

## LEGISLATIVE ASSEMBLY OF MANITOBA

Monday, 16 March, 1987.

Time — 1:30 p.m.

**OPENING PRAYER by Madam Speaker.**

**MADAM SPEAKER, Hon. M. Phillips:** Presenting Petitions . . . Reading and Receiving Petitions . . . Presenting Reports by Standing and Special Committees . . .

### MINISTERIAL STATEMENTS AND TABLING OF REPORTS

**MADAM SPEAKER:** The Honourable Minister of Employment Services.

**HON. L. EVANS:** Madam Speaker, I'd like to table the Annual Report of Manitoba Data Services for the year ended March 31, 1986.

**MADAM SPEAKER:** The Honourable Minister of Northern Affairs.

**HON. E. HARPER:** I would like to table the Annual Reports for Channel Area Loggers and Moose Lake Loggers Ltd. for the years 1985 and 1986.

**MADAM SPEAKER:** The Honourable Minister of the Environment.

**HON. G. LECUYER:** Madam Speaker, I would like to table the Annual Report for the Environment and Workplace Safety and Health for the year ending 1985.

**MADAM SPEAKER:** Notices of Motion . . . Introduction of Bills . . .

### ORAL QUESTIONS

#### Constitution - Quebec veto on language and culture issues

**MADAM SPEAKER:** The Honourable Leader of the Opposition.

**MR. G. FILMON:** Thank you, Madam Speaker, my question is for the Premier.

I wonder if the Premier can indicate if it is the position of the Government of Manitoba, as an encouragement for Quebec to sign the Constitution, that they be granted a veto on constitutional changes that modify federal institutions considered vital to the French language and culture.

**MADAM SPEAKER:** The Honourable First Minister.

**HON. H. PAWLEY:** Madam Speaker, the responsibility to present a proposal in respect to amendments to the Constitution rests with the Quebec Government and/or the Federal Government. Though Premiers expressed an interest about a year ago to pursue this matter, to

this point, the meetings have not elevated beyond the officials level.

Insofar as provincial position, we have not put forth a provincial position till there's a clear federal or Quebec position.

**MR. G. FILMON:** Madam Speaker, given that the Premier and his colleagues had to vote on such a resolution this weekend that called for Quebec to be given a veto over language and culture, will he tell us what is his position and the position of his government on this particular issue?

**HON. H. PAWLEY:** Madam Speaker, in due course.

**SOME HONOURABLE MEMBERS:** Oh, oh!

**MADAM SPEAKER:** Order please.

The Honourable Leader of the Opposition.

**MR. G. FILMON:** Does the government have a position paper on the issue of what encouragement they're prepared to give to Quebec in order to have them enter the Constitution?

**HON. H. PAWLEY:** Madam Speaker, I thought I had indicated that, when we receive a proposal from the Federal Government or the Quebec Government, you can rest assured that we will have a position. That position will be one that will be developed in the fullest consultation with . . .

**SOME HONOURABLE MEMBERS:** Oh, oh!

**MADAM SPEAKER:** Order please, order please.

**HON. H. PAWLEY:** . . . many groups and organizations. I must say, of course, the Federal New Democratic Party, I think, expressed a very sensitive concern this weekend.

The Government of the Province of Manitoba as well have other organizations, other groups, that we must be prepared to consult and to discuss with if indeed, Madam Speaker, we are going beyond a hypothetical discussion because, as I say, there are presently no proposals that we have been required to respond to.

**MR. G. FILMON:** Madam Speaker, given that the Premier had to make a personal decision on this matter on the weekend, had to vote on the issue, will he tell us what is his position as Premier of this Province with respect to offering Quebec a veto on constitutional matters that involve language and culture?

**HON. H. PAWLEY:** Madam Speaker, the convention, I must inform the honourable member, was an excellent convention. I believe it was the best convention, Madam Speaker, that the New Democratic Party has ever had nationally.

Madam Speaker, for the first time, there is a response across this country that the New Democratic Party may

very well form the next government because of the rapid developments in the political front in Canada.

**MR. G. FILMON:** Madam Speaker, we're now aware that the Premier will say one thing in Quebec and another thing in Manitoba.

