

THE LEGISLATIVE ASSEMBLY OF MANITOBA
2:30 p.m., Tuesday, March 9, 1976

Opening Prayer by Mr. Speaker.

INTRODUCTION OF GUESTS

MR. SPEAKER: Before we proceed I should like to direct the attention of the honourable members to the gallery where we have 20 students, Grade 11 standing of the Gordon Bell High School. These students are under the direction of John Michalchysyn. This school is located in the constituency of the Honourable Member for Wolseley.

We also have 19 students of Grade 9 standing of the Beliveau Junior High School. This group is under the direction of Mr. Gamble. It's located in the constituency of the Honourable Member for Radisson.

On behalf of all the honourable members I welcome you here this afternoon.

Presenting Petitions; Reading and Receiving Petitions; Presenting Reports by Standing and Special Committees; Ministerial Statements and Tabling of Reports; Notices of Motion; Introduction of Bills. The Honourable Member for Radisson.

INTRODUCTION OF BILLS

MR. HARRY SHAFRANSKY (Radisson) introduced Bill 32, an Act to amend an Act to incorporate Tri-State Mortgage Corporation.

ORAL QUESTIONS

MR. SPEAKER: Questions. The Honourable Member for Fort Garry.

MR. L.R. (Bud) SHERMAN (Fort Garry): Mr. Speaker, my question is to the Honourable the First Minister. I would ask him whether he's in a position to advise the House whether he's prepared to formulate and announce the policy on the part of his government with respect to the present transit strike in Winnipeg?

MR. SPEAKER: The Honourable First Minister.

HON. EDWARD SCHREYER (Premier) (Rossmere): Mr. Speaker, the Honourable the Member for Fort Garry had he read statements made in recent days with respect to the subject matter in question, would know that the position of the government is not to take any immediate steps at this time. In fact the City of Winnipeg has indicated today through the Mayor that they feel that they have not exhausted all possibilities, and so therefore any action of intervention would be premature.

MR. SHERMAN: A supplementary, Mr. Speaker. In view of the statement made to the House yesterday by the Minister of Labour and the proposals contained therein, would the First Minister consider a motion to adjourn the House to give the government time to formulate legislation and to bring it into the House for consideration by the Opposition?

MR. SCHREYER: Mr. Speaker, if the honourable member had listened to my earlier reply he would know that that is precisely what is not necessary.

MR. SPEAKER: The Honourable Member for River Heights.

MR. SIDNEY SPIVAK, Q.C. (River Heights): Mr. Speaker, my question is to the First Minister and it deals with the statements of the Prime Minister last week in connection with the repatriation of the constitution. I wonder if the government has in fact determined a position with respect to the unilateral repatriation of the constitution by the Federal Government.

MR. SCHREYER: Mr. Speaker, the position of the Province of Manitoba has been over several years, if I'm not mistaken it's one that was shared by the predecessor administration, that patriation of the constitution from Westminster to Canada would be desirable. We go along with that in principle; however we're not prepared to enter into giving our blessing of any kind of peculiar concessions in order to have that happen.

MR. SPIVAK: I wonder if the First Minister can indicate whether in the discussion for the repatriation of the constitution, discussion took place about a change which would eliminate the Queen as the Queen of Canada.

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MR. SCHREYER: Not to my knowledge, Mr. Speaker. And certainly it is not the policy of the Province of Manitoba to countenance that possibility as a precondition of patriation of the constitution.

MR. SPEAKER: The Honourable Member for Fort Rouge.

MR. LLOYD AXWORTHY (Fort Rouge): Mr. Speaker, I have a question for the First Minister. Could the Minister indicate under whose responsibility the provincial involvement in the Convention Centre comes under, and whereupon in the estimates would we receive any indication of costs that are incurred by the province in the sharing of deficits for that Centre?

MR. SPEAKER: The Honourable Minister for Urban Affairs.

HON. SAUL A. MILLER (Minister for Urban Affairs) (Seven Oaks):

Mr. Speaker, that particular item would be within the Urban Affairs Estimates for this year.

MR. AXWORTHY: Well a supplementary then, Mr. Speaker, to the Minister of Urban Affairs. Can the Minister indicate whether the Provincial Government would be making any announcements during those estimates concerning the costs incurred by the province in its share of deficits for the Convention Centre, and explain the reasons why?

MR. MILLER: Mr. Speaker, I can do it during the estimates. But I can answer this, that the decision to cost-share in the deficit for the Convention Centre was made some time ago. Last year there was a cost-sharing and this year there will as well be a cost-sharing.

MR. AXWORTHY: A supplementary then to the same Minister, Mr. Speaker. Could the Minister indicate what basis of policy or decision was made to restrict the publication or public disclosure of the minutes of the Convention Board or any reports whatsoever from the Convention Board concerning its activities?

MR. MILLER: Mr. Speaker, in that regard the Convention Centre operates entirely on its own on these matters. Neither my department nor the province as such has anything to do with the internal operations of the Convention Centre. There are two provincial appointees to the board but the board functions by itself because of the appointees made by the city. As to why they do it or not, send minutes out, I don't know. I don't receive any minutes either.

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Mr. Speaker, last Friday the Honourable Member for Riel asked a number of questions with respect to the effect, if any, of the National Energy Board's ruling in the case of the application of Manitoba Hydro relative to certain proposed sales of hydro electric energy to Minneapolis Light and Power, and I indicated I could give some response before mid-week. I'm prepared to do that but the content is such that it would take more than just a minute or two. So I would invite the honourable member to perhaps be patient enough so that I could supply him with the written information.

MR. SPEAKER: The Honourable Member for Birtle-Russell.

MR. HARRY E. GRAHAM (Birtle-Russell): Thank you, Mr. Speaker. I have a question for the Honourable Attorney-General. I'd like to ask the Attorney-General when we can expect the report of the Law Reform Commission dealing with family law and community property?

MR. SPEAKER: The Honourable Attorney.

HON. HOWARD PAWLEY (Attorney-General) (Selkirk): Mr. Speaker, I believe I received this very morning the report from the Manitoba Law Reform Commission. Needless to say I have not had an opportunity to read the report, so that it's now only a matter of days that we'll be able to distribute that report in the House.

MR. GRAHAM: As a matter of interest to the Attorney-General, perhaps he could refer to the question I asked him several weeks ago on the same topic.

MR. SPEAKER: The Honourable Member for La Verendrye.

MR. BOB BANMAN (La Verendrye): Thank you, Mr. Speaker. I direct my question to the Minister of Mines in his responsibility for the Manitoba Clean Environment, and would ask him if the Manitoba Clean Environment Commission is monitoring the radio-active burial site near East Braintree.

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MR. SPEAKER: The Honourable Minister of Mines.

HON. SIDNEY GREEN, Q.C. (Minister of Mines) (Inkster): Mr. Speaker, I'll have to take the question as notice. I believe that this site relates to the Research Base at Pinawa? - East Braintree. I'll take the question as notice.

Mr. Speaker, while I'm on my feet I was asked yesterday for a flood forecasting report. I have six copies of such a report which I will give to the Clerk for distribution to honourable members. I'm sorry I advised the honourable member that I would have one for Pembina River. I don't have that as yet but I'll try to get it.

MR. BANMAN: Mr. Speaker, I would also then ask the Minister if he could undertake to possibly release a statement or something assuring the people of that particular area that there is no danger to them either physically or to any environmental problems that could possibly arise from that particular site.

MR. GREEN: Mr. Speaker, if I have a statement to make at the time I am answering the question, the statement will be factual.

MR. SPEAKER: The Honourable Member for Portage la Prairie.

MR. GORDON E. JOHNSTON (Portage la Prairie): Mr. Speaker, I address my question to the Honourable the Minister Responsible for Autopac. Could the Minister inform the House whether or not Autopac's accident volume has increased due to the increased number of cars on the street due to the bus strike and the recent storm?

MR. SPEAKER: The Honourable Minister in Charge of Insurance Corporation.

HON. BILLIE URUSKI (Minister for Manitoba Public Insurance Corporation) (St. George): Mr. Speaker, I'll have to take the question as notice and find out the actual statistics of the claims we have had, but I'll give him the figures when I get them.

MR. G. JOHNSTON: A second question, Mr. Speaker. Is the Minister aware that some citizens have waited as long as six hours in line to have their claim adjusted? I myself spent three hours in the line this morning, and I can inform him there are many angry citizens.

MR. URUSKI: Mr. Speaker, I'm glad that our Claims Centre people treat people equally and the honourable member should know that our advertising in the past has indicated that Mondays and Tuesdays of the week are, if the car's drivable, particularly bad days because of the weekend traffic and accidents. But if the honourable member would like to, there is also a Claim Centre that is opened until 7:00 in the evening if he would like to avail himself of that time. But I do know during the winter months and in the past there have been line-ups and try to deal with them, but we cannot gear up staffing just for a period of a month or two for winter accidents.

MR. G. JOHNSTON: A supplementary question, Mr. Speaker. Would the Minister agree then that the half a million dollar saving that he is bragging about is really on the backs of the claimants who have wasted millions of dollars waiting for their claim to be settled.

MR. URUSKI: Mr. Speaker, the claims are settled in as efficient manner as possible, and is recognized throughout the country that is the quickest settlement going, and I would submit that is the fairest settlement that can be made.

MR. SPEAKER: The Honourable Member for Fort Garry.

MR. SHERMAN: Mr. Speaker, my question is to the Honourable First Minister. Has the same Cabinet team that negotiated with the Manitoba Government Employees Association on contractual matters last year been assigned to negotiate with the Association with respect to it's contract this year?

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Mr. Speaker, I believe that there is no secret about that, although I should advise my honourable friend that as a general rule composition of Cabinet committees or sub-committees is traditionally a matter of internal arrangements and very often deliberately not revealed, although this government has no obsession about secrecy so we have revealed it, but it certainly is not traditional that this be done.

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MR. SHERMAN: A supplementary, Mr. Speaker. Can the First Minister advise whether the Minister of Labour is on that team, or is not on that team?

MR. SCHREYER: Mr. Speaker, my honourable friend the Member for Fort Garry is not.

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. DONALD W. CRAIK (Leader of the Opposition) (Riel): Mr. Speaker, I direct a question to the First Minister. I wonder if he could indicate yet if he has any indication yet when the budget will be tabled in the Legislature?

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Yesterday I indicated to the Honourable Member for Roblin that we are hoping that on or about April 15th will be as logical a time as any.

ORDERS OF THE DAY

SECOND READINGS - GOVERNMENT BILLS

MR. SPEAKER: Orders of the Day. The Honourable House Leader.

MR. GREEN: Yes Mr. Speaker, I wonder if you would not proceed with the adjourned debates on second reading in the order in which they appear on the Order Paper.

BILL NO. 2 - AN ACT TO AMEND THE CRIMINAL INJURIES COMPENSATION ACT

MR. SPEAKER: Thank you. Bill 2 proposed by the Honourable Attorney-General. The Honourable Member for Birtle-Russell.

MR. GRAHAM: Thank you, Mr. Speaker. I've held this bill for quite some time; the Attorney-General had promised me a financial breakdown on the administration of the Criminal Injuries Compensation Fund. He did give me some figures on that and probably when it goes to committee would be a better time to discuss that, so we have no objection to the bill going to committee at this time.

MOTION presented and carried.

BILL NO. 4 - AN ACT TO AMEND THE MENTAL HEALTH ACT

MR. SPEAKER: Bill No. 4 proposed by the Attorney-General. The Honourable Member for Rhineland.

MR. ARNOLD BROWN (Rhineland): Thank you, Mr. Speaker. Bill No. 4 appears to be more or less a housekeeping bill and it defines more clearly than the old Act as to what the powers of the Public Trustee shall be, especially upon the death of a mentally disordered person. The bill seems to add to the powers of the Public Trustee and I have not had the opportunity to discuss this bill with my advisor because he is out of town at the present time, but I am willing to at this stage to let the bill go to committee so that we can ask questions on it.

MR. SPEAKER: The Honourable Member for Fort Rouge.

MR. AXWORTHY: Well, Mr. Speaker, I beg to move, seconded by the Member for Assiniboia, that debate be adjourned.

MOTION presented and carried.

BILL NO. 6 - AN ACT TO AMEND THE COMMUNITIES ECONOMIC DEVELOPMENT FUND

MR. SPEAKER: Bill No. 6 proposed by the Honourable Minister of Mines. The Honourable Member for St. James.

MR. GEORGE MINAKER (St. James): Will you have the bill stand, Mr. Speaker.

MR. SPEAKER: Does the Honourable Member for River Heights wish to speak on it?

MR. SPIVAK: If you have no objection I'd like to speak on the bill now.

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MR. SPEAKER: The Honourable Member for River Heights.

