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**DEBATES
and
PROCEEDINGS**

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THRONE SPEECH DEBATE (Cont'd)

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

MR. CHERNIACK: Mr. Speaker, during the dinner hour the Honourable Member for Lakeside suggested to me that I should not be too rough on them, and especially in his absence I wouldn't be inclined to be rough. It is just that I did happen, after having seen him, to be reading the newspaper and ran across a couple of items of interest in the newspaper; one of them reports his speech here wherein he suggested that he was going to carry on his next election campaign by a technique involved with mailing election literature and ballots only to Progressive Conservatives. I just want to tell him that in the same newspaper, within a couple of pages from this story, is an indication that he shouldn't even trust the Conservatives to vote for him, as evidenced by the fact that there seems to be a problem about nominations themselves in the Constituency of Crescentwood. I think I should send him the news article to make sure not to count on it. Of course, it said that Mrs. Willcock documented her charges in a letter distributed to Conservative Party members earlier this month, so he must have learned something about techniques. I am sorry I am not on her mailing list; I don't know the techniques of which she speaks, but I am on the mailing list of somebody named Michael Meighen who asks for money for the Conservative Party. He wants to make so sure that I get the letter that the letter is addressed to Saul Cherniack and the next line is Saul M. Cherniack, and my address at home. So I can report that although Mrs. Willcock doesn't consider me worthy of receiving her mail, obviously Mr. Meighen does. Now that the Member for Lakeside is back, I will see to it that he gets this article so he will learn not to count on Conservatives either. (Will you please hand this to the Member for Lakeside.)

Mr. Speaker, I want to formally compliment you on your return and I wish you well for this forthcoming Session. I wish you well, knowing full well that you are going to have problems on all sides of the House and that you will probably deal with them as you have in the past, in a fair courteous manner and in such a way as to make us all feel guilty of having transgressed the rules. I commend you for the way you have done it in the past, and in the future, when I know you will be reprimanding me, maybe me alone amongst all members, that you will do it fairly.

My notes tell me that I wanted to say, that I wanted to extend a warm welcome back to the new Member for Souris-Killarney. I must confess that the word "warm" was crossed out and then was rewritten, and then crossed out again and now I must admit that I am in a somewhat ambivalent position as to how warm my welcome is for him. He and I have been old friends for many years and I was really pleased to know he would be coming back here because I felt that his return to this Chamber would only raise the level of debate, if not necessarily the level of accuracy in describing the position of the Conservative Party. He apparently thought that I was going to make a contribution to the debate much sooner than I have because in the past few years I have, on some occasions, followed the statement of the Leader of the Opposition in some debates with immediate comments of my own; and in anticipation of this, and maybe with a bit of conceit, the Leader of the Opposition felt that I would carry through and follow him as well. So he made some reference to the fact that I was not here, at the end of the speech, and I only learned of the reference later. I am sure that had I been here, he would have provoked me into responding quickly to it in order to deal with some of his more inflammatory and his misleading assertions which he made, but I have an opportunity to do it now.

I would think that to be compared with one of the least lovable of Dickens' characters in the Throne Speech comments of the Leader of the Opposition would, and should be enough to make any member more than enthusiastic about entering the debate. I must say that it has been suggested to me that I get real mad and then I thought, well I won't do much about the fact that Uriah Heep was the comparison used by him with my contributions to this House. I must say, however, that my wife has a higher boiling point than I have and she took the trouble to go to those worn, old books that we have of the set of Dickens which I remember going with my father to buy when I was a child, and I just thought the Leader of the Opposition should know something about whereof he speaks. When he speaks of Uriah Heep, he speaks of a person that David Copperfield said that he disliked intensely; spoke of his "crawling impersonation of meanness, Uriah Heep; the detestable serpent, Heep; the interminable cheat and liar, Heep; transcendent immortal hypocrite and perjurer, Heep; a consummate scoundrel, Heep. He reminded me of an ugly, rebellious genie watching a good spirit, the most consummate villain that ever existed. Heep is the forger and Heep is the cheat." And the quotation, "It is you, Heep, who have been in your greed and cunning against all the world."

That is the way in which the Honourable Member, Leader of the Opposition, Member for Souris, Killarney, chose to speak of me, my former long and warm friend spoke of me on the first occasion he had to do so in this House. I must tell him that at the same time, and I remember vividly, that my father took me to buy the set of Dickens which I have read and re-read many times, he also bought a set of

Mark Twain which I read and re-read many times, and there is a story in Mark Twain where he describes a sort of a dream, where he meets up with his conscience and he learns what a conscience really is, as being an embodiment of the person himself and he learns also that a person with bad habits, with mean thoughts, will shrink his conscience into the proper size of that person's stature and a person who has a great conscience will have one that will not fit into the room, being of such great stature and of such great beauty. I must say that having been reminded of Dickens who was a writer of note, I was also reminded of Mark Twain and the size of the conscience which I will be interested in studying as we go along during this session.

I may be unkind to the Leader of the Opposition; maybe the reference was inserted by some over-zealous and under-educated speech writer and it was not really his idea. In fact, I take some solace from the reference; at least someone in the back room on the other side is reading literature which does deal with humanitarian issues. I hope it won't get him into trouble with the people for whom he works. When his colleagues read David Copperfield and they find out what color Mr. Heap's hair was, and for those who don't happen to know the color of Mr. Heap's hair, I can tell them it's not brown, it's not black, it's not white, it's not grey, it's not blond. —(Interjection)— But aside from that, Dickens was a great teacher and I commend his writing to everyone on that side of the House and since most of the stories were written, in the early 19th century where I know many of their hearts lie, I think they might find added enjoyment in reading Dickens. I'm sure that many of them could readily identify with some of the principal characters: the county squires, the landed gentry, the bailiffs, the beatles, the workhouse masters, and on and on and Dickens described them so well.

But enough about great literature. I don't want to burden Members of the Opposition too much with the literature of our inheritance. It is time to deal with the literature produced by the Leader of the Opposition just recently. It was a long speech but it will not be long remembered, I am sure, Mr. Speaker.

I want to deal with just a few items. I want to deal with just a few of the matters touched on by the Honourable the Leader — I'm sorry he's not here — possibly he will return in time to learn a little bit more about what this Government is about.

But I comment only about his statement which I quote: "Literally hundreds of our young people who leave Manitoba each year help contribute to our relatively stable levels of unemployment." So I must remind him in case he doesn't know that according to my information there was a net inflow of people into Manitoba in 1975 of something in the order of 4,300, while in the first eleven months of this last year, 1976, the total is up to over 4,400 net inflow. By comparison Members Opposite especially may be interested to know that in the last full year of the previous government, 1968, there was a net outflow of people around 6,200 on the minus side. Let him know that. Let him also know, Mr. Speaker, when he speaks that there were many who hoped that with the election of the NDP there would lead to a sort of cultural renaissance in the Arts in Manitoba. Mr. Speaker, he of all people, having been in government, should have known that it would have required the smallest scintilla of evidence of support of the arts in order to have a substantial cultural renaissance in the arts in Manitoba when we came in. And when one looks through the Public Accounts, which have just recently been filed, and one sees the moneys that have been spent by the Department of Tourism, Recreation and Cultural Affairs one can see very well that it, along with the Directorate on Sports, has received very large budgets for cultural and recreational activities. And I suggest that they go back, as I asked someone else to do, to the Public Accounts for 1968-69, the last full year in which the Leader of the Opposition played an important role in Government, and maybe he can find something which my assistant couldn't find in terms of contribution by the government of that day, for the arts and indeed for recreation, other than towards construction of the Centennial Centre, a matter for which Maitland Steinkopf has received pretty substantial credit, and that alone is what we could find.

I pause now to think of the introduction of his speech of his saying, "Please, please," in the best Uriah Heep manner, you know, the humble manner, "Please people of Manitoba don't look behind, don't look at the record of the NDP, don't for God's sake look at the record of the PCs, both when they were in government or now, please let us start from scratch because I have just come back and I find that I can best serve my leadership by looking ahead, not back." Please let us not talk about the back was his plea. "Of course," he said, "because when it comes to certain matters," and pharmacare was one of them, "why that's a great program, that's a program that we will never step away from." And I must point out to him that although many of his colleagues have an aversion to universal programs they forget perhaps that such programs are every bit as effective as other measures for ensuring equality of opportunity. And so that their endorsement of the Pharmacare Program' and their acknowledgement that it has not cost a great deal to provide a highly desirable service, contradicts their usual comments about mismanagement, overspending, etc. by the government. Let us remember pharmacare, a program endorsed by the new Leader of the Opposition, is a universal program applying to all, rich and poor alike, but carrying with it the burden of responsibility on those who are best able to pay for that burden, because the money does come out of General Revenue.

Of course, the most amusing thing for me, well almost the most amusing thing in the Leader of the

Opposition's contribution, was the statement, "My own and my party's preference would be to restore competition and freedom of choice to this industry," and he speaks of the Auto Insurance industry. But, I think, it would be irresponsible of us to pretend to this House, or to the people of Manitoba, that that would be an easy thing to do or even immediately possible in the future. e .