Madam Speaker, why did the Premier not stand up for Manitoba at the NDP Convention in Quebec and instead cave in to the Quebec interests in agreeing not to debate . . .

**MADAM SPEAKER:** Order please, order please. Order please.

**MR. G. FILMON:** . . . the issue of the CF-18 Resolution?

**MADAM SPEAKER:** That question is not in order.

**HON. H. PAWLEY:** Well, Madam Speaker, I am certainly . . .

**MADAM SPEAKER:** Order please, order please.

I've listened very carefully to the questions as they were put. All the previous questions asked specifically about the position of the Government of Manitoba. That question asks about party matters.

The Honourable Leader of the Opposition.

**MR. G. FILMON:** Madam Speaker, we know that the matters of the party and the matters of the people of Manitoba are very separate in the minds of this group . . .

**MADAM SPEAKER:** Order please.

Does the honourable member have a question?

### MPIC - Tabling of Annual Report

**MR. G. FILMON:** Madam Speaker, I have a further question, and the question is for the Minister responsible for MPIC.

Will he be tabling the Annual Report of MPIC in the House today?

**MADAM SPEAKER:** The Honourable Minister responsible for MPIC.

**HON. J. BUCKLASCHUK:** Thank you, Madam Speaker. The report will be tabled within the next day or so.

**MR. G. FILMON:** Madam Speaker, given that the requirements are that it be tabled 15 days following the opening of the Session, this report is now late in being tabled. I wonder if the Minister could indicate to us what the amount of losses in the corporation is for this past fiscal year.

**HON. J. BUCKLASCHUK:** Madam Speaker, that information will be available when the report is tabled tomorrow or the day after.

**MR. G. FILMON:** Madam Speaker, given obviously that the report is in printing and the Minister indicates that he is aware of the report, does that mean that he doesn't

know what the losses were in the corporation in the last fiscal year?

**HON. J. BUCKLASCHUK:** Yes, I've known for some time what the losses have been. In fact, they have been made public to some extent. The full information will be made available tomorrow or Wednesday.

**MR. D. ORCHARD:** Well, then, answer the question.

**HON. J. BUCKLASCHUK:** Do you want the answer? The losses in the automobile section were about \$18 million - that is public information - and the general insurance, excluding the reinsurance section - and that's dealt with separately in the report - is, I believe, around \$4 million or \$5 million.

### MPIC - reinsurance losses

**MR. G. FILMON:** I wonder if the Minister can share what the losses were in the reinsurance section.

**HON. J. BUCKLASCHUK:** I don't have the exact figure. That information is available in the report.

**MR. G. FILMON:** Is the Minister telling us that, as Minister responsible for the MPIC, he is not being kept informed as to what the losses were for the year ending October 31, 1986, more than four months ago or almost four months ago, and he hasn't been made aware of this? Is this ministerial responsibility, to be dealing with a corporation and not being able to answer what the losses are in a financial year that has been gone more than four months?

**SOME HONOURABLE MEMBERS:** Oh, oh!

**MADAM SPEAKER:** Order please, order please. Order please.

### Budget - deeper insight

**MADAM SPEAKER:** The Honourable Member for Morris.

**MR. C. MANNES:** Madam Speaker, I direct my question to either the Premier or the Acting Minister of Finance.

Given that the Auditor for a number of years now has recommended that this government adopt multi-year budgeting and given the fact that Decter, in his report to the government entitled Expenditure Management, page 53, also recommended a five-year multi-year budget, can either the Premier or the Acting Minister of Finance indicate whether the Budget coming down this evening will give Manitobans a deeper insight into the fiscal affairs of this province, just not for 1987-88 but indeed into the year 1990?

**MADAM SPEAKER:** The Honourable Minister of Industry, Trade and Technology.

**HON. V. SCHROEDER:** Thank you, Madam Speaker. If that question is in order, then I will take it as notice.

### Budget - Crown corporation losses shown

**MR. C. MANNES:** Madam Speaker, I think the question was in order. I asked for no budgetary detail, no numbers. I just wanted to know whether the process was being considered.