MR. SPIVAK: Mr. Speaker, I had an opportunity of examining the bill and there are just a few remarks that I'd like to make, then the Honourable Member for St. James will have his comments.

This deals with the Communities Economic Development Fund which has been a subject of controversy before in this House and I daresay because of the very nature of its operation, it will be a matter of concern and probably some controversy in years to come. The very nature of the Communities Economic Development Fund deals in the main with entrepreneurialship in the high risk area; it deals in the main with developments in the north, and it deals in . . .

MR. SPEAKER: Order please.

MR. SPIVAK: . . . loaning money to people who for one reason or another are unable to get it from conventional institutions, or who lack the required experience sufficient to justify conventional institutions loaning and financing them.

Now having said that there has been in the last few years discussion with respect to the Communities Economic Development Fund and certain corporations. I think that those debates have been worthwhile. They have resulted in the Provincial Auditor recommending a number of changes that have taken place with respect to the management by the CEDF of its own operations, and including the operations of the businesses they finance and the individuals they finance, and I think to that extent that it has made a contribution and I would like to, if I may, add one further contribution that I think has to be made in connection with this.

One of the failures on the part of the government, and I say this as a, what I believe a legitimate criticism, has been their failure to utilize the people who were available to them who had the interest and concern of seeing to it that the basic policy of the government was carried through regardless of political affiliation or stripe. And one of the problems with the CEDF is that people in the north who have the experience, who have a fair understanding of the problems of the north have never really been involved in assisting the government in this enterprise. Now I'm not suggesting --(Interjection)-- No, no, just let me finish. I'm not suggesting that some people in the north have not been appointed but that in itself does not involve the people of the north per se, it simply means that there are a couple of representatives. And one of the failures has been not - the failure has been not to recognize that the Regional Development Corporation which operates in the north, and that's NorMan Regional Development, have and have had the ability to assist the CEDF in its operation, and they have been one organization that should have been involved right from the beginning in the planning process, in assisting the CEDF in its operation, and giving it the benefit of the wide-range of experience of the businessmen who in fact are participants in the NorMan Regional Development Corporation. I think that it's fair to say that had that happened some of the errors of the past would have been seen earlier and action could have been taken earlier.

And so in discussing the Communities Economic Development Fund I would suggest to the government that very serious consideration now be given to involving the NorMan Regional Development Corporation by seeing to it that they in fact appoint some members to the board, that they in turn have some input in providing information and providing the benefit of their experience to the Loaning Committee who will be involved with respect to loans to be given by the Fund. Because, Mr. Speaker, we are now dealing in an area in which it is not just a business enterprise on business terms, at least, that the loan has to be given. We're dealing in an area where there are judgments that are going to have to be given with respect to the cost-benefit to the community of the enterprise. We're going to be dealing with the individuals involved, their particular experience, their opportunities or lack of opportunities in the past; and to a large extent, the government can and would be assisted by a substantial number of people who live and work in the north who would be quite prepared.

And one of the difficulties about what has happened is that many of these people have looked to the government people involved in this and those who have been trying to carry out a worthwhile function, as people who really are working again in isolation to the experience and the knowledge and the business practices of a number of people in the

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(MR. SPIVAK cont'd). . . . north and at the same time have looked on them as people who, in many ways, are strangers to them rather than participants in trying to assist in the development in the north itself.

So, Mr. Speaker, I would say this to the Honourable Minister and to the members of the government, it seemed to me that the Regional Development Corporation of the north, the NorMan Regional Development Corporation, who in the past have really not been participants in this, in the past who have to a large extent watched what government has been doing and have not had an input, should now be consulted; should now be given the opportunity to assist the government, and that means a number of things I think, and I would put these out for consideration by the Minister: It means the ability to have a consultation between the members of his department, the Minister, probably the Minister of Industry and Commerce, and the representatives of the NorMan Development Corporation; it means the opportunity for the NorMan Regional Development Corporation to appoint some members to the board, and I think that can be done in such a way that the interest of everyone is protected; it means that they should in some way be involved in assisting the Loan Committee, or at least being able not to okay the loan but to be in a position to be available to the Loan Committee for information, for guidance and for advice. Because by the very nature of the business enterprises and individual enterprises that we finance from the CEDF, we are talking about, we are talking about high risk ventures, many of which will fail, many of which cannot be considered to have a firm business basis for their undertaking, but nevertheless in the total development of the north may very well be worthwhile. And I would suggest that this consideration be given because I believe that this is one force that if unleashed will do immense good for the people in the north and for those people who must come to the CEDF as the only means of financing their enterprise.

MR. SPEAKER: The Honourable Member for Flin Flon.

MR. THOMAS BARROW (Flin Flon): Would the honourable member entertain a question? In recommending the NorMan group, can you differentiate the difference between NorMan and the Chamber of Commerce, who are purely interested in its own particular endeavours?

MR. SPEAKER: The Honourable Member for River Heights.

MR. SPIVAK: Mr. Speaker, for the benefit of the Honourable Member for Flin Flon. The NorMan Regional Development Corporation is a Regional Development Corporation created with the effort of the Department of Industry and Commerce, supervised by the Department of Industry and Commerce, embracing the total area of northern Manitoba.

The personnel are made up of the --(Interjection)-- I beg your pardon? The personnel who make that up are municipal people, along with people in the business fields and related fields. I would suggest that they may not represent the total community of the north, but they represent in one very real sense municipal people and the business people of the north; and the advantage to the CEDF of their involvement, I think speaks for itself. It means that they will have people who understand the north who are in the position to help guide the government and guide the loan committee and the Board of Directors in the very difficult task of making decisions in business enterprises that are of a very nature prone not to succeed, just because of the nature of the business enterprise having to be financed, and the fact that in many areas you're breaking new grounds. And I would suggest while they may not represent every particular interest group in northern Manitoba, they represent a sufficient interest group, or a sufficient number of interested people in the north, and they have a particular expertise and understanding of the north that they could be of immense value.

MR. SPEAKER: The Honourable Member for Flin Flon.

MR. BARROW: One more question, Mr. Speaker, if I may. Can you name one thing that NorMan has accomplished, any direction that they've given to the benefit of the northern residents?

MR. SPEAKER: The Honourable Member for River Heights.

MR. SPIVAK: If NorMan has not accomplished anything, and I'm not suggesting

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(MR. SPIVAK cont'd) that that is the case - if that's the case in your opinion then the failure is the failure of the members' opposite, and that's a fact. They're financed by you. And if that's the case, then that's your failure. I'm not saying that.

I would suggest to you the Regional Development Corporation have in the last period of time been groping to determine their exact relationship with government and their exact function. --(Interjection)--

MR. SPEAKER: Order please.

MR. SPIVAK: But I would suggest to the honourable member who is laughing right now, that if they had been involved at an earlier stage, a great deal more would have been happening in the north than has happened now, and some of the mistakes of the past would not have occurred. --(Interjection)--

MR. SPEAKER: I'm sure the honourable member will. But let me direct the attention of the honourable members to the questioning. It should be relative to his debate and not to a new area, otherwise he'll be debating here all day long. The Honourable Member for St. Johns.

MR. SAUL CHERNIACK Q.C. (St. Johns): Mr. Speaker, I appreciate your guidance. The honourable member used the expression that NorMan is supervised by government. My questions are: Firstly, does he believe that to be true that they are supervised? Secondly, does he believe that they should be supervised by government; and thirdly, is he suggesting that his government finances NorMan then it's up to the government to instruct NorMan as to how to carry on their affairs in such a way as to put blame on government if NorMan is not doing it's work properly.

MR. SPEAKER: The Honourable Member for River Heights.

MR. SPIVAK: Mr. Speaker, not in order of the questions as they were put to me. I do not believe that NorMan or the Regional Development Corporation should be supervised by government. But I suggest to you that in the operation the last few years they, in fact, have been supervised, and that has been one of the problem areas and one of the reasons why the Regional Development Corporation have not functioned as efficiently as they should have.

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

HON. LEONARD S. EVANS (Minister of Industry and Commerce) (Brandon East): Mr. Speaker, I didn't intend to get into this debate, and I am really not going to get into the debate. I'm sure the Minister responsible for the Communities Economic Development Fund will take the honourable member's suggestions into consideration and in due course will make a decision in his own mind whether or not to make amendments to the particular bill.

The suggestion was that the Regional Development Corporation, NorMan, somehow or other be involved with the Communities Economic Development Fund and the Honourable Member from River Heights made other statements, however, that are fallacious.

I want to state categorically, Mr. Speaker, that the Regional Development Corporations are not supervised by the government. They're independent autonomous bodies partially financed by municipalities.

Now the member smiles, but the fact is he has made certain allegations which he cannot prove or back up. The fact is that they are independent autonomous bodies, financed, yes, partially by the Department of Industry and Commerce and the Government of Manitoba, but also Mr. Speaker, partially by the municipalities that make up that particular region. And I believe that the failure or success of any Regional Development Corporation ultimately depends upon that Regional Development Corporation. There are seven of them, they vary, and they've had varying degrees of success and accomplishment.

But to suggest, Mr. Speaker, that we supervise them is just a travesty of the truth. We do not supervise them, and there is no evidence that the honourable member can point to to back up that particular charge.

MR. SPEAKER: The motion will remain in the name of the Honourable Member for St. James.

GOVERNMENT BILLS

MR. SPEAKER: Bill No. 10, proposed by the Honourable Minister of Agriculture. The Honourable Member for Rock Lake.

A MEMBER: Absent.

MR. SPEAKER: Bill No. 13, proposed by the Attorney-General. The Honourable Member for Birtle-Russell.

MR. GRAHAM: Mr. Speaker, we have no objection to this bill going to committee.

MOTION presented and carried.

MR. SPEAKER: Bill No. 18, proposed by the Honourable Minister of Mines. The Honourable Member for St. James.

MR. MINAKER: Mr. Speaker, I'd like the bill to stand, please.

BILL NO. 19 - THE RENT STABILIZATION ACT

MR. SPEAKER: Bill No. 19, proposed by the Honourable Minister of Consumer, Corporate and Internal Services. The Honourable Leader of the Opposition.

MR. CRAIK: Mr. Speaker, I would like to speak on Bill 19 at this time because I know that there's a degree of concern on both sides of the House that the bill be dealt with at the earliest possible date, and that whatever is to come out of it that it's made effective without a high degree of time lag; and I know that there's a high degree of expectancy in many quarters to have the bill implemented.

We intend as a matter of principle to support the bill. We've already indicated this. We do so, I think, I trust, for the same reason that the government wants to bring in a bill at this time, and that is that it is to comply with the Federal Anti-Inflation measures in particular, and too, all provinces will be required to do this, to join the Anti-Inflation Program. So the challenge on us really is not to at Second Reading to decide whether or not we want this bill, it's to look at it really in committee stage and possibly at Third Reading to see whether we can look at some of the details of the bill to ensure that it's going to do things for the whole problem of, primarily of rental accommodation; to bring about a situation that will serve the best short-term as well as the long-term interest of the province.

Mr. Speaker, there are several things about the bill that I think that we would want to see improved, or certainly that we would raise questions about anyway. As I said in the beginning, I assume that really what the government is after is a bill which will satisfy the requirements of the Anti-Inflation Board requirements. And that is that a degree of rent - the bill is called Rent Stabilization - is brought about for the period of time in which we have a high inflationary rate.

I know that from the comments that were made in the Legislature last year by the Minister of Consumer Affairs that the government at that time wasn't entertaining in any serious way rent controls for the simple purpose of rent control. And I would assume from that, although the argument being presented in this House at that time whereby the member of the Liberal Party last year, and perhaps the year before, for rent control or rent review, that the government itself wasn't disposed at that time to bring in a rent control bill.

Now, Mr. Speaker, if that is the case, if it is to satisfy the requirements of the Anti-Inflation Board victims, then I guess you'd have to ask the question of why the time at which it applies does not apply as it does in other applications of the Anti-Inflation Board requirement.

As an example, Mr. Speaker, the prices of 1976 model automobiles were set in September, I guess, whenever the new model came out, and certainly apply to all the 1976 period. There was in that case the position on with regard to . . . prices in that case were set at October 14th and not set at time when the 1976 models were brought out, so one could legitimately ask the government, why this particular industry, which is the rental accommodation industry, are being asked to adhere to requirements that are quite different than applies to other sectors of the economy. I don't think there is any other sector of the economy where there is some arbitrary periods selected that precedes that date, and arbitrary period, Mr. Speaker, that precedes the date and

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(MR. CRAIK cont'd) simply seems to be picked out of the air in advance of the day in which the Anti-Inflation Board measures were brought in, mainly October 14th, 1975. It would appear in this case that some justification has to be provided other than what we have seen from the government in order that it isn't made so punitive that it actually creates more problems than it cures.

