ever heard of Pensioners Concern Canada, a very active pressure group for the rights and the benefits of old age pensioners? Now just to set the mind of the Member of Sturgeon Creek, and anyone else, at rest, what I'm rising to oppose is not the sentiments expressed by the Member for Sturgeon Creek but the resolution we have before us. For the resolution says in part that it would give assistance to pensioners. Now it doesn't say old age pensioners, and it doesn't say, low income old age pensioners. It simply says pensioners. And then it does not take into consideration those persons in this province receiving a pension who are presently gainfully employed, or who might be earning more than any of us in this Chamber. --(Interjection)-- I'll come to him in a moment.

MR. SPEAKER: Order please.

MR. WALDING: On making a few enquiries, Mr. Speaker, I find that members of the Civil Service might resign at the age of 55 and receive a pension and be quite entitled to seek other employment and draw both their pension and the salary. I find that checking with the Armed Forces that an enlisted man might retire as early as the age of 37 with a pension, that officers come under the category of compulsory retirement as early as 43.

I find that this Assembly passed an Act a few years ago granting pensions to ex-MLA's, subject to certain conditions. They might receive up to 70 percent of the average for the past ten years, and I'm told that at a maximum this will run to over \$300.00.

I have one further example for members. One of our members of this Assembly, presently a Cabinet Minister, has retired from his previous position and he is drawing a pension and also his Cabinet Minister's salary. --(Interjection)-- Well I won't name him, Mr. Speaker, but I understand he's the leader of the House. --(Interjections)-- The Member for Sturgeon Creek apparently would like to exempt all of these people from paying education taxes on their homes.

That's exactly what the resolution says, Mr. Speaker, and further has he considered all those others who might be in similar situations to those low income pensioners. Has he considered for example the disabled who are unable to work; has he considered those unemployed unable to find work; has he considered the divorced, the separated, the widowed? Has he considered those who would be hurt probably the worst of all, the working poor? And I did just a little bit of quick arithmetic early on and I find that at the minimum wage of \$1.65 an hour for 44 weeks -- 44 hours in a week, and 52 weeks in a year, it comes to \$3,775.00. For a man earning that sort of money, supporting a wife and children, surely he is just as deserving of the sort of benefits the Member for Sturgeon Creek would give, as any pensioner would do.

MR. PAULLEY: See how stupid you are?

MR. SPEAKER: Order please.

MR. WALDING: The citizens of St. Vital and St. Boniface in an attempt to do something along the same lines as this resolution suggests, introduced similar measures over the last

(MR. WALDING cont'd) year or so and subject to certain provisions, such as 15 years residency in the city - this is by St. Boniface - and as long as that person is over the age of 65 and drawing the supplementary income, supplementary pension, then he was allowed a certain rebate on his education taxes. Now this was a help, Mr. Speaker, and there were many old age pensioners who fitted into that category who were most grateful for it. But it did nothing for those whose residency in that city was so short as to disqualify them, and it did nothing for those who were just under the retirement age. It also did nothing for those who did not own their own homes, for those who were tenants, who lived in apartments, or who rented a room or two, in just as much need as the house owner.

I'd like to move on now to the second Whereas, where the Member for Sturgeon Creek is concerned about benefit taxes. And here I suggest that the Member for Sturgeon Creek would have us adopt a principle that I'm sure he has not thought thoroughly. For the argument . . .

MR. SPEAKER: Order please. Would the honourable member put out his cigarette. The Honourable Member for St. Vital.

MR. WALDING: For the argument that has been made in the past, Mr. Speaker, and with some validity, that senior citizens having lived in the province for a great number of years and paid their taxes sent their children to school and seen them pass through the educational system, have in fact paid their debt to society as far as education is concerned. The argument goes that why should they be prepared to pay further and for other people's children? Now it has long been held as a very firm principle, not only in Manitoba but throughout Canada, and most of the western world, that education benefits the whole of society and should be paid for by the whole of society, for education produces and trains those people who will produce the goods and services for us all; that it will produce the doctors and builds the nursing homes and provide all of the services particularly, not particularly, including those for old age pensioners.