Madam Speaker, further then to the same question, given that the Auditor of the province and indeed again Decter indicated that Crown corporations' losses should be more meaningfully reflected in the Budget that the province is going to lay down this evening, again is this government going to adopt an approach whereby those losses are shown within the accounts and within the Budget?

**HON. V. SCHROEDER:** It's pretty clear that members opposite today are on their deficit reduction day. This isn't the day they're spending more on hospitals and highways and drainage and tax reductions for their friends in the banks, in the large corporations and so on. Rather, today is the day they're going to talk a bit about deficit reduction.

I would suggest to them, Madam Speaker, that they wait until they see the Budget. The Budget will be brought down this evening and, in good solid parliamentary tradition, we will wait until that time to release the information that is released with the Budget.

### Budget - three-year program

**MR. C. MANNES:** I will provide another solid question to the Acting Minister of Finance, Madam Speaker. Decter, in his report, page 54, indicates that the government should request of all departments a three-year program whereby they indicate where cost reductions can be made. Can the Minister indicate to me whether this process was followed in preparing the Budget that's to come down tonight?

**HON. V. SCHROEDER:** I certainly don't think it's a very appropriate time to be discussing the Budget or the Budget process. He knows very well that the Budget is, as always, being finalized this very afternoon by the Finance Minister, who isn't available because he's bringing forth that Budget this evening. Surely, the member who hasn't asked any questions about these kinds of things for all the time he had the Finance Minister available in the House can now have the common courtesy to wait a few hours and find out for himself.

**MADAM SPEAKER:** As the honourable member well knows, he's not to refer to the presence or absence of any member.

### Continuing Education - funding cuts

**MADAM SPEAKER:** The Honourable Member for River Heights.

**MRS. S. CARSTAIRS:** Thank you, Madam Speaker, my question is to the Minister of Education.

This government has spoken many times and at great length about its commitment to continuing education.

For example, in a recent policy statement it declared that: "The Government of Manitoba has responded to the phenomena of lifelong learning, to support full-time and part-time learning opportunities for adults in the university colleges, public school system and community-based programs." In light of this stated commitment, how does the Minister of Education explain the proposed recent reductions in continuing education funding under Regulation 190/81?

**MADAM SPEAKER:** The Honourable Minister of Education.

**HON. J. STORIE:** Thank you, Madam Speaker.

This government has made a commitment to continuing education. I think that we could offer a long list of examples of how that commitment has been evident, and I can only think back to a month or so ago when I was in Winkler to open up an Extension Service from the Red River Community College.

The regulation that the member refers to deals with grants that go to support the activities of school divisions in terms of continuing education. The regulations have been rewritten, Madam Speaker, to support those activities which are more directly related to the necessary learning that individuals might need for progress through their particular job, or access actually to the job market.

So we're talking about maintaining, in fact increasing funding to adult basic literacy courses, adult education courses, and removing funding from some of the recreational courses, Madam Speaker, for which individuals may support their own interests in that kind of learning. It has been a refocusing, Madam Speaker, of the money that is provided by the Department of Education.

**MRS. S. CARSTAIRS:** Why has the government, in light of the statement, devoted itself to grant reductions in areas of continuing education, known as Occupational Preparation and Upgrading, with total losses of some \$110,000 in Winnipeg?

**HON. J. STORIE:** Madam Speaker, the courses that may in fact not receive funding in the next year are reviewed by the department on an ongoing basis.

I do not believe that the member's reference to Occupational Upgrading courses is accurate. Although some school divisions did submit courses under those headings, the material in those courses did not actually reflect that heading.

I can assure the member that it is our intention to continue to support adult basic education courses and courses which relate to occupational improvement, occupational entrance. Because school divisions try to finesse courses through different categories doesn't mean that we have stopped funding those that are essential.

### Word Processing Course - not continuing education

**MRS. S. CARSTAIRS:** A final supplementary, I'd like to ask the Minister why he would consider a word processing course not to be occupational upgrading

and still maintain this government's stated commitment to continuing education.

**HON. J. STORIE:** Madam Speaker, I would have to know the details about the course before I could make any definitive answer.