And this brings about the question, Mr. Speaker, that if a problem exists prior to that date of October 14th, why the government would not approach that period on more of a review basis rather than attempting to put it within the straitjacket of application, a straitjacket of application was fairly punitive measures in that period from July to October that cannot be rectified until a year from the following October, namely October 1976, and then of course requiring another three months' period after that which puts you into the first of January '77 before any restitution can be made for what has been imposed as of July '75. So, Mr. Speaker, there is a period there of 18 months that rather than having it imposed by way of the provisions that are in this bill, it might be better dealt with on the basis of a review in that period and have the bill, if necessary, apply after that period as it is approximately shown here.

Mr. Speaker it strikes us without being expert in this that there are so many variations in this business of rental accommodation that it's difficult to see how one can postulate a simple answer to a complex problem like this. For instance, you could have a 1,000 square foot apartment that is an older one that has no mortgage on it that is renting at a fairly low rate, but requires the same amount of electrical energy to heat it, and the cost of electrical energy in this coming year alone, as has been announced, will go up 28 percent; gas has just gone up, the cost of gas during the last three months of '75, which was a catch-up period went up by more than that. The costs of water are going up if the decisions of the City are put into effect are going to go up, the costs of water supply are going to go up 50 percent, a catch-up. Taxes have gone up. It looks like this year they'll go up 20 percent. Now, Mr. Speaker, just looking at the utilities alone if you have an older apartment that is renting at \$150, say, for 1,000 square feet, or whatever it might be, and a newer apartment with a mortgage on it renting at \$300 for the same square footage, it takes approximately the same amount of utilities to service the lower priced one as it does the higher priced one, but the lower priced one by virtue of across-the-board 10 percent get \$15.00 a month increase to pay for, through 10 percent of that, he gets \$15.00 to pay for increased costs of utilities that have gone up an average of 28-50 percent during that same period. The person with the higher priced apartment gets 10 percent by virtue of the fact that he has a mortgage which is fixed, which doesn't change from year to year, but he gets \$30.00 to pay for that same imposition of increased utilities costs.

Now there are so many variations that take place, there are so many anomalies in the rental business that it's hard to actually illustrate them all, unless you are actually in the business. Therefore we have some doubts whether this approach that the government is taking of the fixed flat amount is actually the practical way to do it. It may well be that a review process rather than just in the lead-in period but right through, a review process where a justification has to be made by the owner of his increase would be more effective.

There are also cases, Mr. Speaker, where 10 percent is going to be higher, is going to be higher than what would be justified under a review process. That is, there are cases where cost will not have jumped by 10 percent but the person is certainly going to take the 10 percent because it is more or less sanctioned by government, but under a review process he probably couldn't justify it.

So there is some doubt, Mr. Speaker, about the details of the bill, but there is no doubt at this time about approving it at second reading and getting it into the committee stage where hopefully these people that are in the business will come forward and bring a lot more light to bear on the problem, on the question, than we can possibly do, because most of us in the Legislature are not familiar, or not expected to be familiar, with the details of operating this business.

Now having said that, Mr. Speaker, I want to say that in the general approach there has been a lot of experience with rent control, and this goes back to some of the

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(MR. CRAIK cont'd) first documented information goes back to Austria 1929, but probably the best complete story is in Sweden where it was brought in in 1942 and was finally gotten rid of last year in 1975 in Sweden, they got rid of rent control. I think it might be worthwhile just to go over some of the history of this and I want to quote from some of the information presented by some of the formal economists in Sweden, some of the top planners in Sweden, who have had a look at this whole question. --(Interjection)-- This is a Fraser Institute Publication. The first one it says: "Rise and Fall of Swedish Rent Control. When rent control was introduced in Sweden in 1942 in accordance with almost unanimous support in Parliament, the decision was founded on conviction that it was an emergency regulation that would be abolished as fast as possible after the Second World War. It was believed that the wartime inflation would be followed by deflation with sharp declines in prices, as happened after the First World War." Now in spite of all the good intentions to abolish rent controls soon after the War, it succeeded in surviving until 1975, when its last remnants were finally removed, and that was the 350,000 or 2,000,000 housing units in apartment buildings. At that point they had narrowed it down to that. The moral is that rent control is easy to introduce but hard to abolish.

Now, Mr. Speaker, here again I want to ask the government, whether or not in designing their legislation they are in fact aiming at self-destruct, not self-destruct but destruct mechanism that is available to the Cabinet in the provisions of one of the later clauses in the bill, that is that rent controls can be abolished when they so decide, because if it is their intention that at some future time for themselves, or some other government, to get out of rent control then they ought to tailor the bill up to that point to make that possible to happen. Of course, if the provisions in the bill are too punitive and the industry gets into such a bad condition where the only possible answer is government housing, if that is what happens then, Mr. Speaker, I don't think they are taking the right approach to bring it in as a temporary measure; it's going to then in that case be a measure which is going to be around for an awful lot longer period of time than if they try and keep the private sector somewhat involved.

I want to point out a couple of other things here. We've heard a lot of talk in this House in the last year or two that we have an acute housing shortage, and we've had statements made in the House here and it's been batted around both sides of the House that our rental vacancy rate in the City of Winnipeg is one percent or one and a half percent. Well, Mr. Speaker, it also points out here that in Sweden what happened was that the "popular opinion" encouraged by defenders of rent control that the Swedish housing shortage was a product of the war, does not accord with the evidence demonstrated in the data from the Stockholm area. In fact, all the data indicated that the shortage during the war years was insignificant compared with that after the war. It was only in the post-war rent control era that the housing shortage assumed such proportions that it became Sweden's most serious social problem. Now we're saying the same thing here, we have got a housing shortage, we've got a rental accommodation or vacancy rate of one percent, we've got real problems.

Well as a result of this I made some inquiries, Mr. Speaker, and I would really like to ask where this one or one and a half percent figure comes from - it may have started with the Member for Fort Rouge, I'm not sure, he's talked about this for the last year or so. I made some enquiries and I found out that through some enquiries that people who have rental accommodations have never been asked what their vacancy was. As a matter of fact this went further and the enquiries went on and on and on to the point where it appears that the ownership of 60 percent of the rental accommodation - and how many landlords that represents I cannot tell you except I know that they have had some meetings with the Minister with regard to the bill - but it would indicate that the rental vacancy rate in their apartments which represents 60 percent is in excess of five percent, which, if that represents 60 percent of the rental accommodation, Mr. Speaker, the overall average vacancy even if the other 40 percent was at one percent, gives you a vacancy rate probably in the order of four to six percent even at the present time. Now I honestly don't believe that the vacancy rate from the basis of the hard information that I've been able to glean is one percent; the people have never

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(MR. CRAIK cont'd) been asked. The majority of the people have never been asked what the vacancy rate is. Now where this figure comes from we ought to be told, and it ought to be provided because you can see the scenario created here to provide for rent control. We have a scenario where the Federal Government is saying rent control, which we agree with and we'll go with it, but don't use the fact that there is a rental shortage, because what this is going to do is very likely create . . . and the vacancy rate that we have may be the salvation we have at the present time to make sure that the transition can be made now for the government to get into a more active housing program, because they're going to have to because the private sector is going to back out. So we would like to get some information on that; where are these figures coming from on the vacancy rate.

I want to point out two or three other things, Mr. Speaker. This quotation, Mr. Speaker, is from Assar Lindbeck who is a professor of economics in Stockholm and is a noted socialist economist, and also in part a supporter of the market economy. This is how he is defined, but he is a prominent economist in Sweden. And here is what he says about deterioration of the housing stock. He said: "It is well and documented that rent controls resulted in poorer maintenance, fewer renovations, and modernizations, and therefore in the long run in a serious deterioration in the quality of dwellings, because some requests for rent increases have been granted, the defenders of controls have persistently contended that deterioration of slum developments have not occurred. This argument is fallacious." He goes on to say, and he puts it in a nut shell, "In many cases rent control appears to the most deficient technique presently known to destroy a city except for bombing". This is right out of the experience in Sweden.

Mr. Speaker, I want to go on to show further evidence. There was a tenants' association that was created in the Stockholm area, there are 650,000 members. From the beginning they were fanatical defenders of rent controls, but the experiences of the controls were so disheartening that some ten years ago the association changed its policy and began lobbying for repeal of the controls. So you had a complete about face; you're developing a case.

Mr. Speaker, here is some evidence presented by the 1974 Nobel Prize winner in economics, Gunnar Myrdal, who was the chief planner for the City of Stockholm and for the whole country of Sweden, and whose time span has been over this same period, he is now an elderly person and he has gone through the whole Anyways Dr. Myrdal has been anything but a believer in the laissez faire having been an important architect in the Swedish Labour Party welfare state, and here's his comments: He says, "Rent control has in certain western countries constituted maybe the worst example of poor planning by governments lacking courage and vision."

Mr. Speaker, then we get to decontrol, and this is where the problem comes in and I think the government has to be careful; I think that their bill which they are going to bring in ought to take in the sort of detailed considerations that allows decontrol to take place without a high degree of distortion in the marketplace, and Mr. Speaker in principle decontrol which is not politically impossible, because it is well acknowledged that the problem of getting into decontrol, that is getting out of control, is a political problem. And here it says on decontrol, "The evidence from post-war decontrol in the U.S. indicates that even in an inflationary period removal of rent control does not lead to incessive increases in rents." Well if that's the case you could say there is no problem. This is probably because the demand for rental housing services is sufficiently elastic to prevent landlords from making up "the shortfalls" caused by control in a short period of time.

Furthermore, as the particular case of Los Angeles clearly demonstrates, the concern of elected officials that decontrol means disaster is not a well founded one. Accordingly the principal concern of the architects of a decontrol strategy ought to be to repair the damage that has been done to the supply of rental housing. That is, investor confidence and not the bogymen of "political realities." Well, Mr. Speaker, they are saying essentially that from the economic sense there doesn't have to be a problem with decontrol, the thing is that the things shouldn't be designed to begin with

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(MR. CRAIK cont'd): anomalies that create an abnormal situation when you want to get to decontrol.

Well getting closer to home, Mr. Speaker, there's been a study done here in Manitoba, which I'm sure everybody in the House is familiar with, by the Natural Resources Institute of the University of Manitoba and these are by Edith Jacobson Nickel and Ian Gillies. Edith Jacobson Nickel is at the University of Manitoba. I believe Gillies is too, but he formally worked with the urban problems with the Institute of Urban Studies, which I think is the same group that the Member for Fort Rouge is associated with in his private work, and I could hardly believe this book, having listened to the Member for Fort Rouge in this House in the last year, I had great difficulty in seeing any resemblance between what they recommended here and what we were being advised by the member at that time. But then I realized that he was also an elected member of the Legislature and somehow, you know, it's possible for a slight conflict of interest to grow into a person's thinking because after all you do have to get re-elected.

Their conclusion was: "Rent controls do have political appeal. There are more tenants than landlords and the benefits to already well-houses tenants are significant and immediate. Tenants comprise a large sector of the voting population. The negative consequences are not as apparent and occur over long periods of time. For all these reasons interim rent control measures are extremely difficult to remove. It is interesting to note that whenever rent controls have been instituted as part of a larger economic package, they are the most difficult to remove once the economy has stabilized."

Now the conclusions were, Mr. Speaker, of this group here, and as I mentioned it's available, it's called "Problems and Issues of Rent Control" and they're looking primarily at Manitoba. The conclusions were: "Rent controls of the type discussed in this paper", which were really specified rent increase ceilings, not rent reviews because they do indicate here that rent review such as - and they do mention the Quebec application here as well which apparently in their assessment worked out not too badly. Their conclusion is: "Rent controls of the type discussed in this paper are not an effective response to the problems created by rising rent. Although rent controls do have political appeal, the spin-off effect incurred and the inevitable political problems these entailed, kept even the political benefit-cost equation heavily to the cost side. Controls have serious negative economic and social consequences and they are difficult and costly to administer. It is often remarked that controls are good in theory but present difficulties in practice.

"This statement misses the whole meaning of theory and practice. If controls always raise difficulties in practice, then the theory is defective. There has been sufficient testing of rent control in cities and nations to cast serious doubts on the theory of rent control. In the face of all the negative evidence, why are rent controls still being touted as the answer to the problem of rising rents? There are two explanations: First, it appears that rent controls are conceived of, proposed and accepted within a rather narrow framework which is the landlord-tenant relationship. Of course it is this relationship which is the immediate focus of rent control but the effects are certainly not confined within it.

"Secondly, the second reason for the longevity of rent control theory is probably based on ignorance of how the economic system really works."

Now, Mr. Speaker, there are hardly biased sources of information. They are people who specialize in this business, urban planning, and so on, and it doesn't matter where you go - at least it doesn't matter where I've gone, every bit of evidence that I found is solidly against the long-term impact of rent control. So it's a question of designing your legislation to make sure that at some point in time you're going to be out of it, because if you don't want to get out of it, you're going to be forced out of it because it looks like that even people that are under the so-called benefits of it eventually turn against it.