The Member for Sturgeon Creek would presumably have us adopt a different principle that by saying to old age pensioners, you are excused paying education taxes leaves the way open for those people who have had no children, or have not yet had children, to also claim the same benefit. Those married couples without children, the single people, should be able to claim by the same token that they should not pay education taxes. And if we take that theory one step further, we would find that the people, parents with one child would say they should pay only half as much as those with two children or that the people with six children should pay six times as much. Now what does this do to the ability to pay principle of taxation the Member for Sturgeon Creek presumably supports by this? It says that a young couple with no children who are married, both working, presumably both bringing in a salary, have a great deal of ability to pay. When the first child comes along and adds to the household expenses, and the amount coming into the household declines, their ability to pay declines. As further children come along, so their ability to pay declines yet, but this apparently is what the Member for Sturgeon Creek is asking us to accept, that we accept the benefit the principle of taxation. And if he looks puzzled I suggest to him that it's because he has not thought through his resolution thoroughly enough.

If he really is sincere about wishing to help old age pensioners, and those with disabilities, and the widows, and the working poor, I suggest that he look toward those measures that this government has already brought in that he look to the reduction in the Medicare premium; that he look to the education tax reduction Act that we brought in last year, and this is the sort of measure, Mr. Speaker, that benefits all of our residents and not just those he lumps as pensioners. For that measure applies to all householders, and this was specifically written into the bill, all tenants as well.

The Throne Speech has indicated that this principle will be extended during this coming session, and I would look forward confidently to the support from the Member from Sturgeon Creek for this measure.

MR. SPEAKER: The Honourable Member for Assiniboia.

MR. PATRICK: Mr. Speaker, I rise to make my few brief comments on this resolution. I rise to support it and if it's so hard for the Member for St. Vital to support, I will ask my colleague to make an amendment to it and make it very easy for him to support it, very easy. Because he must remember --(Interjection)-- well anyone, they'll move an amendment. He must remember real well that there was a resolution before this House last session, that I asked this government to exempt the first \$2 thousand of assessment on a home that's lived in

(MR. PATRICK cont'd) . . . by a senior citizen receiving old age pension and receiving a supplement. That's what I asked, receiving a supplement, I did not ask for universality. And what did this government do? Nothing. That's right. That's right. The \$50.00 is just keeping, holding the line because of the increased assessments in the municipalities, that's all its doing. It's holding the line from taxes any higher but well, what of the increased mill rates, that's right. But you really haven't come to grips with the problem for the senior citizen, and you haven't. Not only did I have this resolution before this House for the last session I had it - not this same one, but almost --(Interjection)-- yes it is, yes it is.

MR. SPEAKER: Order please.

MR. PATRICK: I've had it here for six years. I had it in this House even when the former administration were in power, and I had it the first year that this administration came in, and every single member voted for it, and I say that's so difficult to exempt total universal - to exempt all people at age 65 exempt them from education tax, and it may have some merit. The honourable member, or the Member for Sturgeon Creek, I think it may have some merit in it because these people have paid tax all their lives, and they made a great contribution. These were the pioneers that built this country and maybe they should be given some consideration, maybe not total. But I'll tell you there's a way that you can do this. If you don't believe in removing the total education tax of the property owner for the senior citizen, perhaps you can exempt the first, not \$2,000 which would have removed about \$100 of education tax, exempt \$5000, exempt \$5000. So what will you do? You will probably help the ones that are on low incomes, the ones that are living in homes that are not extravagant, and the ones that are living in thirty or forty or fifty thousand dollar homes and can afford it, then they'll have to pay their share. So what I'm saying, exempt the first \$5000 or exempt the first \$2000 if you don't like what's proposed here. But what you have said, what the Honourable Member for St. Vital has told us, we have nothing to offer to our senior citizens. We are not interested because there's other people that are on low income, and I agree with him there are other people on low income, but, Mr. Speaker, our senior citizens are in dire need. I have from personal experience, I've talked to many of them, and every municipality before the total amalgamation two years ago, or a year ago, every single municipality, every council, has said to the government, give us the power to exempt some \$2000 or \$3000 of assessment for senior citizens and it should come from the general revenue from the government to replace that revenue so we don't destroy the total revenue. Every single one - every single municipality have asked for that, so they are familiar, they work close to these people, they work close to the senior citizen, they knew what they were talking about. So there was a need, and this government had an opportunity. What disturbs me, Mr. Speaker, that the Honourable Member for St. Vital he should have got together with the Minister of Higher Education because the Minister a few years ago --(Interjection)-- Well what's - colleges and education. The Minister when he sat on this side, you know he proposed an exemption for every single one on universal basis, for everybody in the whole province, and it was in every pamphlet during the 1969 election that he would exempt \$2000, which meant, of 25 to 30 million dollars, 25 to 30 million dollars. I don't know if I . . . collect, I don't think I did, I don't think I did. That's the same year that I presented a resolution to this House and I said look, there's people that need, and my program the one that I was requesting the government cost \$900,000, not even a million dollars, not even a million dollars, because I went and got the figures and I said for those only who are receiving a supplement already, and need was established, and surely the government can find \$900,000, or a million dollars for these people, because these are the people that have made many sacrifices through all their lives, have saved money to be able to retire in their own homes, and at the present time they can't do it because the education in many instances is forcing them out.

