

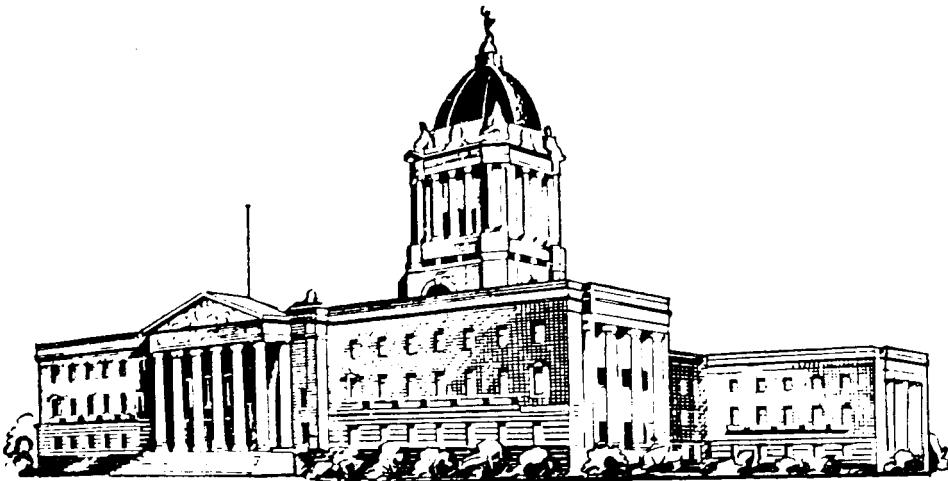


Legislative Assembly of Manitoba

**DEBATES**  
and  
**PROCEEDINGS**

Speaker

The Honourable Peter Fox



Vol. XX No. 26 8:00 p.m., Thursday, March 15th, 1973. Fifth Session, 29th Legislature.

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THE LEGISLATIVE ASSEMBLY OF MANITOBA  
8:00 o'clock, Thursday, March 15, 1973

SUPPLY - MINES AND RESOURCES

MR. CHAIRMAN: Resolution 82 (a) (1). The Honourable Minister of Mines and Natural Resources.

MR. GREEN: Excuse me, Mr. Chairman, I hadn't noticed that you were coming in and I was in my seat when you came through.

Mr. Chairman, there were various honourable gentlemen asked me questions, who are not now in the House. I see that the Honourable Member for Pembina is here and he did ask me something earlier which I'll try and deal with. With regard to the regulation of Lake Winnipeg, he asked the question, is it being paid for entirely by Manitoba Hydro? The regulation program is being paid for at the present time by Manitoba Hydro. I believe that Manitoba Hydro feels that part of the project should be paid for on the basis of some general revenues but there has been no acceptance of that principle at all by the government. Now it comes from the people of Manitoba either way, and there could be an adjustment made, but the expertise in the Department of Mines and Resources says although Lake Winnipeg could have some desirable results, which we have dealt with, it would certainly not be a water control project that they were instituting on the basis of cost benefits if there was no hydro factor involved.

MR. CHAIRMAN: The Honourable Member for Pembina.

MR. GEORGE HENDERSON (Pembina): I'd like to ask a question and I think that's why he yielded the floor to me. If it is no benefit for water control it certainly hasn't an economical benefit, to my way of thinking, so why proceed with it?

MR. GREEN: Well the honourable member, I'm trying to give him a straightforward answer and he has misinterpreted it. I said that the Department of Mines and Resources considering the expense of \$55 million and the benefits that would result, would never enter that project on the basis of spending \$55 million. However, if the project proceeds on a hydro basis, then they consider that it is of sufficient benefit to be considered a beneficial project but not one that they would spend \$55 million on, not one that they would spend \$25 million on, not one that they would spend \$20 million on. But being there, it is considered a desirable project and therefore the honourable member's conclusion doesn't draw from the answer that I gave. It's what's called a fringe benefit, not something that you would spend money on, at least anywhere near the kind of money that's being spent, if you had to do it in the absence of its hydro-electric benefit. The honourable member -- I'm only trying to answer questions but I know that the members are becoming somewhat impatient.

What is being done on Lizard Lake? The answer that is given to me by the department, Lizard Lake lies in the rural municipality of Thompson and Pembina, approximately ten miles southwest of Miami. The lake and surrounding marsh have some potential for controlled water storage and enhanced water fowl conditions. A group composed of biologists from the eastern regions and staff of the Water Resources Branch are currently involved in a preliminary investigation prior to recommendation for a project in this area.

The honourable member asked whether storage on Lake Winnipeg is adding water. Well the honourable member knows the answer to that question -- it is not adding water. It adds water at different times of the year. In other words, the normal high water in Lake Winnipeg would be during the summer and low water during the winter, and the Nelson River requires more water in the winter than it does in the summer so I hope I've got that right, or vice versa. In any event the same amount of water comes through but at different times.

PFRA, the honourable member asks what happened. My impression is that the Federal Government was almost phased out of many of the PFRA programs, but the department tells me that they now are discussing some new PFRA programs. They did indicate that they were abandoning much of the area of PFRA but more recently it's come back again.

Mr. Chairman, I have spent a great deal of time answering questions and when I introduced my estimates I sat down after a half hour and I didn't get an opportunity of discussing one very important program which I had announced both publicly and at other times to the House would be dealt with by the department this year, and I believe that I should spend some time in this priority although I've tried to deal mostly with members' questions, and the program that I'm referring to was announced in the Throne Speech and was one which concerned the members of the House, particularly the Honourable Member for Brandon West, having to do with litter and bottles. Mr. Speaker, in this connection we have had long looks at the various programs

## SUPPLY - MINES AND RESOURCES

(MR. GREEN cont'd) . . . . that have been undertaken in provinces in Manitoba.

The Province of Saskatchewan enacted a bill immediately prior to the previous election-- that was under the Thatcher administration -- they enacted legislation which in effect gave them the power to ban any bottles. That legislation has been on the books for I think almost two years and has never been proceeded with. They have been unable to satisfy themselves as to how that legislation can be workable.

The Province of British Columbia tried legislation with regard to compulsory refunds on both cans and bottles. There was a varied degree of success. What it did prove is that the main problem, that is the person that takes a bottle and goes out to a particular place whether there is a refund on it or not and throws it over his shoulder and leaves it on the beaches or on the highways or in other places, that this program has not been demonstrated to have a real effect on that type of activity.

The Province of Alberta perhaps took the most dramatic step in this area when they enacted legislation, Mr. Chairman, the effect of which was to set up depots right through the province, compulsory -- not compulsory depots, depots which were to take all kinds of bottles, any kind of bottle or can. People would bring the bottles or cans to these depots and they would be paid a refund; I believe it's two cents for the container. The depot would handle them at a cost to the manufacturer of one cent per container and the manufacturer would then have to get this container and engage in some recycling process. The result in Alberta, as we have been able to ascertain -- and by the way, the Minister in Alberta confirmed to me that this program costs \$3 million a year because they are talking about 300 million containers at a penny apiece, it comes out to \$3 million a year -- and that price by my figures, which I've been able to obtain from the two provinces, is reflected in the price of soft drinks in Alberta as distinct from Manitoba. So in each case, Mr. Speaker, whether we've taken the legislation that has been tried with some suggestion by the Honourable Member for Brandon West or whether we take the Alberta legislation which handles it on the basis of a \$3 million cost, we did not feel that we could impose that kind of charge on the citizens of Manitoba, and when I mentioned this to the Minister in charge in Alberta he said, "Yes, but we've created a \$3 million business." I said to him, "Well, why don't you charge two cents for handling and you'll create a \$6 million business?"

The fact is, Mr. Chairman, they are paying that price for this program. In this connection the Manitoba Government has decided to do two things. The first is, Mr. Chairman, to recognize that litter will be an area of environmental management within the jurisdiction of our branch. In other words, we've put the subject matter of litter into the area of environmental control. It is not something that we thereby leave to the municipalities who are now dealing with it, or to Highways Branch, or to any of the other agencies who are not thereby stopped from dealing with it but it becomes a target of environmental management.

We are also then hiring a staff under the Environmental Management Branch to try to deal, with the cooperation of citizens' groups, school groups, service groups, municipalities, any other organizations, with a campaign which would prevent the problem which none of the other programs have prevented, and that is the person who disposes in a reckless way litter of all kinds which we hope would reflect on bottles and tin cans as well.

Now, Mr. Chairman, some people have a tendency to degrade this kind of campaign and I will admit that some can be successful, some can be unsuccessful. But the fact that it can be successful and the fact that it can be handled better, I believe on a voluntary basis with the participation of the citizens rather than the creation of a giant \$3 million a year bureaucracy, which would be the equivalent of the Alberta scheme, or provincial bureaucracy, or municipal, or private enterprise bureaucracy -- you know, there are bureaucracies of all kinds -- that rather than do that we would try to get the citizens of Manitoba to save that in Manitoba -- a comparable figure I suppose would be a million and a half since we don't have the same population as Alberta -- to save that \$3 million a year by our joint efforts. And this campaign is expected, Mr. Speaker, to be kicked off in the early spring and we hope will have an effect on the litter problem that the honourable member raises.