I've indicated that it is our intention to maintain those kinds of courses. The kinds of courses that are being removed from funding are recreational courses, the Aerobics, the Macram for Life, those kinds of courses. While they're certainly desirable courses, it is our feeling that, in the main, individuals can support those kinds of educational endeavours on their own.

I'd be more than happy to look at the specifics that the member raises in terms of data processing. If that, in fact, has happened, then it would cause me some concern.

### Education - Special Levy

**MADAM SPEAKER:** The Honourable Member for Fort Garry.

**MR. C. BIRT:** Thank you, Madam Speaker, my question is to the Minister of Education.

On Friday, the school divisions in Winnipeg had to submit their budgets to the City of Winnipeg for final preparation, and it would appear that the special levy is going up somewhere between 9 percent and 15 percent for Winnipeg. I've been advised that, in some instances, the general support for education level funding has dropped from somewhere in the neighbourhood of just below 80 percent down to around the average level of 70 percent.

Could the Minister advise what the general support for education is in the City of Winnipeg and in the province, and has it gone below the 80 percent level?

**MADAM SPEAKER:** The Honourable Minister of Education.

**HON. J. STORIE:** Madam Speaker, I believe that question has been addressed publicly before. The level of support on a provincial basis is approximately 79.6 percent.

Madam Speaker, the member referenced the increase in special levy. I think the member should be aware that the special levy increases are determined solely by the school divisions, and the increases that the member refers to are determined by the local school division based on their educational expenditures.

The Educational Support Levy has not increased in the Province of Manitoba for farm and residential, since 1983.

**MR. C. BIRT:** The Minister also indicated that there was going to be an increase in the levy for education on the business sector. Now that is to raise some additional millions of dollars.

With that additional millions of dollars being raised, does it mean that the support for education from the province has now slipped below the 50 percent? I think the Minister used the level of 79 percent just a moment ago.

**HON. J. STORIE:** Yes, Madam Speaker, the member is correct. The ESL has been increased for commercial

property, approximately 5.7 percent, the first increase in four years, a marginal increase.

I can indicate, as I did a moment ago, that the provincial support represents 79.6 percent at the current time. While the school divisions and the province have disagreed for some time on what supportable expenditures are, the provincial commitment, of course, was to maintain the 80 percent of supportable expenditures, and we are still there approximately, Madam Speaker.

**MR. C. BIRT:** Just to refer the Minister to one specific school division, since 1984 the general support for education levy has dropped from 75 percent to 68 percent in 1987.

My question to the Minister is: why is he trying to finance the Budget deficit by laying off his financial responsibility onto the education school boards?

**HON. J. STORIE:** Madam Speaker, the member's proposition is quite ludicrous. The Province of Manitoba, Madam Speaker, has increased funding on a per-pupil basis by more than 50 percent in the last six years. Madam Speaker, there are many examples that I could cite for the member's edification which would indicate that support this year has increased beyond 13 percent.

So, Madam Speaker, while the government support to education does deal with different divisions based on their need, on their student population growth, on their declining enrolment, on a whole bunch of other criteria, the fact is that we have provided increases in educational expenditures beyond inflation to the extent that individual school divisions are experiencing problems. Requiring them to raise special levy is a reflection of the fact that they control educational expenditures finally - school divisions do.

Madam Speaker, we have done our share.

### Job Training for Tomorrow - continuation of

**MADAM SPEAKER:** The Honourable Member for Ellice.

**MR. H. SMITH:** Madam Speaker, my question is to the Minister of Employment Services and Economic Security.

My question is this: in view of the fact that Manitoba's seasonally adjusted unemployment rate fell to 6.7 percent in February, which is the lowest of all the provinces and nearly 3 percentage points below the national average, will the Minister of Employment Services tell us if his department will continue the Job Training for Tomorrow Program?

**MADAM SPEAKER:** The Honourable Minister of Employment Services.

**HON. L. EVANS:** Madam Speaker, I can't confirm that it is the intention of the government to carry on with our Training for Tomorrow Program which, I might add, is helping hundreds of small businesses in this province at creating jobs, not to speak of the non-profit sector.