And all you have to do -- I have a slip of paper here from I believe it was St. James, one alderman appealed and he says, how many people that have appealed to the council there -- an 83 year old St. James-Assiniboia resident. The elderly citizen asked for assistance in regards to school tax portion of her tax bill. "I would like to see a more positive attitude taken towards this request", said the alderman when council accepted its Finance Committee's recommendation calling for help for the elderly from the Provincial Government. And this has taken place almost in every council in Greater Winnipeg municipalities a couple of years ago and three years ago and it wasn't us that were saying make it universal.

When I was -- as I said I'm going back as far as five and six years ago, I've requested

(MR. PATRICK cont'd) this same thing every year and the government the first year in 1969 unanimously voted for that resolution and nothing has happened, nothing has happened so I wish that the Member for St. Vital would have checked with the Minister of Colleges and Universities when he sat on this side and asked for every single one, exemption for everybody, which was the amount of money that couldn't have been generated quickly from any type of revenue because it would have required \$25 million. What we're suggesting or what I suggested for many years and what you voted for three years ago, was asking for \$900,000, and even government is not prepared to proceed because from the remarks that I heard from the Honourable - from the Member from St. Vital is an indication to me that he feels there is no need at the present time for our senior citizens, and I beg to differ with the honourable member. I think there is a great need and I've had - in many instances people have come, discussed it with me, . . . talked about it, and say look we have to sell our property, we cannot keep the renovations the tax and the upkeep and again it isn't sometimes too difficult when the two elderly people are alive but if one of them passes on, then it's very difficult from only one pension to keep the household. It's very difficult. So I would say that there is a need and I wish that the honourable member would get together with the Minister when he sat on this side, what did he have to say?

Mr. Speaker, I say it's very -- I think the intention of the resolution was probably well intended, if he didn't like it then perhaps he could have amended it and said, look, only for the people that are in need, the ones that have already gone through a means test who are receiving a supplement, and I think that this is the area that we should look immediately to. I think these people do require some assistance. And I see nothing wrong even if we went to the extent and said, the people who are receiving the senior, or citizen pension and the supplement, to exempt the first \$5000 of assessment, or exempt the first \$10,000 of assessment. I think 10 would be high but the first five.

But the Minister of Agriculture when he proposed his agricultural legislation a year ago and gave every farmer \$100, was it not universal? Was it not \$100 to every single farmer? --(Interjection)-- I'm sure there were farmers that - I'm sure that there were farmers probably that made quite a bit of money, some farmers that maybe didn't need that \$100, but it was universal. So I can't see the argument that the Member for St. Vital today is saying that it shouldn't be universal, and he has some merit, I agree. But it wasn't when the Minister of Agriculture introduced the legislation a year ago.

So, Mr. Speaker, I say -- I only have a couple of more points to make and you know, the member can then ask the questions. But the member knows real well that the property tax has been increasing every year for our senior citizens, every year. Some couple of years ago the Tribune ran a pretty good - by Gene Telpner - he ran a pretty good program in the Tribune for quite a few weeks and I would just like to read it into the record and it's probably a couple of years old but it will show an indication what has been happening and I'm quoting: "The Tribune has opened its columns to the justified complaints of people who think they are overtaxed and to suggestions of how to cut taxes by elimination of unnecessary public spending. There are so many citizens who have flooded us with their story that it's difficult to know where to start. As a good place as any is the neat home of Mr. and Mrs. Earl M. Brock, 14 Fawcett Avenue. Mr. Brock and his wife are both senior citizens living on fixed incomes consisting of his pension from retirement of the Canada Pacific Express. Their home was built in 1905 and they have lived there since 1912 in a 63 year old structure. For years the land assessment for taxation purposes remained pretty well the same, then in 1962 jumped from \$650 to \$970. Last year in 1968, Mr. and Mrs. Brock promptly paid their total tax bill of \$184.81, grateful that they could manage with their limited income. Then came the shocker - 1968, this year the land assessment went from 970 to 1890 an increase on land of 94.83 percent. Building assessment went from 24.50 to 28.50, and the Brocks' 1968 tax bill is \$306.29, compared with \$184 in one year. It doubled in one year. And it's been continuing, it's continued to escalate year after year. And this is what happens."