Mr. e. Speaker, I haven't the slightest doubt in the world that with a will to reverse — I heard about scrambling eggs — it can be done but, Mr. Speaker, they dare not do it. They dare not do it, not because it's irresponsible but because it is politically unacceptable. The fact is that it has been proven time and again that public auto insurance has been the most important feature in dealing with the private industry of insurers, not only in Manitoba, not only in Saskatchewan but is something that is being studied and adopted piecemeal in other areas. Do not let the people of Manitoba be fooled by the suggestion that if we could only do what we would like to do about Autocare, we would do it which is reverse the trend.

I want to suggest to the Honourable, the Leader of the Opposition, that when the B.C. Conservatives — well, I shouldn't call them Conservatives, I suppose I should call them Social Credit, that's what they call themselves — came into power they did something. They did not say we're throwing out Autopac. No, what they did was say, "Let's jack up the premiums to show what we can do." And I think they quadrupled the premium. Why? They made it actuarially sound was the word they used and they phoned up to the extent where they had to have no increase and of course we have not had an increase either in Autopac rates, but they decided that they would, in one year, pay off the accumulated deficit for previous years in B.C. Autopac which was set up nowhere near as financially well as the case was in Manitoba. But they did not dare make the change; they did indeed increase the premiums very substantially and I would not trust the Conservative Party to do other than the same kind of technique used. So that when he uses the expression "It must be on an actuarially sound basis" which I believe it is today, then he is already telling the people of Manitoba, "Get ready fellows. When we come in, we are going to increase Autopac premiums very substantially." And as a matter of fact, if it were not so and even if it were so, Mr. Speaker, I think that one thing that the Leader of the Opposition owes to the insurance industry is at least a rebate for all the substantial sums they must have been receiving from the insurance industry in support of their programs and their endeavours. And indeed the campaigns that are run by the insurance industry saying, let's free industry, like give us more tax incentives, which I think will be a favourite ploy on the part of the Conservative Party led by its present leader by saying, "Make sure we are freed of competition so that we can, ourselves, get together and set our own rates. Let's free enterprise to make its own deals in its own way and thus be able to carry on."

The Member for Sturgeon Creek, with some amusement for me, talks about being bull-headed said, "Now, we're not bull-headed but when it comes to Autopac, we can see those buildings and why we would not convert those buildings from their present use into offices or warehousing or anything else, no, we have to use them because the buildings are there." Only nonsense really could accompany that kind of statement, Mr. Speaker.

Mr. Speaker, I want to speak for a moment about inheritance taxes. The Speech from the Throne has announced that changes will be made and changes will be made. I recall saying. I think, the very first year of debates that we would always keep an eye on what was happening elsewhere and what was happening in Manitoba, what was happening to the cost of living to see always that we are flexible enough to review our program. But, you know, it is almost laughable to me to hear the Leader of the Opposition complain about the — he spoke of me when I did from on high that no family needed more than the present limit, \$200,000 as it first was, to look after their obligations satisfactorily. Mr. Speaker, how many families are there in Manitoba that have the slightest hope of exceeding their total wealth of \$200,000.

Maybe his friends, maybe the friends of the people opposite, maybe they're the ones to worry, but then you take their statement further, he is now implying that everything over \$200,000 is taxed at 100 percent. It's high time he found out that it's a distortion to even suggest what he has suggested. I would like also to suggest to him when he speaks of the responsibility within a family and weeps copious tears, to point out to him that I have had no problem in my lifetime sharing equally with my wife in our lifetime. And it wasn't necessary and won't be necessary for her to wait for me to die for her to get a share of my earnings because I was able to and I am sure that the Leader of the Opposition, lawyer as he has been, was astute enough to see to it that he too shared with his wife in his lifetime, the income which he earned. So let's not be carried away by his verbiage and his fancy talk. Let's things of other things that he talks about.

He spoke about the aged and the housing; he spoke about tax credits; he voiced concern about the elderly and about their housing, and it was a nice sounding speech, but before our government came into power, and that's one matter that we will not permit anyone to forget — he was in government. He could not say, "I'm not responsible for those fellows who were up front" as some of the others have been able to say. He was one of those and at that time, 618 social housing units were

constructed in the province in total and for elderly people the few units that were built did not emphasize rents geared to income. In addition, there was little emphasis in providing elderly persons housing in smaller communities and we changed that, our government did. Our friends in the Opposition now complain about the housing situation, forgetting that total housing starts in Manitoba have never once in the years which our government has been in power, have never once fallen to as low as the highest year under the Conservatives. I think that should be noted. I have not yet referred to the tax credit program which has helped reduce housing costs and rental costs and let me tell the Leader of the Opposition, I don't have to tell him, he knows, let me remind the Leader of the Opposition that his party is on record that it will remove the property tax credit plan. Let me remind him of that and let me tell him that his acting leader last year — and I have the reference if it's wanted — said, "We will remove it as quickly as we can." So let him know that although he has backtracked on Medicare premiums, he has backtracked on other issues by saying, "Oh, you fellows have done a good job; we commend you for it" let him know that he is still on record and his party is on record that it will get out of the grants of property tax credits which has been a program here. He shakes his head and I can hear it, I can hear it, Mr. Speaker, when he shakes his head but I know that he must realize that he has to face that fact. Because, indeed, Mr. Speaker — I will not permit a question, he will take his seat — I will tell him that when he is government — Mr. Speaker, he has forgotten the courtesy for which he asked your help just recently. Mr. Speaker, let me tell him that when he and Roblin introduced the \$50 credit plan, it was completely unrelated to ability to pay, completely unrelated, and if he and his cohorts never, never remember that big difference, Mr. Speaker, forever will they keep confusing the people about the truth of this government's program which has been to make every effort to relate government programs to those people who have the greatest need and that they never did and that they didn't care for and that's why he still says, "Who started it?" Well, they didn't start it. They did a rebate which Roblin found was so blatant that it was not acceptable and then they backed away from it and started a good program, a foundation program. So let me tell him that.

Let me also remind him, Mr. Speaker, that we have a sales tax credit plan, a cost of living cost credit plan, which is related to sales tax. Let me tell the Honourable Leader of the Opposition — why should I tell him when I can read it to him and why should I try to trap him by his not knowing that I have the reference — when we in the NDP in March 1969, a pretty fateful year, that at that time we introduced a motion, a resolution — and I had the honour to present it, to speak on — to ask that there be a rebate plan under sales tax to recognize ability to pay, that the present Leader of the Opposition said, "The system he proposes here is totally impractical." — by the way it's page 413. He says, and I quote further, "I'm not surprised at a totally impractical suggestion coming from the Socialist bench, because one of the precepts of Socialism is that you must enunciate principles which are high sounding" — I guess he meant sounding, but he must have lipped — "Utopian and ideal and which, hopefully, you'll never be around to see carried out because if many of them were ever put into full force and effect, the country would go to rack and ruin." This was the Leader of the Opposition and, Mr. Speaker, the government today is helping people — I'm glad I've got a rise out of my friends opposite. Mr. Speaker, make sure you charge them with the time because I want the Leader of the Opposition to know that not only was it practical, not only could it work, but it happened and not only did it happen, but it has benefited the people who are in the greatest need in this province. Let me tell him . . . If the honourable member will wait — if the honourable member has a matter of privilege I will be seated. I will not give up time to him, I have so much more to tell him, but I want him to know, Mr. Speaker, I want him to know that this impractical scheme has worked well and is helping the aged; it is helping those elderly, about whom he has great concern, and I wish he would refer to the last budget, the printed budget address for last year and see the extent to which it has helped. But Mr. Speaker, I must admit that the cost of living tax credit plan has not helped his friends nor him, nor me, or anybody who earns over \$25,000 a year, it has not helped, let's get that clear, Mr. Speaker, that program was designed to help those people on the basis of need and designed to help them on the basis of the exemption plan under income tax, which is why people who are in the elderly category, over 65, get an even larger proportion because their exemptions are higher. So let's admit that when we look at benefits of our taxing policy — Mr. Speaker, I have but a few minutes left so I must move quickly on and I'll come back to this on other occasions — let me tell the honourable member that he is now in favour, in favour of abolition of Medicare premiums, that man who sat in the front desk at a time when the whole Medicare scheme was brought into this province, with them — and we've used the expression before — dragging their heels, complaining bitterly, saying saying this is being forced on us, but we'll do it and we will take the money from the Feds that they are offering, the rest will be on premiums, even to the extent where they did not show the premiums in their estimates, they were hidden in a separate Health Insurance Plan, but did not show in the estimates as taxation, they didn't believe there was taxation. So who was there then, at that time, 1969? Four Maritime provinces no premiums, all the other provinces with premiums. And now, what does the Leader of the Opposition discover? Why no, the majority of provinces do not charge premiums. cover? . How come, Mr. Speaker? Simply because the two NDP provinces of Manitoba and Saskatchewan threw out the

premiums, threw out the reactionary regressive premiums and joined the four Maritime provinces not to charge premiums. Now he says, "Well the majority of the provinces don't charge premiums so we're not going to go back to it." Let him have a little talk. Let him at least talk to the Member for Morris because the Member for Morris only last April, not even a year ago, called for major changes in the universal plan. Nobody denies he says the need for some kind of insurance program, but he called this, Oh, I want to find that, "abysmally immoral. Abysmally immoral in a government that reduces medicare premiums." And, Mr. Speaker, it was that occasion when we changed the Medicare premiums into higher income tax, the most progressive form of taxation. We did that and the Member for Sturgeon Creek has never forgotten and he will never forget to his dying day or my dying day, that I will constantly repeat that the greatest tax shift in the history of Manitoba took place at that time.