I want to say also here that with regard to government spending, indeed under

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(MR. CRAIK cont'd) rent control truly massive government input into public housing is required. Now the reason for that is that your private sector is scared off. Since controls freeze what is already an inequitable situation, subsidies are still necessary.

In the final analysis there is a need to assign to housing the high priority it deserves in the present context of Canadian society and then to back up that priority with dollars to ensure the goals are met. Rent controls have always proved to be a backward step in achieving worthwhile public policy goals.

So, Mr. Speaker, the long-term evidence is not very good but short-term, fine, it's good for people who are fortunate enough to be in rental accommodations and until the present vacancy is occupied and perhaps there won't be that great a problem as far as the tenants are concerned, but all the evidence shows that the private sector gets out, government has to get in, and it has to get in in a very massive way to provide rental accommodation, and then they have to figure out in the long run how they're going to get out of it.

Well the information, the documentation on this topic is . . . there's lots of it, there's no problem in getting the history, and it's not a very good one, almost anywhere in the world that you tend to look. So in conclusion, Mr. Speaker, let me say, let's try and design this bill, Bill 19, so that at some point in time the impact of this thing can be not that great that a government, whichever government it is, can decide to move back to a more normal economy. Rent control does not serve the ideological goals or interests of any government, regardless of which side of the House they're on, the evidence has shown that. I think this is the sort of bill where we can attempt to work together to bring about something that's in the best interest of all concerned, and hopefully we can do that at the committee stage.

MR. SPEAKER: Is it the pleasure of the House to adopt . . . The Honourable Member for Fort Rouge.

MR. AXWORTHY: Mr. Speaker, I beg to move, seconded by the Member for Assiniboia, that debate be adjourned.

MOTION presented and carried.

MR. SPEAKER: The Honourable House Leader.

MR. GREEN: Mr. Speaker, I move, seconded by the Minister for Urban Affairs, that Mr. Speaker do now leave the Chair and the House resolve itself into a Committee to consider of the Supply to be granted to Her Majesty.

MOTION presented and carried and the House resolved itself into a Committee of Supply with the Honourable Member for Logan in the Chair.

COMMITTEE OF SUPPLY - DEPARTMENT OF URBAN AFFAIRS

MR. CHAIRMAN: I refer honourable members to Page 58 of their Estimates Book, the Department of Urban Affairs, Resolution 112(a) the Minister's Compensation, Salary and Representation Allowance. The Honourable Minister of Urban Affairs.

MR. MILLER: Mr. Chairman, I'm pleased to present the Estimates of the Department of Urban Affairs. Members will notice there are three items: the Administration of the Ministry itself, the Emergency Measures Organization, and Manitoba Housing and Renewal Corporation.

Mr. Chairman, before starting I would like to make note with regard to the Deputy Minister of Urban Affairs, Mr. Andy Currie. Mr. Currie will be retiring this summer and he has served under provincial administrations headed by all three political parties over the years and as well, the Metropolitan Corporation. And that takes some doing because he's enjoyed the confidence and respect of all who have been associated with him and so I really want to take this opportunity, if he's in the gallery, to express my own appreciation for the many years of excellent service that he's provided to the citizens of Manitoba in quite a varied career which covers physical education, the Emergency Measures Organization, parks, recreation, housing, and of course Urban Affairs itself. And I hope that he enjoys his retirement; at the same time I hope and

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(MR. MILLER cont'd) expect that he will be available when called upon to serve on boards or committees at the request of the government. But certainly he has earned a pleasant retirement.

Mr. Chairman, the Urban Affairs Ministry's task has been really to co-ordinate and not to duplicate the work of the line departments. And therefore there is no increase in the staff complement. It remains at 16 positions - I was told 17 positions because that includes me - so it's 16 positions plus myself, and that of course covers the entire staff, including the clerical staff.

There are two major events taking place as far as the City of Winnipeg is concerned. The City of Winnipeg Act, as members know, requires a comprehensive review after about five years. The review process includes two major components: The first component is the review of the Winnipeg Act itself, and also a review of the Greater Winnipeg Development Plan. Now as honourable members know, they may recall, we did appoint the Committee of Review; it was under the Chairmanship of Judge Peter Taraska, and the members are Earl Levin and Allan O'Brien, as members. The committee was appointed last, I think it was September, late September. They've been meeting regularly since to hear views of interested citizens and organizations and I gather that there are quite a number of representations that have been made to them and still more to come. I anticipate that the committee will submit its report and recommendations later this summer and that any legislation which flows from those recommendations might then be introduced at the next session of the Legislature.

The other component is the review of what is known as the Greater Winnipeg Development Plan. That one - and some members will recall it - was the plan which was adopted by the Metropolitan Corporation. I believe it was 1970 - I stand to be corrected. It is a statement of the city's policy and general proposals in respect of the development or the use of land in the city and the additional zone, and it was set out in text of maps or illustrations, and measures for the improvement of the physical and the social economic environment of the city, of the area. Now since the development plan establishes guidelines within which the city makes decisions with respect to land use and the provisions of services, then I'm sure honourable members will appreciate that the process of reviewing and amending the plan provides a major opportunity for the city to consider its policy options and to chart a course for the future, looking at what has transpired since 1970 and looking beyond.

The review also provides an opportunity for the other levels of government, that is the Federal and the Provincial, to examine their own activities affecting the Winnipeg area and perhaps to try to develop a common strategy for senior governments, their programming, which might complement and support the city's effort. And I'm pleased to note, to advise, and I think the honourable members may have read this in the newspapers, it was referred to in the Throne Speech, but now it has been confirmed that the Federal Government will be participating in the study, the Provincial Government has already indicated that they will participate, and so both levels of government have agreed to provide substantial financial as well as technical assistance to the City of Winnipeg for the purpose of carrying out the development, the Plan Review, which is of course their review. It's the city's own review but with participation, financial and technical, will be an input by Federal-Provincial Government.

Mr. Chairman, while we place a great deal of importance on development plan reviews, my own feeling about reviews and studies is sometimes you can study yourself to death. So there's no intention of waiting for the results of the review before taking action on more immediate issues. And the province and the city both share, in my opinion, a concern for the need to halt the deterioration of the central inner city core area, and frankly I'm pleased that substantial progress has been made on the previously announced programs of housing and provincial building construction in the area. Some . . . housing units as a matter of fact are now under construction. These are infill sites, individual lots that the city has sold to Manitoba Housing and Renewal Corporation. And I'm very hopeful that work will begin in the very near future on the first group of housing units, public housing units, on the old Midland Railway property, and that would be immediately east of Ellen Street. I think it's . . . yes, east of Ellen Street.

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(MR. MILLER cont'd)

Now I know that some honourable members may feel that, you know, this whole thing has been proceeding rather slowly, and frankly I confess to a great deal of impatience myself but unfortunately development of, you know, such a program, the consultations with others, cannot be effected overnight. And it is my hope though that with the close co-operation of the city and the area residents that we can provide a steady flow of families from the worst housing to new units. In other words, it's a decanting process. The dilapidated housing, the ones that are beyond redemption, if I may use that word, it simply doesn't pay to fix them up and they're condemned, that those homes which are vacated can then be demolished to make way for additional new units. And in that way we can get a movement going and rhythm going so that people can still remain in the area in which they have been residing and yet live in newer housing, more adequate housing, and in that way serve two purposes, provide housing as well as to start rehabilitating an older part of the city. And frankly in my opinion such a phased process of renewal would also minimize social disruption.

Not this view is shared by the city, and I'd like to add frankly that I am very pleased with the degree of co-operation which has been achieved by both the elected and the administrative officials of the province and the city in launching and developing and implementing as in doing this program.

Mr. Chairman, members may be aware of the preliminary Winnipeg Tri-level Task Force Report on downtown, it's been referred to in the media. This was prepared by staff of the federal, provincial and city governments last summer, and there is a request made to me whether I could table it in the House. I have about six copies; I don't have them with me immediately but after the supper hour I'll bring them in and those members that are interested, I might give them a copy if they wish. This was a study requested by all three levels of government because they were aware that many separate public and private projects were being planned or were under way or were being talked about in the downtown area, and there was a concern expressed by many that some effort be made to co-ordinate these projects; that instead of each level of government or even the private sector doing its own thing by itself, that there be some attempt to co-ordinate and to look at what was happening and what might happen. So the report really was intended to provide the basis for consideration of a common strategy. In fact, additional work is going on because the report was not final in any means - it was a draft report, progress report so to speak, and work is still continuing on the report itself.

My reason for mentioning this was to indicate that I did have a few copies that I could give to members, but as well to indicate the kind of co-operative planning which is taking place, and that is taking place apart from, but not in isolation from the Development Plan Review; and which is intended to assist the city and the other two levels of government in the making of concrete development decisions, not just for today but for tomorrow and beyond when necessary.

Mr. Chairman, there's another urban matter which I would like to make note of now at this point. One of the responsibilities of the ministry is the provincial city financial relationship. This government recognized the need to make adjustments to the level of provincial financial support for the city in its program, and members will recall I'm sure back in 1968-1969, that fiscal year immediately prior to the election of this government, direct financial support affecting residential realty taxes for municipal and school purposes was \$40 million at that time, that is from the province to the city and the school board.

In 1975-1976 with the development of new programs such as the Property Tax Credit program, the introduction of other programs, and removing from Winnipeg certain costs, this figure has more than tripled now to \$143 million. Now part of the seven-year increase in provincial support resulted from this operation of existing policies and cost-sharing formulas. However, \$72 million out of the total seven-year increase of \$103 million has resulted from changes in provincial policy by this government. Now I know and I recognize that the City of Winnipeg continues to have difficulty in financing programs, and right across the country you're hearing the same

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(MR. MILLER cont'd) dilemma being posed. But of course the province has its problems too, as members are aware. And having already arranged for a very substantial increase in provincial support, and having set aside two points of personal income tax and one of corporate income tax, vacated that field to the municipalities. And since we ourselves, the province, are facing very severe financial difficulties, I think it's only fair to say that the province is not going to be able to consider any significant increase in financial support to the city in 1976 beyond that required by existing policies and formulas.

And you know, I have to reiterate what the Minister of Finance stated in his 1975 Budget Address, that if the city believes that it requires more money and the city prefers not to raise the money through realty taxation - and you know, that is a valid concern that they may have - then the province indicated at that time, when the Minister of Finance spoke in the 1975 Budget, that the province will not only permit - and they don't in other provinces necessarily, but here we will permit and even assist the city to raise the moneys through some other appropriate form or forms of taxation. And I recall last year there were certain suggestions made of where some of those funds could be levied. To date, unfortunately, nothing has come of this. But the province really is not in a position and is not prepared to cut back now on any further provincial programming, because that's what we'd have to do in order to transfer money from the province to the city; nor is the province prepared to raise provincial taxes in order to funnel them to the city and thus relieve the city of their responsibilities in this regard.

Mr. Chairman, I should move on to the other item on the Estimates. You know, most honourable members here I'm sure are aware of Emergency Measures Organization and their role in co-ordinating flood-fighting operations. They may not know that EMO also will respond all year long to a wide variety of other kinds of emergencies; blizzards, medical evacuations, mercy flights, searches for missing persons, environmental accidents, major plane crash alerts and so on. And between operations the staff of EMO are occupied with the development of intergovernmental and interdepartmental planning and procedures for dealing with such civil emergencies and disasters, and as well with the training of persons who may be needed to assist in such operations.

Now in recent years EMO staff have been involved in a rapidly increasing number of such operations, and this totalled more than sixty in 1975. I didn't do this in the past - and I'm not sure it's ever been done by a former Minister, because he never got around to it in the Estimates really - I'd like to publicly recognize the truly outstanding sense of responsibility and dedication by literally a handful of people who have put in hundreds of hours of overtime; they worked around the clock when called upon, and this was done by a ten-person staff in total. It's really a remarkable achievement on their part and I want to publicly commend them for this. We recognize the pressure they've been under, and for this reason the present staff is going to be increased from ten to thirteen, so this will hopefully alleviate some of the pressure which they're under.

Finally, Mr. Chairman, I want to deal with Manitoba Housing and Renewal Corporation. Mr. Chairman, I'm informed by the Board of Directors that considerable progress has been made towards meeting the objectives about the ongoing programs and the several new programs introduced by the government in the past year.