I agree when the mill rate goes up, naturally your tax goes up, and what the government has done -- it was able to hold the line for a year or two for many of our senior citizens, but still it really hasn't come down to the basic problem, to the nitty gritty that your education tax has been escalating every year, so what has happened they've held the line, but really have not been able to reduce. And I'm saying if the government is really interested, really serious to do something, it can come to grips with this matter quite quickly and if it didn't like the universal portion of this resolution, and I will say that the member has some merit in what he

(MR. PATRICK cont'd) said, then change it. But I say do something for the senior citizens. Something has to be done because they need. And from the remarks that I've heard from the Member of St. Vital, it would appear to me that he says there's no need to reduce the tax for our senior citizens. And I reject that, Mr. Speaker.

MR. SPEAKER: The Honourable Minister of Labour.

MR. PAULLEY: Mr. Speaker, I wonder may I first of all have a ruling from you, Sir, as to whether or not I am permitted to take part in this debate because I have a pecuniary interest in the resolution being a pensioner, and I think that that first of all, Sir, in accordance with the rules of the House, should be cleared, and if you would rule that I have a right as a member of this Assembly, notwithstanding the fact that if this resolution is adopted it will . . .

MR. SPEAKER: If the honourable member wishes, I'll put him straight right away. He may proceed.

MR. PAULLEY: I'm asking - it's not a point of order, I wonder . . . --(Interjection)--

MR. SPEAKER: Order please. The Honourable Minister of Labour.

MR. PAULLEY: Mr. Speaker, I am glad that you made that ruling and I'm glad that my honourable friend the House Leader of the Conservative Party agrees that I may be permitted to say a word or two in respect of the resolution that we have before us.

And I think, Sir, at the outset that it would only be proper for me, and correct for me, to say that the type of resolution that we have before us from a member of the opposition is indicative of the approach of opposition to the affairs of Manitoba, and to indicate, and to indicate quite clearly, the incompetence of the opposition of this Assembly. --(Interjection)-- That's right. I recall, I recall, Mr. Speaker, there was a day when I sat in the seat that is occupied now by the Honourable Member for Souris-Lansdowne. At that particular time I happened to be the Leader of the New Democratic Party, and I would suggest, I would suggest that if an honourable colleague of mine would bring in to this Assembly a resolution in the terminology of this one, I would say to him now look, my dear friend divorce me entirely from it because it's an idiotic resolution.

MR. SPEAKER: Order.

MR. PAULLEY: My honourable friend from Sturgeon Creek says to me, do I want to help the old age pensioner or the pensioner. My answer, Mr. Speaker, to him is - yes, I do want to help the pensioner who is living on a fixed income; the pensioner who only has a relatively small income, but I don't, Mr. Speaker, as my honourable friend from Sturgeon Creek does, I don't want to help a person who happens to be in the position as the Minister of Labour who is receiving \$25,000 or more as a salary and as a pensioner. And that is what my honourable friend the Member for Sturgeon Creek is suggesting, Mr. Speaker, by this resolution. He doesn't say, he doesn't say that he wants to help the old age pensioner; he says he wants to help all pensioners. And I reject it as a pensioner, and I think it's absolutely stupidity for this House to consider the resolution that we have before us from the Member for Sturgeon Creek.

My honourable friend the Member for Assiniboia was just talking about the plight of the poor old age pensioner, and his home, and the burden of education taxes, and he's just as naive as my honourable friend from Sturgeon Creek. He doesn't know what he is talking about because there has been propositions, and I'm not sure whether the legislation was changed or not. At one time, if it is still not so, there were provisions in the Public Schools Act where in order to assist a person on pension, or otherwise, that the school board could by resolution ask the municipal council to exempt that particular individual from the payment of school taxes not 50 percent, 75 percent, but in total. As I say, Mr. Speaker, I don't know whether that is still the law or not. It may be, it may be that I should do my homework but I do say to my honourable friend the Member for Assiniboia, the general principle was there in respect to those who didn't have the real ability to pay school taxes.