However, we are not stopping there. In addition to that, Mr. Chairman, we have been working closely with some of the bottle manufacturers and trying our best to see to it that the returnable becomes the bottle that is used both from the point of view of litter and secondly, from the point of view of best use of resources and certain of the manufacturers, as is

## SUPPLY - MINES AND RESOURCES

(MR. GREEN cont'd) . . . . evidenced in the announcements that have been made in the newspapers, have dealt with this problem in what we think is a constructive way without government regulation or government legislation. But, Mr. Chairman, we don't propose to stop there. We are thinking in terms -- and I throw these thoughts out for consideration by the members of the Legislature as indicating a direction which we would like to see taken by the department -- we are thinking in terms of possibly setting up a system whereby the person who creates the litter problem by the manufacturing of a can or a bottle which he then believes that he has no longer any responsibility for and relies on society to then deal with, must have it brought to his attention that society is not prepared to endlessly accept that kind of responsibility and accept the fact that he considers that he has no responsibility.

So without any compulsion in terms of deposits, without any attempt to suggest to the consumer that they have to buy the product in one form or another, we are considering the following concepts, and I put these especially to the Member for Brandon West:

We are considering the concept of having every person who sells a particular type of product have the responsibility if it is contained -- and I'm talking about beverage containers, I'm not going into all products; we're dealing with that problem for the moment -- have the responsibility of accepting a return of the container if he is dealing in that type of product regardless of deposit, regardless of any other consideration. For instance, if a person goes to the beach with six cans and doesn't want to dispose of them he is entitled to go into a depot, which would be a vendor of that type of product, any vendor of that type of product and say that "I am leaving the container which you are selling in this location;" that the retailer then has the same rights vis-a-vis the distributor who sold to him. In other words, the distributor who delivers a container to an outlet, a retail outlet, has the responsibility to take back any containers that are brought to the depot and give them back to the distributor. This process of going back would continue all the way to the first source of that container in Manitoba, who would then be responsible for dealing with this product which he has chosen to sell as a non-returnable, or what is now called a non-returnable container.

Now, Mr. Speaker, this could have two effects. It could mean that people would bring things back to a depot although not necessarily and that's not the end of it, and it could mean that the manufacturer would see that there is some responsibility involved in putting these containers on the market because they are going to come back to me, and if they're going to come back to me and I have to deal with them, perhaps it is better that I deal with the container which is reusable.

Now, Mr. Speaker, it involves one further aspect and again involves the cooperation of the public, because there is nothing to suggest that a container will be brought back to a retail outlet without any deposit involved and without any incentive involved. We are also considering that the housewives in Manitoba, or any people disposing of refuse in Manitoba, will be asked to separate their beverage containers such as either tin cans or bottles that they intend to be taken away by the present disposal unit, and that these would be collected separately by the disposal units, taken to whatever municipal agency deals with disposal, and they will then be required to be picked up in proportional amounts by the people who distribute that type of container. So that once again, Mr. Chairman, what we are attempting to do is to put the responsibility for refuse not on society generally, but on the people who are dealing with that type of container.

Now, Mr. Chairman, I want to indicate that this is a thought that I am putting forward. It is not a government program. It can be a government program; it's intended to first of all generate some discussion, and secondly, it's intended that we would discuss with the retail stores, the distributors and especially the municipal disposal people as to whether this can be reasonably done within the context of their existing operations or what modifications would have to be made to their existing operations in order to deal with it.

Now, Mr. Chairman, this program would cost relatively little. It would not result, we feel, in any increased prices to the consumer of the nature that have taken place in Alberta. There may be some handling that is involved which might increase the cost of dealing with this thing, but it would be a great incentive to those manufacturers who think that they are dealing with an item which, once it leaves their place, that's the last they see of it. It would be a great incentive for them to consider very carefully whether they can just place that responsibility on society generally and not care about what occurs with those containers once they

## SUPPLY - MINES AND RESOURCES

(MR. GREEN cont'd) . . . . leave the distributor. It has not been done anywhere else, it is not a copy of the other program, not because we haven't looked at the other programs and found useful things but we find that they do not deal with the main problem, or they deal with it at an expense which I have indicated is horrendous, and by the way, the results that they are getting in Alberta depend on the continued interest of Boy Scouts and other groups to run out and get these containers, and although that may be a first wave of enthusiasm we don't know that it can last. However, we are watching the Alberta experiment very carefully.

So, Mr. Chairman, the first point that I'm making is that we are embarking on now and are embarking on a provincial litter program. It will affect both containers of the kind that the Honourable Member for Brandon West is concerned with, and it will also affect auto hulks, the abandoned automobile bodies and chassis. This will be handled separately, not under the same administration but by different co-ordinators, and again will depend on co-ordination with the municipalities, with highway equipment, with other existing agencies rather than the creation of a new provincial, municipal or private bureaucracy if we are to be completely impartial about the use of that word for the collection of these vehicles. Both of those programs are expected to be well under way this spring.

Now, Mr. Chairman, a lot of this type of thing depends on how successfully we solicit the community to be involved in this program rather than the setting up of a new Civil Service. If members are concerned that this type of thing can never work, let me give indications, Mr. Speaker, that it can work and has worked. When I was a little younger I can remember that jay walking in the City of Winnipeg was considered matter of fact, that nobody thought you could ever stop jay walking in Winnipeg, and then suddenly the City of Winnipeg said that there will be no jay walking, conducted a campaign, and the jay walking which everybody thought was impossible to control, became a controlled item in Winnipeg. The same thing, Mr. Chairman, is true about what the Honourable Member for Lakeside and myself and many others in this room can recall during the war. During the war we knew that we did not throw away newspapers, we knew that we saved the tinfoil of cigarette packages, it was never disposed of in that way. It was an attitude which everybody responded to and I realize it depends a great deal on the efficiency of the particular people who are involved in the handling of the job, but, Mr. Chairman, we think that it's worth a try. We think that it's worth a try because the other ways are too expensive, and besides being too expensive they don't work. They don't work to do those things which is intended to be done by the people who are worried about litter. The Alberta program, for instance, has no effect on the person who says, "I'm not interested in getting two cents back for the bottle and I'm just going to throw the can out the window." And if that's what we're aiming at, which I think that that is one of the things that honourable members are aiming at, then of course that is one of the things that we want to take care of.

So, not having had a real opportunity of discussing this before during the presentation of my estimates, I thought that I would steal this half hour and put the program on the record because I did announce to honourable members that we were going to be engaged in such a program.

Now, Mr. Chairman, in the last five minutes that are available to me, I'd like to go back to the Honourable Leader of the Liberal Party who had certain things to say this afternoon again about the Churchill River Diversion program. I think that I said to him earlier that because I felt that somebody was in a box in 1969 does not mean that somebody is in a box in 1973. We don't feel that we are boxed in and the circumstances under which this program is introduced are much different than the circumstances under which the previous program was introduced. I repeat, the elected representatives of the people, if anything, have been annoyed that we have not proceeded this way and that by vast majority, which I suppose under the principle of responsible government would still mean something to me and maybe means nothing to the Leader of the Liberal Party. We think that we are listening to the people of Manitoba.

The honourable member says that we do not know anything. I can tell the honourable member that when the \$2 million study is completed, which we commissioned because we felt that it was the responsible way of proceeding, and I suppose the honourable member would have less arguments and maybe he thinks we would have come off better had we not commissioned the study but proceeded, which was the intention under the previous plan, that after those studies are completed he will be able to list perhaps a hundred more questions than he is able to list today, because the effect of all of the studies, Mr. Chairman, is I am sure they will

## SUPPLY - MINES AND RESOURCES

(MR. GREEN cont'd) . . . . show us what questions should be asked, and the more studies that are taken the more questions you will ask, and it will be a completely unending proceeding. At a certain stage you have to come to the conclusion that we know enough to proceed, and every single program of any kind is based on that kind of information; that is the kind of information that we have proceeded with. The honourable member says that Hydro said in 1969 there would be a power shortage and they were wrong. Therefore in 1973 when they say there's a power shortage they must be wrong again.

Well, Mr. Chairman, at some day they are going to be right. And the honourable member can't use that argument indefinitely. -- (Interjection) -- Pardon me? Yes. Well, Mr. Chairman, they said in 1969 -- and I believe that they were not trying to mislead the people of Manitoba -- they said in 1969 that "we feel that unless certain things are done, in a very short time there are going to be the possibilities of brown-outs in the Province of Manitoba." The honourable member says "Crap." Well I don't regard it as crap. I think, Mr. Chairman, that the . . .

A MEMBER: I didn't say anything.

MR. GREEN: Mr. Chairman, I thought I distinctly saw . . . Well, Mr. Chairman, if the honourable member . . .

MR. ASPER: I would ask the member to withdraw, Mr. Chairman. This is getting ridiculous.

MR. GREEN: Mr. Chairman, if the honourable member did not say crap, then I will withdraw. That is what I thought I heard him say.

MR. ASPER: Mr. Chairman, maybe somebody said something, but I uttered not a word.

MR. GREEN: Well, Mr. Chairman, I was watching the honourable member very closely and if he tells me he didn't say anything, I will withdraw, but -- Mr. Chairman, I will withdraw the remark. -- (Interjection) -- He says . . . No, it wasn't. I was watching the honourable member. -- (Interjection) -- I withdraw the remark. I withdraw the remark. -- (Interjection) -- I guess he is now telling me that it's not crap, that the Manitoba Hydro people are right, that there will be a power problem, and the fact is I accept the fact that there will be a hydro problem. I think that eventually you will have a hydro problem and the fact is that we have hydro people who are telling us that this is the situation we are in.

Mr. Chairman, I have two minutes and I want to make one . . . of comparison to the honourable member which I am certain that he will understand because he talks about the sale of U.S. power. If one of my honourable friend's clients was building a warehouse which required 10,000 square feet in 1990 but only required 5,000 square feet today, he could do two things: He could build 5,000 square feet and wait until he needed the additional 5,000 to finish his warehouse. Or he could build 10,000 square feet now, and take the rents from the 500 that he has overbuilt and apply it to the cost of the entire program, and if the economics worked out better he would build 10,000 square feet.

