

THE LEGISLATIVE ASSEMBLY OF MANITOBA

9:30 o'clock, Friday, May 17, 1968

Opening Prayer by Mr. Speaker.

MR. SPEAKER: Presenting Petitions
 Reading and Receiving Petitions
 Presenting Reports by Standing and Special Committees
 Notices of Motion
 Introduction of Bills

I'd like to introduce our guests in the gallery -- refer the honourable members to the gallery where we have 44 student cadets of 4c and A/c standing from the RCSCC Tonspah School at Cranberry Portage. These students are under the direction of Lt. Gaitens. This school is located in the constituency of the Honourable the Minister of Welfare.

We also have with us today 50 students of Grade 8 standing from the David Thompson School. These students are under the direction of Miss Wiebe and Mr. Mainella. This school is located in the constituency of the Honourable Member for Elmwood. On behalf of all the honourable members of the Legislative Assembly, I welcome you all here today.

Orders for Return.

MR. GILDAS MOLGAT (Leader of the Opposition)(Ste. Rose): Mr. Speaker, I beg to move, seconded by the Honourable Member for Lakeside, that an Order of the House do issue for a Return showing the amount of each issue of Manitoba Savings Bonds redeemed in each month in 1967 and each month to date in 1968.

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

MR. MOLGAT: Mr. Speaker, I beg to move, seconded by the Honourable Member for St. Boniface that an Order of the House do issue for a Return showing:

1. The number of kilowatt hours of electricity produced each month at the Manitoba Hydro steam plant in Brandon, for each month from March 1, 1967, to date information is available.
2. The cost and amount of fuel burned each month at the above station during the above period.
3. The number of kilowatt hours of electricity produced each month at the Manitoba Hydro steam plant at Selkirk, for each month from March 1, 1967, to date information is available.
4. The cost and amount of fuel burned each month at the above station during the above period.
5. The number of kilowatt hours of electricity purchased each month by Manitoba Hydro from outside the Province of Manitoba for each month from March 1, 1967, to date, stating from whom purchased and amount paid.
6. The number of kilowatt hours of electricity produced each month at Grand Rapids from March 1, 1967, to date.
7. The anticipated number of kilowatt hours of electricity to be produced at Grand Rapids generating station during the remainder of 1968.

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

MR. MOLGAT: I beg to move, seconded by the Honourable Member for Assiniboia, That an Order of the House do issue for a Return showing the following information for each property, building, part of building or office space presently being used by the Manitoba Government and any of its departments, boards, agencies, and commissions, but which are not owned by the Manitoba Government:

1. the size of the building and land;
2. the duration of the lease or rental agreement;
3. the rate of rental in dollars per month and in terms of dollars per square foot per year in the case of the buildings;
4. the name of the rental agent in each case;
5. the name or names of the owners in each case.

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

HON. STERLING R. LYON Q.C. (Attorney-General)(Fort Garry): Mr. Speaker, if I could be permitted just a moment on the procedure for the balance of the morning. We would like to move now to clean up the concurrence motions and thereafter the Provincial Treasurer I believe would like to have us go into Committee of Ways and Means and clean up that portion

(MR. LYON Cont'd.)... if it's possible. Following upon that, if there's still time, we would go into second reading of Bills.

MR. MOLGAT: Mr. Speaker, I thank the Minister for giving us some idea of what order we'll be following. Might I suggest that when we reach the second reading of Bills, could it be acceptable to go to those that are already in process and not the batch of nine that we have received most recently, because - if we could have a little more time to study those. I don't think the members have had much opportunity so far. If we could start on the others then we could probably follow on later on the new ones.

MR. LYON: I think that would be generally acceptable, although I do know with respect, for instance, to the Agricultural Credit Bill, the Minister had thought there might be some advantage, as indeed was expressed on the other side of the House the other day, if he were permitted to give the second reading and then honourable members would have the time to consider it - adjourn it and consider it - adjourn it and consider it over the weekend.

I'm not trying to suggest an alternative procedure except if you felt there would be advantage in that procedure with respect to Agricultural Credit or maybe one or two of the others of the new Bills, then we would be prepared to proceed along those lines, naturally expecting adjournment so that the members would have the opportunity over the weekend to complete their consideration. But with the benefit of his advice on second reading.

MR. RUSSELL PAULLEY (Leader of the New Democratic Party)(Radisson): If I may, Mr. Speaker, having taken a second look, at first I thought the suggestion of the Honourable Leader of the Liberal Party was reasonable and well. However, when I look at the Bills that have not been presented for second reading, there's an additional bill I have in mind, other than the Agricultural Credit, and that is the Bill to amend the Manitoba Medical Services Insurance Act. I think it might be well if we could have an explanation of what the government has in mind with this Bill so that we may consider it too, over the recess of the weekend.

MR. JACOB M. FROESE (Rhineland): Mr. Speaker, it would seem to me that I would prefer having the introductory remarks made on second reading of these bills that haven't been introduced yet. This would give us some idea as to what is being proposed. We haven't gone into the details of all the bills yet and certainly this would be a help, in my opinion.

MR. LYON: Mr. Speaker, I wonder if I could ask you then, Sir, to call the balance of the concurrence motions -- from the point where we adjourned last night. I believe there was an amendment under consideration last night. The Honourable Member for Assiniboia had just taken his seat and I believe the Honourable Member from Rhineland - you haven't finished?

MR. SPEAKER: Order, please. I understood the Honourable Member for Assiniboia to say that he had completed his remarks, last night. --(Interjection)-- In that event he has the floor.

MR. STEVE PATRICK (Assiniboia): Mr. Speaker, I was prepared to sit down and let the motion go to a vote last night but there was some indication that some of the other members were going to speak, so I thought there was no need for me to do that because it will still be before us this morning.

I haven't got much more to add to what I said last night except I did want to get in this debate and make the remarks as I did when I heard the Honourable Member for Arthur speak last night.

I felt that I had to put on record -- and I am certainly not "poor mouthing," saying that things are no good in Manitoba because this is certainly not what I would do to any people or any one in my constituency. I think it's a good province and we can make it much better. But when members in this House try to indicate that the taxation is nothing to be alarmed about and nothing to worry, there hasn't been great increases, well I feel that we should put the record straight. Because, Mr. Speaker, I know the honourable member used comparisons from some of the other cities and said he did not have full information from every city in Canada but I would like to say that it's quite simple to use comparisons and at times they don't mean much if you can not back them up with any backing material, because for the simple reason property in Edmonton located close to a commercial or industrial location, certainly is not going to be assessed the same way as property in Winnipeg in a primary residential area. All these things, when the assessments are done and appraisals made have to be taken into consideration as to the market value of the property. So there's no two properties nowhere that are alike unless conditions are the same, locations are the same, and all these things have to be taken into consideration. There is such things as age of the building, in one place age of a building may be much different to

(MR. PATRICK cont'd.) that of property in another location. As well, the land may be much more expensive in one city as compared to the other. So all these things, once they're taken into consideration, then we could rightly say that maybe the tax is not higher, but as long as we have not got this backup material I think that it's wrong to make these blind statements.

Now I indicated yesterday that the tax has definitely been going up, increasing very highly in drastic proportions. I'm not going to repeat but I just indicated yesterday on one small business in my constituency on Portage Avenue, the Country Kitchen Restaurant in a matter of four years, increased - this is the tax - increased from \$1,473.08 to \$2,400.51. This is a very drastic increase and certainly I think that we should be alarmed about it.

The other one that I indicated was a small service station where the tax increased in a matter of five years, from '63 to '68, from \$614.82 to \$2,045.87. Well, Mr. Speaker, this is almost, it is almost 400 percent, so I don't think anyone in this House can make statements that there hasn't been increase in taxation in the last three years.

The reason I want to make this point, Mr. Speaker, I think that all of us here should be concerned about it because many developers are by-passing Winnipeg and developing commercial properties and industrial properties in the other cities and by-passing Winnipeg. I would like to make a quotation - I'm familiar with this man, I spoke to him personally. He is an officer of the company from the Canadian Properties Limited which is a subsidiary of MEPC, Metropolitan Estate and Property Corporation of England, who has been developing many properties right across Canada and investing a lot of money in Canada. Now I'll just quote one quotation, I want to put on record and I think this is quite pertinent in this debate. And I'm quoting now: "In many cities now the property taxes are so burdensome that development has almost stagnated. It is almost impossible to carry out an economical development in Halifax, Newfoundland and Winnipeg. You have to relate the percentage of taxes paid to many other items such as the rental structure, the cost of construction, the cost of land and the general growth of economy. There have been sufficient evidences of problems that arise in cities when real estate taxes climb too high, so let us beware and take every opportunity to impress upon our politicians that basically real estate taxes were introduced to provide better services such as police, fire protection, street lighting, street maintenance and not to carry the entire burden of the cost of education, social welfare and so on. In my opinion in a country like Canada which is anxious to have capital, it is better to encourage investment and development rather than place increasing burdens on existing property owners." I think that this is the whole point, Mr. Speaker, that we're talking about. It's not that we're crying and saying things are not good in Manitoba, but I think we have to give serious consideration to this problem of high taxes.

There's another quotation that I have from a brief of the Chamber of Commerce and they are also concerned, so it isn't just the Opposition on this side that are concerned about this but I think the Government itself must be concerned because things are not going to improve and probably develop into a more serious situation. I'm quoting now from the brief of the Chamber and this is what they have to say: "We are concerned that major developers in Canada are of the view that returns on commercial property, and particularly office buildings, are such that any interest in Winnipeg is marginal. The forecast increases in school taxes and commercial property can only make such investments in Winnipeg much less attractive, particularly in relation to most western Canadian cities."

So it isn't, Mr. Speaker, that we just want to make these statements to embarrass the government, but I think it's a serious matter and this is the reason that I want to put these points on record.

MR. SPEAKER: Order please. I would remind the honourable gentlemen that my attitude hasn't changed in regard to the quotations from magazines, likewise in this debate and I would ask the honourable gentlemen to kindly confine themselves to the contents of the resolution before the House.

The Honourable Member for Rhineland.

MR. FROESE: Mr. Speaker, I think the resolution before us is an important one. Parts of it have been debated previous to this but I think there's new material that can be introduced and new arguments that can be put forward.

I listened to the Honourable Member for Arthur last night when he brought in comparisons in connection with the various provinces as to the taxes that were being paid on real estate and I would like to introduce some figures myself. These are quite authentic; they're taken

(MR. FROESE cont'd.)... off actual provincial tax records and I think they are worthy of consideration. The Honourable Member for Arthur had figures from the various provinces and cities. My figures that I have here have to do with three local areas in this province and compare them with three different areas in British Columbia. All these areas included have sewer, water and similar services so that they are more or less identical and also in the first instance we have very identical population figures in these centres.

I would like to take my home area at Winkler where we have a home assessed at \$3,400, the municipal tax was \$92.74, school tax \$121.72, a gross of \$214.46, deduct the \$50.00 rebate leaving you a net tax of \$164.48. That is for a \$3,400 assessed home.

In Sydney, B.C. we have an identical assessment of a home. The municipal tax here is \$37.00 compared to \$92.00 in Manitoba; \$75.00 school tax compared to \$121.00 in B.C. and the gross tax is \$112.00. However, out there they have the home owner grant which was \$100.00 at the time of this statement leaving \$12.00 as a tax bill compared to \$164.00 net at Winkler.

I have another one from Minnedosa. The assessment of this home is \$4,200, the municipal tax \$168.12, school tax \$132.94, giving us a total of \$301.06; deduct the \$50.00 rebate and leaving you \$251.06.