As a matter of comment, Madam Speaker, I might point out that the number of unemployed in Manitoba

is down by 6,000 this February over last February, which is a drop of 13 percent, whereas the national level of unemployed dropped by only 0.4 percent.

On the other side, Madam Speaker, I'm very pleased to note that employment increased in our great province of Manitoba by 10,000 people this year over last year, of which 8,000 were full-time jobs. So this increase of jobs is at a rate that's far in excess of the national rate. I think all of us should be very pleased that Manitoba is the province where the jobs are.

### **Employment opportunities - target groups**

**MR. H. SMITH:** Madam Speaker, I have a supplementary question.

Can the Minister advise us if the department is focusing on creating employment opportunities for particular segments of the population where the unemployment rate is higher?

**HON. L. EVANS:** Madam Speaker, we're very cognizant of the fact that there are certain groups in the labour force that need assistance in various ways. I'm thinking particularly of the socially disadvantaged, of single parents, who would like to get into the work force and so on. We're particularly concerned about providing opportunities for women in non-traditional occupations to help them raise their income. But I might add, Madam Speaker, that among the figures we received from Statistics Canada - and I'm very pleased to note that the unemployment rate for women on an actual basis, year over year, fell from 8.3 percent to 6.1 percent, giving Manitoba the lowest unemployment rate for women in the country.

**MR. H. SMITH:** My last supplemental, can you give us an idea about the balance of the year, what you would forecast . . .

**SOME HONOURABLE MEMBERS:** Oh, oh!

**MADAM SPEAKER:** Order please.

**MR. H. SMITH:** Can you tell us anything with your figures about what the outlook would be like in the balance of the year?

**MADAM SPEAKER:** Order please.  
That's a hypothetical question.

### **MTS - rural buried cable replacement charges**

**MADAM SPEAKER:** The Honourable Member for Roblin-Russell.

**MR. L. DERKACH:** Thank you, Madam Speaker.

**MADAM SPEAKER:** Order please, order please.  
I recognized the Honourable Member for Roblin-Russell.

**MR. L. DERKACH:** Thank you very much, Madam Speaker, my question is to the Minister responsible for Manitoba Telephone System.

Last summer, prior to beginning some construction on a road north of Grandview, the R.M. of Grandview notified the Manitoba Telephone System that there may be danger of cutting some buried cable. However, they were told by Manitoba Telephones to proceed with the construction because new cable was going to be buried in any event. About three months later, the R.M. of Grandview received a bill from Manitoba Telephones for the amount of \$2,000 for the replacement of buried cable.

My question to the Minister is: is this new Manitoba Telephone System policy whereby rural subscribers are now going to have to pay some \$2,000 for replacement of line when new road construction occurs in rural municipalities?

**MADAM SPEAKER:** The Honourable Minister responsible for MTS.

**HON. G. DOER:** Madam Speaker, I'll take the specifics under notice.

### **MTS - rural cable surcharge**

**MR. L. DERKACH:** My further question to the Minister, Madam Speaker, is: why are rural subscribers forced to pay for the maintenance and the replacement of cable through a surcharge, through their municipal taxes in rural municipalities?

**HON. G. DOER:** Madam Speaker, I'll take the question as notice as well and have an answer for the honourable member.

### **MTS - rural surcharge for private line**

**MR. L. DERKACH:** Madam Speaker, I have a new question for the Minister responsible for Manitoba Telephone System.

It has come to my attention that several of my subscribers, who may have enjoyed the luxury of having only one other person on a party line in the rural areas, have now been notified that this policy has changed and that they will be put on a multiple-party line with four or more subscribers, and that their other alternative to this is to pay a surcharge of \$525 to enjoy a private line.

My question to the Minister is: why are rural subscribers asked to pay \$525 for private lines or be forced to take on a multiple-party line of four or more subscribers?

**HON. G. DOER:** Madam Speaker, again I will look at the specific questions that the member raises. One should remember, Madam Speaker, that there are too many multiple-party lines in Manitoba. There are 49,000. In Saskatchewan, there are somewhere over 72,000 party lines. So the work of the Telephone System in Manitoba has been much more positive than other provinces. We are also spending a considerable amount of money, Madam Speaker, unlike previous years, on the capital of the Manitoba Telephone System.