Now if my honourable friend can't understand anything else I am telling him that it appears to me from what the engineers explained to me, that that is the principle of what we are doing with the hydro program. And, Mr. Chairman, there is no question. Nobody has ever denied, I believe, that I have sent out some 300 letters on this issue. In each of the letters we have told publicly, we have not made any secret of the fact, that one of the reasons for proceeding with the diversion now is that the surplus energy that it will be given to us now by virtue of proceeding, will be able to be used for export to make the rest of the project more viable. Mr. Chairman, it says in the federal-provincial agreement that was signed between the Federal Government and the Provincial Government on that issue, that that is one of the considerations for proceeding with the project in that way. So when the honourable member says, "Are we talking about selling surplus power?" Yes, Mr. Speaker. If the citizens of Manitoba can gain the benefit by the sale of surplus power, we have every intention of doing that without firm commitments indefinitely.

MR. CHAIRMAN: Order, please. The Honourable Member for Riel.

MR. CRAIK: Mr. Chairman, I wanted to make a few more remarks before we get into the details of the Minister's Estimates. First of all, Mr. Chairman, let me express my sincere condolences to the Member for Crescentwood and the Member for Osborne who find themselves in the very unhappy position . . .

## SUPPLY - MINES AND RESOURCES

A MEMBER: Boxed. You find them in a box.

MR. CRAIK: . . . find themselves completely boxed into taking a position in the Legislature that is unalterably opposed to the environmental destruction that is going to take place in the development of the water power development in Manitoba for the purposes of hydro development. It's unfortunate indeed that these gentlemen with such strong feelings have not been able to elbow themselves through the problems of their own caucus and find themselves a place on the Public Utilities and Natural Resources Committee where he could bring these strong feelings to bear by casting a vote. Mr. Chairman, there is just no doubt about it, if either the Member for Crescentwood or the Member for Osborne had been able to get on that committee, which has a membership of ten government and eight opposition with one from the government being chairman and leaving a nine/eight position . . . Mr. Chairman, it almost seems to the most elemental in mathematics, even to a schoolboy in mathematics . . .

A MEMBER: Even D. L. Campbell . . .

MR. CRAIK: Even D. L. Campbell, for instance, may have been able to arrive at the conclusion that the Member for Crescentwood or the Member for Osborne may well have been able to bring those strong feelings into full focus by voting -- we shall have hearings of the Public Utilities Committee; we shall hear the people that back their position with regard to the environmental studies and this massive hydro project that is creating such massive destruction to the hallowed lands that they are so firmly convinced that they should protect.

Well, Mr. Chairman, after those facetious remarks, let me say that the action that has taken place on behalf of the government in the make-up of their contribution to the Public Utilities Committee should speak louder than any words that are spoken in this Chamber.

SOME MEMBERS: Hear, hear.

MR. CRAIK: Mr. Chairman, we're at the eleventh hour, we're at the eleventh hour on the hydro development project. All the contracts have been let on Lake Winnipeg, the contracts are about to be let with regard to the Churchill diversion. One has been let, as far as I know, on the Churchill diversion and that is a contract to provide for clearing South Indian Lake. So, Mr. Chairman, we stand here. When I stood up in the initial parts of this session, in the Throne Speech, and said I thought this was now a passé issue and therefore I was prepared to let the thing go, the decisions had been made, and let's get on with the business of the House. I find that that's wrong, Mr. Chairman. It is not passé business of the House; it appears to be very important business. And I can't help but stand here and point out to you that on all sides of the House, if people are serious about this, it seems to me that at this position, if they're really serious, that the Public Utilities Committee which sits next Monday should have the opportunity to call before it the host of experts we have in Manitoba on all sides of this question, and call before the Committee those people that can speak so strongly before a microphone at all the meetings that are taking place in the province, and ask them to now put on the record, but at the same time as doing so to submit themselves to the cross-examination of these people on the committee, to find out if in fact in scrutiny the positions can stand up.

Well, Mr. Chairman, I don't think it's any tribute to the government, the fact that they're not allowing this to happen. I've said this before and I'll say it again. Mr. Chairman, I am going to go on and comment about a couple of other things that I think should be said during this stage of the Estimates. First of all, we have, if we read the Free Press, a power export/import argument going on in the House. It seems to me that this issue was raised about two years ago in the Public Utilities Committee and most of us got the answers from it, but the Member for Wolseley -- and I'm going to insert here that I think he's catching up in the debate in this argument, said that he is now taking a position, if I read him correctly, that he is opposed to the export of power from Manitoba. -- (Interjection) -- He didn't say that? -- (Interjection) --

Well, Mr. Chairman, I must admit that I didn't hear fully and correctly what the Honourable Member for Wolseley said this afternoon but I did read the comments in the Free Press a week ago where he raised the question of an action that had been taken by the government or by Manitoba Hydro of committing themselves to export sales of power to the United States. I think that this issue is important enough that it should be brought up at this point or at least during this session, because I think it should be an issue that is clearly debated in the House at this point because we not only have power exports taking place at this point, they're going to take place more extensively in the near future. They cannot help but take

## SUPPLY - MINES AND RESOURCES

(MR. CRAIK cont'd) . . . . place in the near future if they're not taking place at this time, and the present report of the Manitoba Hydro Board says that in the year ending March, 1972, that there was \$5 million worth of power sold to the United States.

Mr. Chairman, I think that -- let me say very clearly -- that this is an argument that has gone back through the roots of Canadian history, and involved over and over again in both the federal and provincial levels in the sale of power from Niagara Falls and the Niagara River to the United States. It was a debate that was full-blown with regard to the power rights on the Columbia River. It is now a debate that is shifting itself to Manitoba. And I don't think it's good enough just to accuse Hydro of doing something untoward because I don't really think they are. Again I repeat that two years ago this matter was brought up; it was asked in Public Utilities Committee if the forecast from the United States that said that 800 megawatts of power were going to be exported, capacity were going to be exported by 1980 and at that time Hydro said they were negotiating. A year later we find they're exporting. In last year's annual report we find that they've exported \$5 million worth of power and it has been the main contributor to a book surplus of some \$2 1/2 million on their books. So, Mr. Chairman, it's an issue that is here, it's real, it's not new, unless you read only the Free Press on which page it was new last week. But it's an issue that, rather than just making headlines with we'd better stand up and decide what we're for and what we're against.

Mr. Chairman, let's put it in the most basic terms we can. We make no hesitation of selling a renewable source like wheat to China, wheat to Russia, and we make no bones about selling a non-renewable resource like nickel, copper, zinc and other products, oil from Manitoba, to an export market without ever batting an eye; but for some reason or other, but for some reason or other we seem to feel that there's something sacrosanct about the export of power. Well, Mr. Chairman, let's point out the difference in the power export picture that has taken place in the great debating halls of the nation over the last fifty years. In the first two cases, which were the main cases, you were selling to a buyer's market. Mr. Chairman, in this day and age you're selling to a seller's market, and if Manitoba is going to allow itself to get caught up in the historical arguments which I think the Member for Wolseley is getting caught up with if he's thinking that deeply. If he is thinking that deeply and he's getting caught up in the nationalistic argument that historically you can't cut off power sales once you've started them, then I can only say that his position is either archaic or that he is taking the politically opportunist argument of the day.

MEMBERS: Hear. Hear.

MR. CRAIK: Mr. Chairman, the only other group that I have heard taking a position against the power of export to the United States was a brief of the Communist Party to the Economic Development Committee of this Legislature about six weeks ago.

MR. GREEN: Would the honourable member permit a question? Does the honourable member recall that the Communist Party took the position that if there was a socialist United States they would be in favour of selling power to the United States.

MR. CRAIK: Yes, Mr. Chairman, in the questioning of the brief of the Communist Party -- (Interjection) -- Well my friend from Lakeside said that I might direct a question; is it synonymous between Communists and Socialists? Well to get back on the line of argument, Mr. Chairman, I can't help but raise this point, in this point of the debate, because if the Member for Wolseley is seriously advocating that Manitoba not become involved in a power sale or a power exchange with the United States, I would suggest that he pull back, re-examine his arguments, and present them with some logic that runs deeper than what it appears to run in the presentations to the Legislature.

Mr. Chairman, we've had a position taken by the Member for Wolseley, the Leader of the Liberal Party, that we ought to have a tie-in with Saskatchewan. Well, Mr. Chairman, if that is not the position he'll have full opportunity to raise the question in debate and to present their position. My understanding of the Liberal Party's position is that we ought to forego Churchill River diversion and we ought to work a tie-in with the Province of Saskatchewan where we could burn their coal during our slack period and sell our Hydro power during their slack period. Well Mr. Chairman, if you're going to work that argument, and this is the argument that I believe that his advisers are providing him with and I assume that his chief adviser on this is Mr. Alan Lansdown who made no hesitation at the Environmental Committee to castigate both the Conservative Party for their position and the NDP Party for their



## SUPPLY - MINES AND RESOURCES

(MR. CRAIK cont'd) . . . . position and came up with the clear-cut alternative of exchanging power with Saskatchewan. I assume that if that is where he is getting his inde -- well, if he is getting his advice from Mr. Lansdown, then I must turn and ask him in all seriousness that if you are going to exchange power, is it not more sensible to exchange it with a jurisdiction that requires power in the summertime but now in the wintertime, and if you're going to do that, Mr. Chairman, you have no alternative to a north-south power exchange, and therefore Saskatchewan or Ontario, if you're going to look at it in terms of Manitoba, are secondary to a power exchange with the United States.