My honourable friend the Member for Assiniboia went off on a tangent and attempted to use a media of this debate to say that he had proposed a basic exemption of \$2000, or \$5000, or \$10,000, on property in order to alleviate - to alleviate who? The poor down-trodden old age pensioner? And as I listened to my honourable friend the tears started to flow out of my eyes because as a pensioner I don't want, Mr. Speaker, any relief, and I suggest, Sir, that the whole tenor of the debate from the other side is not because of any latent concern for the old age pensioner, but an opportunity in their opinion to make political through the media of a type of a resolution proposed by the Honourable Member for Sturgeon Creek. And I'm surprised

(MR. PAULLEY cont'd) really, Mr. Speaker, I've always admired and recognized the intellect of the Member for Sturgeon Creek and when I took a look, Mr. Speaker, at this resolution I could not but come to the consideration, or the resolution, maybe I was wrong in my assessment of my honourable friend from Sturgeon Creek.

Because what does he say really, Mr. Speaker, in his resolution, and I think that we should consider this, because when we have a resolution before us, Mr. Speaker, in this Assembly we're not dealing with hypothetical cases, we're dealing with a concrete resolution and I suggest to my honourable friends in this Assembly, be they on that side or this side, that is the proposition that we have to direct our attention to. And what does my honourable friend from Sturgeon Creek say in his resolution. "Whereas pensioners are most vulnerable to the increasing burden of rising price in tax levels". He doesn't say, Mr. Speaker, the pensioner who may be receiving a pittance of a pension, no qualification --(Interjection)-- hair-splitting? Yes, Mr. Speaker, in the eyes of the Honourable Member for Lakeside it may be hair-splitting but it's factual, it's absolutely factual. We have in the employ of the Civil Service here in the City of Winnipeg, and other places as well, many retired personnel from the Armed Services, the RCMP and other organizations as pointed out by my colleague from St. Vital, who are receiving as pensions a heck of a lot more money than the old age pensioners, and I confess, Mr. Speaker, that I too as a pensioner from the CNR am receiving more by way of pension than the income of many of my friends in society. But my honourable friend from Sturgeon Creek is very compassionate as far as splitting hairs, it's damned hear time somebody split some hairs in trying to knock a little sense into your head. Mr. Speaker, if I'm splitting hairs, I'm doing it on behalf of the pensioner who really requires assistance. I don't want it, I'm sure, Sir, that those who are in the same position as I am, don't want it.

We suggested that our contributions should be on the basis of ability-to-pay. This government has that as a general policy. My honourable colleague and colleague from St. Vital made mention of how we applied that in respect of Medicare premiums and the rabble on the other side of the House laughed, the same old thing once again. So my honourable friend from Sturgeon Creek wants to reverse that process. He want to relieve the likes of the Honourable the Minister of Labour from school tax.

MR. SPEAKER: Order please.

MR. PAULLEY: --(Interjection)-- Yes you certainly would. You certainly would, and, Mr. Speaker, I can well imagine my honourable friend from Sturgeon Creek wanting to relieve me because he doesn't like the truth that I'm giving to him, and he doesn't recognize that.

MR. SPEAKER: Order please. I must ask all members to conduct themselves with decorum. This is the third time I've had to remark in regards to smoking, the din as well is getting so that I cannot hear what is going on. Would all members contain themselves. The Honourable Minister of Labour.

MR. PAULLEY: Well, I could imagine, Mr. Speaker, why it is that some of my honourable friends opposite are going up in smoke. It's quite difficult that when the truth comes home that they need some solace for their misgivings and if they can obtain it through smoking of a cigarette, recognizing that it is contrary to the rules of the House, I can understand why they want to go into smoking cigarettes. Of course, maybe it would be the pot only that's illegal in order to soothe their troubled minds.

Again, Mr. Speaker, my friend from Sturgeon Creek says whereas pensioners are most vulnerable to the increasing burden of rising prices and tax levels. He's right. We're all concerned. Oh yes, I am concerned, my honourable friend, with rising prices and tax levels, but I'm realist enough to understand and appreciate that some people have got to absorb a greater cost input and make a greater contribution. And, Mr. Speaker, I confess that I'm one of them. I'm one of them that can afford to pay more, and I am a pensioner. But my honourable friend from Sturgeon Creek does not recognize that at all.