But I will take the specific question that he is raising in terms of the two and three and four members on a multiple-party line as notice.

**MADAM SPEAKER:** The Honourable Member for Roblin-Russell, with a final supplementary.

**MR. L. DERKACH:** Thank you, Madam Speaker.

My question to the Minister is: why are rural subscribers asked to pay the surcharge when people who live at resorts and only use telephones on an occasional basis are provided party or private lines at no cost at all?

**HON. G. DOER:** Madam Speaker, the specific question, as I said to the honourable member, I'll take as notice.

The whole area of rural service is an issue that we are going to be meeting with - the Minister of Municipal Affairs and myself will be meeting with rural subscribers. We are receiving considerable feedback, Madam Speaker, on moving to extended area zones. We're also getting feedback in terms of the elimination of multi-party lines. There's absolutely no question that we can eliminate 50 percent of those lines within the next four years. But, Madam Speaker, some other groups are saying we don't want to eliminate the multi-party lines; we want to have the areas extended. So that's why we're going to have extensive consultation in the next three months, so that we're proceeding in a way that's in the best interests of the rural subscriber. There's no question, there's a number of issues out in rural Manitoba on the telephone use that we want to improve and must improve in the next number of years.

### Drilling policy re 20-acre spacings - accident

**MADAM SPEAKER:** The Honourable Member for Virden.

**MR. G. FINDLAY:** Thank you, Madam Speaker, my question is to the Minister for Energy and Mines in regard to the Daly Oilfield No. 3 west of Virden.

Madam Speaker, last August, the Oil and Natural Gas Conservation Board held hearings to investigate the probability of approving a new drilling policy on 20-acre spacings. At that hearing last August 9, many landowners and the Surface Rights Association objected to approval of the policy without some substantial impact studies being done. The board refused that request and approved the drilling of these wells on 20-acre spacings. The first well is presently being drilled, and last week they hit a saltwater deposit, which ended up contaminating some adjacent land, Madam Speaker.

I would like to know if the Minister could tell us what action his department is taking to determine why that accident happened and what he plans to do to prevent that accident from happening in future.

**MADAM SPEAKER:** The Honourable Minister of Energy and Mines.

**HON. W. PARASIUK:** Madam Speaker, I've asked the department for a full investigation. They're conducting an investigation into the matter. When I receive their investigation, I'll share it with the Member for Virden.

I certainly would hope that in future one wouldn't hit a high-pressure saltwater flow when one is drilling, but

one cannot guarantee in every instance that won't happen, so I can't issue guarantees of that nature. The fact that they hit the high-pressure water flow had nothing to do with it being a 20-acre well spacing as opposed to a 40-acre well spacing. These things do occur, but I was concerned about it and there is an investigation being undertaken. I'll get it to the member.

### Well-drilling - saltwater spillage

**MR. G. FINDLAY:** Other wells will be drilled under the same basis, and probably the saltwater occurred because of injection sites. What immediate plans is the Minister taking to assure that knowledge is known before further wells are drilled?

**HON. W. PARASIUK:** There will not be further wells drilled in this program until that report is conducted, until we know all the answers. At present, nothing like that has happened.

**MR. G. FINDLAY:** Another question to the Minister of Agriculture, I would like to ask him what his department is doing to assure that saltwater spills like this do not seriously affect the longevity of agricultural land adjacent to oil wells?

**MADAM SPEAKER:** The Honourable Minister of Agriculture.

**HON. B. URUSKI:** Madam Speaker, I should indicate to my honourable friend that the Departments of Agriculture, Municipal Affairs, Environment and Energy work cooperatively in these areas.

### Manitoba Disaster Assistance Board - re storm damage

**MADAM SPEAKER:** The Honourable Member for Emerson.

**MR. A. DRIEDGER:** Thank you, Madam Speaker, my question is to the Minister of Highways, and is based on a press release that was sent on January 23.

In this announcement, the government announced that the Grand Rapids commercial fishermen would qualify for assistance for losses to equipment during a severe storm to the maximum of \$30,000 per individual, and apparently 48 people will qualify.