So let's put it in basic terms. The only reason that you should not get involved with a power exchange with the United States is if you think you're too weak to bargain with them. And Mr. Chairman, if you're in a seller's market and you're prepared to admit you're in a seller's market, why have you not got the courage of your convictions to forget about the historical arguments and forget about the political opportunist nationalistic argument, and stand up and say, "We're in a seller's market," we will dictate the terms by which power is sold to the United States; we'll dictate the terms, the length of the contract and we will bargain.

Now somebody's made reference to the fact that we're hewers of wood and haulers of water; it's been made on more than one occasion. Again it was made in the brief that was made to the Economic Development Council; it's been repeated in this Chamber again. Mr. Chairman, I do not believe that Manitobans at this day and age, with their knowledge on the energy situation in North America, are so much back in the woodwork as hewers of wood and haulers of water that they do not realize that they are in the position to drive a bargain for the sale of export power to the United States and for the exchange of that power on a seasonal basis to the advantage of Manitobans. So it's not good enough to stand up in this Legislature and develop nationalistic argument on emotions alone without looking at the physical factors that dictate the situation that we're faced with today.

We have in the Nelson River project, we have in the whole power development project in Manitoba, an overriding consideration that most of our power comes from water; we know that the water is seasonal; we know that the flow is seasonal through the structures that we have to develop power and we have to take advantage of it, and if we have to work out a position for either the sale or the exchange of power with a foreign country there is no reason why we should not take a position of strength and do that exactly. So I think that anybody in this Assembly that takes a position that the sale of power based on the historical facts of life with regards to Niagara Falls or the Columbia River or the political opportunism of nationalistic argument, is not doing a service to Manitoba -- and I want to repeat it over and over again.

Mr. Chairman, I wanted to speak primarily in this debate with regards to the mining industry. I couldn't forego the opportunity. Insensitive as politicians get and thick-skinned as they may get over the years, it still hurts a bit, Mr. Chairman, to see some sector of the media which feels that at any given time they can pick an argument out of the air and crank it into an issue despite the fact that it has been fully thought out and fully argued in this session in this Legislature at a former session or in the former hearings of the Public Utilities Committee, and I think that that is a point that has to be made over and over again. Again, to repeat the arguments of others here, we're elected down here for a period which may be long, may be short, may be anything else, but once we're here we come down here to say what has to be said, and I'm telling you right now that if the arguments that seem to be prevailing with regards to power exchange and power export are going to take the course that they're taking, a service is not being done to Manitoba, a service is not being done to the power position, and I don't mean Hydro power, but the power position that anybody with energy at a reasonable price finds himself on the North American continent.

Mr. Chairman, the main issue of the moment that I think and now I can turn my attack to the government . . .

A MEMBER: Hear. Hear. Oh, that's unusual for you.

MR. CRAIK: That's right, Mr. Chairman. I didn't come down here primarily to think about attacking people . . .

A MEMBER: That's right.

MR. CRAIK: I came down here because I felt that I had a few thoughts that might be contributed to this Legislature . . .

A MEMBER: Carry on, Riel.

## SUPPLY - MINES AND RESOURCES

MR. CRAIK: . . . and I'm going to make them. The point I want to make now is with regards to the Kierans Report on mining. The Kierans Report has been commented on by many, and in remarks that I have made here I stated that first of all I thought that it had two parts to it. One part was that it took the issue and it tossed it up into the air and it allowed everybody to look at it from a different approach. That's No. 1. No. 2, Mr. Chairman, is that on reading the report there are some very serious, there are some very serious omissions that are contained in it on the part of Mr. Kierans or his advisers or his people that worked on it. First of all, I have no doubt that the report by and large reflects the thinking of the government. I have no doubt at all that they have a very serious sympathetic view towards the recommendations of the report.

Now, Mr. Chairman, I think I am at liberty to say this, it is my view that the government has a very deep sympathy for the recommendations of the Kierans Report, no holds barred. I say that, Mr. Chairman, just from operating here as a member of the Legislature sitting in on the Economic Development Committee and watching this change that takes place. And I want to point out that from my point of view at least, and I think I represent a fairly wide segment of thinking in the Conservative caucus, that there are some serious omissions, some serious omissions on behalf of Mr. Kierans in his report and they we feel that the total picture of the mining industry in Canada.

I want particularly to isolate one segment of the mining industry and that is the nickel industry, because, Mr. Chairman, it represents out of the three large companies that Mr. Kierans talks about, it represents by far the largest stake that Manitoba has in the mining industry. It first of all does not take account of the world resource problem with regards to nickel in particular. At the present time there have been reports done; these are available, I'm sure the government has them, that 80 percent of the nickel supply in the world does not lie in Canada, but traditionally we have been a nickel nation and we found that traditionally we've always occupied a majority position in the production of it.

Mr. Chairman, I think that the report -- and I want to refer to it rather than to the statistics that deal with this particular resource -- the report does not take Manitoba in the context of the total picture. In Canada the production in 1960 was 65 percent of the total world's production of nickel. As of the present day, the Canadian portion of the total world production is somewhere, somewhere in the order of 40 percent, possibly 35-40 percent. The reason is that the nickel grades that we have and the production costs that we have have to compete in the world market for the sale of our product.

The second point I want to make on this is that the Kierans Report does not deal with the marketing set-up in the world for nickel, and this as it is in the fish marketing which we now find, Mr. Chairman, well intentioned as we were, well intentioned as the Conservative government was in setting up the Fish Marketing Board in the 1960s in establishing it that we now find the Fish Marketing Board is paying a seven percent commission to the brokers in Chicago to sell their product. Are we going to find, Mr. Chairman, when we follow this idealistic argument of producing our resources, nickel, copper or zinc we're going to end up paying the brokers of Chicago seven percent to market our products?

Mr. Chairman, it's a difficult argument to present to people -- (Interjection) -- it's a difficult argument to present, Mr. Chairman, to people who look at this from a planning point of view, but it's nevertheless true that the sale of nickel and the sale of copper and the sale of zinc on the world market is pretty well tied in to the ability that you have to market it. That's not dealt with in the Kierans Report, Mr. Chairman; that's the second point that I want to point out at this point. Thirdly, what is the long term return on the mining industry in Manitoba? Mr. Kierans deals with 1969 and 1970, Mr. Chairman, he deals in the opening paragraph, opening -- Mr. Kierans deals in the opening chapter of his book with 1971, but he does not show in his statistics the return on investment in 1971 in the nickel industry in particular, because in 1971, Mr. Chairman, the profits weren't in total in mining for Manitoba, \$86 million, there was something considerably less, and if you pick up your estimates' book for that year you'll find that the return to the province was considerably less. So the question is, are Mr. Kierans' statistics contained in his report representative or are they taken out of context? Why if in his first chapter he deals with 1971, can he not deal with it when he presents the profit picture for 1969 and 1970? Mr. Chairman, the annual report of the International Nickel Company, if you look in it, the annual report shows that the return

## SUPPLY - MINES AND RESOURCES

(MR. CRAIK cont'd) . . . . on invested dollar in 1971 was 7.2 percent. If you look at the other years, the return on the investment, which is not a bad yardstick to use, which is not really a bad yardstick to use in any business, the return on the investment, the invested dollar, works out to less than 10 percent. Now this doesn't mean that you couldn't take over the industry in a matter of ten years . . .

A MEMBER: Less than that.

MR. CRAIK: . . . you could have -- well, the Member for Flin Flon says less than ten years, you can take it over in less than ten years and pay for it. Well, Mr. Chairman, let me say that if you do that, if you do that there is no reason, with a return of less than 10 percent on the invested dollar, there's no reason why you could not take over any business in Manitoba, because they all fall into that, whether they're mining, whether they're manufacturing, whether they're farming, whether they're anything else, the return on the invested dollar on the average runs less than 10 percent. So if you want to single out the resource industry that's fine, but Mr. Chairman, the prime argument for the takeover of the mining industry is little more than a philosophical argument that is not good enough to control, you have to own.

Mr. Chairman, Mr. Kierans points out in his report that control is not good enough. He says in his report that he can raise \$60 million by taxation alone but he'd rather raise the \$60 million by owning the means of production.

Well, if you're going to do that, Mr. Chairman, if that comes down to the only reason you're going to take it over that you can control it through legislation but it's more important to own it, then, Mr. Chairman, there's no reason why you should not own the farms of Manitoba, why you should not own all the other natural resource industries of Manitoba, the forest industry, the farming and all the other industries that are somehow related to the natural resource business. So the argument comes down simply to the difference in the philosophical argument, do you want to control through legislation or do you want to not only to control, do you want to own the means of production? And there seems to be no question that if the government really stands up and says what it thinks, I'm sure that we'll find that they are very sympathetic to his argument that they must own the means of production.

The people in the north, Mr. Chairman, what do they want? Do the people that are employed by the companies in the north in the mining business want to be a part of a government Crown corporation, do they want to be part of Crown operation, do they want to be government public servants? Well, Mr. Chairman, I suggest that before the government takes too seriously its next step, which I am sure it will do if it ends up getting elected again, if the government -- you know and I stand here completely in the position of saying that they might well be elected, they might not be elected again, that will depend on the will of the people -- but if they do, if the government of the day ends up being elected again, let there be no question, their sympathies lie with the takeover of the mining business (Hear. Hear.) and if they end up getting elected again the feelings and the thoughts of the Member for Flin Flon will prevail. They'll take it over, there's no question about it, they'll make their move.