Mr. Speaker, though, I want the Honourable Member for Souris-Killarney to know that he said something else that I want to put on the record, just to update it, because back in March 14th, 1969, he spoke of sales tax and says that most tax

authorities agree, and obviously with him because he poses as an authority, that in the manner in which it has been imposed in this country, perhaps one of the least regressive of the taxes that any government has imposed is sales tax.

So what do we find on the record? What is the sales tax being charged in various provinces across the country? What do we know about Conservative provinces with retail sales tax? Newfoundland — (Interjection) — whose father-in-law was a former colleague of the Leader of the Opposition. Ten percent retail sales — (Interjection) — Conservative Party, if you ever go to meetings remind him. Ten percent. Prince Edward Island - eight percent. Nova Scotia - eight percent. New Brunswick - Conservative. When you go to a meeting tell it to Michael Meighen — not to write letters to me but to write letters to those people in those provinces that do so well for the Conservatives. Quebec - eight percent. Ontario, Conservative Ontario — except for the Member for Sturgeon Creek, he has rejected Conservative Ontario. I think they are too far left for him — Conservative Ontario - seven percent. Alberta - nil, we know that but we'll talk about medical care premiums in Alberta if I have time. British Columbia - seven percent. Which other two sales taxing provinces at five percent - Manitoba and Saskatchewan, NDP, NDP.

Mr. Speaker, I know now the Leader of the Opposition has finally got a rise out of me. Mr. Speaker, I want it to get through his head because he is smart enough to understand. The income tax that we are charging falls fairly and squarely on those with the greatest ability to pay. Please understand that and please understand that we stand for that. We agree with that. You don't.

Mr. Speaker, let me tell the Leader of the Opposition that Medicare premiums are being charged in Alberta, oil-rich Alberta, free of sales tax, Medicare premiums are being charged. Let the Leader of the Opposition — (Interjection) — Oh, the rich are moving. He asks, Mr. Speaker, why are they moving to Alberta. The rich are moving, his friends are moving. Mr. Speaker, get let's get it clear. Let's it clear, Mr. Speaker. I know I have one minute left. I want to use that minute to tell the Leader. Mr. Speaker, I am entitled to time. — (Interjections) — Time, gentlemen, time.

MR. SPEAKER: Order please, order please.

MR. CHERNIACK: Time, gentlemen, I am entitled to a minute. Give me the courtesy of a minute because I want to say two things. — (Interjection) — No, the Member for Morris would not give courtesy for even a minute. I am not asking for an extension of time. I want to finish and I have not yet been stopped by the Speaker. Let the Member for Morris become the Speaker when he wants to, if he ever can.

I want to tell two things to the Leader of the Opposition. One is - there is so much more I want to tell him, really so much more I want to tell him. Secondly, I want him to know that his endorsement of Medicare premium abolition is not acceptable to me, because I know he and his colleagues along with the Member for Morris will find other means, other means of getting at those people who are sick and in need and they'll have another name. Oh, yes. They will find another, and I'm not being humble when I say that, buddy, that's not humble. I'm being pretty aggressive in telling you that it is you people whom I would not trust to deal with the health care costs of the people of the Province of Manitoba.

MR. SPEAKER: The Honourable Member for Fort Rouge.

MR. AXWORTHY: Thank you, Mr. Speaker. I think that in this interesting debate of "Dickensian" characters that Mr. Pickwick has once again performed according to the expectations we place in him. He very quickly becomes not only a Mr. Pickwick but soon turns into the Ghost of Christmas Past haunting those whose sins have

endeared themselves to the countless . . . I think that perhaps, Mr. Speaker, that it is time to readdress our literature search and look in some other directions for enlightenment in this province.

I would begin first by saying, Mr. Speaker, that it seems that most members of this Chamber as they prepare for oncoming battles have gone to various forms of confessionals to make and I certainly wouldn't want to break that tradition. But one that would give me great pleasure is paying my respects to you, Sir. As one of the members of the class of 1973, who came in some four years ago,

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I have benefited by your tutelage, sometimes your admonitions, and I would thank you really for the kind of instruction and sometimes gentle and sometimes not so gentle guidance that has come our way over the past four years. I hope the slight infraction that you and your wife suffered just at the beginning of the Session are now fully recovered and we can fully expect our . . . invitations to those enjoyable luncheons that are part of the Speaker's tradition in this House.

I would also like to say, Mr. Speaker, that I was very interested in the comments made by the last speaker trying to conjure up various kinds of literary characters to describe the conduct and performance in this House. I tend to agree with his attempt to try to characterize the total Tory Caucus as one collective embodiment of Mr. Bumble from a Dickens novel and that particular kind of characteristic that really thinks that small children may not have too much food and I can only think of some members who in the past have spoken out against nutrition for children as being a proper modern-day expression of the Mr. Bumble spirit. It is still alive and well in Manitoba, in certain corridors of the Tory Caucus.

I would say, Mr. Speaker, that the Member from St. Johns in giving his literary advice should probably provide some for his own members. I think in particular that the First Minister's reading habits are of somewhat a curious nature. I recall reading with some interest an interview he gave at Christmas where he expressed the opinion that his favourite reading materials before he went to bed at night were engineering manuals and hydraulic studies for Manitoba Hydro. I can recall saying to myself when I read that that it would probably have been much more appropriate if the Premier took the odd copy of Hamlet home to read in the evenings and I think certainly when it appears in a story in one of today's newspapers shows that he should not be reading Hamlet, he was probably doing a modern version of Hamlet and probably still is. I think it would be of some if he re-read that classic to find what the end result of the chief character is. He destroys himself and those around him by his inability to decide where he really wants to be. I think that that would be an equally useful piece of literary advice that the Honourable Member from St. Johns might pass on to his Leader.

Mr. Speaker, I think it is pleasant to be back in a Throne Speech Debate. I say that with some reservation, but when all the world outside is turbulent and stormy it is interesting to return to what is familiar and comfortable and convenient. This Chamber's Throne Speech time takes on the patterns of a long-standing play, one of those that run for twenty years with its stock cast of characters and its stock cast of particular opinions, which seem to come back almost without hesitation each year. I think it must be one of the longest standing vaudeville duos playing in Manitoba, that of the Minister of Mines and Resources and that of the Member from Lakeside. I think that the combination of righteous virulent indignation followed by sly subtle stiletos is something that has provided all of us with a great sense of, if not amusement, some bemusement. I should say, Mr. Speaker, that the Minister of Mines and Natural Resources would have been the kind of man that my grandmother would have loved. My grandmother was a great fan of wrestling matches; used to go to all those Friday night wrestling matches and had an almost unnatural affection for people like the Masked Marvel or Gene Kiniski, those horrible characters who would gnash their teeth, stamp their feet and rent the air with the wild ravings about the imperfections of the world. I asked her once why she did it and she said, "Well, he is the kind of man I love to hate." I think that is, perhaps, a particularly fitting description of the Minister of Mines and Natural Resources who cultivates that particular role in life. He is only followed up equally by the Member from Lakeside who is part of a tag team duo that plays in this House regularly. Maybe he might be more aptly described as the man the people hate to love.

Whatever the case may be, it is certainly nice to be back within these surroundings and find that some things never change, with one exception, Mr. Speaker, there is a certain difference of tone to the Chamber which could only be called election fever. I guess there is nothing more acrid or pungent in the air than a group of politicians in heat as they begin to prepare for the kind of oncoming high festival of democracy. There is a certain kind of edge that takes into their speeches. I have certainly found out more about paving roads in the last two days than I ever thought I would want to know or probably would ever want to know again.

I think also that one of the more useful results of that is that it seems to inspire many of our colleagues to begin thinking fond thoughts of the future. You would think almost that this was a Chamber of cosmologists or of futurologists the way we have been bandying about crystal ball prophecies as to what should be, what might be, what could be or what will be. The future has become — as someone said this afternoon, savage (?) has become one fashionable word that has now been used in this Chamber — I would say "future" has now become the other fashionable word. There has not been a speech that has passed by without someone creating their own peculiar version. This would probably make MacKenzie King very happy to have been back in this Chamber with his own form of communication with the spirits to find out that these wondrous visions of the future perhaps come from the same kind of dubious sources that he peered into.

So, Mr. Speaker, I would want to apologize if I can for not getting into that particular routine. I do so with some hesitation, it may be breaking one of the rules perhaps of pre-election discussion and debate but I think that in part I share the views that the Leader of the Opposition expressed in his

opening speech that the primary responsibility of those of us who are elected should be to listen to what people have to say. And I have been engaged in an exercise in the past month or so doing exactly that.

I should say by way of digression, Mr. Speaker, that I have been doing it in a way that others in my riding have not been doing it. I sent out a very open accessible public questionnaire. I should say, by way of exception, that there have been a number of other surveys going on in my riding which aren't quite so open and accessible. I keep receiving calls from different constituents saying, "Mr. Axworthy, they are at it again. There is something called the Manitoba Institute of Public Opinion which wants to know how I plan to vote in the next provincial election." In fact the residents of Fort Rouge, Mr. Speaker, must feel something akin to those of the Spanish Civil War where we're becoming the battlefield where both the forces of the left and right are testing their particular weapons. I wonder, Mr. Speaker, a small suggestion I might make to the Attorney-General is we might look at some law for at least registering those who are undertaking these interesting public opinion polls so that those of us who aren't quite as favoured with money and resources will have some opportunity to see them as well. I'm sure we'd all find them fascinating reading. At least we would know who are doing them. Perhaps maybe the Minister of Consumer Affairs, who has quickly left the Chamber which is too bad because I am going to have to say some words about him — it's too bad he left so quickly because maybe he would want to investigate some of these cases of misrepresentation and false advertising that many of these opinion survey firms are posing under and I would only suggest, Mr. Speaker, that maybe it is something that perhaps after the election we can look into. I suppose the damage has already been done.