Then we have a similar home in Central Saanich B.C. also \$4,200 assessment. Here you have a municipal tax of \$69.00 compared to \$168.00 in Manitoba, school tax \$102.00 compared to \$132.00 and a gross tax of \$171.00; deduct the \$100.00 home owner grant in existence there at the time, leaving you a net bill of \$71.00 compared to \$251.00 in Manitoba at Minnedosa.

A third one, I have three examples here that I would like to bring before the Committee. Another one is at Morden, Manitoba. The home assessed is \$7,600, the municipal tax \$187.28, school tax \$253.44 for a total gross tax of \$440.72; deduct the \$50.00 leaves you \$390.72.

We have another one at Oak Bay, B.C. which is a little lower in assessment, \$6,800, but it's in the general range of the previous one. We have a municipal tax of \$168.00, a school tax of \$163.00, a total of \$331.00 of tax; deduct the \$100.00 of home owner grant, is a net of \$231.00 compared to \$390.72 in Morden. These are actual figures and since then the home owner grant in British Columbia has gone up to where it for this year will be \$130.00 instead of the \$100.00 as I quoted. Ours has been maintained the same for the areas that are in non-unitary divisions.

So you can see the difference and this is why we as Social Creditors say support Social Credit for progress, development and opportunity. —(Interjection)— I didn't say move to B.C. This was what the Honourable Member for Arthur said. But so many people do, so many people do leave Manitoba for British Columbia for this very reason and when I look at the resolution a little further I find here that we will be having new taxes imposed. We already have the 4.1 mill on the unitary divisions. The commercial mill rate went up from 33 to 37.1 and we're expecting an increase in the hydro-electric rates. So this will be another tax on top of what we already have, an increased tax.

Mr. Speaker, the other day we received copies of the capital borrowings that will be authorized for the coming year and I note there is a figure of \$200 million for Manitoba Hydro. On the other sheet we have two other figures: \$46,300,000 in Schedule A and Schedule B is another \$48,368,000, giving you a total of \$295 million in round figures. Mr. Chairman, this is a very large amount of new borrowings that will be made and no doubt authorized by the the government and this will add new interest figures so that a year from now we will be called upon to pay at least another \$21 million in interest on these borrowings. This is calculated roughly at 7 percent and we were told in committee that new borrowings run from 7 to 7 1/2 percent, so I'm not taking the highest figures, I'm taking the figure in between. So that we will have another \$21 million of interest costs to contend with when we already have large interest figures that we have to pay up as it is on the debt that is already outstanding. While we do extend the utilities this however means increased costs and the other items for which borrowings are made the same thing holds true. Telephone System, \$20,500,000. When these additional costs are made the financing costs have to be absorbed by that utility and taxpayers of this province will have to pay those costs through these services. So there is no way of escape.

Now, Mr. Speaker, there are two other items listed in the resolution before us. One is the increased hospital premiums by 80 percent and the fourth one is by refusing to enter the Federal Medicare plan and causing a very large increase in MMS premiums. Our Party federally is and has been recommending that vouchers be issued giving the people directly some

(MR. FROESE cont'd.)... assistance whereby they can pay the cost of the premiums. This would still leave the individual free to choose the plan he prefers and go to whatever company he chooses and would provide this type of insurance. This is what we have in Alberta, that's the way the plan in Alberta operates; and in addition in Alberta they will provide for those people that have low incomes, that they get a special assistance. But I think this is the proper way of going about it.

I don't see the need for an overall dominion medical care scheme. I would prefer to see this left up to the provinces and that assistance be provided from the Federal Government in this way. Then, too, I feel that a federal scheme once initiated would leave itself open for political propagation, if you could call it that, because look what is happening right now in the Federal election campaign and it has barely started. Yesterday I heard on the news where the NDP, the federal NDP, are going to offer higher pensions. Well the same thing would apply, Mr. Speaker, to the Medicare plan

MR. SPEAKER: Order please. I hesitate to interrupt the honourable gentleman but nowhere do I see anything about pensions in this resolution and I would ask him in all fairness to refrain from discussing matters that have nothing at all to do with the resolution before us.

MR. FROESE: Mr. Speaker, I was just trying to bring in supporting arguments and I don't know how else you can do this. This whole scheme lends itself to this type of political maneuvering and once a plan of this type is initiated, a Medicare plan, this is what you will see happen. That at every election parties will be promising more services to be included in such a scheme and that's why the scheme will become more and more expensive as time goes on. This is what happened in Great Britain and it's bound to happen in Canada and this is where you will see the costs of such a scheme rising almost annually, at least every time when an election comes around. Therefore I do not support such a Federal Medicare scheme. I would rather leave it up to free enterprise to provide such type of insurance, and if necessary, if it has to be brought about then I think it should be brought about on a provincial basis and have the Federal Government give some assistance. Then too I feel that this is within the jurisdiction of the province. Health is under the British North American Act a matter for the province to look after. I think at some future date the Federal Government under the present constitution could pull out and need not support such a scheme and we would then be left carrying the whole load.

We have found in the various shared cost agreements in the past that this has happened and that this is putting the provinces into a straightjacket and I feel that we should be very careful about entering such large federal schemes where these items are not assured. We find that Quebec has been opting out on many programs of this type and I think Manitoba should take a good look at what they are doing and providing of those services on their own, not have them necessarily initiated by the Federal Government and that we just fall in line.

Then too I don't believe at the present time in forcing the government's hand in their negotiations. This is one thing that I feel they should be left free to do. That is one of my main reasons for not supporting a Federal Medicare scheme as well at the present time, that we should not be jeopardizing our chances of negotiation, although I think last year we jeopardized them to a certain extent by bringing in Bill 68 and I told the members of the House at that time just so.

So, Mr. Speaker, I feel that we have increased the taxes, we will be increasing taxes more and should such a scheme come about it would further increase the costs of government and taxes here in Manitoba. This is not to say that assistance should not be given to those in need and that our private insurance companies should not have the right to be in the business of providing insurance of this type. I think they should and it should not be made a monopoly in the province or in the federal field. I think competition should be there so that costs would be held down. I think this is one of the ways of holding costs down. Also it should be voluntary so that those people who do not want to subscribe need not subscribe. I think this should be a matter of free choice.

Now, Mr. Speaker, the resolution before us is not only two-pronged but four-pronged and the last one makes it — I'm rather in a quandary which way to vote because when you have a situation like this arise it makes it difficult because you are supporting certain portions of it and not quite in complete support of other matters and therefore it is very difficult. However, in this situation I think because the major portion and especially the first portion of the resolution is what I do support and I not necessarily support the last sub-clause.

MR. SPEAKER: The Honourable Member for Churchill.

MR. GORDON W. BEARD (Churchill): I thought that probably I should rise on the anniversary of our first snowfall of this summer, Mr. Speaker, and I don't imagine you'll mind giving me a little time because I don't think we can go out seeding this year for a while now anyway. I'm glad to share northern weather with you and probably some of my thoughts on taxation.

I would on the offset though remind members again that inflation is probably the largest robber that this country has ever had to cope with and we must keep this in mind when we speak of taxation because certainly taxation in respect to government policy is the only way in which we can keep up with the costs municipally, provincially and federally, with the rising costs that inflation brings about. Inflation is a robber in many ways and I believe the Member for Arthur was trying to point that out last night. Not only was he comparing our costs with other costs throughout the provinces but he was trying to say to you, Mr. Speaker, that other places have problems and on a whole the basis of taxation is approximately the same regardless of what province you live in. I think this is very very close to the problem we are trying to deal with today.

MR. LAURENT DESJARDINS (St. Boniface): On a point of order. I think the member is definitely out of order. We don't want a dissertation on taxes. This has nothing to do — we understand taxes — this has nothing to do with the resolution at all.

MR. BEARD: Maybe, Mr. Speaker, would you read out the resolution again.

MR. SPEAKER: Order, please. With regard to the remarks of the Honourable Member for St. Boniface I believe I indicated last night that the main part of the resolution substantially increased taxation and I believe that the Honourable Member for Churchill thus far is within the bounds of that particular remark. The Honourable Member for Churchill.

MR. BEARD: Mr. Speaker, would you mind reading out that resolution again, please.

MR. SPEAKER: It might be well. While concurring in Resolution No. 103, this House regrets that in spite of the promises of the First Minister to hold the line he has substantially increased taxation in the six months since he assumed the office of Premier, particularly in the following ways: 1. By imposing additional realty taxes on all homes, farms and commercial properties of 4.1 mills. 2. By announcing an intention of increasing hydro-electric rates. 3. By increasing hospital premiums by 80 percent. 4. By refusing to enter the Federal Medicare plan and causing a large increase in MMS premiums.

The Honourable Member for Churchill.

MR. BEARD: Thank you, Mr. Speaker. I think that most of the members have ranged fairly wide on this and their whole intent was to bring into the discussion the cost of inflation, cost of taxation and intimating that the costs the people are talking about today are the direct responsibility, and the direct responsibility alone, of this government. And as I was trying to say last night, it was pointed out, and it was pointed out this morning, that this is not only a problem with the Province of Manitoba but it is also country wide and in fact, world wide.

I would point out to the Member for Assiniboia who was talking about industries being reluctant to locate in the Province of Manitoba, and in fact, being driven out, I walk around quite a bit and I see a building on the corner of Portage and Main and that fellow seems to have a lot more respect for Manitoba and a lot more confidence in the future of Manitoba than the Member for Assiniboia, because the Richardson complex seems to be going ahead quite nicely and I think it's a, what is it, one floor every ten days and I hope Mr. Richardson will be around for a long time to build more buildings in this province. —(Interjection)— I am concerned more with Manitoba than I am with Canada as a whole, in my position.

I would point out that the CNR seemed to feel that they want to go ahead with a building complex in Winnipeg which will again be, in spite of taxation, which is shared with the rest of the city. I point out that Mayor Juba is certainly interested in introducing new complexes into the City of Winnipeg and he wants to do it on a tax paying basis, and he is again stating that they have too many empty parking lots or parking lots used for parking only in the city and he is looking around for new industries, and he is confident that there will be. I look around particularly Assiniboia and St. James and I see large apartment blocks going up in astronomical numbers, Mr. Chairman. People in the finance field feel confident in the Province of Manitoba in the taxation area and I would hope that they get enough confidence to move north, and do the same.

The Member for Assiniboia was talking to us the other day about expanding school systems that were required to look after the large expansion in Assiniboia. Schools are taxes; you don't

(MR. BEARD cont'd.)... build them for nothing. They represent tax dollars and if you are talking about taxation and the high rising costs of taxation, then it has to be representative with the cost of Medicare and with the cost of Hospitalization and with the cost of school systems, Mr. Speaker. I can't see how you can introduce new services, government services, in the Province of Manitoba without considering how you are going to pay them on a regular payment basis.

Certainly taxes cost money and there is only one taxpayer that you can go to and that's the fellow that lives in the country. I mean by the country, Canada. Whether he pays on a municipal taxation basis on a provincial or on a Federal it's still juggling, it's still got to come back to him. If you do it at a higher basis then the escalating costs are going to be greater and by the time it gets back to him, and he has to pay it in one form or another, it's going to be higher.

I would move again to the Member for Rhineland who spoke on the Hydro rates and he said here we are asking for more money, borrowing more money to go along with the building of our Hydro complex in Manitoba and asking for what - \$200 million? But I point out when he talks about comparing it to BC, what are they borrowing, a billion dollars? So the interest rates are going to be that much more in BC than they are in Manitoba. You have got to respect the fact that these increases are going to continue.