Mr. Chairman, they've already moved in that direction. It didn't take the Kierans Report to do away with the Mineral Assistance Act -- the Mineral Development Assistance Act in eastern Manitoba. That's been done away with, it was done away with last fall. The small operators no longer are going to get the incentive from government to develop the small holdings in the eastern part of Manitoba. Mr. Chairman, the prospectors that have traditionally been the backbone of development of this business in Manitoba are on the way out as a result of the government's action with regard to their leasehold changes, with their claim fee changes and all the other things that government can do within the existing set of regulations that they have. There's no doubt that they're on the way out, the only reason that they may not be out tomorrow is because the government of the day, I say it with a feeling that I believe to be true, the only reason that they're not on the way as of today is that the government can only move so fast in doing it. They'll not kick out the prospectors and developers of Manitoba, at least until after another election. At that point they might if the government is successful in getting itself re-elected.

## SUPPLY - MINES AND RESOURCES

MR. CHAIRMAN: Order, please. The hour being 9:00 o'clock, the last hour of every day being Private Members' Hour. Committee rise and report. Before we rise I might for the honourable members information notify you that we've used up 15 hours and 15 minutes of our Estimates. Call in the Speaker.

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

IN SESSION

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

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

MOTION presented and passed.

PRIVATE MEMBERS' HOUR

MR. SPEAKER: This evening we'll start on Private Members' resolution. Resolution No. 5. The Honourable Leader of the Opposition. (Stand). No. 6. The Honourable Leader of the Liberal Party. The Honourable House Leader have a question?

MR. GREEN: It's a question of interpretation. Can they stand or does it go down. . .

MR. SPEAKER: They go to the bottom of the Order Paper.

MR. JORGENSEN: Down to the bottom of the Order Paper. Yes thats fine.

Resolution No. 6

MR. SPEAKER: The Honourable Leader of the Liberal Party. No. 6.

MR. ASPER: Mr. Speaker, I move, seconded by the Honourable Member of Assiniboia, WHEREAS most of Manitoba's 100,000 citizens who are over the age of 65 living on fixed incomes and face annually increasing property taxes, one of the main components of which is the provincial education tax; and

WHEREAS as a result of these property taxes levied against senior citizens many are annually being forced to sell their homes or face rent increases which make it impossible for them to live their senior years in the dignity to which they're entitled;

NOW THEREFORE BE IT RESOLVED that the government consider the advisability of the removal of education tax from all real property owned by such senior citizens and institute a rental rebate system to those senior citizens who rent their homes or suites in an amount equal to the education tax that forms a portion of their rent; and

BE IT FURTHER RESOLVED that the government consider the advisability of amending the appropriate City Charter and Municipal Act to prevent the senior citizens over the age of 65 from being required to contribute to property taxes directly or through their rent to the financing of education.

MOTION presented as read.

MR. SPEAKER: The Honourable Leader of the Liberal Party.

A MEMBER: Would you please read the resolution?

MR. SPEAKER: It was just read. Does the Honourable Minister want it read again?

A MEMBER: Right.

MR. SPEAKER: Very well.

WHEREAS most of Manitoba's 100,000 citizens who are over the age of 65 living on fixed incomes, and face annually increasing property taxes one of the main components of which is the provincial education tax; and

WHEREAS as a result of these property taxes levied against senior citizens many are annually being forced to sell their homes or face rent increases which make it impossible for them to live their senior years in the dignity to which they are entitled;

NOW THEREFORE BE IT RESOLVED that the government consider the advisability of the removal of education tax from all real property owned by such senior citizens and institute a rental rebate system to those senior citizens who rent their homes or suites in an amount equal to the education tax that forms a portion of their rent; and

BE IT FURTHER RESOLVED that the government consider the advisability of amending the appropriate City Charter and Municipal Act to prevent the senior citizens over the age of 65 from being required to contribute property taxes directly or through their rent to the

## PRIVATE MEMBERS' HOUR

(MR. SPEAKER cont'd) . . . . financing of education.

The Honourable Leader of the Liberal Party.

MR. ASPER: Mr. Speaker, I didn't expect to be speaking on the resolution tonight because it came second to something else; however I will comment on it. I think the need for the resolution and its enactment is self-evident and therefore I'll be fairly informal and fairly brief.

First I begin by - I think all of us in this Chamber - congratulating the government on a very good start it's made in the elimination of an equitable tax across the board, the financing of education through property tax. In two or three successive moves the government has made considerable strides in this direction. And by the way, I should too that I expect, I hope, during this session further steps along this way will be taken, but in the case of senior citizens, Mr. Speaker, they can't wait. They have less time than any of us in the community to enjoy any kind of equity or fair deal we bring to their tax load, and as a result I am asking this Legislature to move now, immediately, in this session to not tinker with it, not pinprick it, but to completely get rid of it as it regards at least at the very minimum this sector of the community.

Mr. Speaker, there are approximately 100,000 people in this province over the age of 65. These are presumably in many cases the parents or the grandparents of those of us in this Chamber. They are a forgotten minority in this community. They are the pioneers, the immigrants, the homesteaders who went through two ears, who went through a massive depression and who today are 65 or better.

A MEMBER: What about the Korean War?

MR. ASPER: Well, Mr. Speaker, the Minister of Labour asks what about the Korean War? The people by and large who went through the Korean War are not yet senior citizens. I'm speaking of the people who are 65 and over.

Mr. Speaker, this community, this 100,000 suffer neglect, suffer injustice and are the true nation builders of this community, having gone through the turmoils of the thirties, the forties, the twenties, so on, and have brought us to the highest standard of living or second highest standing depending on how you evaluate it in the world. And they suffer neglect, they suffer an injustice across-the-board, not only in this area but across-the-board. But the problem, Mr. Speaker, is that they don't carry placards, they don't press for confrontation, they don't hold protest rallies, they don't form pressure lobby groups except in very modest terms, nothing compared to the other components of our community. They sit in silence observing the apparent apathy of a community that seems to have become hypnotized by only the problems of youth. Mr. Speaker, I emphasize and identify with the problems of youth, but we have a lot longer to cure those problems than we have the problems of the senior citizens. A senior citizen is a man or a woman who has relatively fewer years to live and it becomes the function of government to insure that whatever governments can do to make those declining years, those final years as fair, as comfortable, as dignified as possible.

MR. PAULLEY: I appreciate that.

MR. ASPER: And in the case of the Minister of Labour who has just interjected, Mr. Speaker, I am deeply concerned about him in particular.

MR. PAULLEY: I might even outlive you.

MR. ASPER: Mr. Speaker, every year we see a phenomenon, we see hundreds if not thousands of Manitoba's senior citizens forced to sell their homes and move out. Homes that, in spite of the former Minister of Finance, the Member for St. Johns, is a real value to them. Now I was shocked as many members of this side were when the member questioned or appeared to question - the Member from St. Johns - the value, the historic, customary value of home ownership a few evenings ago. But regardless of his questioning of it, to us on this side I think, certainly in our party, freedom of choice still reigns supreme and by choice the senior citizen is fundamentally committed to that value. He wants to own a piece of the action, he wants to own his own home in most cases, and each year because of rising property taxes, rising education costs and fixed income and a series of other things that he contributes nothing to create his own dilemma, he is choked, he is increasingly choked. So we make, we ought to make in this House a pledge to make a top priority of justice for this group in the society.

Now, Mr. Speaker, we didn't have the social programs during the 40 years that these people worked. We didn't have the contributory pension plan, the Canada pension plan, the

## PRIVATE MEMBERS' HOUR

(MR. ASPER cont'd) . . . . accumulating plans which - or the mandatory pension plans with employment. The people who are affected by this situation of being senior citizens were not part of the great social reforms of the 50's and 60's to an extent that's meaningful. Now, that being the case they are in an impossible position in many situations.

One and half years ago we, the Liberal Party and I as its spokesman, announced a list of senior citizen programs, a series of things that government could do, because all that government can do, any government, is create greater pensions or lower the taxes which in effect is the same thing by increasing their consummable power, their power of disposable income, or create social involvement programs which is a whole different side of the equation I'm speaking of tonight. Because there are two sides. The senior citizen is buffeted by the cost-price squeeze and he's also buffeted by the fact that society, social values, have in the main ignored him when he becomes old. Now the first and second points I make - greater pensions or lower taxes - those are economic. The third is, and equally important, the social side but is not the subject of this resolution.

We said a year and a half ago, two years ago after we announced our senior citizen program in this province, that nursing home care must be extended under the medicare program and we complimented the government when it said it would do it, although we find it strange that it took so long, nevertheless we still compliment it. And we said that drugs, wheelchairs, glasses, crutches should be brought under the medicare program and we look forward to the possibility that they will. We said that income tax, at least at the provincial level, hopefully someday at the whole level - federal and provincial - will be abandoned for those senior citizens who are in the, as described by the Economic Council of Canada, low income group, \$3,000 if single and \$4,500 if married. And we'll come to that later in the session because we have made that resolution. We've said also that the ability to repair one's home to an extent of \$2,500 per year should be a non-tax assessment increment item in order to encourage and enable that particular group to - and also the young - to remain in their home, fix them up without facing tax penalty. And that too will come for debate. -- (Interjections) -- Now I hear a question, where will we get the money? The Member from St. George says where . . . (Interjection) --

MR. SPEAKER: Order, please.