A MEMBER: Yes, but you won't be here.

MR. AXWORTHY: But, well it's hard to say, Mr. Speaker. Certainly the Minister of Labour won't know whether I am or not because he certainly won't be here. By the way, Mr. Speaker, I have tried to understand in my own mind why it is that the Premier of this province would want to express publicly his fondness or concern about perhaps moving to other places to serve in other capacities. I thought why would he want to leave the beautiful paradise climes of Manitoba. I finally discovered after a couple of days of the Throne Speech when he sits beside the Minister of Labour and sits in front of the Member from Radisson, that it is probably just the sheer din that is driving him out of this Chamber and he'll probably find Ottawa, if nothing else, a quieter place to exist in. It may be no less busy but it would certainly be quieter. Therefore, Mr. Speaker, I would say that perhaps some of us would share that same feeling that the First Minister would have for his anxiety to get away from the barreling that goes on around him.

To come back to the point, Mr. Speaker, I have been engaged in a survey in my own riding where a very strong result of close to 800 people have responded which I think by most standards of surveying is an extremely large amount of responses. And the people in that survey say something which I think is very important for members of this Chamber to take cognizance of; that is, they are not all that interested in all these grand visions of the future. What they want to know is what business are we getting down to now? Because the concern that comes back very strongly in those surveys is a worry, an anxiety about an issue that no one has yet, in this Chamber, really talked about and that is, the question about prices and rents. What is going to happen as all these political people wander around the country and the province talking about taking controls off because when I look at these survey results what people are saying is, "What are you guys up to? It is finally beginning to work. The cost of living is finally coming down. The rents are finally controlled and now they are talking about taking them off." What they really want to know is what is going to replace them?

Well I thought, when coming into this Chamber last week that would be the first order of business. It certainly is one of the most immediate and one of the greatest concern to constituents and the mover of the original resolution, I thought, would be an obvious one to move it. He didn't say a word about it. Instead, he talked about the garden paradise of central Winnipeg which again I must have a certain amount of skepticism about the exactness of his description. I thought, well, perhaps the mover according to the tradition of the place wouldn't want to mention that and leave it to others but I thought surely the new Leader of the Opposition, a man who has come to represent himself as the new spokesman for political machismo in this province, the kind of take off your shirt and beat your beat-your-breast-get-down-to-earth breast get down to earth business of politics. Surely, Mr. Speaker, this new Leader of the Opposition would address himself to the critical issue of how do we deal with the problem of the still rampant problems of inflation and pushes on prices and costs in this province but, Mr. Speaker, nary a word. No, no, this pragmatic practical down-to-earth man of business found in that whole two and a half hour oration paid not one word or not one whit of attention to an issue which 83 percent of my constituents say is the most important as far as they are concerned.

So, it seems to me, Mr. Speaker, that perhaps we are misspending our time here a little. Well, I thought maybe the Leader of the Opposition is waiting for some magic moment but I thought surely

followed as he was immediately by the Minister of Consumer Affairs, whose job it is to deal with the problems of rents and prices and costs, surely now we would hear the word. I knew that after having had a vacation in the Department of Tourism for a couple of years, engaging in all those exotic activities of tourism and recreation and getting down to the hard barrel knuckle problems of prices that he would have something to say. Well, instead, he hadn't quite forgotten his old ways as a minister of tourism. He gave us a travelogue on the constituency of Springfield and then seemed to launch into — I think it was — a combination of, again, why the Tories didn't do what they should have done ten years ago and certainly the glories and joys of the co-operative movement which, again, I think is interesting to hear but had nothing to say, Mr. Speaker, about the issue which is of great importance to the people of this province an

immediate importance; not way off in the future but something that is happening now.

So, if I may be permitted Mr. Speaker, I would like to comment on this particular problem because I think that the position of our party is that when it does come time for people to make a choice that that choice will be based, not on the rhetoric of these visions, because I think people don't get fooled by that as easily as they used to, what they are going to choose upon is which group of people in this province seem to have the most accurate appraisal of what is going on and what can be done about it. Who makes a realistic assessment of the real conditions being faced in this province and who has answers to those problems? That would be the position that I would state for our group; not in terms of the sort of up-in-the-clouds sort of pictures of the future paradises and utopia that we talk about. Let's talk about what is happening now.

And certainly, Mr. Speaker, when I look at what it is on their minds in my own riding, but not exclusively so, the major question on people's minds, one that has a particular relevance to the provincial government is the question of what is going to happen with rent control? The only person who has made mention of it so far at all, in any public way, in the last week has been the Premier of this Province who said he was going to take them off and was not prepared to offer any alternative. That has been the only word . . .

A MEMBER: He said that a long time ago.

MR. AXWORTHY: Well, he said it a long time ago, and while saying it, Mr. Speaker, he is talking about something that affects close to 55,000 apartment units in this city alone, which probably includes close to 75,000 to 100,000 people. Now it would seem to me, Mr. Speaker, that that is a fairly sizable portion of the population, not only of this city, but you could take it much further, of this province. It would seem to me that they should have some of their concerns addressed to. And I would think that that problem which is exclusively within the powers and purview of the Provincial Government to do something about, the question of what to do about rents is a topic that should be debated in this and must be debated and resolved before we leave here and go House' off into our election belt, because if we don't do that it is a dereliction of duty of members here, because it is not something that we can allow to have happen and leave people in a quandry with the uncertainties that presently exist simply because no one is prepared to grasp the nettle in their fist and take the tough road and give some tough answers.

Now, Mr. Speaker, let me state very firmly that as far as our party is concerned that at this present stage we support and endorse the maintenance of a program of rent restraint beyond the stage in which the Anti-Inflation Program would come to an end in October. We simply believe that it would be wrong for this government to dissolve the Rent Control Program and leave nothing in its place, that would simply leave too many people facing exorbitant rent increases of somewhere at 30 to 40 percent, and I don't think that anyone should leave this Chamber until it is resolved. And as to the position that this party has taken — by the way, Mr. Speaker, a position that we haven't heard a word from either of the other groups who like to pretend that they have the capacity to govern. And I would say, Mr. Speaker, that there are reasons for that. The First Minister when he answered a question in the House, I believe it was last Friday or Monday when I asked him the question, said, "Well, of course, rent controls come off because they are part of the Anti-Inflation Program." Well, Mr. Speaker, that is a fallacious premise because rent controls are not brought in because of the Anti-Inflation Program, they were brought in because there was a scarcity of rental housing in this province, and rent increases were going up 15 or 20 percent and if there wasn't some form of rent restraint that the ability-to-pay rent would have far exceeded the income of many people who are tenants in this province. And I would only cite, Mr. Speaker, the fact that even as late as this year 40 percent of people who rent their housing were paying over 25 percent of their income for rental housing, over 40 percent were paying above what Central Mortgage and Housing and other bodies consider to be the proper proportion of income for one's rent, 40 percent, and that's not my words, that comes from a planning officer of the Planning Secretariat of the Provincial Government.

Mr. Speaker, I spoke in this House beginning in 1974 that we were heading into a problem of scarcity of rental apartments and as a result the rents were going to go up. At that time, of course, the First Minister said, "Well there is no problem." He said there was no problem in '74, he said there was no problem in '75 and then all of a sudden we have to bring in rent control. Well the problem that

causes the need for some form of rent stabilization program is still with us today. The vacancy rate in the City of Winnipeg is now at one and a half percent, and quite frankly we are not building enough apartments to catch up with the tremendous lag that went on in the years before when we were building virtually nothing.

I take some exception to the backslapping that went on in the Throne Speech about the number of public housing units that are being built this year, because, Mr. Speaker, what they didn't say is that the year before and the year before that they weren't building any public housing for families in the City of Winnipeg, fifteen units here, maybe 55 units the next year. And so, all that they are talking about now is a catch-up program, no advancement, a simple catch-up program.

Let me give you one other interesting fact that comes from this report of a planning officer from the Planning Secretariat, and that is close to 1800 units of housing are taken out of the housing market every year, that while the Minister responsible for Housing is talking about replacing 2200, we're taking 1800 out of the market, and that the houses that are going out of the market are the older units which provide cheaper accommodation for those on low or moderate income, and they are being replaced by highly expensive public housing units where it is ten times the cost to replace them, for those we're taking out. Which simply comes back with a total bankruptcy of any policies to deal with the upgrading of apartment units or rental units in this city.

So, Mr. Speaker, the problem that we have is not one that is simply that rent control is an ingredient of an Anti-Inflation Program, by itself in its own right it stands as a necessary requirement to curb the unacceptable rate of rent increased.

And furthermore, Mr. Speaker, there was one other basic fallacious premise that the First Minister engaged in when he said that it has to be part of an Anti-Inflation Program. I would simply remind him that the Province of British Columbia and the Province of Quebec and the Province of Newfoundland had rent restraint, rent stabilization programs years before the Federal Anti-Inflation Program came into being. B.C. bought one in 1974, Quebec has had one since the Second World War, Newfoundland had one since then, and several American states since that time, since 1970 seven or eight American states have brought in specific rent restraint or stabilization programs. So, Mr. Speaker, it doesn't have to be tied to the Anti-Inflation Program, it is a program important in itself, and that should not be forgotten if we are going to exercise our responsibility.