MR. FROESE: Mr. Speaker, on a point of order. I think in British Columbia the deal was with the United States that they got their money before they started building it.

MR. BEARD: I'm sorry I didn't catch that.

MR. FROESE: My point of order was that in British Columbia they made a deal with United States and they got the money from United States before they started building, so there was no interest factor.

MR. BEARD: There is still an interest factor involved in this, Mr. Speaker. I think that inflation in respect to taxation has to be kept in line. I don't know how you do it. I don't expect to stand before you as an expert in relation to these two objects, but certainly taxation is the only way that government can raise funds, and up till now, up till now, including myself, no one has come up with a program which would give you those funds that are necessary in any alternate way other than taxation and wherever taxation comes in then we feel it whether we are at the larger end of the earning power or the smaller end, it must come. Mr. Speaker, unless they can find some other way I don't know how they can just condemn government on a blanket condemning resolution like this without bringing in some way of relieving these taxpayers.

MR. SPEAKER: The Honourable Member for Turtle Mountain.

MR. EDWARD I. DOW (Turtle Mountain): Mr. Speaker, up until the Member for Arthur got into this debate last night I was hesitating to move into it but I think that there are a few things that should be stressed and put on record in regard to the increase in taxes in the last year or few months. The Honourable Member for Churchill made the statement that unless you have some way of finding a factor to spend less money and need the money your taxes are going to increase and this is true. My contention is that we are all the time talking about increased taxes but we have got to ally ourselves with that along the line there is an expenditure that's creating this and therefore the two have to go together.

The Member from Arthur took individual examples of certain farm properties and town properties to compare them with, but, Mr. Speaker, I would like to put one figure that the taxpayers of Manitoba -- and this is not going to be related to Saskatchewan or BC or Ontario. The increase in school tax over the Province of Manitoba on a basis of 4.1 mills -- and I'll give credit to the fact that I'll take the 1967 equalized assessment rather than the 68 because there could be some argument that increased buildings and so forth have appeared -- but the 1967 equalized assessment in Manitoba was One billion, 73-odd million dollars, and so the increase over the province, 4.1 mills makes the figure of a little over \$7 million. Now this has to be related in increased taxes to real property, there is no other way of doing it; it's reflected out through the municipalities. And while you can take individual comparisons and depending on which way you argue you might come out a winner in your own opinion, but this is an increase in the Province of Manitoba on the real property tax and I submit, Mr. Speaker, that this is an unduly high increase in one year.

The proportion of taxes that have been related to this government on the percentage basis between 9.1 mills and 33 as it started, now 13 and 37, this 37.1 mills on commercial property. Mr. Speaker, certainly has a detrimental effect to encourage commercial property building an

(MR. DOW cont'd.)... increase in Manitoba. When you take the 37.1, and if you happen to be on an equalized assessment with your actual, then it's 37.1, but if there is a differential it can come to some different figures. You add the special tax and now you have a figure anywhere from 43 to 46 or 47 mills on commercial property and I submit to you, Mr. Speaker this certainly is a high commercial tax. Now it's related itself in some municipalities that I've seen, I haven't seen the records of all of them, but in some of them it has done this - and here again it becomes detrimental to the municipalities that do this. There is the option that councils have to have a business tax, which is flexible, each year to handle and offset some of the expense to handle the commercial areas in these various communities, and trying to relieve the tax on the commercial property which was occasioned by this excessively high mill rate for school purposes the municipalities have cut the business tax in half. Now I submit to you, Mr. Speaker, this then becomes detrimental to the development of this community. Surely, we must have a better system that we can work out that will relieve this type of taxation throughout the Province of Manitoba. Certain comparisons were given last night, Mr. Speaker, and with your permission I would just like to read into the record one or two things that I think reflects on Manitoba.

There was quite an intensive survey made by the municipal people throughout Canada in relation to the bigger cities in which they pointed out what the cities relied on for their operation of their cities from municipal taxes. Toronto was the high point in Canada, something like 80.43 percent. The operation of the city was dependent on this amount of money from real property taxes.

If you want to go into the other cities, and particularly in western Canada, the dependence on real property tax in Edmonton was 53 percent, in Montreal 56 percent, in Halifax 62 percent, Regina 64 percent, Vancouver 65 percent and Winnipeg, Mr. Speaker, 71 percent - the second highest in Canada.

I submit, Mr. Speaker, that this all does have a relationship to the development of Manitoba, that if we can't find a solution to have the taxes comparable with other parts of provinces in Canada then we are not going to be in the position that we can attract, not only to the bigger cities, but I submit that this high commercial rate for school taxes in small communities is going to be detrimental to Manitoba.

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

MR. DESJARDINS: Mr. Speaker, I want to take part in this debate because I feel that this resolution in a nutshell represents what is wrong with this new Weir government. The Honourable Member from Churchill rose and told us that he wanted to speak because, I don't know, there was something about the new snow and then he really tried a snow job on us, he tried to whitewash us and he didn't pay any attention to this resolution at all. He told us, what we all knew, that nothing was free and that you had to raise money by different forms of taxes. We all understand this, we didn't have to have the Member from Churchill tell us some of the famous points that the Member from Wolseley told us before leaving and I wish that if the Member from Wolseley had something to say he wouldn't run back to one of the backbenchers or anybody else, that he would get up and say it himself. This is what he is paid for and this is where he should be, but he is afraid to open his mouth. I think the only thing he said was something about the Marchers.

But going back to this resolution, last night after leaving, some of the backbenchers on the other side said to me "Larry, by gum, I think you've got something in this resolution. Maybe if you can explain it a little more, we haven't got a copy of it, maybe if you could read it to us, we might even support it, because we pretty well have to." And the Member from Churchill supported it the way he spoke today, supported it. We are talking about taxes, we don't have to talk - this is not a comparison of what is done anywhere else, the motion is very very clear, and the Member from Churchill is more or less, more than less, admitting that it is true but he's saying, his defense is, well it costs money, but it costs money. Now this government brought in a budget speech and told us that we had no increase on tax at all, their propaganda machine got started and sent this all over the country and there are letters from different newspapers in different provinces congratulating Manitoba for not increasing taxes, and then we see what happened, Mr. Speaker.

Maybe first of all it seems that maybe we should have a definition of what the word tax means - and I read here from this dictionary, I think it's Webster - "Tax: money taken from the public by the rulers - money taken from the public by the rulers, as for the cost of

(MR. DESJARDINS cont'd.)... government and public works. Money paid by people for the support of the government, an assessment levied." I'll just read what relates to this. Oh there it is, there's another one: "Any oppressive cost, duty or demand, burden or strain. Climbing stairs is a tax on a weak heart." This is also a tax on a weak heart, this kind of taxes that we get.

This is the definition of tax. I mentioned something about a tax a few weeks ago and the Member from Wolseley in one of his rare appearances in the House, shook his head, didn't look on this side and said "premium" and then walked out. Not a tax; a premium. And I say that it is the same thing, especially when you are talking about a compulsory program something that the people must take. It is a government thing such as this hospitalization, this is, call it any other name, it is a tax and the people know it, they know the intent of this thing.

Now, I promised those backbenchers who were talking to me yesterday that I would read the motion, that we would study it together, that we would stay on this, not roam all over the place. I know it has been read, but it's important to read it again, because everybody seemed to be rolling around it but not covering this motion. And this is what the motion says: "That this House regrets that in spite of the promises of the First Minister to hold the line" - this is the important thing and the Member from Churchill didn't see this at all -- "in spite of the promises of the First Minister to hold the line, he has substantially increased taxation in the six months he has assumed the office of Premier, particularly in the following ways." Now this is the important thing.

Now, I also have newspapers but I will not talk about editorials, I'll quote where they quote facts and we'll see what's what, because I'm studying now and I'll underline this, we'll work on this together, "that in spite of the promises of the First Minister to hold the line," this is what we're talking about. The Member for Churchill is more or less saying to us, Well, whatever you're saying you can tell the newspaper, you can get your propaganda sheets to go ahead. It's good business, it's good politics. He hasn't said that but this is what it means to me - you can lie to the people, it doesn't mean a thing. It doesn't mean a thing because you need money for the taxes. We had here, when it was a very important event, we had the four candidates to the leadership of this government here when Mr. Roblin stepped down - or tried to step up - we had the four people who had a special meeting. They had a meeting, approximately 100 Conservatives at West Kildonan Collegiate heard the four ...

MR. SPEAKER: Order please. I would remind the honourable gentleman of the discussion in this particular regard last night. I'm quite prepared to hear what he has to say. Would he tell us the name of the newspaper, the date of it and possibly the author of the article he's quoting from.

MR. DESJARDINS: This was straight reporting of a meeting - and as I said, I'll stick to the rules - this is not an editorial, it's from the Winnipeg Free Press of October 31, 1967, and it was by Barry Cain who was covering for the newspaper. At this meeting, where I said there were approximately 100 Conservatives - heard the four contestants publicly reveal for the first time their different approaches to government policy. This is clear enough. These people are there to tell the people they are seeking a job, they are seeking to take over from Mr. Roblin, they are seeking to form a government and they are there to tell the people this. This is quite clear. This is quite clear and I think this resolution means exactly this. "Both Mr. Weir and Mr. McLean laid strong emphasis on holding the line in public spending, although Mr. McLean was less rigid than Mr. Weir." Then they talk - "The Attorney-General hit a middle position, although he appeared to be closer to Dr. Johnson than the other two." Now - "The answer to our tax bases lies in creating the improved economic basis through which private enterprise can operate. Socialistic measures are not the answer. Mr. McLean's argument was similar." (This was the Premier speaking) Now this is Mr. McLean: "Although he indicated in the same breath that continuing social programs must be carried out and perhaps new programs be added. We have a responsibility to carry to a successful conclusion programs that are under way," he meant probably such as Medicare. "and institute new programs which will add to the well-being and prosperity of our province." And then they say: "The Education Minister laid the heaviest stress on the need for more and better social programs."

So, Mr. Speaker, let's visualize the four of them now. The Minister of Education wants more social programs; he wants more and better social programs. This is fine, he always stated this in the House. Now, Mr. Weir is at the other end, "Hold the line", - nothing, no more spending. McLean not quite as bad. He's saying well, keep on with the programs that you have and the Attorney-General in the middle. This shows exactly what has happened in the

(MR. DESJARDINS cont'd.)... House. What is happening in the House? We're going in four different ways, we're trying to satisfy these four things, four people. This is what we're saying. Now one is saying, Well, at least keep on — McLean says, keep on the program. In other words

MR. SPEAKER: Order please. I must inform the honourable gentleman that there is no mention of the Ministers that he is speaking of, in this resolution. He speaks of the First Minister and I wondered if he might not confine his remarks in that direction rather than go beyond what is said in the matter before the House for discussion.

MR. DESJARDINS: Well, Mr. Speaker, I respectfully submit that when one speaks of the First Minister, you speak about the Cabinet and you speak about the government. This resolution is aimed at the government so I think that I had to quote these different things to see the four different ways that our friends are going. This is the only point I'm trying to make.

MR. SPEAKER: Well, I'm sure the Honourable Member for St. Boniface realizes that I'm simply attempting to keep the business of the House within the bounds of the matter that is being discussed and I'm sure I can count on him to assist me in that direction.