The Corporation's major involvement continues to be with the supply of subsidized rent accommodation for families and elderly persons under the Public Housing Program. A total of 30.9 million was committed in 1975 under Section 43 of the National Housing Act for the supply of 1,157 public housing units in the province. Now this represents a substantial increase over 1974; I think the figure was about 590 odd units. This brings the total committed since 1969, Mr. Chairman, to 9,202 units. I'd like to remind honourable members that when this government was first elected, the concern for the poor and elderly which we hear about so often by all prior administrations is reflected in the total public housing units existing at that time in 1969. Mr. Chairman, that figure in 1969 was 568 units. We now have over 10,757,

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(MR. MILLER cont'd) and I'm including now rural and native housing and other areas. That's quite a significant increase, Mr. Chairman, --(Interjection)-- I beg your pardon? Oh, we're using a lot of federal money. Oh there's no question, no question, we're using a lot of federal money. I make no bones about that. I don't want the Member for Portage to think that I'm saying this was done with all provincial money. No. I'm talking about the program which the Board of the Corporation is undertaking and has delivered over the last six or seven years. --(Interjection)-- Which one? The 10,757? Yes. Of the 27.9 million for this year, the CMHC allocated to Manitoba Housing for the Family and Elderly Persons Public Housing in 1975 - and I acknowledge now what the Member for Portage was saying - a total of 27.83 was fully committed. In other words, 99.7 percent was committed.

Now I'm particularly pleased to note that 690 units of the 1,157 were committed for projects located in Winnipeg. And of course I am pleased because it's the area of great need in the province, and the area in which - I've said it in other years and it has been said before - in which MHRC has had the greatest difficulty in recent years. So I was very pleased last year when we saw an improvement in that area.

On the other hand, we realize that continued efforts on the part of the Corporation are required to meet the needs for subsidized rental housing in Winnipeg. I'm able to report, and I'm happy that the Federal Government has increased its allocation funds for this purpose from 1976 over 1975 from 14.8 million in 1975 at this time last year to 31.2 million this year, which is a substantial increase. Now, lest it be misunderstood, the 14.8 million is what we knew last February and March; it wasn't until the fall of the year that the Federal Government, recognizing that there was some urgency and need, suddenly increased the amount from its 14.8 to the amount that I indicated earlier. So that this year at least we know now what moneys will be available. The Federal Government also has made a commitment to provide the rental subsidies which are required should the province be prepared to construct an additional 500 units with provincial capital. And I'm pleased to say that this is certainly our intention.

Now in order that the moneys be utilized, it is essential of course that land zoned for medium density housing be available for the Corporation's projects. This of course is not a problem just for MHRC that requires this kind of land, the housing industry generally must have this kind of land zoned, and with considerable density, in order to produce houses - and this was referred to yesterday - houses that can be purchased by consumers other than the most affluent; in other words, affordable houses for the moderate and middle income. Now the Federal Government has done this, as I mentioned yesterday, in recent amendments to the National Housing Act - and I think they were just recently proclaimed - provides for a \$1,000 per housing unit incentive grants to municipalities to encourage the production of land serviced and zoned for medium density. And I think the figure is a minimum of ten units per acre.

So here we have a situation where the Federal Government recognizes the need, the province recognizes the need, the city I know - and I'm pretty confident in saying the city recognizes the need - so really there should be no obstacles ahead if the common recognition is translated into action. I know the private sector recognizes the need and I believe they'll be certainly coming up with, hopefully, with plans of subdivisions with this kind of density in order to bring down the costs.

I indicated earlier, Mr. Chairman, in my comments on the Urban Affairs Ministry that the Corporation has, or that the City of Winnipeg has co-operated in making available some infill housing to the Corporation. Seventy units are now under construction - I think they were started in December - a further 21 are ready to go in the old Brooklands area. But we know and the board knows, the Corporation knows that this is only the beginning. More sites must be made available for the construction of more housing, and these are infill sites that I'm talking about.

Back in 1974, Mr. Chairman, the MHRC entered into an agreement with CMHC to establish a Neighborhood Improvement Program in Manitoba, and under this high level agreement the Federal Government makes the money available; in Manitoba the

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(MR. MILLER cont'd) province as well are making moneys available, and the municipality too. Under this tri-level agreement which was to facilitate the rehabilitation of designated neighborhoods in urban centres, the MHRC has committed to the City of Winnipeg 887,500 for the North Point Douglas area; 740,000 for the Midland Railway area; a further 1,220,000 was committed in 1975 for the North St. Boniface area; and 560,211 in the City of Brandon. Now these amounts are over and above any activity under the Public Housing Program which I indicated earlier. In other words, if any housing is going to be constructed, MHRC will do it; and of course in Manitoba, as you know, the municipalities are not required to contribute either capital or ongoing operating grants towards subsidized housing.

I know progress is being made in the development of the Midland Railway property, and with the city's co-operation the Corporation expects to begin construction, I'm told, on the first stage of its development in 1976. I referred to it earlier. A joint committee of the staff of the Corporation and the city and the Winnipeg Regional Housing Authority instructs those to monitor the decanting process I referred to earlier, so that priorities will be given to allocating the new units as they come on track, to those people who are now living in inadequate housing or unsafe housing and housing which is going to have to be demolished. So as the occupants of those houses move into new decent housing then more sites perhaps might become available from the city.

Now in order to meet its objectives in providing subsidized rental housing, the Corporation of course needs support for its public housing program. The same kind of support, Mr. Chairman, I hope to get that it received from the people of Winnipeg in the development of public housing for handicapped people with special accommodation needs. I think everyone in Manitoba can be very proud of the project for the people who are confined to wheelchairs, 1010 Sinclair Street, it's a 75-unit residence. There was the Centre for the Deaf, the 200-unit residence. Both of these buildings were completed in 1975 and, Mr. Chairman, both are unique in their concept and design. They not only made specialized accommodation available, they also provide considerable activity space for the handicapped community at large. And I think that Manitoba has something to be proud of in these particular developments.

In addition to suitably serviced and zoned land which is required for immediate development needs, the Corporation conducts a land banking program. Now this is the assembly of raw land intended for future development, and if we had gone into such a program five, ten years ago, of course, we would be in a position today where services would be at hand and we could put those on the market. But you have to start somewhere, and the Federal Government and all provinces have recognized that the public sector has been a little lax in not moving earlier. About the only area that I know that did it with any success was the City of Saskatoon.

Another program - and I'd just like to touch on a few programs that MHRC is involved in. The Rural and Native Housing Program, Mr. Chairman - it's a Federal-Provincial program to provide housing for sale to families with incomes insufficient to meet the housing needs in remote or smaller communities. Both the capital and the operating costs are shared on a 75-25 basis by the Federal and Provincial Governments. A total of 470 units were delivered to 35 communities under the old remote program. In 1975, 160 units were approved for the corporation to build. As well, the Corporation made commitments to finance 25 percent of the cost of 203 units to be produced by the Manitoba Metis Federation - the organization is called Rancom - and 89 units were to be produced by Northern Association Community Council, that is, NACC. In total, Mr. Chairman, financing was committed for 452 units in 1975 under the Rural and Native Program. An initial commitment, we're now advised, has been made by the Federal Government at this time to allow the production of a further 400 units in 1976, and certainly I hope that that target will be met. Members will recognize that the way it works - there is certain designated communities, the Metis Federation through Rancom delivers the product in their designated communities; the Northern Association of Community Councils delivers it in other designated communities and MHRC delivers it in the remainder.

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(MR. MILLER cont'd)

Mr. Chairman, in the past two years the corporation introduced three programs to assist people in purchasing their own homes. The first one was when we moved to link up and piggy back the Assisted Home Ownership Program of the Federal Government back in 1974, and we piggy-backed that program. In 1976 this Federal Program has been amended and revised to allow people with much higher incomes to take advantage of the program, as well eliminated the criteria, the requirement of a family having at least one child or one dependent child. Our provincial program, although it will continue, will still be aimed at those people with the greatest needs, that is, households with incomes under \$14,000 and where there is at least one dependent child, rather than just a program available to all. Now to date, as of the end of January - not February, the end of January - households that had received grants under the program totalled 1,196, and 303 of these also received subsidies in addition to the first-time grants.

Now on a limited basis the corporation is also building under the Federal AHOP program, construction is now under way on 75 units which will be offered for sale in the Nassau Square area of Winnipeg. I don't know when they will come on stream, but some time in 1976 I am informed.

As well, Manitoba Housing provides assistance to continuing housing co-operatives. That's done by the lease of land, as they did in the one case, at a reduced interest rate. The co-operatives, also we have an arrangement with them; they will rent back to MHRC 25 percent of the units so MHRC can use it for their public housing program. Two instances of that, the Carpathia Co-op which was initiated back in 1974 and which is now open and operating, it's 152 units; the Village Canadien Co-op - construction was started in 1975 on a 150-unit Town House development, and I believe that that too will probably come on stream in 1976.

Another program that MHRC is involved in was a rural mortgage lending program which was announced some time ago, in late 1975 I believe it was. It was to provide mortgage financing on a last resort basis to people living in small rural and remote communities. Members may recall the program. It was designed to fill a gap that exists where conventional lenders and CMHC financing just aren't available, and the criteria for the area is in which this program will function is two-fold. On the one hand there must be a stability of population or economic base; and secondly, there has to be a reasonable property marketability. Financing for this program is being advanced on a 50-50 basis by the Government of Manitoba and the Co-operative Society of Manitoba. In other words, the province and the credit unions have joined hands in this program; the credit unions in the rural communities and the small communities will be delivering the program for us.

Mr. Chairman, to further increase the rental housing stock, MHRC participated in the 1975 federal program under Section 15 referred to as Limited Dividends. This is a program whereby the Federal Government sought to attract private sector money by coming up with a comparatively low interest rate, 8 percent, which in this day and age is a low interest rate. In return, the private sector would have to guarantee that the rents would be maintained at a certain level for a number of years. Manitoba Housing Renewal Corporation being a corporation of separate entity was able to take advantage and applied, and as a result of that all the money allocated to Manitoba was utilized; whereas in other provinces I know of there was some provinces unable to and did not utilize all the money made available under the limited dividend program. Here in Manitoba we utilized it simply because one third of the money was taken up by MHRC through their projects, so MHRC acted as developer and started construction in 1975 of 225 units.

As well, MHRC has made arrangements for both in those units and in those built in other private sectors to lease 25 percent of all the units built under that program for public housing, so that MHRC will have access to 25 percent of the suites to place people who wouldn't otherwise be able to get in and the Federal government will be cost sharing with the province 50 percent of the rental subsidy of what may be required in those units.

As well the Corporation has on a limited basis made arrangements under NHA to place some qualifying applicants in buildings owned by the private sector, and to date, Mr. Chairman, MHRC has a rent supplement agreement for 540 units in Winnipeg and I think

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(MR. MILLER cont'd) 79 units in Northern Manitoba. In the fall of 1975, the Federal Government introduced into the House of Commons amendments to the NHA to extend the benefits of their rent geared to income program to tenants living in buildings owned by private non-profit housing corporations.

Now these programs, as I say, are cost shared by the Federal and Provincial Governments, and in both cases the eligibility rate and the rental scale are the same as used in MHRC buildings that are owned by MHRC. The program was introduced in response to the pressures of inflation, which forced non-profit groups to increase their rents to a level where they suddenly became very high and very difficult to pay, particularly pensioners, because most of the people in these units are pensioners. It's a voluntary program on the part of the non-profit corporation, they can refuse to come in or not; it's very recent, I think the regulations haven't been out that long. But to date, 18 non profit corporations have opted in and, as a result, 353 households are benefiting from this program. I'm particularly pleased that this amendment was made. It's an amendment that I have been pressing for because, frankly, I wanted to be able to cover those projects under non profit organizations that have come into being. But, frankly, I was not prepared - the Board of MHRC recommends that the Province of Manitoba should pick up the entire subsidy. As I indicated earlier, in Manitoba the municipalities don't in any way pick up any part of the subsidy and I was waiting for the Federal Government to move in this direction. I am particularly pleased to acknowledge that they have moved, and that therefore what might have become a severe problem for some people will now be alleviated; up to 25 percent in existing units or existing projects where people are already residing - that 25 percent could be exceeded - so that people who are in need, if the non profit company that owns the elderly housing project wishes to come into the program, they can, and on application depending on the individual assets and other criteria, I don't recall what they are, would qualify for a subsidy.

Mr. Chairman, the MHRC as well - and the province of course initiated this, but MHRC is delivering the program. I am referring to the Critical Home Repair program which follows the highly successful Pensioner Home Repair program which ended in 1974. That ended, simply because it appeared that the needs were met and the number of applications were rapidly falling, and so simply to extend that program just didn't seem to make sense. As well, we wanted to expand it to more than just pensioners and, as a result, the Critical Home Repair program was born. The province committed \$4 million to the Critical Home Repair program. It's just starting to take off now, it came into being last October, I think, and it provides loans and grants of up to \$2,000.00. Pensioners and disabled are not required to enter into loan commitments in order to take full advantage of the program, that is the grant portion, and as of February 23, just a couple of weeks ago, a total of over 2,200 applications were approved; this includes about 1,700 pensioners, and the rest, others. The benefit of the program of course is not just that people who need repairs of a Critical Home Repair are getting it, but as well it's the sort of program that is continued on, and my expectation is that once launched this program will continue for almost indefinitely. That it will help to preserve a stock of housing, to prevent deterioration and decay which very often sets in, with this kind of program of maintaining homes so that they don't go into a state of disrepair to a point where really it's so costly to renovate them that everyone throws up their hands and says, well, it's useless, it just doesn't make economic sense. I hope that through the Critical Home Repair program we'll be able to make the funds available so that homes can be maintained and we can prevent and not repeat some of the mistakes of previous decades when homes were just allowed to run down and as I say, get to the point where they're uneconomic to do anything about them.