So, Mr. Speaker, I would simply make the case to you, that the requirement for rent restraint is a requirement that grows simply out of the housing problem of the Province of Manitoba, and in particular the City of Winnipeg, and that problem has in no way been solved. It is for that reason that we say we need a continuation of a Rent Stabilization Program, not the present program we have now; I don't believe necessarily that the present system is necessarily the best. Now it is hard to tell because so far we have received absolutely no information as to how that program has been working, and if you will recall, Mr. Speaker, when we debated this issue last year I asked specifically whether this government was going to provide us with semi-annual reports as to the actual workings of the Rent Review Board so that all members of this House would have the basis of making some assessment. The Minister of Mines and Natural Resources, that great believer in the freedom of information said, "Don't worry about it, trust in us as politicians, we'll give you the information, it shouldn't be part of the Statute." Well, Mr. Speaker, I've been waiting with some degree of impatience for those reports that that great believer of freedom of information of the present system was going to provide and they are not there, there has been no information provided so it is very difficult to know how effective the present program has been working.

Now I would suggest to you, Mr. Speaker, that having attended something like fifteen or twenty rent review hearings and a similar number of board hearings, that there are some real problems with it. One is the problem of pass-through costs, that the program has been too arbitrary and has not established what I would call a fair rent program to allow a proper passage through of certain cost, and therefore has created a degree of antagonism towards the program on the part of property owners. And I will again suggest, Mr. Speaker, that going back to the debates of last year when we suggested again a formula that could have been used, that could have been used to compute, pass through a cost to make sure there was a fairness, that of course was rejected, but that is simply going back over old details.

I am convinced now that that formula would have worked, and certainly the experience of British Columbia which is using such a formula has worked more effectively, from the reports put out by the Canadian Council of Social Development, and that is has worked more effectively than the one here.

So I would say, Mr. Speaker, that that is one of the major concerns that we would have in planning a program of fair rent, would be to alter and administer the program either on two different kinds of options. One is the Quebec option, which is a Tenant Initiated Rent Review Program, which means that if there is a problem with increasing rents then the tenant can initiate a grievance and the landlord has to justify his cost by opening his books and an arbitration is made. That was one option. The second option is the BC option, which is closer to the Manitoba form of rent stabilization which has a set number of formulas by which you can measure the rent increases and the costs according to

the land lords. And under that system, Mr. Speaker, that may also be the other option, it's simply if we had the opportunity to make that decision that would be one of our first requirements, as a part of dealing with the problem of increasing rents would be to establish a new Fair Rent Program which would include either one of those two options plus a monthly index of rental costs similar to what the United States Bureau of Statistics is now undertaking, so we know exactly what costs could be taken into account on an objective honest basis and make sure that there is a proper appeal procedure and proper administration. Now that would be plank No. 1, Mr. Speaker, in the kind of program we would like to introduce.

But, let me make it very clear that rent restraint by itself is not enough, that we do not stand on the basis that the answer, solution to the problem, is a rent control program. We say that in addition to establishing that kind of restraint on rents, to that kind of regulation, you need several other programs to go along with it. Secondly, you need a proper rent allowance program because even in the circumstances where landlords are given the right to pass through costs of their rental units the increases are themselves in many cases too high for many of their our tenants, senior citizens, those who are young working people, those who are on fixed incomes, those who have different kinds of pension plans, they simply, even under our rent restraint program sometimes cannot afford the increase. And I would suggest that a rent allowance program must go part and parcel. Now the Province of Manitoba presently has an agreement with the Federal Government, a 50-50 sharing under what they call a 44(1)(b) program, to share rent supplements in public housing units, in certain non-profit organizations. I think, Mr. Speaker, that that program could be extended one phase further to include private accommodation. And so, individuals who find that they cannot fully afford the rent charged in their own apartment would be able to receive some supplement.

And, I would suggest, Mr. Speaker, that is a far cheaper way, a far less expensive way than trying to accommodate every single housing need in the construction of a public housing unit, because the fact of the matter is that right now to build one public housing unit the average cost in the Province of Manitoba is \$30,000 a unit, and the average supplement or subsidy paid by the Federal-Provincial Governments is over \$200 a month, to build a family public housing unit. And so, just simply compare the differences between adding a fifteen or a twenty or a twenty-five dollar a month supplement with a capital cost of \$30,000, plus a \$200 a month subsidy.

Now, again, you don't ignore those because public housing units are also needed, but a rent supplement program operating in conjunction or in some partnership with that is necessary and should be phased into private accommodation on a much wider scale than is being done now. The Province of Ontario, at last word, had something like 2500 units, private accommodation units, under a rent supplement program to take care of that problem.

Okay, Mr. Speaker, there is two planks in our platform, one a rent restraint program, two, a rent allowance program.

Thirdly we need to do something to increase housing supply. And that, Mr. Speaker, has been one of the outstanding failures of this government. We have said time and time again that if you want to solve the problem of housing shortages, housing scarcity and increasing costs, then we need an overall program to stimulate housing supply.

Let me go back for a moment to that problem I mentioned earlier, that we now have close to 800, 1200, 1800, whoever's figures are right, those number of older units which are being demolished every year in the City of Winnipeg. The fact of the matter is, Mr. Speaker, we don't have any programs to meet that. Members opposite have talked with some pride about their Critical Home Repair Program. I think it is a good program for one class of people, older people who happen to still be in their own single family homes. It has nothing to do with rental apartments, nothing to do with rental units; there is no program available for rental units, there is no program available to upgrade and improve the accommodation in older apartment units and therefore, the City of Winnipeg comes along with a by-law that says, "Okay you have to fix it up, to bring it up to standard, and it is going to cost \$7,000 or \$10,000." There are many property owners who simply can't afford to do that, and therefore the property is torn down. I can give you a case, Speaker, no more than 200 yards from this building a nice apartment block, 14 units in it, the owner of it occupies it, gets a small income from it, most of the residents are senior citizens, they received an order under the city by-law and it would cost probably \$10,000 to fix it up, keep that housing in the market, not have to replace it by expensive public housing, she cannot get a loan from a private bank because they won't lend in this area, she cannot get a loan from any agency of the government, municipal, provincial or federal because they don't provide any lending programs for housing like that. And therefore the dilemma that this woman faces is either going for a kind of a usurer loan at a 12 or 14 per cent interest rate, or letting that building be sold for speculative reasons to be turned into an office building, or to be demolished and 14 families or groups of people will have to either go into one of your public housing units or join up with somebody else and get into an overcrowding situation. Now, Mr. Speaker, we have been saying that for three years. And when the "Johnny-come-lately" to the housing problem, the Leader of the Opposition, says, "I now endorse the home repair program," — my goodness, Mr. Speaker. Surely to

God we can advance beyond the kind of a simplistic approach as that. Isn't it time we started talking in this province about a decent comprehensive housing

program that matches the needs, that relates to the kinds of real issues that we have. And so we are simply suggesting, Mr. Speaker, that one of the requirements that we have in the province is a lending program for the upgrading and improvement of older buildings, that would provide a range of interest rates according to the income and costs that the particular owner has. To bring those in — (Interjection)— Yes, sure, sure.

MR. TOUPIN: Mr. Speaker, would the honourable member inform me and the House why the Federal Government doesn't accept its share on that program that he's bringing forward now.

MR. SPEAKER: The Honourable Member for Fort Rouge.

MR. AXWORTHY: Mr. Speaker, I can give an answer in part to that. The Federal programs for repair and rehabilitation would be available if there was an agency to make it available. The RRAP program, the Residential Repair Assistance Program, presently sponsored by the Federal Government, can be distributed through a non-profit corporation and one of the ways, and I was going to come to this, one of the major incentives that we could promote is to get the City of Winnipeg to set up its own municipal housing corporation to use that kind of loan money to provide that kind of work. In the City of Toronto, 800 units last year, rooming houses, guest homes and older apartments were purchased and brought up to grade by the City of Toronto Housing Corporation, with the assistance and cooperation of the province because where the province plays a role, it supplies land. It purchases land and turns it back for the purposes of supplying housing.

Now, Mr. Speaker, we are not talking about futuristic visions, we are talking about things that could happen now. They are available now.

I also wanted to take some issue with the Minister of Tourism because I think that one of the problems that this government has — pardon me, Minister of Consumer Affairs, I apologize to the Minister — is that this government seems to feel that the only housing programs it is prepared to get into are cost-sharing programs. I just finished reading a new publication on our Canadian social housing policy and the Province of Manitoba is one of the few provinces which doesn't have programs of its own for

housing, which doesn't finance its own mortgage-lending programs, providing second mortgages or lending program.

A MEMBER: That's not true.