MR. DESJARDINS: Well, I can say, Mr. Speaker, that I'm trying very hard to do exactly this. And all right, we'll go to the First Minister, and if this is the case, let us to say another quote that he had and this was, as per request Sir, from the Neepawa Press, November 22, 1966, before he became the Premier. And this is what he said about another tax: "Sales taxes came under scrutiny at the meeting. Mr. Weir explained that tax readjustments must be made because provincial and municipal services are increasing more rapidly than federal services and new tax sources must be found. He suggested that a provincial sales tax could result in decreases" - ("decreases" is the word, Mr. Speaker) - "in municipal taxes." Questioned further he replied that a sales tax would be dropped as soon as the provincial debt is paid off, just the same as it was in other provinces in Canada.

Well you see, Sir, this gentleman who is now at the head of this Government of Manitoba, promised very strongly, very emphatically that we would hold the line in all these taxes. But he hasn't done it, and the Member from Churchill is admitting that hasn't been the case. I think that it shows the division that we have, and this is why we have no leadership because we have people agreeing with him in his Cabinet, others a little more on one side and the others still further. And this is why I've said before, and I repeat, with this kind of government we can't keep on. I think that we have to go to the people of Manitoba and see what we want and I think that this Premier should get a mandate if he wants to keep on in this way.

Now let us look at the other things that we mentioned on the taxes. We said, imposing an additional realty tax on all homes, farms and commercial property of 4.1 mills. Well we went from 9 to 13.1 in 33 to 37, which is 44 percent. I know of a small business - I just asked at random, it's not the worst one, it's just like the others - the increase in taxes was \$600.00, \$600.00 from this year to last year - \$2,896 to \$2,279 - and over \$300.00 of that was for education, so this is a bit of an increase in taxes, Sir.

Then we are told, "By announcing an intention of increasing hydro-electric rates." All right. This certainly has been done. We've been told the fee is raised and it has been defended in this House. And then also "by increasing hospital premiums by 80 percent." This is definitely a tax. This is definitely a tax and this is not keeping the line. And we must remember - well maybe I should cover point four: "By refusing to enter the Federal Medicare plan and causing a very large increase in MMS premiums." This technically could be out of order because you could say this is not a voluntary plan, there's no plan from the government, therefore we're not responsible. But I think we all understand the intent and the reason for including this, because we were, we accepted here the fact that we were going to have a plan and because of the action of the government they've indirectly increased the taxes - because of them refusing that \$17 million in Ottawa they have increased the taxes, they have increased the taxes because we're not using that \$17 million and we have to replace that. And I'm not going to go on the Medicare debate again. That wouldn't be right. But we're strictly talking about taxes.

And another thing, we had a new sales tax put on us last year and the First Minister a few years ago said well, this is fine, you have a sales tax but it will lower the municipal taxes; and this has not been the case at all. This sales tax brought us - what was the amount more than we expected? - \$5 million more than we expected and we were told that that tax was there to start raising money for the Medicare plan that we had passed the previous year. At first it was an educational tax and then we changed that to strictly a sales tax, general revenue we

(MR. DESJARDINS cont'd.)... were told, and we were promised that money was levied, that tax was levied the previous year under false pretenses, because this was to help pay the doctor for the Medicare program. So we said all right, we're going to have this tax because we need it to pay for Medicare treatment. We get the money, we get five million more than we expected, than we say, "No, we're not going to pay." So this is why this fourth clause is being included in there, Mr. Speaker, because of the action of the government.

Now as I say, this to me is probably the most important resolution I think because it shows - what does it show? - it shows that this government, or the Premier, if you insist that I just get him involved, but I think the others must take the responsibility, that they are misrepresenting facts to the taxpayers. I think that this is one of the things that they are doing because they're saying, we're going to hold the line, it's not going to cost more, we're going to take care of your Medicare program and this hasn't been done, so this has to be misrepresenting. I think that it shows also how divided this Cabinet is and this government is.

I feel sorry for the Minister of Health, and I think that in all justice the First Minister should have answered any question on Medicare. It was the most unfair thing in the world to submit the Minister of Health, who, last year put all his heart in selling something that he did not believe in too much - he sold it - and now to force him to turn around, to kick him in the pants and say, go back and say the opposite, I don't think that was fair. And I don't think the Minister - he's a real good Party man, I think he should be congratulated for that - but his heart wasn't in that and he shouldn't have had to do this. The First Minister should have said, "I made this change; I don't want Medicare; I have my reasons." Maybe he had his reasons, but it was most unfair. I think it was unfortunate that this was done because you're knocking a good man down when you make him do a thing like that. Now this again shows the division, because we're going in four different ways and we're trying to satisfy everybody and we have no leadership at all from this government, Mr. Speaker.

Then, I think that we've shown also the lack of concern for the people of Manitoba, for the taxpayers. It seems to me that we're just trying to get our root in there, to be in, to form a government and stay for a long time and to see that everything goes well, to wait as long as possible. We had an election, technically, it's right. Let's wait. But I say also this is unfair. I don't think it's morally right. Not after this. Not after a man being elected on the promises that he's going to hold the line, hold the line.

It doesn't matter what they do in B.C.: it doesn't matter what they do in Saskatchewan; it doesn't matter. We weren't elected to represent these places and the First Minister only made the promise to hold the taxes down here, to hold the line here in Manitoba. And he has not done it. Mind you -- all right. Some times it's difficult. If the First Minister would get up and say, I know I promised that, but I was young, I wanted the job, and I didn't really realize what it was, it was difficult, and now I know that it's practically impossible - do you know what we'd say on this side? We'd say, well, let that be a lesson to you, let that be a lesson to you, but we'll understand and let's try to just raise as little as you can. But they don't do this. They get up, the Provincial Treasurer tells us, I've saved \$700 million, or some foolish thing like that, of money I could have spent.

What I don't like, what I'm against most all is this misrepresentation, and this is the main reason why we have this resolution to the House at this time, Mr. Speaker. I think it is a very important resolution and I think that the backbenchers, the Member from Churchill and so on, has no alternative, if he gets back here in time to vote, he has no alternative but to vote in favour of this because he admitted that this was right. Thank you, Mr. Speaker.

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

MR. WALLY McKenzie (Roblin): Mr. Speaker, I'm amazed, again, from the remarks coming from the members opposite. These two great world travellers, the Member for St. Boniface and the Member for Gladstone, world tourists, two and three times a year. How do you travel if the taxes are so high? How do you leave the province?

MR. DESJARDINS: Mr. Speaker, on a point of order. I'd like the member to show me where I've been. Maybe he can draw up a schedule and then I'll tell him how I paid for it. Would you mind doing that without making a wild accusation about driving six cars and about this? You substantiate this, if you want to be personal.

MR. SPEAKER: Order please.

MR. DESJARDINS: You tell me where I've travelled.

MR. SPEAKER: Order please. One of the honourable gentlemen spoke about the snowfall

(MR. SPEAKER cont'd.) . . . this morning and the Honourable Member for St. Boniface replied to him and I'm sure the Honourable Member for Roblin doesn't intend to dwell on . . .

MR. DESJARDINS: Oh he better. He made the statement, he better . . . or shut his mouth, one or the other.

MR. SPEAKER: The Honourable Member for Roblin.

MR. McKENZIE: Mr. Speaker, this is a classic example of the statement: "it isn't what you don't know that gets you into trouble; it's what you know for sure that isn't so."

MR. DESJARDINS: You'll never get in trouble, chum. Explain where I've travelled? I'd like to know.

MR. McKENZIE: I didn't interrupt the Honourable Member from St. Boniface when he was speaking and I think he should extend me the courtesy of listening to me speak. Let's, Mr. Speaker, refer back to my statement of things that everybody, the honourable members opposite say that are for sure that aren't so. Manitoba high tax province - False. Manitoba's so poor that other provinces such as Ontario have to pay extra taxes which are sent to us to equalize our payments - False. Manitoba's crushed with debt - False. The province has refused to help . . .

MR. DESJARDINS: The member is out of order. We never stated that at all. We're talking about the statement of the First Minister and we made that very clear. He's dragging something out that doesn't belong here.

MR. SPEAKER: Must I repeat again that the first paragraph of this resolution referring to the First Minister "he has substantially increased taxation in the six months since he assumed office" and as I said last night I felt it covered a multitude of sins and I don't feel that the Honourable Member for Roblin has gone beyond it, and I hope he won't in his remarks that come forward. But I think we should be fair to him and give him the floor while he has it.

MR. McKENZIE: Mr. Speaker, it's quite apparent that the members opposite weren't in the house when the Member for Assiniboia spoke or they would have heard those remarks, but I dare say they were so busy reading their newspapers and clippings that they missed that fine speech of the Honourable Member from Assiniboia. This amazes me, Mr. Speaker, why the members opposite - in most cases, I don't find any that can stand up on their own two legs and make statements that they can back up, they have to read from a newspaper some place. Does this give the House any backing for statements such as have been coming across from the members opposite this afternoon? Let's take a look at the statement "Manitoba . . .

MR. FROESE: Mr. Speaker, on a point of order, I did not use any newspapers.

MR. McKENZIE: How about magazines?

MR. FROESE: I didn't use any magazines either, Mr. Speaker.

MR. DOW: Mr. Speaker, I would like to have my little bit in here. I did not use newspapers or magazines. Let him talk the truth.

MR. SPEAKER: Order, please, I had an idea this would happen and that is why I took the action I took last night and I'm going to stay with it. And as I said a moment ago I would hope that the honourable Member from Roblin will be given a chance to speak. I believe the honourable gentlemen will realize that he is having a little difficulty with his voice this morning and under those circumstances probably he could go along without being interrupted.

MR. McKENZIE: May I refer, Mr. Speaker, to my statement that Manitoba is a high tax province which I said was false. Our provincial and municipal taxes are low and they are lower in my estimation and the figures that I have at my disposal than any province in Canada with the exception of Alberta. And if you want to take a look at the figures which are the data that I have here, the 1966 data, the last figures that were released, these include the estimates of sales tax in the Province of Manitoba. In Newfoundland the total cost of taxes per capita was \$147.73 per person; Prince Edward Island \$157.50 per person; Nova Scotia \$201.71 per person; New Brunswick \$201.85 per person; Quebec \$389.15 per person; Ontario \$423.33 per person; Manitoba \$310.87 per person; Saskatchewan \$323.43 per person; Alberta \$235.25 per person; British Columbia \$365.82 per person.

MR. NELSON SHOEMAKER (Gladstone): Mr. Speaker, on a point of order. Will my honourable friend table the newspaper clipping from which he is reading.

MR. McKENZIE: It is not a newspaper clipping my friend.

MR. SHOEMAKER: Well table it any way.

MR. McKENZIE: I'll table those figures.

MR. SPEAKER: Order, please. I think it is fair to say that the honourable gentleman

(MR. SPEAKER cont'd.) from Roblin is simply following the same vein that several speakers of the House have taken and has been allowed and I think it is only fair that he should be given the same privilege. Order please. The Honourable Member for Roblin.

MR. McKENZIE: Mr. Speaker, let's take a look at some of the other budgets across Canada. The budgets of the past year. Newfoundland's budget \$357,500 surplus; Nova Scotia \$29,770 surplus; Manitoba - you know our budget statement; Saskatchewan \$690,000 surplus; British Columbia - and I have not been able to verify these figures but it's approximately \$700,000 surplus. But let's look at Prince Edward Island - a deficit of \$1 million; New Brunswick a deficit of \$31 million; Quebec a deficit of \$66 million; Ontario a deficit of \$252 million; Alberta a deficit of \$70 million.

The Honourable Member from St. Boniface was talking about sales tax awhile ago. Would he care to compare with me the provinces across Canada, one by one; and the various types of sales tax they use?