MR. ASPER: The money, if you're talking about the tax revenue lost by not assessing somebody for fixing up his home, he's not fixing up his home anyway, his home is deteriorating. In my riding alone, I have 2,800 senior citizens and this is their complaint, and in the entire area of the core of Winnipeg we run into it consistently. That they do not put in steel windows, they do not fix the roof because the mere fact of fixing up their home will increase their tax load by reassessment.

Mr. Speaker, I don't intend to go through the whole performance of our senior citizen program. What I am saying is this. The pride in the home is their pride, they're entitled to it. One of the means by which we can expedite their remaining in their home is to cut the cost and that cost is augmented each year by the school tax on their home or on the landlord's rent in the apartment building that they are renting.

I won't comment on the Member from St. Johns, I find, surprising statement about ejecting the value of home ownership because that's a freedom of choice at least at this moment although should the government continue perhaps the government will legislate on that. But there comes a time after 40 or 45 years of being in the work force that a group is entitled to rest in terms of taxation. And I will anticipate perhaps that the former Minister of Finance will rise and say, we believe in selective tax cuts, and if he were to remove education cost financing taxes from all the senior citizens perhaps somebody who doesn't need it would get it, would get the benefit.

Mr. Speaker, I too fundamentally am committed to the principle of selective taxation as opposed to universality, but in this case I make this exception, that I say this should apply to all senior citizens, even the one percent who I think according to my estimates of revenue of this province might be in the 10, 12 to 15 and up bracket, the one percent, because of the principle being paramount that there comes a time, having paid a lifetime, not only in education tax but in a number of other areas as well, when one is entitled to say, "I paid, it's time I stopped paying." Particularly because the vast majority as you all know, the vast majority of our senior citizens are in economic straits, in serious economic straits, and no-one will dispute that in this House. So I don't want to see discrimination against those who saved as

## PRIVATE MEMBERS' HOUR

(MR. ASPER cont'd) . . . . any selectivity would create in this program, those who saved and have \$2, 000 more of investment income or \$4, 000 more of investment income, our point here, Mr. Speaker, is in the name of our common bond, our common humanity, that this group in society which has the least time in terms of life expectancy to get any kind of pleasure and break, let's start there. And of all governments ever to come into this province, this government could embellish its shield, because this is a commitment I believe this government is so easily capable of making.

So, Mr. Speaker, I hope we won't have the normal heckling and partisanship on a resolution which is so closely akin to the philosophy that I hope this government embraces. Therefore I ask for universal support for the resolution which does one step of many that must follow, but one step towards a fair deal, fair justice, a reasonable humane society for senior citizens.

MR. CHERNIACK: Mr. Speaker, would the honourable member permit a question?

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

MR. CHERNIACK: Could the honourable member explain why he stresses the whole question of home ownership when reading the resolution it appears that he's talking about tenants as well.

MR. SPEAKER: The Honourable Member for Wolseley.

MR. ASPER: Mr. Speaker, the . . . (Interjection) - -

MR. SPEAKER: Order, please. The Honourable Member for Morris state his point of order?

MR. JORGENSON: During the debate in Private Members' Hour 20 minutes are allocated. I don't know whether the Member for Wolseley had completed his 20-minute remarks. According to our rules that if any member has completed his full allotted time then leave of the House must be granted before anybody is permitted to ask a question. I don't know whether he had . . .

MR. SPEAKER: I appreciate the honourable member's point of order, but the honourable gentleman had not exhausted his time; I allowed for the interruption of myself reading the resolution so therefore he's got - order please - therefore he still has two minutes' time left.

MR. ASPER: Mr. Speaker, I'm glad to rise to complete the two minutes, because there is something that I in my own sense of responsibility omitted from my presentation. And Mr. Speaker, in response to the former Minister of Finance who has always historically asked, where will we get the money because it's your responsibility to say where you intend to finance a program such as this. Mr. Speaker, I suppose it's self-evident that a program such as this would cost a nominal amount of money, five, seven million dollars, perhaps \$10 million. I don't have the research to be able to give you the exact figure, but Mr. . . . but, just a minute . . .

MR. CHERNIACK: I repeat. Would the honourable member answer the question? - - (Interjection) - - That's correct.

MR. SPEAKER: Order please.

MR. ASPER: Mr. Speaker, I believe that when you mentioned that I had the two minutes I thought I had a discussion. Mr. Speaker, in answer to the former Minister, the Member for St. Johns, the reason I say that the resolution must apply to all senior citizens whether they're home owners or renters is that the commitment I have is to lessening the tax load for education on all senior citizens whether they live in houses or suites; but because so many senior citizens are being forced out of their homes because of the high cost of maintenance and taxation, I stressed that point to make the point very clear.

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

MR. JOHANNSON: Thank you, Mr. Speaker. The honourable member when he began speaking to the resolution said that he was going to be very brief and I think he would probably have been wiser had he followed his first inclination.

The honourable member is introducing a resolution which was introduced last year, in the main a similar resolution was introduced last year by the Conservative Party and that resolution was debated very extensively last year, and I must say the speeches that were made last year were much better than the speech that the honourable member just made.

The honourable member said and repeated this a number of times that the senior citizens of this province have been a neglected group for decades, talked about the fact that they have been neglected for many many decades, and one begins to wonder about his impatience

## PRIVATE MEMBERS' HOUR

(MR. JOHANNSON cont'd) . . . . now with this government; he talks about us taking so long to enact nursing home coverage.

I seem to recall from my reading of Manitoba history that the Liberal and Conservative Parties were in power in this province for many decades. The Liberal Party has been in power federally, the Liberal Party had been in power federally with two brief exceptions, since about 1922, and this group, the pensioners has been neglected for decades. -- (Interjection) -- No. The honourable member violates in his resolution a historic principle that has been established in this province and he doesn't seem to realize it; it might have done him some good to have read the debate that occurred last year which he obviously didn't bother to do. He never seems to bother to read past debates, and the historical principle that has been established in this province is that -- and this was established almost 100 years ago in the legislature of this province and in the highest court of the British Empire -- and that principle was that everyone in this province has a common responsibility to finance the education of the children of this province, everyone bears that responsibility because everyone benefits from the education given to our children in this responsibility -- everyone benefits from the benefits from education. The honourable member violates this historical principle established almost 100 years ago in this province.

I want to deal with his first clause in his resolution, and this clause states that one of the main components of which is the provincial education tax. Provincial education tax, there is no such thing. Presumably the Honourable Member for Wolseley means the foundation levy and this is not a provincial tax per se but it is a municipal tax with a mill rate fixed by the Provincial Government and applied on an equalized basis, as defined under provincial legislation.

The foundation levy which the municipalities apply is intended to cover the municipalities 20 percent of the share of the total cost of the Foundation Program. As such the foundation levy generally represents by far the smallest proportion of total property tax. Moreover, this government has steadily increased its contribution to the provincial foundation program in stages, in stages, -- you're talking about -- not the special levy but you're talking about a provincial education tax. This province has increased its share of the foundation program from 70 percent to 80 percent, and we have made it possible to reduce the property tax share of the program significantly, particularly for persons paying taxes on farm and residential property. The mill rate levy has been reduced on the foundation program while we've been in government.

The second clause of the resolution states that many senior citizens have been forced to sell their homes or face rent increases because of property taxes. Now I would say, Mr. Speaker, in 1969 when the last election was held, I campaigned throughout my constituency and I found many people who did feel that property taxes were threatening to drive them out of their homes, but now three and a half years later I find this sort of complaint very very seldom. -- (Interjection) -- I'll take questions when I'm finished, if you don't mind. I find this complaint very seldom and I think that there are a number of very logical reasons because this government, in contrast to the neglect of senior citizens under past governments, this government has done a great deal for the senior citizens of this province. -- (Interjection) -- Well likewise, let's go through the programs because the honourable member obviously needs to be taken through them. -- (Interjection) -- You're aware of them? Well let's repeat them regardless so that you are aware of the fact that we have had a number of programs which have benefitted very substantially the senior citizens who both rent and own homes.

Now, the first program of course has been to increase the provincial contribution to the foundation program and to reduce the levy on residential and farm property. We brought in the School Tax Reduction Act and the effect of that in my constituency was to reduce the amount of taxes that people paid on their property last year; there was a substantial reduction for the first time in many years in my constituency. This spring, those same property owners and renters are receiving an education property tax credit which is related to ability to pay. And Mr. Speaker . . .

A MEMBER: It bothers him.

MR. JOHANNSON: Yes, I know it bothers him. Mr. Speaker, because of the fact that some pensioners haven't paid taxes for a number of years and obviously might have some trouble with the very complex forms developed by the Federal income tax people, we set up a



## PRIVATE MEMBERS' HOUR

(MR. JOHANNSON cont'd) . . . . service in our constituency office and we offered to help pensioners fill out their forms. Now, you know what, Mr. Speaker? I find the people that we're helping are almost entirely senior citizens. I find that they're getting \$140.00 education property tax credit, very many of them, or they're getting perhaps 137.50; they don't get a full 140. But, Mr. Speaker, that 137.50 is every single penny that they paid in school tax. Now, Mr. Speaker, not only are they getting that but of course they previously got \$50.00. So these pensioners are benefitting very substantially from this program. And Mr. Speaker, these pensioners know it, they talk to me, they know that they're benefitting very substantially from this program. I ran into one very rare case of a pensioner who only paid -- (Interjection) -- no, he wasn't a Liberal -- very rare those people.

A MEMBER: They're getting rarer every time.