MR. AXWORTHY: Oh yes, it is true. It is one of the few provinces — (Interjection)— Well, we're talking about a problem of 55,000 apartment units in the City of Winnipeg which are within the perimeter route which have no lending program available to them right at this moment. I am saying — (Interjection)— I apologize. I'll be interested to find out how many people have used that program. But the fact of the matter is there are 55,000 apartment units. In fact, Mr. Speaker, one of the particular problems being faced in Winnipeg is that, like many people in this Chamber and many people outside it, we are all aging. The housing in Winnipeg is at a particular cycle in its own life where there's a large splurge of building from 1910 to 1920. That housing is now over 50 years old and in desperate need of recycling and yet there is no way of recycling it. And we are at the stage now that unless there is really almost a crash program to react to that particular problem, then we will not be talking about 1,500 or 1,800 houses going out of the market, we will be talking twice that number.

Therefore, Mr. Speaker, when we talk about housing supply, keeping housing in the market that people can afford, we simply say that Plank Number Three in the Liberal program is to increase the supply of housing, particularly by eliminating the demolition, extinguishment, or elimination of older housing and older apartments from the market. And that doesn't mean that they are unsafe or under the standard. I take issue with the Minister of Labour when he made some spurious remarks to me the other day. I have always said that there should be no compromise on the question of safety standards, but there should be some assistance given to help people bring it up to the standard rather than having those houses demolished. I guess the irony of it is, Mr. Speaker, the irony that I faced a couple of months ago, is that in fact it was a public housing project which was responsible for demolishing some older buildings when, within 50 or 75 yards of that site, there were three vacant sites where public housing could have been easily built. Now that doesn't make an awful lot of sense, frankly. I don't know how you figure it, Mr. Speaker — (Interjection)—

MR. IEAKER: Order.

MR. AXWORTHY: I think, Mr. Speaker, that the problem is we need that kind of facility. That's Plank Number Three. There are other things that we can do to increase supply. There are land programs and there are mortgage programs. But the fourth program, I think, is also in that plank, it's a try to cut costs. And there are a number of ways of doing that that we can thrust. Certainly we can get into the whole question of land servicing and I think we will have an opportunity to debate with the Minister of Housing as to just how effective his 500 acres are going to be in reducing land prices in the City of Winnipeg. I would suggest an absolute zero. They will only provide sort of a reduction of cost

for those who have the lucky lottery of being able to choose it. It will not affect the land market at all. It will not have one effect upon the price of the land market because it is simply too small and too light. But where this province can make a real contribution to reducing cost of housing is by getting into an important service strategy of enabling the City of Winnipeg to get the pipes and the sewers and the utilities and the roads in the ground to open up supply of land. And that's a capital expenditure and rather than running off and spending our CPP money and our Autopac capital and all the rest on some of the frivolous ventures that have been talked about in great length in this House, that's where the money should be going. It should be going into providing a lower cost housing unit, both by a service strategy and also by providing better management of the housing units and encouraging the management of both public and private agencies, which is not very good right now, and thirdly by getting into a decent, into new planning ventures to provide for smaller lots and different styles of planning so you can make much more efficient use of the land.

So, Mr. Speaker, there are four basic programs that we would put into effect to bring about a reduction in rents, to bring about a reduction in the cost of housing, to meet a problem which is here and now. And this is what we are prepared to go to the people on, not on these grand visions, but we are prepared to go to the people of this province on the basis that we can recognize a problem when it is staring at us and we can provide solutions to those problems which the other groups are not prepared to provide. I think, Mr. Speaker, on that basis, we are listening to the people and when we listen to them, by listening to them we can understand what their concerns are — not their reputed concerns, not their alleged concerns, not the concerns that they have to bide by some sort of a spurious opinion survey by some undenounced and camouflaged opinion survey organization, but to things that are directly responsive to their elected members because that's what they are telling us.

And so, Mr. Speaker, I would say that in supporting the sub-amendment that the Member from Portage introduced, one of the key clauses that we rise in criticism of this government is not answered, that particular problem of prices and rents, in that we believe it is not a matter of not having solutions, just that they are not prepared to bring the solutions in. Mr. Speaker, given the chance, we will do exactly that and I think not only are we listening to the people, I think the people will listen to us. Thank you.

MR. SPEAKER: The Honourable Minister of Industry and Commerce.

MR. LEONARD S. EVANS (Brandon East): Thank you, Mr. Speaker. I realize that the clock is running along quickly and I have many, many things to say but I'll see what I can do in the next 15 or so minutes. I would first of all congratulate you, Mr. Speaker, for your continuing responsibility in the high office of the Speaker of this House, the arbiter of debate in this House. I wish you well. I know it's a difficult job but you have shown that you have the ability to perform very well in the past and I know you will continue throughout this session as well.

I, like many members of this House, look forward to having the new Leader of the Official Opposition as a member of this Chamber since now, I thought at least, that the Conservative Caucus had a leader that truly suits their particular outlook and particular political philosophy. At least I thought I was going to hear a very clear and forthright statement of right-wing Toryism, until I heard his speech the other day and I became somewhat confused as indeed my colleague the Minister of Mines and Resources indicated, the Member from Souris-Killarney, the Leader of the Opposition, appears at least to embrace and approve many very fundamental Social Democratic programs, whether it be Autopac, Medicare without premiums, Pharmacare and so forth and so on. However, I really believe that in many ways the Honourable Leader of the Opposition does not truly relish a publicly-owned Autopac agency and I really believe he doesn't relish a system of Medicare without premiums because of other statements that he has made in the past. But the fact is, Mr. Speaker, that the Leader of the Opposition does accept them simply because he realizes that the people of this province, the people of Manitoba would not tolerate any deterioration or reversal in the progressive social programs that have been brought in by a New Democratic government of this province. They simply would not tolerate this and he recognizes the political reality of that. Nor would they accept any deterioration of a Pharmacare system that we have instituted and so forth for many of the other measures, progressive measures that we have instituted in the past seven or eight years.

So I really do believe that the Leader of the Opposition is truly of the Conservative vein of his party, as I said, particularly if you read some of the other statements, his other speeches in the past, although I do admit that he sometimes talks out of both sides of his mouth because on the one side he is telling us that we are spending too much money and then on the next breath he says we should be spending more money on day-care centres and so on.

So I can understand, I think, the enthusiasm, at least I feel an enthusiasm on the part of my friends opposite of the Conservative Caucus, that they believe that they now have a leader who is truly the embodiment of their right-wing Conservative views.

I would say, Mr. Speaker, on examining the statements of the former leader of the opposition, the Member for River Heights, one I guess could make a case for a few progressive ideas coming across from the opposite side of the House and therefore one could appreciate the use of the term

"Progressive Conservative". However, with the change, I believe that it is clear that across the way is truly a collection of MLAs which is their privilege and their every entitlement to have views which are purely conservative in every way, shape and form. And I wonder, therefore, as debate proceeds, whether there is going to be any deviation from this or whether we are going to see what I expect to see as we get into some various new pieces of legislation — the views of the Opposition that represent probably, I suppose one of the most conservative groups of any legislatures in the Canada. — (Interjection)—

MR. EVANS: Well, you know, I had a friend, a business friend visiting us in Winnipeg a couple of weeks ago and he observed that politics in general were very conservative in Manitoba and so I think I can say very safely that the Conservative Party of Manitoba is among the most conservative of any in Canada, and that needn't be taken in any demeaning sense or in any demeaning way. You are entitled to your views. But this is the fact. So I won't go beyond that. I think I could dream up some other names for the party, but we'll leave it at that, that we truly have a Conservative opposition, and that's fine. — (Interjection)—

What really bothers me, Mr. Speaker, is the incorrect impressions that seem to have been left by the Leader of the Official Opposition in some cases and indeed there have been some incorrect statements. For example, he makes some reference to doctors leaving the province in increasing numbers, leaving the impression that we have some sort of a crisis in terms of supply of doctors in this province. Well the fact is, Mr. Speaker, that as of November 1st, 1976, and these are official statistics, we had 1,655 physicians resident and registered in the Province of Manitoba, more than at any previous time in the history of Manitoba. More than at any previous time in the history of Manitoba — a record net gain of 68 doctors over the previous year. And I say, Mr. Speaker, so much for the false impression that the Leader of the Opposition was leaving with us that we had perhaps a pending crisis because doctors were leaving the good Province of Manitoba and that we would have fewer and fewer doctors to attend to our illnesses and to bring us back to good health. The fact is, as I said, we have a record number in practice in the Province of Manitoba today.

References were made in his speech to taxes being brought back in line with our neighbouring provinces. I think the Member from St. Johns dealt with that most eloquently in terms of sales taxes and you could go down the line and make a case, a very favourable case, for the tax situation in Manitoba when you take into consideration tax credits, property tax rebates and the like. So to say that, you know, we need a new Conservative government to bring taxes in line with our neighbouring provinces, is just not correct. Unless, of course, the Honourable Leader of the Opposition is referring to income taxes and if that is what he is talking about, and that's fair enough, if he wants to adjust the income tax, what he really means, because this is the most progressive tax we have, what he really means is that he will be true to his Conservative backbenchers and to the Conservative Party in his own rightful conservative philosophy and take money from the poor and the less fortunate and give it to his rich friends.

The Leader of the Opposition also left an impression that somehow or other, young people were leaving the province in greater numbers than perhaps ever before. And it is true, Mr. Speaker, that there are people leaving the Province of Manitoba. In fact, it is an unfortunate fact that Manitoba does lose people in terms of interprovincial migration. In fact, the figures that I have available to me, and these are Federal Government statistics, in the past seven years, the Province of Manitoba has lost an average number of 2,922 persons a year. Now that's on average, per year, for the past seven years — 2,922 persons on average for the past seven years, and I don't like that. That's a net loss of people. I don't like it. There were some years when there were pluses instead of minuses, but, Mr. Speaker, to then say that people were leaving in great droves or that this was some terribly new situation is not simply correct because in the last seven years of the Conservative regime in this province, the net outward migration was 7,022 people a year. In other words, more than double the number of persons leaving the Province of Manitoba today.