MR. DESJARDINS: Are you asking me a question?

MR. McKENZIE: Has he seen the rate in Newfoundland this year? It's up from 6 to 7 percent.

MR. DESJARDINS: Am I allowed to answer the question that I was asked? Well you asked me a question. -- (Interjection) --

MR. SPEAKER: Order, please.

MR. McKENZIE: Has my honourable friend from St. Boniface seen the latest figures from Saskatchewan where the tax has been raised from 4 to 5? This is a Liberal Government in Saskatchewan. And they are the great tax savers of that province?

Let's take a look at the gasoline tax across Canada, Mr. Speaker. For Newfoundland the gasoline tax this past year was raised 5 cents a gallon; Prince Edward Island is up 3 cents a gallon; New Brunswick up 1; Quebec up 3; Ontario up 2; Saskatchewan up 2; Alberta up 3; Manitoba - no change. No change. No change.

MR. SHOEMAKER: Mr. Speaker, on a point of order. On a point of order.

MR. SPEAKER: Order, please.

MR. SHOEMAKER: But this is a point of order.

MR. SPEAKER: Order please, I have the floor. It seems to me that it isn't necessary for me to convey to the honourable gentlemen it is on one side of the House it is the privilege to condemn and it is on the other side it is the privilege to rebut and I'm just wondering if this isn't a process that we may be going through and with the thought that the honourable gentleman on my right will keep within the bounds of the resolution I think he has made sufficient examples that probably we could come to the resolution now and continue from there on. But as I said a moment ago, it is his privilege to rebut and I think he's entitled to a hearing.

MR. DESJARDINS: Mr. Speaker, on a point of order. I agree with this, but when he mentions names I've stuck to the resolution, you want me to speak only of the Premier and he's talking about gasoline taxes, things like that, that's not there. And he's naming us, he's naming people, so let's play the same rules for everybody.

MR. SPEAKER: I didn't quite catch the thinking of the honourable gentleman but as I said a little while ago I am doing my level best to keep it within the bounds but the honourable gentlemen if they will continue to exceed that privilege I don't know what I can do unless I get their co-operation and I've appealed for it many, many times. So the Honourable Member for Roblin still has the floor.

MR. McKENZIE: Thank you, Mr. Speaker. It amazes me, Mr. Speaker, with all the huge quantities of newspapers that they have at their disposal, the Honourable Member from St. Boniface and the Honourable Member from Gladstone, that they haven't seen these figures. May I refer to the tobacco taxes . . . -- (Interjection) --

MR. SPEAKER: Order please. I believe the honourable gentleman is being a little repetitive. I regret having to interrupt him but I think it's the second time he has made that statement in a very few moments. I wondered if he would refrain from it.

MR. McKENZIE: Thank you, Mr. Speaker. May I refer to the tobacco taxes across the Dominion of Canada this past year, where we have increases in tobacco tax in Newfoundland, increases in tobacco tax in Prince Edward Island, increase in taxes on tobacco in Quebec, Ontario and Saskatchewan. None in Manitoba; none in Manitoba.

May I also refer also, Mr. Speaker, to the statement that Ottawa gives up part of its own tax revenue just to help this province out or Manitoba is so poor that the rich provinces like

(MR. McKENZIE cont'd.) Ontario have to pay extra taxes which are sent to us as equalization payments. Those are not fair statements, they are false, Mr. Speaker, because the latest figures that I have taken off the record, the Manitoba taxpayers paid to Ottawa in personal income tax last year \$183 million; in corporation and income tax they paid \$217 million; in estate taxes they paid approximately \$7 million; that's \$407 million that left this province to the Federal Treasury. In personal income tax the provincial treasurer got back \$51,400,000; in corporation income tax he got back 21 thousand, one hundred; in estate tax he got back approximately 4 million 8. But all in all, Mr. Speaker, these equalized shared costs meant the Province of Manitoba contributed to the Federal Treasury some \$204 million, so Ottawa keeps \$200 million, plus. Is that fair to say that this province is being over taxed when those monies are being spent at the federal level?

All in all, Mr. Speaker, in closing and urging my group to vote against this resolution, let me say that the total contributions of Manitoba taxpayers to the operation of the budget of the national government this past year has been a quarter of a million and they can't say that we are not paying our full share and that our taxes are the highest in Canada.

MR. SPEAKER: The Honourable Member for Emerson.

MR. JOHN P. TANCHAK (Emerson): I would like to ask the speaker a question, one question, would you permit it? Can the honourable member honestly say that Manitoba is holding the line in taxation as compared to last year? Can the honourable member honestly say that Manitoba is doing it?

MR. McKENZIE: Mr. Speaker, I'm not an expert at inflation but I think that we are holding the best we can.

MR. SPEAKER: Are you ready for the question. The Honourable Member for Portage la Prairie.

MR. GORDON E. JOHNSTON (Portage la Prairie): Mr. Speaker, I understand that your new interpretation of the rule allows one to quote briefly out of an article but not to read it, is that correct? Because I would like to quote from the same year, 1966, as the honourable member who was just speaking had been quoting from to show that Manitoba was not that badly off in taxation. So I have some comparative tax rates here. They are from the Vancouver Sun and I'll just stay with the Western provinces. This is with respect to tax on fuel for cars. The gas tax in BC is 13 cents a gallon; in Alberta 12 cents; Saskatchewan 14 cents a gallon, Manitoba 17 cents a gallon. Diesel fuel, it's 15 for BC; 14 for Alberta; 17 for Saskatchewan and 20 cents for Manitoba.

Corporation tax in BC is 9 points; Alberta 9 points; Saskatchewan 10 and Manitoba 10. Personal income tax for the federal purposes is 24 in BC; 24 in Alberta; 29 in Saskatchewan and 29 in Manitoba. I could go on at great length, Mr. Speaker, but I just used the western provinces.

Now what about the income that pays these taxes; what about the income of the people who pay the taxes. You've either quoted figures that showed Manitoba as being near other provinces in taxes, but you have said nothing about the income of the people who must pay these taxes. The figures I'll quote now are from the DBS figures for 1964 and it's the family income figures, no it's the personal income figures for taxpayers in 88 Canadian cities. One of the Manitoba cities, Portage la Prairie ranks last in personal income, an income of \$3,775 annually; Brandon ranks 77th, 77th out of 88 cities, personal income of \$4,236. Winnipeg, the largest city and half the population of Manitoba, ranks 49th, ranks 49th, and I won't take up the time of the committee to read all the cities that come ahead but there's a large number of western cities, to name a few. Vancouver is 6th; Trail-Rossland is 9th; Prince Rupert is 10th; Calgary is 11th; Alberni, 14th; Nanaimo, 15th; New Westminster, 18th; Prince George, 20th; Kamloops, 24th; Regina, 32nd, and I'm only picking the cities out of the Western provinces. For the honourable member to stand up here and try to pretend or to lead us to believe that there has been no tax increases in Manitoba or that there has been increases that are not out of line with other provinces, is absolutely ridiculous, absolutely ridiculous. I think he should check all the figures, not just pick out figures that are favourable to his argument.

As far as him taking exception to the figures of the Honourable Member for Assiniboia, the Honourable Member for Assiniboia quoted businesses by name, and he can go and check them. When a real property tax goes up from \$1,400 to \$2,400 in a four-year period there's something pretty serious here. A small business where they have to allot 200 a month for real property tax alone, that business has a pretty difficult time and that's a major part of the

(MR. JOHNSTON cont'd.) operation of the business, and for him to say that we're poor mouthing, this really isn't that bad, he only has to look at the paper almost every day.

I have a pile of clippings here, Mr. Speaker, that I'm sure you don't want to hear from, but it's from councils - St. Boniface Council, Transcona Council and Portage Council, I can go on and on, and on, where the councillors are very concerned about the tax increases they have to put on their people this the coming year. And they're tax increases over which they have no control; they have been foisted on them by the province. I would like him to go and talk to some of his councillors in his constituency about the state of taxation. Apparently he hasn't been in communication with them lately because he'll sure get a blast, he'll sure get a blast, and be certainly told the facts that are going on today in taxation in Manitoba. For him to get up and start giving us the discourse that he did because we are giving figures and quoting, certainly quoting from newspapers - where else do we see this information, how do we substantiate it? I would like him if he wishes to get up, if he wishes to take exception to a particular figure and if he wishes to challenge it, let him do so, but not get up and make blanket charges of this is false and that is false, if he cannot substantiate that argument.

MR. SPEAKER: Are you ready for the question.

MR. SPEAKER put the question and after a voice vote declared the motion lost.

MR. TANCHAK: Ayes and Nays, please, Mr. Speaker.

MR. SPEAKER: Call in the members. We're dealing with the resolution of the Honourable Member for Emerson.

A STANDING VOTE was taken, the results being as follows:

YEAS: Messrs. Barkman, Campbell, Cherniack, Dawson, Desjardins, Dow, Doern, Froese, Green, Hanuschak, Harris, Hillhouse, Johnston, Miller, Molgat, Patrick, Petursson, Shoemaker, Tanchak, Uskiw and Vielfaure.

NAYS: Messrs. Baizley, Beard, Bjornson, Carroll, Cowan, Craik, Einarson, Enns, Evans, Hamilton, Jeannotte, Johnson, Klym, Lissaman, Lyon, McKellar, McKenzie, McLean, Masniuk, Roblin, Shewman, Spivak, Stanes, Steen, Watt, Weir, Witney and Mesdames Forbes and Morrison.

MR. CLERK: Yeas, 21; Nays, 29.

MR. SPEAKER: I declare the amendment lost.

MR. CLERK: Resolved there be granted to Her Majesty a sum not exceeding \$5,547,849 for Treasury, Resolutions 100 to 107, for the fiscal year ending 31st day of March, 1969.

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

MR. SHOEMAKER: Mr. Speaker, I move, seconded by the Honourable Member for Lakeside, that while concurring in Resolution No. 103, this House regrets that the government has after imposing a five percent sales tax failed to shift the burden of taxation from the property owner to a wider provincial base.

MR. SPEAKER: Moved by the Honourable Member for . . .

MR. LYON: Mr. Speaker, on a point of order, in connection with this amendment which is on the same resolution that we have just been debating. I know that the wording of this resolution is slightly different from that of the omnibus one that was presented by the Member from Emerson, but surely, Sir, the impact in terms of the discussion of municipal taxation is precisely the same as that that we have been debating for the last two sessions of the House. I could be wrong, as I often am, but I would suggest that if we were to launch into a debate on this subject we will merely be hearing a repetition of everything that we have heard for the last two days. I suggest that the rule of the House must be observed not only to the letter but in spirit as well, and the spirit of the rule is that there should not be repetitious debate on subjects, the subject matter of which has already been discussed, debated and decided, as this one has recently, as recently as a few minutes ago by the vote.

So I would ask you, Sir, to consider whether or not in the light, not only of the letter of the rule, but indeed the spirit of the rule, as to whether or not this motion is in order.

MR. MOLGAT: Mr. Speaker, if I may on the point of order as well. I think that the motion is different from the previous motion. The previous motion referred to the promises made by the Premier and as a result accepted by his Cabinet ministers that there would be no increases in taxes in Manitoba and that the government would hold the line.

This resolution refers to another concept here altogether and that's the impact and the effect of the taxation. The fact that the purpose of the five percent sales tax was to shift the burden and in fact the burden has not been shifted off real property, so they are two different

(MR. MOLGAT cont'd.) concepts. I agree to the extent that if the debate were to cover the same ground, and in that regard if Mr. Speaker were to rule that you couldn't cover the same debate, I would be completely in agreement, but I think that the resolution itself is on a different aspect.