MR. JOHANNSON: Right. One very rare case of a pensioner who only got a tax credit of \$32.00. But, Mr. Speaker, that again was every single penny that he had paid in school tax, so we've wiped out for those pensioners every single penny they paid in school tax. There was no burden of school taxes -- (Interjection) -- Special levy, too, yes. Special and foundation levies. And in fact, Mr. Speaker, of the people that we've helped, I can't recall one offhand who didn't get every penny rebated to him that he paid in school tax. Now I'm not saying that this applies to everyone, but the people that we have helped got all of their school tax rebated to them, and these people as I say are really benefitting from that program.

Another program, Mr. Speaker, is the Pensioner Home Repair Program. The honourable member mentioned the fact -- what did he say? -- oh yes, he has 2,800 pensioners in his constituency; they're not fixing up their homes, his home is deteriorating. Now perhaps, Mr. Speaker -- yes -- perhaps, Mr. Speaker, the honourable member is not informing his constituents of this program. Perhaps he isn't, Mr. Speaker, because he doesn't want them to know about the program.

Now in my area, Mr. Speaker, I have taken great pains, I've taken great pains to inform my pensioners of the existence of this program; and, Mr. Speaker, I find that very many of them are taking advantage of the program. They're fixing up their homes. They're getting anywhere up to \$500.00 in grants to fix up their homes. And again, they realize that this is a program that is helping them to stay in their homes. Again, this government is giving them the freedom of choice to stay in their homes, the stay option, the freedom of choice that the honourable member loves so much, except when it's provided by this government.

We are this year of course eliminating health premiums for the senior citizens. -- (Interjection) -- Now that's -- yes, it's only \$100.00 for a couple. -- (Interjection) -- Well, you keep the tally, but this will provide \$100 in additional spending power to the pensioners in my constituency -- \$100.00. Which is needed by these people because, you're right they are living on fixed incomes and they're having difficulty with rising costs which affect them. This government recognizes that fact; we know that fact and we're acting on that fact, we're acting to correct that as much as we can. Now, of course, if you combine this 100 dollar cut in the health premium with the 100 dollar cut we carried out in 1969, of course you have a combined benefit to the senior citizen of \$200 in these two phases.

We have also, Mr. Speaker, indicated that we will provide nursing home coverage, and again this is something that will benefit the very old senior citizens but also it will benefit their children and in some cases their younger spouses. I was talking to a pensioner in my constituency who lives in a senior citizens' home but whose wife is in a nursing home, and he is having to dip into his savings or he has had to dip into his savings continually in order to pay for his wife's residence in the nursing home. But now he will be freed of this erosion of his very modest savings by this program which this government is providing. And of course, Mr. Speaker, as far as I understand and perhaps the Honourable Health Minister can confirm this, the Federal Government, the federal Liberal Government so far isn't cost-sharing this, is it?

A MEMBER: No way.

MR. JOHANNSON: Now I find that very hard to understand. Mr. Speaker, I find that very hard to understand. The federal Liberal Government isn't cost-sharing this program and yet the Liberals are so concerned about the neglect which pensioners have suffered under for decades. -- (Interjection) -- Yes, I think the Minister of Public Works is right, the Liberal Party is suffering neglect from the voters and this is the reason for their sudden empathy with senior citizens. The government of course is also this session bringing about some drug

## PRIVATE MEMBERS' HOUR

(MR. JOHANNSON cont'd) . . . . coverage for senior citizens for the first time in history, and I might point out to the honourable member that in the past year or two we also provided coverage for prosthetic appliances, for not only senior citizens but all citizens in society and that's something that didn't exist before. And I have met a number of my senior citizens who are benefitting from this coverage.

And finally -- (Interjection) -- oh, yes, 10-cent bus fares also, I forgot that. This government also brought that in, Mr. Speaker. One of the major things that we have done of course is our senior citizens' housing program. Now I've mentioned this before, I'll mention it again. The honourable member is so concerned about freedom of choice, and I believe and this government believes in giving the pensioners freedom of choice. We believe in giving them the choice of living in their homes in dignity or moving into senior citizens' homes if they so choose. So we have launched the most massive program, the most massive program in the history of the province in order to build senior citizens' housing. We built in the City of Winnipeg in two years more than 3,000 apartments for senior citizens. -- (Interjection) -- Oh, the money was put up, the money was put up but the subsidy of course is half federal, half provincial and that is the real cost of the program. So the capital cost is 90 percent federal, 10 percent provincial, but the real cost of the program is of course the subsidy and this is jointly shared by federal and provincial governments. -- (Interjection) -- Yes, just loan money, capital of course is just loan money, it's repaid through the rents and through the subsidies.

Now, Mr. Speaker, if my members will calm themselves I only have a few moments left. This government in two years built over 3,000 apartments for senior citizens in Winnipeg, but last year we built virtually none and why, Mr. Speaker? Because his friends, his friends on City Council and some of them I understand, Mr. Speaker, that some of them even want to get into this house; they're running as candidates for the Liberal Party and for the Conservative Party. His friends prevented the construction of senior citizens' housing last year in Winnipeg and he believes in freedom of choice. Mr. Speaker, what a joke. He believes in freedom of choice. Mr. Speaker, just a couple of more points. The . . .

MR. SPEAKER: The honourable member has three minutes.

MR. JOHANNSON: Three minutes. One of the -- the first section of the "Resolved" contains a statement I find really unbelievable again. "Therefore Be It Resolved that the government consider the advisability of the removal of education tax from all real property - real property . . . "

A MEMBER: Richardson Building.

MR. JOHANNSON: "Owned by" -- yes, the Richardson Building -- "owned by such senior citizens." Now, Mr. Speaker, real property includes not only homes, it includes factories, it includes apartment blocks, it includes perhaps slum dwellings which could be owned by people over 65. You could . . .

MR. SPEAKER: Order, please.

MR. JOHANNSON: Mr. Speaker, you could have the example of some person over 65 living down in Florida who would be tax exempt on his properties, his factories in Winnipeg and this, Mr. Speaker, is the logic of his resolution. This is the principle of taxation in which the Leader of the Liberal Party believes. He doesn't mention the fact, Mr. Speaker, that exempting this group from taxation of course will mean more property tax has to be paid by those under 65 -- doesn't mention that at all. And the final thing that really puzzles me, Mr. Speaker, with all this concern that we hear from the Leader of the Liberal Party for pensioners, he had a chance just very recently to exercise a little bit of the influence about which he boasts so much, a little bit of influence upon his colleagues in the federal House. Our party was pressing for attention of how much -- \$150 -- a basic pension of 150. And what did the Liberal Party bring in? \$100.00. This, Mr. Speaker, is the man who's going to save the west -- save the senior citizens of this province.

MR. SPEAKER: The Honourable Member for Lakeside.

MR. ENNS: Thank you, Mr. Speaker. I should indicate to you, Mr. Speaker, at the outset that we of our Party have not had an opportunity to caucus this resolution as fully as we would like to so that my remarks, Sir, are those of my own. I would hope that I would exercise a degree of influence on those of my group that they may well choose to accept the position or some of the positions that I'll outline briefly with this resolution.

Mr. Speaker, I think you recognize, it's already been pointed out by the honourable

(MR. ENNS cont'd) . . . . member who just spoke that there is an essence contained in this resolution that was put forward by the Progressive Conservative Party last year in this session, and one that has been stated on numerous occasions in context or together with a more broader position that we have espoused from time to time with respect to taxation, changes in taxation in budgetary matters; Mr. Speaker, that there'll be little agreement and there will be little encouragement from the other side with respect to the suggestions that we bring from time to time about budgetary taxation matters. But I would think that at least from the Conservative benches that when we have put forward suggestions of this nature that we have attempted to fit them into a total picture, because you see, Sir, we were at one time responsible for government and when we addressed ourselves to the Treasury, to the Minister of Finance about what he can give away, how much he can give away or what he can exempt and what he should change in the tax structure, we have some degree of responsibility about worrying about where he's going to get the money to do the different things. And so, Mr. Speaker, we will want to look very carefully at this resolution and aspects of this resolution.

We will in all likelihood offer an amendment to this resolution. Mr. Speaker, our position is very clear with a certain aspect of this resolution. We have said, we'll say it again, and we believe in a 10 percent reduction in the personal income tax which they don't believe in but we believe in it. We have said, yes, we have said that we believe in the removal of the education tax from senior citizens' homes; we have said that we believe in the removal of the education tax from senior citizens homes; we have said that we believed in the removal of education tax from productive farm property. That, Mr. Speaker, has been a position that the Progressive Conservative Party has stated on several occasions. It should be well known, and it's in that context that we will want to look at this resolution and perhaps modify it and to that degree perhaps support it.

But, Mr. Speaker, you know, I can't help but note that in the manner in the way the proposals of this kind are coming forward from my friends to the left must be somewhat unnerving to any Treasury Bench or Minister of Finance.

I recall, Mr. Speaker, it was only a little while ago when the Federal Government brought in its last budget that there was an instant call from the Honourable Member from Wolseley of a \$200 to \$240 income tax reduction for every family in Manitoba. He is now in the course of discussion of this resolution calling for the abandoning entirely of income tax for another segment of our society. In addition of course, the resolution that he's talking about calls for an exemption of taxation for this particular group that we're dealing with. Mr. Speaker, the question has to come, you know, where's the money coming from. We haven't even - I shouldn't really even suggest to him - but if we also took some of his other suggestions seriously about how he is recommending government spending money, let me even just suggest one of the wildest ones, the building of the monorail to Southern Indian Lake at a reputed cost of \$4 million a mile which comes to some billions of dollars. I would suggest that any government would have to be putting taxation on our senior citizens, indeed not only our senior citizens, but instead of the traditional slap on the behind that our babies receive when they enter the world, I suspect that a tax collector would be there to slap his tax bill on that behind to the tune of some \$800 per man, woman and child.