When I look back at the Leader of the Opposition's closing remarks, and I'm quoting from his statement of Monday, February 21st in Hansard, "The indictment against these people in government, against this government today, the most serious indictment is what these people have done in their eight years in government to destroy hope in this province, hope in the idea of opportunity, particularly for our young people."

Mr. Speaker, that is the most serious indictment of the job that is going to face the new government in this province immediately after its election is to bind up the spirit, etc., to restore the sense of hope and opportunity, and self-reliance, and that the confidence the people have had in the past and want to see today by the kind of policies that are so foreign and alien to my honourable friends opposite that they can't see them for their own noses and so forth and so on. So that's the most serious indictment I lay at their door. What they have done to destroy hope in this province, Mr. Speaker, the young people of Manitoba know what I'm speaking, the young people who are leaving the province in growing and growing numbers, year by year to go elsewhere where opportunity, independence, initiative, etc., is more highly valued. And as I said, Mr. Speaker, this statement just

does not wash because, in the last seven years of the Conservative Government reign in the Province of Manitoba, more than double the number of people were leaving this province year by year by year, these are average figures, but that is a fact. I'm sure my honourable friend doesn't like it, I don't like it, I don't like the existing situation, but to try to claim that for some reason because of this government people are leaving is simply incorrect — it is simply false.

Mr. Speaker, talking about business development and so on and hope, initiative and getting back to the good old Conservative days, I'd like to refer to this story that was in the Free Press of January 1969 — "Manitoba, a great place to be from". Well, you know, look, you don't like us to refer to the 60's, but your Leader has said that the people want to get back to that kind of government and that kind of situation with its faith, hope, initiative and progress, etc., etc., but you know, quoting from this article, some of the biggest industrial development stories of 1968 — the last year which we had this great, glorious Conservative party in power — were those slated to be filed in the economic ruin basket and they talk about the closing of Air Canada, the closing of the San Antonio Gold Mine, the bankruptcy of Parkhill Bedding Limited — a loss of 160 jobs, the fact that Frontier Air Lines could not get a license to fly into Winnipeg, and incidentally they have in the last two years obtained a license to fly into Winnipeg. The fact that the Royal Alexander remained empty during the year in which it became increasingly clear that nobody wanted it, a large bakery in Brandon closed its doors, Winnipeg Mayor, Steve Juba, announced that if the Provincial Government keeps up its current tax policies the City of Winnipeg would go bankrupt, the Simpkin family sold controlling interest in the Winnipeg based BACM to Sojormine (?) Limited of Montreal, Manitoba Hydro announced a boost in power rates for 225 thousand customers, Reimer Express of Winnipeg was sold to Vancouver based Neon Products Limited — Neon Products also bought Northern Paint. Canada Iron Limited announced that it would be closing its structural steel fabrication — these are the great things that happened in the Tory regime, the era of the Progressive Tory Government in the province of Manitoba. Manitoba Cold Storage Company was sold to Levi Industries of Toronto, Christmas tree cutters working in Manitoba's bush country found the going tough this year and the sales were down. Brandon refinery BA oil was to shut down, Creameries at Brandon, Reston and Souris closed down that year and so forth, and so on. Bird Construction moved its base of operations from Winnipeg to Toronto and so on and you know, Mr. Speaker, I could go on and take more time if I had that time, but I just contrast this with these glorious words of the new Leader of the Opposition who said, "Let's get back to the good old days when the young people would have opportunity, where they'd stay in Manitoba" — as I said, they left two and a half times, more than twice as fast as they are leaving today and I don't like to see that, but that is the fact and I say therefore, fact, Mr. Speaker, . . . put on my glasses to see if I have any time left . . .

Mr. . . Speaker, I say to the members of the Opposition that the people of Manitoba can't afford to have another Conservative Government, they can't afford it. The fact is, Mr. Speaker, the Leader of the Opposition so readily embraces the progressive policies that this government has brought in, whether it be Autopac, whether it be Pharmacare, because, as I said initially, he knows the reality, the political reality, he can't afford to reject those policies because the people of Manitoba simply would not tolerate any backward movement by a Conservative Government, and he knows the political reality, that's why he's so ready to embrace them even though it does go against this true grain of political conservatism. Thank you.

MR. EVANS: Mr. Speaker, I was in the middle of contrasting the reality that occurred in Manitoba under the Conservative Government in the 1960's, with the fantasies of the Conservative Opposition as depicted in the speech by the Leader of the Opposition extolling in effect the virtues that would be bestowed upon the people of Manitoba if a Conservative Government were ever re-elected. As I said, he was referring to young people leaving and wanting opportunity and so forth and so on and I took the latest information we had available and read out some very specific examples, as I said this is from the Winnipeg Free Press of January 1, 1969. Other examples of James Mill, President and owner of the House of Mark Mills, a Winnipeg firm of women's ready-to-wear garments, which once employed 18 people, closed down in Winnipeg and headed for B.C. to look around for business prospects 1968. Duff Roblin, once Mr. Manitoba, moved to Montreal to head CP Investments, well we know Mr. Roblin is back. Moore Business Forms Limited moved its Western Head Office to Winnipeg which reduced its Winnipeg staff by 30. The last hopes of a revival of the Bank of Western Canada died and, Mr. Speaker, as you know we've got a lot of work in co-operation with the Credit Unions since then and we have had recent developments for a Western Canadian Bank.

MR. SPEAKER: At this time, the hour being 9:30, according to our Rule 35(2) I must put the sub-amendment.

QUESTION on sub-amendment put and lost.

MR. G. JOHNSTON: Ayes and Nays, Mr. Speaker.

MR. SPEAKER: Does the honourable member have support? Thank you. Call in the members. One other item. The Honourable Minister hasn't completed his time, he's entitled to 25 minutes.

when we get to the Motion again.

Order please. The Motion before the House is the Amendment to the Amendment by the Honourable Member for Portage la Prairie.

A STANDING VOTE WAS TAKEN the result being as follows:

YEAS: Messrs. Axworthy, Banman, Blake, Brown, Craik, Einarson, Enns, Ferguson, Graham, Henderson, G. Johnston, F. Johnston, Jorgenson, Lyon, McGill, McGregor, McKenzie, Minaker, Patrick, Sherman, Steen, Watt, Wilson.

NAYS: Messrs. Adam, Bostrom, Boyce, Burtiak, Cherniak, Derewianchuk, Desjardins, Dillen, Doern, Evans, Gottfried, Green, Hanuschak, Jenkins, Johannson, McBryde, Malinowski, Miller, Osland, Paulley, Pawley, Petursson, Schreyer, Shafransky, Toupin, Uruski, Uskiw, Walding.

MR. CLERK: Yeas 23, Nays 28.

MR. SPEAKER: In my opinion the Nays have it and I declare the motion lost.

The Honourable Minister of Industry and Commerce. Investors Trust Company here was sold to the Montreal Trust Company and, get this, plans for a \$4 million Convention Centre apparently fell through after a premature announcement of the project by the Winnipeg Mayor, Steve Juba. At any rate, there was simply no support forthcoming from the Provincial Government, as was the case when this particular party took office. Plans for Greb Shoes for a three quarter million plant in Inkster Industrial Park remained in limbo. Central Park Lodges, a Winnipeg based firm was sold to Trizec Corporation of Montreal and the Manitoba Telephone System loss money, and so forth and so on, *ad infinitum*.

MR. SPEAKER: Order please. The under-tones are winning the war over the over-tones, so will you tone it down. The Honourable Minister.

MR. EVANS: Thank you, Mr. Speaker. So I appeal to the Honourable Leader of the Opposition to base his statements in the future on fact and not to leave false impressions about doctors leaving the province when I said we have more doctors today than every before in our history, about people leaving the province when more people left when he was in government, and likewise with business activity. And again, you know, you can go to the Statistics Canada sources and look at the personal income levels in Manitoba and in 1966 Manitoba's average personal income, that is per capita personal income, was 91.9 percent of the Canadian average. In 1972 this had risen to 94.2 percent, and again, in 1975, the latest year which I have information for, we were up to 97.9 percent. Now, if that doesn't show some signs of improvement I don't know what does show some signs of improvement. In contrast, in terms of taxes and the tax burden, I would like to also point out, Mr. Speaker, that in 1969, if you take the number of taxable returns as a percentage of the number of returns submitted, you'll see that in 1969 80.2 percent of the returns were taxable returns, whereas, because of the tax credit program and the property tax rebate system that this government brought in, by 1974 only 73.7 percent of the people who were required to file returns had to pay any form of tax in the Province of Manitoba. So that's a significant drop in the number of people and I submit these are people at the lower end of the income scale, people on very modest moderate income, mainly senior citizens but also people with families whose incomes are very modest, so that they've had a break and you could use many other statistics to indicate it. Just in passing, Mr. Speaker, I note in a recent speech, well, last year April 28th, it was reported in a Metro One, this is a Winnipeg weekly newspaper, the Progressive Conservative's Mr. Lyon was speaking . . . I'm sorry, the Leader of the Opposition was speaking and he was quoted as saying "The Progressive Conservatives, if elected, would fight inflation by levelling out government spending by bringing in a modest tax increase." So I don't know what would happen to the number of taxable returns, I suggest it would zoom up very quickly if this statement made by the Leader were ever implemented.