Now in addition to programs which I have outlined, MHRC is as well involved in the Home Repair Division. They are involved in the Rural Residential Rehabilitation Assistance program. It's a rural RAP program, an emergency repair program this program is tied in again with the Federal Government, and it's a service that's being provided by MHRC in certain designated communities with a corporation to provide services under the federal-provincial program for emergency repairs, if called upon, and the Residential Assistance program when they qualify under the federal program.

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(MR. MILLER cont'd)

These are some of the highlights of what the MHRC has been doing. I spent some time in presenting it, Mr. Chairman, because of some of the comments made yesterday, the suggestion that somehow the corporation hasn't got flexibility, the corporation cannot undertake programs that we need in the department. Now the fact is that the corporation has undertaken programs, is operating programs, and has shown that it has the capacity to deliver programs. And it has been done so through the dedication and the work of an active board which meets very very regularly; of a staff which will throw itself in and do almost anything to deliver programs. I can tell you, Mr. Chairman, that last year when we first were told that we could only look forward to only \$14.8 million for public housing capital from the Federal Government, it didn't look like we were going to have much of a program. But in September, when the Federal Government realized that something had to be done about housing, we were called to a conference in September - I think it was the 12th of September - and the Federal Government there and then said to us that CMHC was being given more funds. They wouldn't say how much, but the provinces through their housing corporations, or if they had departments in housing, would go back, and between September 12th and October 31st if they could come up with programs, then CMHC would certainly look at them in all seriousness. And I want to tell you, Mr. Chairman, I was very proud of the fact that in Manitoba I got back and informed the corporation of the challenge facing them, that by November 1st - there was a deadline - they had submitted to CMHC far more in the way of programs and projects than CMHC could digest; and as a result our 1975 allotment which had been 14.8 ended up with a kind of program I indicated earlier of \$30.9 million or \$27.9 million of federal funds.

Mr. Chairman with those introductory comments, I'm pleased to present them to the House. I look forward to the comment of friends opposite, who probably won't be friends after this debate is over, but at the present time I still refer to them as friends. Thank you very much.

MR. CHAIRMAN: I now refer Honourable Members to Resolution 112(b) Administrative Salaries \$262,400. The Honourable Member for Sturgeon Creek.

MR. J. FRANK JOHNSTON (Sturgeon Creek): Thank you Mr. Chairman. And if I may be allowed, Mr. Chairman - it would I guess come under Administration. The Minister referred to his Deputy Minister, Mr. Andy Currie, and informed us that he would be resigning--(Interjection)--retiring, pardon me - I believe he said in the spring or sometime in the near future.

I would like to say that I have had occasion to work with Mr. Currie, not really directly, but been involved with him when he was with Metro and I was on Council; and certainly have seen him work with Provincial Government, with the Minister. I would like to say while Mr. Currie is here, that I don't think that there could have been a better person as Deputy Minister of Urban Affairs to work with the city, and I think that the fact that he has been there has probably helped to create a lot more harmony than we might not have had otherwise.

I would like to start off by asking the Minister very briefly, when he was into his Estimates, I - if you don't mind, Mr. Chairman, I'll wait till they're settled.

I would just like to start off by asking the Minister very briefly regarding his statement - looking at his Estimates, I don't see any money for the City of Winnipeg in this; but he mentioned that under his administration they are responsible for the funds that will be allotted to the city. I may have got that wrong, but I took some notes here, that this administration would now be involved in deciding how much moneys the City of Winnipeg would get. I see the Minister's correcting me.

MR. CHAIRMAN: The Honourable Minister of Urban Affairs.

MR. MILLER: No. What I indicated was, that the ministry has an ongoing dialogue with the City of Winnipeg. But, no, as in other years the funds that may flow to the City of Winnipeg appear in the Estimates of the various departments: if it's transit, it would appear in Highways; if it's regional streets, it would appear in Highways; if it's Assiniboine Park Zoo, it would appear in Tourism and Recreation; if it's 13.66

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(MR. MILLER cont'd)dollars per capita, that would be handled through, I think, it's through the Municipal Branch which pays out the money.

No, in my Estimates the only - and that's why they're really so small - the only amount which this year still shows in Urban Affairs is the Convention Centre sharing of deficit. Now that's the only one. The others all appear in the Land Department which relates to that particular Land Department. What I was talking about was the fact that we meet regularly with the city to discuss with them problems they may have and exchange views that both the province and the city have on certain matters. But you will not find dollars within these Estimates.

MR. CHAIRMAN: The Honourable Member for Sturgeon Creek.

MR. F. JOHNSTON: Thank you, Mr. Chairman. I just wanted to clear that point up with the Minister. In other words, that his department is the liaison department with all the other ministries that would have involvement with the City of Winnipeg regarding decisions as to what they may be involved with the City of Winnipeg.

Now, I would ask the Minister, with that input, does your department really have any say as to what, say, the Parks and Recreation would do? I mean, can you recommend that they do it. Or let's put it another way. Can you just recommend that they do it, or can you say that you should be going this for the city and you must do this for the city?

MR. MILLER: Well Mr. Chairman, such decisions are policy decisions, so they don't come about by unilateral declarations by me or any other Minister. They are decisions that are taken during the Estimates and are taken as a result of Cabinet discussions with regard to policy. An example is Tourism. When the province decided that it made manifest sense and was fair that the only botanical and zoological garden in Manitoba, the Assiniboine Park and Zoo, shouldn't be a financial burden on the city only; that in fact it was provincial in its nature and it should be funded by the province; that was a policy decision which was made, but the Department of Tourism and Recreation simply had that money voted in their Estimates.

I think the first year it did appear in Urban Affairs, the very first year, but then once it got on track, it went over to Tourism. Now I do know this, that the budget for Assiniboine Park and Zoo does come to me, I look at it and go over it with my staff. It's discussed during the Estimates period, and at that point I made certain recommendations and we determine the level of support, what we will do, both capital and operating. That is the extent of the program for that year for that particular park, and the City of Winnipeg is informed of the amount and the extent of the program.

MR. F. JOHNSTON: Well, then, Mr. Chairman, the Minister really did basically say that when he gets those estimates for the park, it's the decision of his department as to how much there will be spent in that area by the other department.

Mr. Chairman, I'd like to ask the Minister again. The 143 million he refers to is the total of assistance to the city in the way of parks and everything; that is, the total that we could expect to find throughout the Estimates generally.

MR. MILLER: Mr. Chairman, I think the member is referring to some of my comments on funding, and I was referring to - that comparing 1968-1969 with the fiscal year of 1975-1976, that the flow of funding from the province to the city had grown from 40 million in 1968-1969 to 143 million by 1975-1976. And that includes a whole host of things. It includes the unconditional grants, it includes transit grants, it includes the Assiniboine Park and Zoo, yes, the relief of money. You know, instead of giving a grant, you take over a service and the net effects are the same. It includes as well, the fact that the province vacated the Amusement Tax field and the city stepped in and took over that particular tax area. So it's the aggregate of all of these which I referred to as adding up to 143 million.

MR. F. JOHNSTON: One further question right now, Mr. Chairman. The Minister refers to the two percent that the city now receives, and that they as we know can make application to collect more if they want - which is the decision of the city - and the one percent on the Corporation Tax. Now that particular total in the Estimates of 1975 would have added up to approximately, for the revenue of 1975, approximately \$5 million. Now is that \$5 million, which I imagine the City of Winnipeg would get

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(MR. F. JOHNSTON cont'd)about half - two and a half million - is that the amount the city will now get in direct grants? And the per capita grant is not available anymore? I don't find - as you know, the per capita grant's not shown in the Estimates of Municipal Affairs this time.

MR. MILLER: Mr. Chairman, last year the city was advised, and the House was notified, that the province was going to change its procedures; that instead of voting annually an unconditional grant of so much, as has been done in previous years, that we would tie it to a growth tax, to a personal and corporate income tax. And as that amount, whatever the two points we yield in personal income tax, or one point in corporate income tax, that would flow to the municipalities. Last year it was calculated that amount would be \$13.66; this year it looks like about \$17.00 per capita that these tax points would yield.

MR. F. JOHNSTON: Well, Mr. Chairman, I'm having a hard time understanding where the figure of $13\frac{1}{2}$ for last year come from, when it is the income from the corporate one percent, and the two percent for the personal income tax, or the gross tax. Now I find that our income from the personal income tax last year, when you look at the revenue side of the Estimates, is \$241 million. Now two percent of that is going to bring it down to - well, let me put it easier - the total of those two shown in the revenues would come to about \$5 million last year. And I know last year there was the per capita grants in there and they're not there this year. Why would you say it will be 17 this year? Is the growth tax of the income tax going to raise that much? I can see the 13 last year, Mr. Minister, in your per capita grants plus the growth of the personal income, plus the one percent. I figured it would be about 17 last year with the total.

MR. CHAIRMAN: Order please. Pursuant to Rule 19(2) of our House Rules, Private Members' Hour having arrived, I'm interrupting proceedings in the Committee and shall return to the Chair at 8 p.m. this evening.

PRIVATE MEMBERS' HOUR - PUBLIC BILLS

MR. SPEAKER: Order please. The first item Tuesday Private Members' Hour is Private Bills, Public Bills, Bill No. 21, proposed by the Honourable Member for Fort Rouge. The Honourable Member for St. Matthews. (Stand)

Bill No. 26, the same member.

Bill No. 27, proposed by the Honourable - no it's still to be proposed. The Honourable Member for Flin Flon.

MR. BARROW presented Bill 27, an Act to amend The Flin Flon Charter, for second reading.

MOTION presented and carried.

RESOLUTION NO. 1

MR. SPEAKER: Private Member's Resolution. Resolution No. 1. The Honourable Member for Roblin.

MR. J. WALLY MCKENZIE (Roblin): Well, Mr. Speaker, in continuing the debate on this resolution which was presented by the Honourable Member for Lakeside, I was rather alarmed when it was debated the last time to find the Honourable Minister of Labour taking off on sort of an expedition and advising us that he couldn't support the resolution for reasons of that word "acquiring" which is in the main part of the resolution. And then the Minister of Industry and Commerce he threw up another strawman and said that he couldn't support it because of the policy of the government which is espoused regarding rail abandonment.

Mr. Speaker, this is a very important resolution, and I hope that it will stay on the Order Paper for some time and gain the wisdom and benefit of debate of members from all parties and from all sides of this House, because it's a matter that we are going to have to deal with at some great length in the very immediate future, and that is the future transportation policy and how we're going to transport goods and services and our people once the rail lines are abandoned.

And the Honourable Member from Lakeside in his presentation, Mr. Speaker, suggested that the energy crisis and the energy shortage, the inflationary factors and many other things that are before us at this time in history, more or less bring this resolution to the needs of some very important study very quick. The Hall Commission as we understand is dealing with another subject matter that's not related to this resolution. All that I'm concerned about in this resolution, and the Honourable Member of Lakeside, is the fact that these abandoned rail beds are right-of-ways which are going to be with us once the rails are lifted, that they should become part and parcel of the people of this province. And as the Member for Assiniboia said in his comments, that we likely could through the municipality, or some other vehicle, likely purchase a lot of this land for maybe a dollar, because I'm sure when the steel is lifted the property will have no more value to the railroads, the CNR and the CPR.

But, Mr. Speaker, when you look at the map of the basic network or rails in this province, and of course across western Canada, and you find that the list of lines that are frozen for at least another year, and then the lines that are no longer in use and which have been referred to the Canadian Transport Commission, it becomes a very alarming figure and brings to my attention the need for grave concern. Because you see areas of this province that's going to be left without any mode of transportation, whether it's commuter services or to move the heavy material back and forth; and so those beds are going to be there and naturally it wouldn't be too difficult to put them into some form of transportation, whether it's electric trains or some of these small computer trains that they're talking about, to move the goods and services from those areas onto the main lines or into the centre of and the capital of our province in Winnipeg.

So I would think, Mr. Speaker, that . . . The Honourable Member from Lakeside has asked us to take a look and see if we can't preserve, or some way acquire those beds for a minimal amount of money. They are in some cases presently abandoned and more are going to be abandoned, and that it would no doubt provide us with a start at least in the future corridors that are going to be needed in the future ahead.