MR. LYON: There might be ground, Mr. Speaker on the same point of order, for a happy compromise here if the resolution were merely to be moved and voted on immediately then we might resolve all of the questions, even Mr. Speaker's.

MR. FROESE: Mr. Speaker, on the point of order. I don't recall anyone having spoken on the sales tax in the former resolution. — (Interjection) — I didn't.

MR. SPEAKER: I'm sure the honourable gentlemen realize that it's one of those situations where a decision has to be made immediately; the business of the House must proceed. And while I do find it somewhat difficult as to determine exactly what to do I am inclined toward the fact that it does take a somewhat different direction to the resolution we've just dealt with and in that regard I feel inclined to approve it.

MR. SPEAKER presented the motion.

MR. SPEAKER: May I say having approved this that I again appeal to the honourable members of the House to co-operate with me in order to see to it that we stay within the bounds of the resolution which I have just read.

MR. SHOEMAKER: Mr. Speaker, I think it would be most helpful in the future that if every member moving a concurrence resolution would have 57 copies and supply every member of the House with a copy of the resolution so that they would in fact stick to the content of it. This is where we went astray last time is because just everybody opposite, in particular, got away from the subject matter and so now I do intend to stick completely to the resolution. That's where we went wrong last night. Now . . .

MR. SPEAKER: We didn't go wrong for long.

MR. SHOEMAKER: Mr. Speaker, the resolution before us says that the government did in fact impose a five percent sales tax. This is not fiction, surely. There was a five percent sales tax imposed; it produced a great deal more revenue than the government anticipated; the purpose of the sales tax was to shift the burden of taxation from real property to a wider base. That was the whole purpose of it and that's what we say in the resolution that is before us.

The government that occupies the benches opposite promised faithfully at the last election and on the very eve of the last election that they would in fact introduce a long-range program that would shift the burden of taxation from real property to some other base. Not a short-term one, they said they would do it by one or two or three different methods. They talked about increasing the homeowner's grant from \$50.00 to \$100.00. They decided against that; they decided to impose a sales tax which will, according to their own predictions, produce well over \$50 million this year.

Now then did the real property taxes go down as a result? This is what we're saying in the resolution. And I am happy that the Honourable Member for Lac du Bonnet is in his seat because it was his — or the Rural Municipality of Lac du Bonnet that drafted a resolution in this respect and mailed it I understand to every town and every rural municipality in the Province of Manitoba. And I'm going to read the resolution that was proposed by the Rural Municipality of Lac du Bonnet and mailed to every rural municipality in the Province of Manitoba, I believe, and every town and incorporated village.

I'm quoting the resolution — The Lac du Bonnet resolution reads as follows: "Whereas the five percent sales tax was levied to spread the costs of education over a large area and thereby reduce the cost to the property holder; and whereas the cost of education to the property owner have actually increased in spite of the fact that the five percent sales tax is being collected by the Provincial Government; now therefore the R. M. of Lac du Bonnet feels that a larger amount of the five percent sales tax which is being collected by the province should be used by the province towards education and therefore reduce the cost to the property owner as was originally intended." Now that's the end of the resolution. Now nothing could be clearer and I want to compliment the Council of the R. M. of Lac du Bonnet for framing the resolution in such clear, precise and concrete terms, because it is saying exactly what we are saying in our resolution; exactly what we're saying.

Now what is the response that is being given to the resolution from Lac du Bonnet by the other municipalities? What response do you think this resolution is receiving? Because as I understand it Lac du Bonnet is asking the rural municipalities and towns to concur in this

(MR. SHOEMAKER cont'd.) resolution and to let them know. Well I think without any exception every town, village and city and R. M., rural municipality, are concurring in it. They're concurring in it. They believe exactly the story that is told in this resolution passed by the R. M. of Lac du Bonnet. Because it is a fact. That's why they believe in it. Now the . . .

MR. OSCAR F. BJORNSON (Lac du Bonnet): Would the honourable member permit a question please.

MR. SHOEMAKER: Certainly.

MR. BJORNSON: Is there a date to the resolution?

MR. SHOEMAKER: Pardon me?

MR. BJORNSON: Is there a date to the resolution?

MR. SHOEMAKER: A date?

MR. BJORNSON: Yes.

MR. SHOEMAKER: Well I believe it is just a very recent one and probably my honourable friend is not aware of it. The Town of Souris received the resolution one day last week and read it to council so it is possible that the resolution went out a week ago or ten days ago. The Town of Souris received it apparently at their last meeting and asked council what they should do with it and the Souris Town Council according to the report of that meeting, town council were in total agreement with the resolution and endorsed it to be sent to the Legislature.

Many of the aldermen present felt that it would do little good as many knew of the situation already, but others on council felt that nothing at all would be done unless it was acted on. Mayor L. W. Knight said, "Nobody knows how much of the five percent the government is paying towards the cost of education, and we won't likely find out," he said. Now I think that that is exactly what every alderman in the Province of Manitoba is saying today, every one of them. I noticed, Mr. Speaker, as I came into the buildings today at 9:30 that His Worship Mayor Stephen Juba was here and Alderman Lloyd Stinson was here, and I don't know whether there were any other ones. And why do you think they were here? -- (Interjection) -- West Kildonan was here, too. They weren't here for the good of their health, that's for sure. They're not coming out on a stormy day like this for the good of their health. They were here, they were here to protest about taxes. That's what they were here for, and no other reason. Why did they -- (Interjection) -- Did my honourable friend the Minister of Public Utilities say that they were here to . . .

HON. STEWART E. McLEAN, Q. C. (Minister of Public Utilities) (Dauphin): I just invited you to guess again.

MR. SHOEMAKER: To guess again? Well I saw them having quite serious consultations with the Honourable Minister of Municipal Affairs and I understand that Steve Juba has challenged somebody to a debate on the subject of taxes.

Now, Mr. Speaker, I know what your ruling is in respect to reading newspapers but I'm sure that it does not apply to statistical information that is supplied to us by the Minister of Municipal Affairs, and surely I won't have to table this one because the government will have several hundred copies of this up on shelves. They're probably put away so nobody can take a gander at them because it's not very encouraging information.

On November 9th last, the Honourable the Minister of Municipal Affairs sent out a covering letter with the statistical information respecting the municipalities of the Province of Manitoba and the Metropolitan Corporation of Greater Winnipeg. Now our resolution says that in spite of this five percent sales tax that municipal taxes went up. Well then we've got to establish that they did go up, I suppose, or we've lost our case. Well I will now proceed to show you that they went up. Surely . . .

MR. SPEAKER: I wonder if the thoughts of the honourable gentleman are making his case on the taxes going up, or rather failed to shift the burden as in accordance with this resolution. It's not a question in my opinion of taxes going up, but rather the shifting of the burden as he says in his resolution. I wonder if he would stay with that.

MR. SHOEMAKER: Well you see what the resolution is saying is this, that a sales tax was put on which will produce \$50 million or more, and because of this imposition then real property taxes would go down; real property taxes would go down. That's what we're saying. Well they didn't go down as you and everyone else are well aware if you've received your tax notice. You know they didn't go down, except the Honourable Member for Roblin and he seems

(MR. SHOEMAKER cont'd.) to think his has gone down, but apart from him I think everyone else's has gone up.

This statistical information that we have before us here shows that not only did the taxes go up substantially but the assessment went up substantially, which means that the taxes went up substantially. If your assessment goes up and the mill rate stays the same, your taxes went up. Am I right or am I wrong? Now on Page 6 of the statistical information -- on Page 6 and 7 you will notice the -- on Page 6 the population, acreage and assessment for the year 1966 was \$314,822,000, and then if my honourable friends have been supplied with the figures for 1968 that we received the other day, you will find that that figure of \$314,822,000 rose to \$459,623,000, or up a good 25 percent - a whopping 25 percent up. Well they can't go up and the mill rate go up without taxes going up. It's impossible. It just can't happen. And did the mill rate go down? We decided that on the last resolution so I'm not going to talk about that. On residence the mill rate went from 9 to 13.1 and on commercial from 33 to 37.1, so surely the real property taxes did not go down. They went up and they went up substantially. If they had not gone up then Lac du Bonnet would not have drafted that resolution and sent it out all over the province. They wouldn't have done that.

Now I know that the government are looking around trying to pin the blame on somebody else. On April 8th from the propaganda department a heading: "Local Tax Relief" - that's what we're talking about, local taxes or local taxes on property - this one says: "Local Tax Relief Based on Ottawa Agreements." That is, there'll be no hope of having tax relief on real property unless we get more money from Ottawa. My honourable friend the Provincial Treasurer told us that in his budget speech. But it was my friends opposite that made the promise and not Ottawa. That's the point we have been trying to make all the time.

So, Mr. Speaker, I certainly hope that my honourable friends opposite, if they really believe that we do now have in fact a sales tax, if they really believe that we have one, and if they really believe that taxes on real property has not been shifted as a result of the imposition of the sales tax, then they've got to vote with us on this. There's no way of squirming out of it. I will have no truck or trade, Mr. Speaker, with politicians or anyone else who do not keep their promises. I'll have no truck or trade with them. If I accept a promissory note from a person once and I get stuck with it, I'll have no truck or trade with him again either. This is what has prompted us to draft these concurrence resolutions in the form that they have.

Now I want somebody to get up - and I'm sorry that I haven't got copies of the resolution for my honourable friends opposite - and tell us that there is no sales tax in Manitoba and tell us that taxes have gone down, and then I will be inclined to withdraw this resolution if they can make that stick; and if you can't make it stick, then I say vote with us on this one.

MR. SAUL CHERNIACK, Q. C. (St. John's): Mr. Speaker, we caucused; we agree.

MR. SPEAKER: Order, please. I wonder if the Honourable Member for St. John's would repeat that. I didn't hear what he said.

MR. CHERNIACK: You're forcing me to make a speech, Mr. Speaker. I did make one speech but I'll repeat it. I say we caucused and we agree.

MR. SPEAKER: I thank the honourable gentleman for repeating that. Are you ready for the question? The Honourable Member for Rhineland.

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MR. FROESE: Mr. Chairman, I won't be as short as the previous speaker was. -- (Interjection) -- I'll be caucusing while I speak in order to get the unanimity as the Leader of the Official Opposition just mentioned.

The resolution before us deals with Resolution No. 103 which deals with the cost of taxation and is an item of \$1 million. During the discussion of the estimates it was pointed out that about three-quarters of this is going towards the cost of collecting the sales tax. However, this does not include the commission which is over and above that and which is another million and a quarter, so that the total cost of collecting that tax is around \$2 million the way I could gather it during the time of the estimates.

Mr. Chairman, the resolution says that it has failed to shift the burden of taxation from property owner to the wider provincial tax base. Nowhere is it truer than in the non-unitary divisions. Mr. Speaker, when the Bill first came out it was tagged "Education Tax" and it was supposed to go to education, and I think the feeling still is that this is an education tax to a larger degree, that it was put on because of the increased costs in education. But has it relieved the people back home in the matter of real estate taxes? I say definitely "no", especially in the non-unitary divisions, because they are still left to pay the cost of the brunt from real estate taxes.