So, Mr. Speaker, there has to be some reasonable understanding or some reasonable working out of a more total or a broader tax position or budgetary position if you like than what we're getting from the Honourable Leader of the Liberal Party. Mr. Speaker, we have in the Conservative Party presented that kind of a broader picture, one that the government obviously does not agree with, but we believe that it is a position that will have considerable merit when it is put forward to the people of Manitoba in due course. And our concern in dealing with this resolution at this particular time is to remain consistent with the position stated by our leader and by individual members of the Conservative Party from time to time, to caucus the resolution before us to a greater degree than we have and to at that time consider what aspects of it we can support or in which way we can - I know, Mr. Speaker, that if we apply ourselves to it we can possibly make it into a good resolution. But we will have to take that occasion and, Mr. Speaker, despite the urgings from the honourable members opposite and despite my genuine willingness on most occasions to comply, I humbly desist that opportunity and defer to any other members that now would like to speak. Thank you.

MR. SPEAKER: The Honourable Member for Assiniboia.

## PRIVATE MEMBERS' HOUR

MR. PATRICK: Mr. Speaker, I did not intend to speak on this resolution, but listening to the Member for Lakeside I just wondered how one can take him too seriously, because he had an opportunity last year to offer some assistance to the senior citizens. He took the opportunity to vote against that bill in this House, which in the main amounts to at least \$140 to almost every senior citizen who makes less than three to four thousand dollars a year. Not only the Member for Lakeside voted against it but the whole Conservative Party voted against it. So I have serious doubts what the Leader of the Opposition is proposing at this stage saying that complete exemption for senior citizens from education tax.

Having said that, Mr. Speaker, I wish to just make a few brief remarks, and I didn't want to let this opportunity go by with what the Member for St. Johns had to say the other day. I was somewhat disappointed in his remarks because I'm sure that everyone in this House will agree that many of our senior citizens have made many sacrifices to be able to own a home of their own, to be able to live in a house of their own; they've made sacrifices to their families, to themselves. I'm sure the Member for St. Johns must be out of touch, and I'm sure he hasn't been practising law for at least the last few years to say that very few people, or in his opinion, people should not be owning homes.

MR. CHERNIACK: Mr. Speaker, on a point of privilege.

MR. SPEAKER: The Honourable Member for St. Johns state his matter of privilege.

MR. CHERNIACK: I think it should have become clear to all members here that when there is a misstatement of fact it can be corrected. I don't believe that at any time I stated the opinion that senior citizens should not own homes. If the member will harken back to what I was talking about, I was posing a question and inviting debate and I've yet to hear debate on the question, just attack.

MR. SPEAKER: The Honourable Member for Assiniboia.

MR. PATRICK: Mr. Speaker, at least I'm inclined to believe that the member did speak against home ownership, because from this side we were saying and calling at least . . .

MR. CHERNIACK: You weren't listening.

MR. PATRICK: No, we were, because everybody on this side let the people have the choice, let them have the option if they wish to own a home. And a member was saying that in many cases in his opinion that perhaps created greater hardship for many people to own their homes instead of not owning their homes; and I'm inclined to believe that the member was stating that it would be better for many people not to own their home, and I strongly disagree with that. He knocked at freedom of choice.

There was another point that the member made. He says that when we were on this side of the House we had our plan, we had documented resolutions; we had, why don't you present it the way it should be? The Minister of Education presented a resolution to this House calling for exemption of \$2,000 of assessment for everybody across the whole province, which should have destroyed assessment in many small communities, in many small towns, which meant at least \$50 million in taxation. That was well thought out. He had the answer, he had the solution. Now he talked about -- (Interjection) -- He talked about all the plans it took this government when the members were on this side of the House; we said we had all the plans, we would put the legislation in immediately when they were in opposition. When they became the government it took them three years to bring any legislation in respect to labour, and even today we still haven't got the 40-day work week. It took them three years to offer any assistance to senior citizens. -- (Interjections) -- Did I? Well, I said 40-day, I meant 40-hour work week. It took them three years to offer any assistance to the senior citizens in respect to tax credit last year, and the resolution that I had for this House, not for two years or three years, I had it before this House for at least six to seven years. When the Official Opposition were the government, when you supported it, you became the government, it still took us another two, three years to convince you that you should move in the direction to offer the senior citizens some assistance in respect to education tax. The member stood up and said we had all the plans, we had all the solutions for everything. I don't believe the member did, because when the Minister of Colleges and Universities presented his proposal to the House, I calculated at that time what it would cost with the former Minister of Education, it was George Johnson, and it was an extremely expensive proposition. So really I don't believe it was proper for the Member for St. Johns to get up and ridicule the members on this side because really I think that when he was on this side there were the same type of resolutions,

## PRIVATE MEMBERS' HOUR

(MR. PATRICK cont'd) . . . . the same type of resolutions coming from them, the NDP members when they were in opposition. So I'm sure, I'm sure that he knows that quite well.

MR. CHERNIACK: Would the member permit a question?

MR. PATRICK: No, I only have another couple of minutes. I was surprised -- (Interjection) -- Well, if I have a couple of minutes, I will. I know that the member talked about that they solved many of the problems in the city; I say you have not solved many of the problems. The per capita income of this city has dropped from 50th position as per cities in Canada from the 50th position to the 56th; that's what's happened in the last four or five years. And you were the government, so you have not improved. Many people in the centre core of Winnipeg, in the CPR-Notre Dame area, their position today is no better than it was five, six years ago. According to the Social Service audits in the city, according to some leading social workers, their position has not improved, they have not got better accommodation, they have not received better education, they have not job opportunities, and they're still in the same position that they were five, six years ago; so you can't say that you have solved all the problems. You know, it's easy to get up and say, "That's a ridiculous resolution and that's a ridiculous suggestion." I still believe that the majority of the people would like to own a home of their own. I know it's impossible for many people that make less than four or five thousand dollars, it's impossible. Now, we've had studies not only in this city, we've had studies right across Canada, not one but many, and every time that the people in low rental housing were interviewed, it was still their desire, it was still their hope that they some day would be able to own a home of their own, so, you know -- and the Member for St. Johns says no, I don't believe that, I believe in state ownership, the government should own the house and people shouldn't own a home of their own.

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

MR. CHERNIACK: On a point of order, I believe I have the right to ask that the resolution be read and I do it for the benefit of the Member for Assiniboia.

MR. SPEAKER: The Honourable Member for Assiniboia.

MR. PATRICK: Mr. Speaker, I thought that you read the resolution.

MR. CHERNIACK: I'm sorry, Mr. Speaker, I understood from the rules, and I don't know the citation, I believe that a member at any time has the right to have a resolution read, and if I'm correct I'd like it read for my benefit as well as for the benefit of the Member for Assiniboia.

MR. SPEAKER: If the honourable member is stating that -- order please. If the honourable member is stating that the honourable member has been deviating from the resolution I will concur; if he wishes me to read the resolution, that too I shall do. Order please.

"WHEREAS most of Manitoba's 100,000 citizens who are over the age of 65 are living on fixed incomes and face annually increasing property taxes, one of the main components of which is the provincial education tax;

AND WHEREAS as a result of these property taxes levied against senior citizens many are annually being forced to sell their homes or face rent increases which make it impossible for them to live their senior years in the dignity to which they are entitled;

NOW THEREFORE BE IT RESOLVED that the government consider the advisability of the removal of education tax from all real property owned by such senior citizens, and institute a rental rebate system to those senior citizens who rent their homes or suites, in an amount equal to the education tax that forms a portion of their rent;

ANDBE IT FURTHER RESOLVED that the government consider the advisability of amending the appropriate city charters and consider: a) A municipal act to prevent senior citizens over the age of 65 from being required to contribute property taxes directly or through their rents to the financing of education."

There's one minute to go. I have utilized two minutes to read it. The honourable member will get the credit for the two minutes. The Honourable Member for Assiniboia.

MR. PATRICK: Mr. Speaker, I hope you read it for the benefit of the Member for St. Johns because apparently he either wasn't in the House or didn't hear when the resolution was first introduced. I know the Member for St. Matthews talked about -- but he strayed quite a bit from the resolution -- talked about many things and talked about that property tax is not a burden on any of our senior citizens. I would like to differ with the member very much, and I don't deny that the tax credit plan that's been put to this House last year is of benefit to many

PRIVATE MEMBERS' HOUR

(MR. PATRICK cont'd) . . . . of those people, because I've had an opportunity to assist at least in half a dozen applications for this tax rebate, and I'm telling you that the people were surprised and not only mildly surprised they couldn't believe it that they'd get this much rebate back. But that hasn't solved all the problems. I'm sure the member knows that it hasn't solved all the problems, and to say that, you know, that they haven't got any problems as far as the tax rebate, not only people who live on rent, renting accommodation leasing or people in their homes, they still face pretty high costs and what my leader is recommending I am sure would not cost nowhere near - it would cost probably a small amount, maybe \$2 million, not the \$50 million that the Member for Universities and Colleges presented in this House two years ago.

MR. SPEAKER: Order please.

MR. PATRICK: . . . and he made it universal across to everybody

MR. SPEAKER: Order please. The hour of 10:00 o'clock having arrived, the House is now adjourned and stands adjourned until 10:00 a. m. tomorrow morning. (Friday).