And of course the subject matter has been widely debated and discussed. But I

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(MR. MCKENZIE cont'd) would think, Mr. Speaker in reading it again and going through it that it's an excellent opportunity for us to carry on the debate and see if we can't come up with this policy that we're going to keep those beds if we possibly can acquire them for a very minimal amount of money. Maybe negotiations should be started, and at the same time I don't have any problem basically supporting the amendment that was proposed by the Honourable Member, the Minister of Industry and Commerce, when he went on and said "and he further resolved that the railways and/or the Federal Government assume all costs of providing future transportation and other uses of the remaining abandoned rail lines and the right-of-way."

It may be while the transportation is a federal matter and it's the right of the Government of Canada to provide transportation, it certainly is worth considering that maybe at some future date if a group of citizens found that on some of these abandoned beds or lines that while the steel was on there they want to run a small vehicle across that line that could be assessed something along the Peacock Plan or similar, possibly electric trains, or something like that. So I would hope that we could continue to support the resolution of the Honourable Member for Lakeside, see if the province and the members of the Legislature can't come up with a firm position on the future policy of transportation and the needs in the province.

MR. SPEAKER: The Honourable Minister in charge of the Public Insurance Corporation.

MR. URUSKI: Thank you, Mr. Speaker. I welcome this opportunity of taking part in this debate and I welcome some of the comments made by the Honourable Member from Roblin. Not every day do the honourable member and I share the same views but in portions of this issue I would say I would have to agree with some of the comments made by the Honourable Member from Roblin. Though I denote a sense of either - not defeatism, but a sense of accepting holus-bolus by the Conservative Party that rail lines will have to be abandoned. That's the impression that the Honourable Member from Roblin left with me, saying, look let's buy that railway, let's do something with it. I would only say, and the Honourable Minister of Labour when he spoke, he indicated that really we should not be taking the Federal Government off the hook in issues of transportation and rural transportation and rail line abandonment.

I believe, and the impression is being created by having these commissions, the Commission I believe, looking at railway costs and the Hall Commission regarding rail line abandonment. I believe that all these commissions that are travelling the country today are really in effect going about . . . I would hope that they will have some benefit, but I believe the impression is created that Ottawa has already made up its mind, the present Minister of Transport has some feeling or direction that he is going to take insofar as future transportation policy. It's evidenced by, for example, the possibility, or at least the hints of the cutting out of passenger service from Sudbury to Vancouver and just making it available to one railway or one of the carriers, a further degradation of rail line service that already exists.

I believe that the railway - and it is a very hard thing to be able to prove or to establish, all you can do is have a feeling as to what is happening. For example, you have the rail line, the CN rail line along No. 6 going to Gypsumville and Steep Rock where there's a weekly train that is hauling gypsum and rock from the Steep Rock area but yet we find that in the last couple of years, there's about a dozen semi-trailer trucks hauling stone, about two trips a day, all the way from Steep Rock, which is approximately 160 miles one way to Winnipeg, when there can be a train which is going weekly, and I know the cost of fuel, the cost of fuel that is used by those same trucks is exorbitant and it is an established fact that rail lines per unit hauled are at least five times, at least five times as efficient as the trucking industry, and I really question as to the railway statement that, "Look the business is dying out and we cannot afford to uphold these railway lines from these areas and we may have to look at alternate means." I believe that the rail lines themselves have discouraged the handling of trade and business on their own. That they have either brought down their service and have discouraged the other companies from using the rail lines and transporting the goods, and then as a

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(MR. URUSKI cont'd) result of declining business on service by the railways, then they have the case to be made for further subsidies and of course ultimate abandonment.

MR. BILTON: Do the railways own the trucks?

MR. URUSKI: Mr. Speaker, the Honourable Member from Swan River indicates, "Do the railways own the trucks?" I do not believe so, I believe these are --(Interjection)-- I believe the trucks are privately owned. I do understand the problem that the Honourable Member from Swan River is talking about. I believe that's the Gardewine Transport Company which as I understand is a subsidiary of CNR --(Interjection)-- Yes, and it is a subsidiary of the CNR and is now running freight through that area in competition with the rail line.

But, Mr. Speaker, the impression that the Honourable Member from Roblin has left me with is that - and he shook his head in the negative and I'm pleased that he does not agree that holus-bolus there should be rail line abandonment.

I want to say to the honourable member I have two other rail lines in my area that, in the Interlake, that are up for - and that map will show up for review and possibly to be abandoned, and I can tell you that the people in my area are very concerned about the Winnipeg-Hodgson line and the Winnipeg-Arborg line. Those are the two lines that are open, to be closed at any time. And yet I can tell you, Mr. Speaker, that the elevator, a group of elevators at Arborg probably pushed through as much as any group of elevators in one community in the province do. I think they pushed through in excess of one million bushels annually from that one source, from the end of the line, and in addition of course the elevators and the lines from the Hodgson-Fisher Branch line are in excess, I believe, in the neighbourhood of six or seven hundred thousand when they are combined in bushels, in grain alone.

But again I refer back to the rail line policy, and I believe it's degrading their own services. It is very hard for, for example, the Co-op store in Arborg, the retail Co-op to purchase gasoline and bring it in on a scheduled basis by railway even though the cost is substantially less than it is being trucked to that community by semi-trailer because the rail lines just have not been able to provide service on a regular basis. In my mind they have degraded the service; as a result people have really had to turn to other means and I believe that unless there is a serious look, not only a look, serious action proposed by the Federal Government to really have the railways shape up in the type of service that they are providing, then there is no doubt that lines will continue to be abandoned because of the service that is being operated. You have, as I indicated earlier, the Federal Government indicating that possibly there will be only one passenger line in Canada. While they're downgrading the passenger service on trans-continental service, they are pouring in millions of dollars into two aircraft companies to possibly provide some short takeoff and landing capability in the triangle of Toronto, Ottawa and Montreal area, where they have poured in millions, hundreds of millions of dollars in aircraft manufacturing when they already have rail line capabilities, Canada already has the capability of developing and has developed ingenious methods of rail transportation at speeds in excess of 100 miles an hour, rapid transit.

All we have to do is really look at the rest of the world, even the United States, which really isn't a particular model that one would want to look at, but even the U.S. has now reverted its policy and gone into providing better transportation, better rail transportation, and I understand that the Amtrack Corporation of the U.S. is making money on its passenger rail transportation and providing a much needed service.

We all know that the fuel that is used by the aircraft in relationship to the fuel or the amount of fuel per passenger carried, or per weight hauled, there's no comparison as between the aircraft and the railways. There is no doubt that in future years the cost of fossil fuels and non-renewable resources will escalate, and I believe that we in Canada, not only in the Province of Manitoba, should really be serious in looking and providing transportation that is more efficient and in the efficiency provide adequate transportation for all the people. Because what is really happening, I believe, is that today's transportation, or the aircraft transportation, will in a number of years really become a mode of

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(MR. URUSKI cont'd) transportation for only our elitist or only well-to-do. The average fellow or family will not and cannot afford the cost of transportation on an aircraft, and that he will have to look to other means and other ways of being transported.

Mr. Speaker, the resolution gives an opportunity for us to look at the abandonment issue and I believe that really the Federal Government, if it is really interested in continued service to the rest of Canada, should not even offer, we should not even ask or even attempt to say, "Look we will buy those railways from you." Our position, Mr. Speaker, should be that the right-of-ways should be retained, and it has been the policy of the provinces of western Canada that the rail line right-of-ways should be retained in the public domain and not be given away or sold away, should be developed and looked at in light of future needs of our country, that lines that are up for abandoning should be seriously examined as to what alternatives or what costs are going to be passed on to the province and to the local taxpayer.

And I go back to my own area again. We have done cursory calculations through the Highways' Engineers Department that if in effect one of those two lines, the Arborg or the Hodgson line, were abandoned that the possibility would exist to link up somewhere in that area with a spur line between Fisher Branch and Arborg - that is a possibility that may exist and be able to combine the two lines in one. But should those two lines be abandoned, Mr. Speaker, the immediate, or the road conditions in that area, to bring them up to standard, to provide the shortest route possible into the Gimli area, in the immediate area, has been estimated in excess of \$4 million. So that what is really happening is that once these lines are abandoned, who picks up the tab? The province and the local farmers. What happens to the communities as an after-effect? Once the grain has to be moved by trucks, once the farmers are put in the position of investing huge capital investments into either diesel units or larger, some larger trucks to transport for in excess of 50, 60 miles, that means that they will do business in other larger centres where larger grain elevators will be and the like, and as a result more of the rural communities will fade away. In effect the death of many rural communities.

So, Mr. Speaker, I believe that to focus attention on this resolution and to indicate that the Federal Government indeed has a responsibility which I believe they are today shirking in the field of transportation and railways in particular, that instead of putting out millions of dollars in investment in innovation that is going to prove costly and less people will use it - I'm referring to the aircraft and the airline - that they should be attempting to innovate and devote funds in research and innovative development in rail line transportation, and most of all retain and not give away the rail beds to the provinces and the provinces should not accept it but with the stipulation that they remain in the public domain.

MR. SPEAKER: The Honourable Member for Brandon West.

MR. EDWARD MCGILL (Brandon West): Thank you, Mr. Speaker. As the Member for Roblin pointed out, I think this is a rather timely resolution. It comes during a period when this whole matter of the retention of railway rights-of-way is coming under review, and we on this side certainly consider that a very serious review because it's going to have an effect upon the, not only the whole growth of our rural communities, but in essentially our major industry, and that is of the growth and the transportation to markets of grain. So we feel, and it is our position that we must do all in our power to protect these road beds and these rail lines in our province. As an indication of the interest and the concern we have, two of our members I believe today are attending hearings in Neepawa of the Hall Commission where evidence is being given in that community to attempt to convince the commission that these lines should be retained for the basic purposes of agriculture and for other satellite use in rural Manitoba.

Mr. Speaker, the members from the other side have admitted to a great deal of cynicism in this whole area of rail line abandonment and their feeling that the Federal Government has some prejudgement in the matter and that the Hall Commission is merely facade, that really the decisions had been made. I notice that the Minister of Autopac took that position, as well as the Minister of Industry and Commerce, that he felt this was merely an activity that was not going to greatly influence the Federal Government in their decision.

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(Mr. McGill cont'd)

Mr. Speaker, I don't have that feeling about the deliberations and the hearings that are being conducted by the Hall Commission. I did attend one of the hearings in Brandon in December, and I felt that the briefs that were submitted were serious and that the kind of consideration that they were being given by the members of the commission was of a very serious nature. And one of the briefs I think that relates very closely to the whole subject matter of the resolution by the Honourable Member for Lakeside is the one presented by a firm of economic consultants in Alberta who have presented a very interesting view on what should be undertaken in the long term to try and reconcile the problems of rail transportation and its subsidization by the Federal Government, with other major means of transportation, air and marine and highway. It's very difficult to come to an equitable kind of arrangement of subsidies when, Mr. Speaker, railways are the only ones that are responsible for their own roadbeds. And in the efforts of the Federal Government to try and come to some equitable solution of this complicated problem, the firm of consultants suggests, and in a very interesting way, that probably the only way to put the three major transportation means on an equal basis would be to form a Crown corporation which would obtain ownership of all roadbeds in Canada. These roadbeds would then be available on a lease basis, on a charge basis, to any of the operators who wish to use them for transportation purposes.

Well, Mr. Speaker, that is a possibility for the future and I present it not as one with any expertise in this area, but an idea certainly that is different than most of the presentations that are being made to the Hall Commission, and I have reason to believe that the members of that commission are very taken by the arguments of the brief.

As we know the present Minister of Transport is attempting to put all modes of transport on a common competitive financial basis. Present policy has been directed toward the attainment of this objective by encouraging road, water and air transport to bear a larger share of their total costs. And the Canadian Transport Commission has done a series of studies with respect to what kind of costs are involved and how much money the Federal Government is actually putting into these various means of transportation, and in one illustrative year they have given some rather interesting figures:

For air the infrastructure costs including airports, roadbeds, so forth, they have been in the nature of \$208 million for one year, and the only user revenues obtained were \$45 million, meaning that a deficit of \$163 million, or 78 percent, was made up by the Federal Government. That's an example of subsidy on air travel and air transportation.

In marine, the total costs were slightly greater, \$394 million, and \$83 millions of user revenues were obtained. So there was a 79 percent subsidization of the total infrastructure cost there.

For highways, and the Honourable Member for Assiniboia was using highways to indicate that he felt that there was less subsidy involved by the Federal Government in that area than in other means of transportation. Mr. Speaker, the figures in terms of total dollars don't seem to bear this out for this year, the deficit provided by the government for roadbed costs for highways was \$529 million, which is more than the total provided for the other two. So, Mr. Speaker, while highways do appear to be somewhat less directly subsidized by federal funds, nevertheless in terms of dollars that is not the case according to the study of the Canadian Transport Commission.