And then my honourable friend goes on to say, whereas in respect of pensioners the imposition of real property taxes for the purpose of paying education costs conform neither to the benefit nor the ability-to-pay principles of taxation. How ridiculous a statement that that is. Somebody, Mr. Speaker, not I, just said it's an asinine statement. I accept the validity of the interjection without saying it myself. It is, as the interjector said, asinine, because, Mr. Speaker, I don't know of any individual in this House who has been more concerned with the whole question of the cost of education over 18 years or so, than the member who has the floor at the present time. That's right. Belatedly my honourable friend from Lakeside accepts

(MR. PAULLEY cont'd) that. And as a pensioner, Mr. Speaker, I recognize, and I want to emphasize, I recognize the benefits of my dollar contribution into the field of education.

There are those you know, Mr. Speaker, who say that when you reach the age level that I am, 62 years of age, that when my children have grown up and there is only my dear wife and myself at home, that we should no longer have to make a contribution for education, and I say this is a bunch of nonsense. It's a bunch of nonsense because we are continuously, no matter what our age happens to be --(Interjection)-- yes I'm one of the rich, and I'm only rich because in this democracy of ours we have made provision for the education of children and adults as well and that has brought about the richness of our society. And yet, Mr. Speaker, by this resolution of the Member for Sturgeon Creek if it was accepted by this, in effect would deprive me of making a contribution to the educational costs in the Province of Manitoba and again I say, Mr. Speaker, what utter nonsense, that a resolution from a presumably intellectual member of this House like the Member for Sturgeon Creek, is before us for our consideration.

MR. SPEAKER: The Honourable Minister has four minutes.

MR. PAULLEY: My friend, Mr. Speaker, the Member for Sturgeon Creek, again I want to re-emphasize, says that the pensioner should be relieved of the imposition of real property taxes for the purpose of paying education costs, which neither contribute or otherwise to the benefits of education.

You know, Mr. Speaker, I'm so proud of the fact that during my short spell on this earth that while I didn't take the opportunities that were available to me, and I say that those opportunities were there, of obtaining a higher education, I'm so thankful that I was able to assist with my offspring, my two girls, and both have degrees at the university. I'm proud of the fact that I had the ability to make that contribution, and now my honourable friend by this resolution says because I am a pensioner I should be relieved of assisting somebody else. I say it's a bunch of damn nonsense. My friend from Fort Garry says it doesn't say that. Then I ask my honourable friend the Member for Fort Garry to read the resolution of his colleague.

I don't know, Mr. Speaker, I don't know, Mr. Speaker, whether or not my honourable friends who are designated as the Official Opposition ever caucus on their resolutions. It could well be, it could well be that the Member from Fort Garry never saw this resolution until it was exposed to the light of day on the Order Paper. --(Interjection)-- No I didn't either, my colleague from St. Johns the Minister of Finance says, I didn't either until today, and he's so right. But thank heaven I'm not in that caucus because if I had have been in that caucus his resolution would never have reached the Order Paper because it is so asinine and inept. And then when we get down to the resolution, the resolution, Mr. Speaker, itself, "therefore be it resolved that this Assembly consider the advisability of exempting residences owned and occupied by pensioners such as the Minister of Labour from the burden of education taxes." I hope, Mr. Speaker, that this Assembly or no Assembly of this province ever accepts and adopts this resolution because I want to continue to make my contribution to education.

MR. SPEAKER: The Honourable Member for Rhineland.

MR. FROESE: Mr. Speaker, I notice that there is only a minute or two left. I feel that the resolution in a way is narrow because we are just asking for relief for pensioners from education taxes. I think it should be much wider than that. Last night we discussed the matter of relieving farm lands from the burden of education taxes. --(Interjection)-- They turned that one down too, is what the Member for Lakeside says. I would ask members of the government to look at B.C. and what they have in British Columbia, to see what the Social Credit has to offer. Not only do we have the \$8.00 per capita grant that is being made to municipalities in Manitoba, they have a \$28.00 per capita grant instead of \$8.00. In addition to that, they increased that contribution by another 6 1/2 million at this last session so that here is a large measure of relief coming to the people of B.C., and especially to the old age pensioners. Not only do they have this type of assistance, they get \$185 homeowner grant. This was increased from \$170 to \$185 at this last session, so that we have . . .

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