I would like to give a few figures in support of my contention, and that is the only additional grants that were made available to the non-unitary divisions is the \$300.00 for elementary and \$400.00 per high school teacher. Just the other day I got a Return that was requested last year before the March 10th vote, and at least I have now got the figures as to the number of teachers in these divisions that are teaching and for which grants are paid. I find that in the Rhineland division we have 74 authorized teachers, and if you multiply this figure by the amount of \$300.00 or \$400.00 - and I am taking the figure of \$350.00 . . .

MR. SPEAKER: I wonder if the honourable gentleman has a copy of the resolution. Do you have a copy of the resolution?

MR. FROESE: Yes.

MR. SPEAKER: I wonder if he considers his present remarks confined to the contents of the resolution. I don't, and I wondered if he might possibly read the resolution, and any remarks he may have to have along those lines I'd be very pleased to hear. And that is that "after imposing a 5 percent sales tax failed to shift the burden of taxation from the property owner" - and I repeat that - "from the property owner to the wider provincial tax base." I wondered if he would keep to that.

MR. FROESE: This is exactly what I am trying to do. I'm trying to put forward the case that the government has failed and that this has not been done. I'm just trying to bring out the figures and how I arrive at those figures. I mentioned we had 74 teachers in the Rhineland division teaching, and that if you take the average figure between 300 and 400 which is \$350.00 per teacher, that you get a total of \$25,900; and when you take Garden Valley, which is the other division in my riding, you have 84 authorized teachers, and if you use the figure \$350.00 per teacher you get \$29,400.

Now this is what the divisions in those areas are getting as a result of the 5 percent sales tax that was imposed. And what are the people in turn paying? The Garden Valley division area has around 5,800 people, and if you take the figure that was given last year as the per capita figure for the sales tax in the Province of Manitoba of around \$43.00, and if you multiply this by the number of people resident and living in that area, you get a figure of \$250,000. You deduct the \$30,000 that will be coming toward them for the increase in teacher grants, deduct the \$30,000 leaves \$220,000 that these people have to pay in addition to what they paid before and for which they are getting no relief at all. And this is the very thing that we are telling the government in this resolution, that these people did not get the relief that they were seeking for through this 5 percent sales tax that was imposed. I think this is a very sad affair when you have taxes being imposed for this purpose and that the people are not getting the relief.

So, Mr. Chairman, I felt that I had to come forward and speak on this very matter because we are suffering as a result of that sales tax. We are suffering in our area and in the non-division areas as a result of the government policy in connection with education, in that not the same grants are being paid in those areas where they do not have the unitary division. This is actually practising discrimination. Mr. Chairman, I don't see how I can bring home the matter more forcefully than just by stating the various figures and bringing about the very

(MR. FROESE cont'd.) arguments that I did.

MR. SPEAKER put the question and after a voice vote declared the motion lost.

MR. SHOEMAKER: Yeas and nays, Mr. Speaker.

MR. SPEAKER: Call in the members. We're dealing with the resolution of the Honourable Member for Gladstone.

A STANDING VOTE was taken, the result being as follows:

YEAS: Messrs. Barkman, Campbell, Cherniack, Dawson, Desjardins, Dow, Doern, Froese, Green, Hanuschak, Harris, Hillhouse, Johnston, Miller, Molgat, Patrick, Petursson, Shoemaker, Tanchak, Uskiw, and Vielfaure.

NAYS: Messrs. Baizley, Beard, Bjornson, Carroll, Cowan, Craik, Einarson, Enns, Evans, Hamilton, Jeannotte, Johnson, Klym, Lissaman, Lyon, McKellar, McKenzie, McLean, Masniuk, Shewman, Spivak, Stanes, Steen, Watt, Weir, Witney and Mesdames Forbes and Morrison.

MR. CLERK: Yeas, 21; Nays, 28.

MR. SPEAKER: I declare the amendment lost.

MR. CLERK: Resolved there be granted to Her Majesty a sum not exceeding \$5,547,849 for Treasury, Resolutions 100 to 107, for the fiscal year ending the 31st day of March, 1969. Resolved there be granted to her Majesty a sum not exceeding \$5,313,164 for Urban Development and Municipal Affairs, Resolution 108 to 118 for the . . .

MR. SPEAKER: Order please. The Honourable Member for Portage.

MR. JOHNSTON: I beg to move, seconded by the Honourable Member for Emerson, while concurring in Resolution No. 118 this House regrets that after 10 years in office this government has totally failed to provide leadership and resources to alleviate the intolerable and disgraceful living conditions of many of our citizens in the town of Churchill.

MR. SPEAKER presented the motion.

MR. JOHNSTON: Mr. Speaker, I shall be brief. I don't know how many members in this House have been to the town of Churchill, but I have been there and I certainly agree with everything that the Jones Report has said about the town's conditions and I also agree wholeheartedly with the despairing stand that the Honourable Member for Churchill has had to take in this respect.

I would just like to quote to you a few words of what the Honourable Member for Churchill had to say about the situation. Now he is talking about the Jones report, but at times he is talking in his own words, and I would like to quote the following on Page 1793 of Hansard: "You don't have to look through any more of it" - and he's talking about the Jones report - "Those members who haven't bothered to read the report, I draw to their attention that (a) The conclusion; the physical, social and economic plight of the town of Churchill is perhaps unparalleled anywhere in Manitoba or even throughout the nation. I might suggest that these Jones people didn't look any further than Churchill, or they'd have found others."

Further down on the page, another small quotation: "But the towns are not interested today in the future; they have been looking to the future for too long. They want something that was announced for Red Lake on March 28, 1968, a \$1.6 million local improvement project which will provide water and sewer services for more than 2,300 persons in that community. That's what they want today - starting today. The construction season is very short in Churchill, very short, and if we don't get along with it then it will be another year before it passes by and the people of Churchill are going to be very discouraged. And I want to warn this Legislative Assembly, that they are going to expect something this year - not next year, not the year after. They've waited for a long time; they can't tell you what to do but they have been asking for years; they're trying to demand it and they're not being supported by the members of this House."

I'll skip a few sentences and again: "It's about time that the rest of this province woke up for a change and looked north, instead of talking about it, dreaming about it." Further on he says: "This Legislative Assembly is going to get along with living within its budget, it has got to face up to the facts that there has to be money spent in the development of the north and Churchill certainly has waited long overdue." That's all I have to say, Mr. Speaker.

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

MR. FROESE: Mr. Speaker, my remarks will be very short too. I recall the time that a number of us members went up to Churchill a few years ago and the conditions that we saw. Naturally, we have poor people in other parts of the province and poor conditions, but I don't

(MR. FROESE cont'd.) think the conditions anywhere else are in as poor condition generally as they are up in Churchill. Some of the shanties that I saw, I just wondered how these people ever made the winter through, how they didn't freeze to death. Apparently nothing has been done since and I certainly felt that something should have been done long before this and that this matter be corrected. I certainly sympathize with the Member for Churchill in his pleas that he has made in this Chamber on behalf of the people of that area, and I think it's deplorable that nothing is being done.

MR. SPEAKER: The Honourable Member for St. John's.

MR. SAUL M. CHERNIACK, Q. C. (St. John's.): We agree.

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

MR. BEARD: Mr. Speaker, I don't know what to say. I agree in many cases that the town of Churchill requires leadership which they do not have today. I would point out that I feel that in many respects this leadership must come from both governments, and if I condemn one then I must condemn the other. Maybe I could get off the hook by condemning the Federal Government 80 percent and the Provincial Government 20 percent.

The Honourable Minister for Utilities talked me out of the time it took me to get into my desk here, but I do have a letter that I would like to table and I'm sure that I will not be able to find it in time, Mr. Speaker. In any case, I think I can talk along on this because I pretty well know it off by heart anyway.

The problems of Churchill have not been resolved in some 35 years of operation. I hope it doesn't take another 35 years. I suppose if I expect to be in here during the time it takes to look after the town of Churchill then I will have to support this resolution, but in pointing this out, I would point out that I can honestly say that if the problems of the town of Churchill are going to be resolved, then I can honestly say that in all faithfulness that I feel that it is this government, this Conservative Government that is going to do it, and the Conservative Government at the federal level. I think we could best get along with resolving this if I could be assured that the Conservative Government were going to be elected on June 25th. If we have to wait ten years, that's too long. I think we should be getting along with this at this point.

And this is what bothers me, Mr. Speaker, is the fact that I think we should be starting now. I have sent a telegram to the Honourable Mr. Hellyer and received a nice reply back saying that someday - someday when they get around to looking at the Jones report down there that they will be able to give me a reply. I sent a letter to the Honourable Mr. Stanfield and I just didn't get a reply from him as yet, but I would hope that when he comes here on the 23rd or 24th of May that he will have time to go up to Churchill and take a look around.

Now I didn't notice -- we did get a little political play from the members of the NDP Party when they said they were going to take some action at the federal level, and that Mr. Douglas is going to do something about this and he was going to send up three people to look into the problems of the town of Churchill. I commend them on this, but I do see behind us that really, first of all, the big problem was that they didn't know the problem was in the first case because they addressed it to Port Churchill, and Port Churchill really weren't worried about their position; it was the Town of Churchill. And secondly, of course, being this particular time of the year, here if it wasn't the Member for Radisson, the Leader of the provincial NDP Party; - I'm sorry I just don't quite know who the second one was but I think it was - Mr. Schreyer was it, the Member for Springfield; and the third, lo and behold, was Mr. Koshel. But they neglected to say in the news release that Mr. Koshel was of course the New Democratic Party candidate for the Churchill constituency, so that again is what I tried to put on record when I made my speech, that this has become a political issue. They didn't go up last year; they didn't go up the year before; they went up on election year.

MR. RUSSELL DOERN (Elmwood): On a point of privilege, the town of Churchill or the people of Churchill invited specifically the leaders of each party to do something about Churchill. It was a specific invitation to Mr. Douglas, and Mr. Douglas replied in that manner. I don't think it's fair to characterize that as a naked political action.

MR. BEARD: I think that if the Member for Elmwood would go back and take a look at that letter, they invited the Leaders up, not three political people campaigning. That's what I'm trying to make the point now that I hope that we can, through this debate, entice Mr. Stanfield up.

MR. SPEAKER: Order please. I said the other day that I would hope that the matter

(MR. SPEAKER cont'd.) that is going to happen on June 25th would stay out of this Chamber, and I wonder if that would be the case. I'm appealing to the Honourable Member for Churchill to avoid provoking any discussion in that regard.

MR. BEARD: . . . a little time to find the letter and I can't find it, Mr. Speaker. My file isn't as good as the Honourable Member for Gladstone.

I think the problems are difficult up there and I think that we would be remiss if we didn't go on record, or I didn't go on record in stating that I felt it was long overdue. I think, Mr. Speaker, if you were aware of the conditions up there you would say they are long overdue, and I think that you would also have to say that the Federal Government is long overdue in considering this responsibility, because after all the Jones report said that it was an 80 percent federal responsibility.

Now, in all honesty, the Minister for Municipal Affairs has stated publicly, not only once but two or three times, that she is ready to meet with her counterpart in the Federal Government at Churchill to resolve these policies. She has also extended the invitation to these Ministers to meet at Churchill so that there can be complete community involvement to look after the policy that should be implemented to develop that area. And I say, Mr. Speaker, that one of the big problems is the fact that our public services have not -- information services -- and I'm sorry he is not here today, right now -- has not got across to the people of Manitoba how important Churchill is to the rest of the province, nor have we got across to the people of the Province of Manitoba how important the other half of the province is to this area in which we are sitting at this time.