It's interesting, too, to look at the costs of railway roadbeds as provided - that's an expense that is involved here by the actual rail transportation system uniquely in this respect as compared with other means of transportation. Their costs were \$814 million and they got a total Federal Government assistance of \$158 million. So, Mr. Speaker, there is a great inequality in terms of the money being provided by the Federal Government for various means of transportation. And it should not be assumed that railways are the most heavily subsidized because certainly these figures do not bear them out.

It should be further pointed out that government assistance to railways is not of the same quality as that given to other modes of transportation. The infrastructure costs provided by governments for the air, marine and road modes is largely of a capital nature. These modes thus receive the use of the assets for a long time, and the capital

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(MR. MCGILL cont'd) life as well as the advantages of lower fixed costs to cover with their rates. On the other hand, payments to the railways under the National Transportation Act are mainly to cover operating costs, for maintaining uneconomical branch lines and passenger train operations.

Well, Mr. Speaker, the consultants here who present these views take the view that the Federal Government should support the railway infrastructure to the same extent that it does the other transportation modes. To achieve that objective railway roadbed ownership by a single corporation appears to be a fundamental requirement. There are a number of options for changes in railway ownership. One of these would be ownership of all of the railway roadbed by the government in exactly the same fashion as it owns the highways, the canals and the airports. It could then make them available to all recognized carriers.

The somewhat narrower application of this proposal is the transfer to the corporation of only those lines which are primarily utilized for grain movement. It's suggested that acquisition of the rail roadbeds in Canada by a separate corporation would be a logical method for increasing the Federal Government's participation in the railway infrastructure and thereby raising that mode to a level closer to the federal participation in other modes.

Mr. Speaker, I think when we're dealing with the possibility, unhappy though it may be for the future of some abandonment of rail lines in Manitoba, and in fact there have been in some instances already some abandonments, we should be looking at methods where there would be a more equitable support of this particular means of transportation because of its basic importance to the rural economy. How such a Crown corporation would be set up of course would be one which would require much research. One of the factors that is pointed out by this consultant is that they would have to consider the value of the roadbed assets, which are the portion of the roadbed costs which have already been recovered by the railways through user charges or subsidies, and the debt relative to those roadbeds.

Well, Mr. Speaker, I think that things are going on in spite of the cynical views which have been expressed on the other side. I think there is very definitely some new input into the whole problem of rail transportation in our province, and that makes me feel, Mr. Speaker, that this resolution is all the more important because it would serve to protect and hold in a roadbed bank those lines which may in the immediate future be subject to some curtailment of use. And I think that it is of vital importance to the Province of Manitoba, as already has been demonstrated by the Province of Alberta who have submitted an application to the Hall Commission that all title to abandoned rail lines in that province be vested in the Crown in the right of the Province of Alberta.

I don't think, Mr. Speaker, one can really discard this notion because of some anticipated cost involved. It seemed to me that in the case of the Minister for Labour, who perceived some devious plot here involving Sir John A. Macdonald and the CPR and the Member for Lakeside, to somehow ransack the treasury of the Province of Manitoba in the acquisition of these lines. I don't think that when the resolution read "we should acquire these abandoned lines," that there was an inference there that this should be an expensive proposition to the Province of Manitoba.

Perhaps those lines which are interprovincial might be in the right of Her Majesty the Queen as represented by the Federal Government, and those which are entirely within the border of Manitoba should be in the right of the Province of Manitoba. And the purpose of this would be an interim-holding bank for public communication corridors, and in the interim they might be used for such things as recreation. I believe there's already one such roadbed west of Russell that goes to Dropmore. Perhaps the Member for Roblin could confirm that, that it is being made use of. And it seems to me that it's important to retain this because the future developments may well indicate that there will be a return under some common ownership to a use by, if not rail transportation, then some other means of transportation which would use this corridor.

So, Mr. Speaker, I do feel that we are dealing here with a resolution which should not be considered cynical, should not be considered as part of some plan that is going to cost the Manitoba Treasury a lot of money. It is one that invites a positive

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(MR. MCGILL cont'd) action on the part of this administration. They should also have in this interim use of these public transportation corridors some input by the municipalities as to the usage. And they should also perhaps consider interim usage by farmers through whose land these rights-of-way now pass. And I again suggest, Mr. Speaker, that it is indicative of the feeling and activity in other jurisdictions that the Province of Alberta has already submitted a brief to the Hall Commission asking that all ownership in abandoned railway rights-of-way within the province vest with the Crown in the right of the Province of Alberta. I think this shall continue to be land which would be used by a Crown corporation for the purposes of transportation.

So, Mr. Speaker, I can't quite understand why we have had such a negative response from three members of the front bench on the other side. They have been largely based on the same position, that we are plotting to involve the Province of Manitoba in a great deal of expenditure for the acquisition of land. Mr. Speaker, the whole purpose, the whole intent as I understand the Member for Lakeside, is to preserve these communication corridors for possible future use; to make what interim use of these corridors is reasonable and acceptable in present circumstances; and to hope that we can look far enough down the road to protect all of the means and possible means of transportation that are available to us. Thank you.

QUESTION put.

MR. SPEAKER: The Honourable Member for Lakeside.

MR. HARRY J. ENNS (Lakeside): Mr. Speaker, . . . my privilege if no one else wishes to address themselves to the resolution and its amendment, to say a few more words on the resolution and its subsequent amendment. --(Interjection)-- Thank you.

Mr. Speaker, the path that the Honourable the Minister of Labour chose on this amendment was unfortunate, but then I suppose he has been having some difficulty in choosing correct paths as of late and I won't comment any further on that. Because he did in a surprising way launch into a very very long-winded argument that dredged up all the grievances that Canadian citizens had originally against the CPR, and that he personally had as a long time railroader against railroads, even of government's making such as the CNR. And it was certainly not my intention, Sir, to solicit from any members the opinions as to where railways have failed us in the past, or where the railway lines owe us something in the future, but simply through the mechanism of this resolution to consider, you know, the important kind of developments that we have to face in terms of future development and in terms of future transportation policies, not only in this province but I suspect in other provinces, particularly prairie provinces such as ours.

Mr. Speaker, I also did not attempt to suggest in any way in this resolution, and I want to make particular note of that and take some strong exception to the remarks made by the Minister for Autopac in his few remarks this afternoon, that anything should be read into this resolution as to indicating a position for or against railway abandonment. Mr. Speaker, the concern that the Conservative Party has, with its very strong representation through rural Manitoba, both in the federal arena and in the provincial arena, precludes that position for being taken seriously by anybody.

Mr. Speaker, that does not prevent us however from recognizing that some things are going to happen. That some changes have taken place, and some changes will undoubtedly continue to take place. Mr. Speaker, the real nub of the resolution was simply that the abandoned lines that either are there or are in the process of becoming there, the right of the public to that right-of-way should not be under-emphasized. Mr. Speaker, it's a very understandable pressure coming from private individuals who have that abandoned line, that right-of-way running through their farm and inconveniencing them with respect to their farm operations; and if they see no claim being made, no use being made, maybe for the past 10, 15 or 20 years of that line, that understandable pressure mounts to have that land, that portion, that right-of-way reassembled back within to either that farmer's individual land holdings, or very often the case of communities where these right-of-ways, railway right-of-ways often present a problem within the community in terms of community development. Just for the same reason that in the construction of highways we have skirted the communities so as not to divide the communities with a

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(MR. ENNS cont'd) main highway running through the centre of the community with its attendant traffic and safety problems or hazards to road travel. We have the situation in many instances where - or some instances, I shouldn't generalize - where you have a significant slice of viable real estate that runs straight through a community, that in the event that it is not being used - in some instances it is. I believe we have one or two particular communities like that, that they have expressed an interest from a town planning point of view that they would like some disposition of that land in favour of the community.

As understandable as that is, I suggest through my resolution that before this land, or any of these lands are given up or returned or put to other uses, that we should not give up these transportation corridors that now exist, whether they have been abandoned or are going to be abandoned, that easily, because we are going to bring in new and innovative transportation methods. You would be surprised, Mr. Speaker, how new and innovative individual farm communities, or co-ops or municipalities could be, maybe facing the situation that with heavy modern tank cars can't run up the spur lines, but the suggestion has been made at these Hall Commissions that have already been talked about that they could use lighter vehicles, the combination vehicle that you used to see railway inspectors drive on the lines with that could come on and off tracks. The suggestion has been made with the large farm tractors, commercial tractors that many farmers now have could be fitted with steel wheels and could be moving on a spur line, you know, grain 15 or 20 miles that for reasons of economy or for reasons of lack of sufficient strength in the trackage in the railbed itself, that the unit trains, the larger unit tank cars of grain no longer can use. So, Mr. Speaker, I am only suggesting that there are many different innovative approaches that can be taken, that will be taken, but of course that we will have foreclosed on if we pay no attention to these transportation corridors as they now exist.

I regret that the Honourable the Minister of Mines and Natural Resources wasn't in the House when the resolution first came up. I noticed a smile on his face I think on the first day that the resolution appeared on the Order Paper, and I anticipated that he might have had some comments to make about the colour of my conservatism whether he would have agreed with Mr. Paul Hellyer that I was now a red Tory, or that I was coming across to his side of the House, and abandoning my arguments against the land acquisition that his colleague the Minister of Agriculture has embarked on through MACC, that I now too am jumping on the band wagon when I state that the land should return to the Crown and should be administered by the Crown. --(Interjection)-- The line wagon.

Mr. Speaker, I wish to thank honourable members for participating in the resolution. I regret that the amendment which has been added thereto tends to, in my judgement take away or distract from the essence of the resolution. Perhaps it's my fault in not being more specific in my own resolve of the resolution. I was not attempting to particularly attach responsibility as between federal and provincial jurisdictions. I put it down as a provincial jurisdiction, but of course if it is being held in a federal jurisdiction it is still in the name of the people, and I suppose both ends are served.

I do not think that we will proceed in the kind of planning for future transportation modes if all we want to do is harken back to yesteryear and blame what took place a hundred years ago, or try to affix responsibilities on somebody who obviously, or organizations who obviously are showing an ineptness or an unwillingness to shoulder that responsibility, and I must say in this case it cannot just be put on the shoulders of a private corporation; we have the example of the great public utility the CNR reacting in much the same way. I suggest quite frankly, Mr. Speaker, the hugeness and cumbersome-ness of our railway system is such that it precludes that kind of flexibility that may allow one or two passenger trains to shuttle back and forth on a commuter service. It precludes that kind of flexibility that can deal with a group of farmer co-operatives, or a municipality, or a few towns to handle or run their own spur line. Well the Honourable Minister for Autopac mouths the word, why? Mr. Speaker, that's just the way of things when they get so damned big; that's just the way of things when things get so centralized, you know, if we have to go to Montreal or Toronto every time we want to get a decision

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(MR. ENNS cont'd) out of somebody. We complain about the very nature of our large government for the same reason.

Mr. Speaker, the resolution was merely intended to suggest that . . . particularly if you look at the map, the map that my honourable friend the Member from Roblin had, you see the lines that are already abandoned in some cases. If you drive through rural Manitoba you see in some instances five - ten foot poplar trees growing on the abandoned lines - the rails in these instances had been lifted, I know, and in the case of my own particular area where the rails in fact have been covered.

But, Mr. Speaker, I suspect for the reasons mentioned earlier on in the debate in the introduction of the resolution, the price of energy rising to the extent that it is, the greater need for a real undertaking, whether we like it or not, to conserve our energy sources, particularly the fossil fuel energy that lends itself and applies itself to the kind of transportation requirements that where, for instance, electric power may not always be available, I would suspect that there will be a prioritization taking place as to where we can and where we should be using gasoline diesel fuels in the future to a far greater extent and to a far more discriminating extent than we now do.

For all of these reasons, Mr. Speaker, I believe that the timeliness of entering into discussions, the encouragement that I was trying to give to this government, to the Minister of Industry and Commerce, to the Minister of Agriculture, to allow themselves some flights of fancy and take them away from the drudgery of their day to day existence, but to project themselves into the situation that we face 15 or 20 years from now, and take some of those first steps that always have to be taken whenever any good idea, any big idea, any great idea, is embarked upon.

Mr. Speaker, with those few comments I again wish to thank the members for the consideration that this resolution has received.

MR. SPEAKER: The Honourable Member for Ste. Rose.

MR. A. R. (Pete) ADAM (Ste. Rose): Mr. Speaker I would like to speak on this resolution but I wonder if we could possibly allow it to stand in my name . . .

MR. SPEAKER: Agreed. The hour of recess having agreed upon I am now leaving the Chair and the House will resume in Committee of Supply at 8 p.m. with the Deputy Chairman in the Chair.