I would like to go on to the area of housing for awhile, Mr. Speaker, because the Honourable Leader of the Opposition did refer at some length to this government's housing policies and programs.

Firstly, with respect to his comment that we originally started to build public housing in a big way and are continuing to do so, I can only thank him for that for what I must take to be his generous congratulations. I am sure that the Honourable Member appreciates what a monumental task in this area that he and his colleagues left us in 1969. Because, Mr. Speaker, up to that time, they had accomplished virtually nothing, virtually nothing towards the development of decent shelter for the needy of Manitoba, for the working poor and particularly for the great number, the vast number, the growing number of senior citizens who had worked all their lives to build this province and found themselves reduced to living in sub-standard tenements, particularly in the City of Winnipeg. How else can then one interpret the Leader of the Opposition's comments therefore but as congratulatory when he says we are continuing our public housing in a big way.

Since this government took office and found a meagre 700 units of social housing in place or planned and I would say, Mr. Speaker, this was essentially in the City of Winnipeg and largely at the initiative of the City of Winnipeg for a couple of large urban redevelopment projects that they were very keen on participating in and in which they got a small amount of help from the province at that

time, I believe twelve and a half percent, as opposed to total provincial participation today. At any rate we found in place a very small number of units of social or public housing units compared to 11,000 housing units which have been either constructed or are under construction today. In the intervening period this government has invested \$250 million in social housing in the Province of Manitoba. And I might add that in this total there are 6,600 subsidized senior citizens' units compared to 138 senior citizens' units that were in place in 1969. So so much for the Conservatives concern about senior citizens in this province. 138 in 1969 compared to 6,600 senior citizens' apartment suites that have been built in the last few years by this government.

The Honourable Member goes on to assert that public housing is only part of the answer to our housing needs and I believe that is correct. He implies that the goal of this government is to reduce all Manitobans to subsidized tenancy. I'm quoting, "The best solution", the Leader of the Opposition says, "is for people to be able to own their own houses". Well, Mr. Speaker, I can only conclude that the Honourable Member is either very naive or a very cynical person because in the best of all possible worlds the ideal that every family should own its own home is one that all members on this side of the House share. We all share this ideal that every family, every person, every household should be owned if possible by that family and as all members well know — (Interjection) — well most of the members of this House believe that every family should own its own home. Most members probably share that view. But as members well know this government is attempting, we are setting our sights in a big way, if I may borrow a phrase, upon the objective of assisting moderate income Manitobans to once again have the opportunity which the perversity of the marketplace has denied them and other Canadians across Canada, that is the opportunity to own their home by virtue of the development of lots through the program that was announced in the Throne Speech and by the sale of these lots at a reasonable and affordable cost.

It should be clear, Mr. Speaker, that contrary to the Opposition Leader's assertion this government does have a comprehensive housing strategy that takes into account the importance of home ownership. However, Mr. Speaker, it should also be clear that in the real world of which the Opposition Leader appears to be so blissfully unaware, home ownership is not nor has it ever been a possibility for significant numbers of low-income people in this province who do and always have lacked the earning power required. There are thousands upon thousands of Manitobans who simply do not have the income levels in order to qualify for conventionally financed housing, and it is these low-income Manitobans, and particularly our senior citizens, who are the first priority of this government's housing policy and must remain a significant priority in our programming. I might add, Mr. Speaker, that according to surveys done that families must have incomes of at least \$15,000 in order to afford new housing today. The fact is that seventy percent of Manitobans in 1975 when they filed their income tax forms, that seventy percent of them have incomes below that particular level. I'd hasten to add however, Mr. Speaker, that in cooperation with the Federal Government we do have an Assisted Home Ownership Program otherwise known as AHOP, a provincial AHOP Program which is designed to supplement the federal assistance program.

The Honourable Leader of the Opposition goes on to contrast the administrative expenditures of the Manitoba Housing and Renewal Corporation in 1975 to those of the last year of his party's involvement in government. Well, Mr. Speaker, it is our turn to congratulate him, however not on the quality of his perception but rather on his nerve in attempting a comparison that is so transparently absurd. Is the assumption that a staff of three people that existed in 1969, there were three people in the Manitoba Housing Corporation in 1969; does he assume that three people could have generated over 10,000 units of social housing in this province, an investment of over \$250 million and managed those units as was at the level that existed in 1969. Of course not, Mr. Speaker, I expect the Opposition Leader is sincere in this criticism in only one respect and that is that the administrative expenditures of MHRC would have not markedly increased under Tory administration because, Mr. Speaker, there would probably have been very little more activity to administer. So I can appreciate the fact that the expenditures of MHRC and the size of the staff of MHRC would not have increased because very, very little, I imagine, would have been done.

But if I might compare, Mr. Speaker, with our sister province to the east of us, the Province of Ontario, which has an Ontario Housing Corporation, over the years this Corporation, they started before we did, they started in the earlier 60's, by the end of 1975 the Ontario Housing Corporation had 72,000 housing units on the basis of the total staff of in excess of 1,200 people. As at the end of 1975 Manitoba had developed some 9,200 units using a regular staff of about 100 people. The point is, Mr. Speaker, that in effect Ontario Housing Corporation had generated eight times the volume of Manitoba Housing Corporation but was utilizing twelve times the number of manpower to do it. Of course, the honourable members opposite might argue that the Ontario Conservative government's record is also one of waste, "waste and mismanagement" and criticize them for over-building public housing in a big way. And of course, that would become quite understandable if one considers how much more the members across the floor as evidenced by their preferred choice in leader's esteem, the second part of the name in comparison to the first. And as I said it is very difficult to see the use of

the term progressive in this particular province.

I would like to indicate, Mr. Speaker, that one of the reasons we can manage a large amount of real estate as we have indeed all over the Province of Manitoba is because we have decentralized the property management of them. Throughout Manitoba, and as many members opposite know, we have local housing authorities that have been set up, one-third being elected by the tenants, one-third nominated at large and one-third nominated by the local municipal councils. These people together are appointed by the Minister for Housing to manage the particular public housing whether it be family or senior citizens in that particular town. This, Sir, has in effect kept down the numbers of people that we have to hire at Manitoba Housing in order to administer the property. The decision making is decentralized, the screening of the applicants is done locally, the payment of the utility costs, the collection of the rents, and so forth, the hiring of staff is all left in the hands of the local people. As a matter of fact, Mr. Speaker, I know many other provinces across Canada are looking to Manitoba to see how we have engaged in this particular type of property management. That is, putting in place thousands upon thousands of housing units throughout Manitoba and at the same time doing it using local volunteer boards and hiring local people to do it on a decentralized basis.

Another criticism of the housing program was mentioned in the remarks of the Leader of the Opposition regarding the \$5 million which we have committed this year for housing rehabilitation. This is the \$5 million in the Critical Home Repair, which he compares with \$50 million that are being set aside for Capital Works. Well, the fact is, Mr. Speaker, that he very conveniently omits the fact that we intend to continue our program of social housing investment and we will be spending in the City of Winnipeg alone this year, God willing and all going well, in the order of some \$25 million for this type of social housing. The fact is that at the present time there are 1,514 Winnipeg housing units presently in various stages of development by Manitoba Housing, 932 of these, that is over 60 percent, are going into the Inner City area, the old City of Winnipeg, and 572 of those units are being developed in the heart of the downtown and core area. It is firmly our intention to increase the portion

of our activity in those areas with approximately 600 units in the planning stages at this early point for 1977. So, Mr. Speaker, it is simply not accurate to say you are spending \$50 million on government buildings and other public works here and only \$5 million for home repair, because those are not adequate or fair comparisons. Five million dollars is for one program only and that is a Critical Home Repair Program, and incidentally, Mr. Speaker, we have had to fine tune this somewhat because we learned that there are various sectors of the construction industry, various trades, that can only handle a certain level of work at any particular time during the year. I think that the 5 million is really taxing to capacity the necessary skilled labour of the various types that are available in Winnipeg and throughout the province. So the fact is, Mr. Speaker that it is not just the 5 million of housing rehabilitation but it is many additional millions for new housing construction that is taking place at the same time.

In addition to this we are involved in many other programs throughout the province, the Rural Mortgage Housing Program and we are placing greater emphasis than ever before on our Co-operative Housing Programs. If one had time, one would like to speak of that because there are many housing co-ops that are now being formulated in the City of Winnipeg. There is one just getting underway in the City of Brandon and we would hope that with the cooperation of the Department of Co-operative Development that we will be able to continue to increase the amount of co-operative housing that is put in place in the Province of Manitoba.

Mr. Speaker, I have only mentioned a couple of elements very briefly of our total housing package. I say again it is simply not fair or adequate to refer to \$5 million of Critical Home Repair and say that is our housing effort compared to Public Work's expenditure, because it is only a very, very small portion. Thank you.

MR. SPEAKER: The Honourable Member for Riel wish to take the adjournment.

MR. CRAIK: Yes, Mr. Speaker. I beg to move, seconded by the Member for Roblin that debate be adjourned.

MOTION presented and carried.

MR. SPEAKER: The hour being ten o'clock, the House is now adjourned and stands adjourned until 10:00 a.m. tomorrow morning.