I don't think in all of the debates that we have had that we can overcome this lack of education until we accept the formula in some respect or another that production -- production is, in many cases, the answer to many of the problems that we have discussed this last couple of hours today, and certainly the people of Churchill have waited and they have been promised, assured, and this assurance has not come. If you went further back, and although I can't quote from the letter I would like to put on record that I have a letter from a Mr. Bud Jobin, who was Minister of Industry and Commerce at the time of the previous government, in which he agreed with me in a public letter that these were problems. He said that they were problems in his day in Cabinet and that they had tried to get together to solve these problems, but, unfortunately, he pointed out in this letter, these things fell short when they came down to the bureaucratic level, that it was at that level that these things bogged down. And he stated in his letter -- unfortunately, Mr. Speaker, it said I could use it as public information and I wished I could have had it at this moment to use it -- because I feel that this is the problem that has lived and has been accepted by governments for many years, but, unfortunately, it get shelved every once in awhile. There are so many changes in the Churchill area itself that every time something seems to get off then people stop and they say, well wait a minute, let's take another look at it; there's been a change. Now we are worried, we have lost -- the navy base is going out, so they are considering whether there should be another change. I think that the Jones report hit it right in the middle when it said that the changes should start now; we should get together and start now rather than wait.

I know that Churchill is not an area that most of you are familiar with, or most of Manitobans are not familiar with; they are strangers to it. It is only a spot on the map as far as they are concerned, but I do feel that if we could do something about Churchill then perhaps, just perhaps, it may stimulate government to look at other areas of northern Manitoba which are desperately in need of help as Churchill itself. But I think we must start somewhere and I think Churchill is the best place to start with.

I say to you, Mr. Speaker, and I want to say it to all the members of this House, that I have now come to the conclusion that I will support this resolution, but I want to tell you that in this case I am supporting it because of the fact that I feel that I am representing personally people in Churchill and this is the way they would want me to vote. Whether I was a member of the New Democratic Party and the New Democratic government, or the Liberal Party and the Liberal government, they would want me to vote to support this.

So I am going to vote to support it, but in stating it, I think I will state a fact I think that most members of this House, or most responsible members of this House would state, that if this is the problem that is 80 percent federal and 20 percent provincial, we must find leadership and ways and means of getting this thing started rather than doing a lot of talking, as the Member of Churchill is this morning in trying to get out of a very knotty problem,

(MR. BEARD cont'd.) but if, and it is necessary for me to vote to support this resolution, I do not do it to embarrass my government or my Party which I support, but I do it because the people of Churchill would want me to do it and because I feel that maybe, just maybe there may be some spark from this that would help us get along with the development of Churchill as a whole.

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

MR. DESJARDINS: Mr. Speaker, I rise for one reason only, to congratulate the last speaker that spoke. I think that he did a very good job on quite a difficult problem. I think that we should take an example from him to see that the first responsibility is to your constituents, so I think that we have to congratulate him on this.

MR. SPEAKER: The Member from Elmwood.

MR. DOERN: Mr. Speaker, I think this is a very interesting discussion. It is one that we have had many times before and it is the classic division of blaming the provincial government, and the Member for Churchill then saying it's a federal responsibility. I'm happy to see that the member is going to support this motion because I could hardly expect him to do anything other than that.

The Leader of the New Democratic Party dealt with this issue not too long ago in some detail so I don't think there is any need for me to attempt to put the position of this Party; it has been put very ably and it has been on record for some time.

Our Leader is going up north, just to clarify that point, because the leaders of the federal parties were invited by the people of Churchill to come up and have a look. This goes for all the federal leaders and I don't think it's surprising that not all of them may go to Churchill. I haven't heard any commitment from the Leader of the Liberal Party, Mr. Trudeau, or from Mr. Stanfield, as to whether they are going or as to whether they are even sending anybody. I think Mr. Douglas at least had the courtesy to make an immediate reply. He is a busy man like the others and he said he would send up a task force which would consist of the Leader of the New Democratic Party of Manitoba; that he would send up Mr. Schreyer, who is a very able MP; and that he would send up Mr. Koshel, who is now the federal candidate in the area. And I think that makes a great deal of sense. We will look forward with great interest as to what will happen in regard to the other parties.

The Member for Churchill said that he hopes that his own government will remedy the situation and make a start, and all I can say is that hope springs eternal. He has continually sent telegrams to Ottawa, and I think he should spend as much time on drafting telegrams as he does spend in speaking to his own Leader, because the Premier himself has a role to play in the development of the area and so far I don't think that we have seen too much action.

So I would just like to say again that our position is very strongly in favour of this motion put by the Honourable Member for Portage. I am not surprised that the Member for Churchill is supporting it; I only wonder in my own mind how he can remain on that side of the House in view of the record of that side of the House.

MR. SPEAKER: Are you ready for the question? The Honourable Leader of the Opposition.

MR. MOLGAT: I don't intend to re-cover the ground either. I spoke on this subject the other day and I don't think it's necessary to emphasize again; I have spoken on many occasions in the House regarding Churchill. I am not interested in getting involved in the federal election campaign at this point as to who did what and who didn't. At least not in this House. My concern with Churchill, if I need to express what it is, Mr. Speaker, is that I go up there between elections, not just at election time. I was there last summer and spent some time in Churchill having a look at the conditions. They are very difficult.

Now the Member for Churchill today said that the Minister here has indicated that she is prepared to meet with the Federal Government. My question is, is the Manitoba Government prepared to commit itself, if it is a 20 percent responsibility, to 20 percent of the funds that will be necessary for whatever plan will be developed?

MR. SPEAKER put the question and after a voice vote declared the motion lost.

MR. MOLGAT: Yeas and Nays, Mr. Speaker.

MR. SPEAKER: Call in the Members. The House is dealing with the amendment of the Honourable Member for Portage la Prairie.

A STANDING VOTE was taken, the result being as follows:

YEAS: Messrs. Barkman, Beard, Campbell, Cherniack, Dawson, Desjardins, Dow,

(STANDING VOTE cont'd.) Doern, Froese, Green, Guttormson, Hanuschak, Harris, Hillhouse, Johnston, Miller, Molgat, Patrick, Paulley, Petursson, Shoemaker, Tanchak, Uskiw, and Vielfaure.

NAYS: Messrs. Baizley, Bjornson, Carroll, Cowan, Craik, Einarson, Enns, Evans, Hamilton, Jeannotte, Johnson, Klym, Lissaman, Lyon, McKellar, McKenzie, McLean, Masniuk, Shewman, Spivak, Stanes, Steen, Watt, Weir, Witney and Mesdames Forbes and Morrison.

MR. CLERK: Yeas, 24; Nays, 27.

MR. SPEAKER: I declare the amendment lost.

MR. CLERK: Resolved there be granted to Her Majesty a sum not exceeding \$5,313,164 for Urban Development and Municipal Affairs, Resolutions 108 to 118, for the fiscal year ending the 31st day of March 1969.

Resolved there be granted to Her Majesty a sum not exceeding \$38,560,215 for Welfare, Resolutions Nos. 119 to 124, for . . .

MR. SPEAKER: Order please. The Honourable Member for Wellington.

MR. PHILIP PETURSSON (Wellington): Mr. Speaker, I would move, seconded by the Honourable Member for Logan, that while concurring in Resolution No. 120 this House regrets the government, by its cruel and restrictive regulations under the Social Allowances Act, prevents many Manitobans of fixed and low incomes from obtaining adequate medical care.

MR. SPEAKER presented the motion.

MR. PETURSSON: Mr. Speaker, I am not setting any precedent in this House by taking a text for what I wish to say. In my profession it is not unusual for a text to be used, but other members in the House have done the same before me. The Honourable Member for Inkster, for instance, early last year quoted from the book of Genesis. I wish to quote from something which is much more familiar, I think, probably to most members, and that is a passage neither taken from a magazine or a newspaper but from a document that is very familiar, at least to the Speaker if not to the members, although they listen to it at the beginning of every session. I would draw the attention of the honourable members to the opening Prayer which I think has a peculiar and interesting application to this particular motion and to the section under which it is moved. And so I take the liberty, Mr. Speaker, of reading that prayer and asking the members, for once, kindly to listen to the words which are being uttered and to give attention to them. Familiarity, it is said, breeds contempt. Familiarity, of course, causes inattention to what is often being said and so members may not fully realize what really is being said.

This prayer reads - and of course I won't be able to do the same good job that the Speaker does but I'll do the best I can - Oh Eternal and Almighty God, from whom all power and wisdom come, by whom Kings rule and make equitable laws, we are assembled here before Thee to frame such laws as may tend to the welfare and prosperity of our province. Grant, Oh Merciful God, we pray Thee, that we may desire only that which is in accordance with Thy Will, that we may seek it with wisdom, know it with certainty, and accomplish it perfectly for the Glory and Honour of Thy Name and for the welfare of all our people.

I ask the honourable members to notice that in this prayer "welfare of our province" and "welfare of our people" is mentioned in two different places, and it is on that subject which I wish to expound for just a very few minutes. We have listened to - yesterday for instance and on other occasions - to a large and a representative delegation making representations urging government to act for the welfare of all our people, and that delegation pointed up a number of instances in which the welfare of the people did not seem to be considered.

There is a great cleavage in the opportunities, the privileges, the well-being of the people in this province, and particularly with relation to the old, those on whom fortune has not smiled as it has smiled on some other parts of the community. Many of these people are old; they are ill; they are at their most helpless stage in life; they do not often know to whom to turn when they wish either advice or assistance. They are at their most vulnerable stage in all the years that they have lived. They cannot, and they do not know how to fight for their rights, and in many instances they feel very much alone. It is for these people that I speak this morning and under this resolution, where the welfare of these people, above others, must be given consideration.

There is a large segment of the population for whose welfare we do not have to be too greatly concerned, and I think of the subject of Medicare, for instance, which is mentioned in

(MR. PETURSSON cont'd.) this resolution indirectly. It is mentioned directly under the subject of welfare services, I permit myself, Mr. Speaker, just to make a reference to it without enlarging upon that or getting into that general area.

There was an article that appeared in the Free Press a few days ago written by Christopher Dafoe - I don't have the exact date on which it was written but it was within the last week or ten days - he is dealing with the question of well-being or welfare of the people as it is understood under the terms of the proposed Medicare Act, and he mentions the name of one of the honourable members here who spoke. He said it was a bold speech, all considered, because it was dealing with a needful area with which we should all be concerned, but pointed out that there seems to be an unequal battle being waged between doctors and patients. The people do not have as strong a bargaining position as the medical fraternity seems to have, and while the medical men do have their problems, as who doesn't, the article says - mentioning these problems that are faced by the doctors - he says, "what with the current price of domestic help and the problems of trying to live gracefully on 30 or 40 thousand dollars a year, the medical men seem to be doing very well."

But, Mr. Speaker, there are others who are not doing as well, and some of these were mentioned in the address by the Honourable Member from Portage and the Honourable Member from Churchill with reference to the people living at Churchill, and there are also others in other parts of the province

MR. SPEAKER: I wonder -- it's now 12:30. Probably the honourable gentleman wants to continue later.

MR. PETURSSON: Thank you, Mr. Speaker. I hadn't intended to say very much more but I can pick it up from where I now am when we meet again.

MR. LYON: Would it be the wish to adjourn and come back or should we ask the Speaker to leave the Chair.

MR. PAULLEY: I think we'd better adjourn the House. . .

MR. LYON: Mr. Speaker, I beg to move, seconded by the Honourable the Provincial Treasurer, that the House do now adjourn.

MR. SPEAKER presented the motion and after a voice vote declared the motion carried, and the House adjourned until 2:30 Friday afternoon.