My question is: what will the cost be to the taxpayers of Manitoba for this special consideration given to this one group?

**MADAM SPEAKER:** The Honourable Minister of Government Services.

**HON. H. HARAPIAK:** Madam Speaker, the question would fall on the Minister of Government Services. I'm the Minister responsible for the Emergency Measures Organization, and the press release was dealing with the fishermen who had some damage during a storm at Grand Rapids.

Very shortly, we'll be having a total figure of what the total cost of the compensation will be. It will be in the vicinity of \$45,000.00.

**MR. A. DRIEDGER:** To the same Minister then, Madam Speaker: why did the other fishermen on Lake Winnipeg who suffered damage as well not qualify for this kind of assistance?

**HON. H. HARAPIAK:** Madam Speaker, the guidelines on this program are very clear. If there was a disaster in that area, there should have been application made to the Manitoba Disaster Board, and they would have been handled in the same way the Grand Rapids fishermen were.

**MR. A. DRIEDGER:** To the same Minister, Madam Speaker: I ask the Minister whether the same kind of consideration given to this special group will be given to the rural people in Southeast Manitoba when the flood waters will be hitting this spring?

**HON. H. HARAPIAK:** Madam Speaker, I don't think that this government or the Manitoba Disaster Assistance Board have to make any apologies for the leadership they have shown over the last several years. When disaster has struck any particular area, we don't deal with disasters on a political process. There is a process that is set out very clearly, and we deal in a fair and equitable manner with all disasters that do occur in the province.

### **Workers Compensation Board - Annual Report**

**MADAM SPEAKER:** The Honourable Member for Pembina.

**MR. D. ORCHARD:** Thank you, Madam Speaker, my question is for the Minister responsible for the Workers Compensation Board.

Can the Minister indicate why the Annual Report of the board is being delayed?

**MADAM SPEAKER:** The Honourable Minister responsible for Workers Compensation.

**HON. H. HARAPIAK:** Madam Speaker, the Annual Report for the Workers Compensation is not being delayed. It is due on the 31st of March, and the 31st of March has not arrived. As soon as the report is tabled to me, it will be tabled in the House.

### **Workers Compensation Board - doctors**

**MR. D. ORCHARD:** Madam Speaker, a new question for the Minister responsible for the Workers Compensation Board, I understand that there are approximately four doctors on staff at the Workers Compensation Board. Can the Minister indicate whether one of those doctors has resigned and two have indicated, effective approximately July 1, they will only work part time for the board?

**HON. H. HARAPIAK:** I am not aware of any changes that will be coming about with workers who are working with the Workers Compensation Board at this time.

### **Child Abuse - report of 12 children**

**MADAM SPEAKER:** The Honourable Member for St. Norbert.

**MR. G. MERCIER:** Thank you, Madam Speaker, a question to the Minister of Community Services.

I'd like to ask her whether she has investigated the deaths of some 12 infant children that occurred last year in situations pointing to abuse.

**MADAM SPEAKER:** The Honourable Minister of Community Services.

**HON. M. SMITH:** Madam Speaker, when that number was raised, I think, in the Throne Speech Debate, I did check into the investigation that we did last year at the time the same allegation was made.

Madam Speaker, there were a variety of causes, not all of them related to abuse. I'd be happy to get that detailed information and share it with the Opposition House Leader.

### **Manitoba Social Workers Association - submission re child abuse**

**MR. G. MERCIER:** Madam Speaker, I'd ask the Minister of Community Services whether she has had an opportunity to consider the submission of the Manitoba Social Workers' Association to the review committee which points out that many of the problems in the whole child abuse area are a direct consequence from the recent restructuring of Child and Family Services, when many changes were not well thought out nor carefully planned with anticipated results and all the necessary pieces were not in place. Has she attempted or remedied that situation which she put in place in the reorganization of Child and Family Services?

**HON. M. SMITH:** Madam Speaker, I do read carefully the newspaper put out by the social workers. I noted that particular comment.

With respect, I disagree with it. I do see that some social workers who see the issue from their own daily work may have that opinion, but I think when we get the report of the Child Abuse Review Team and, during Estimates, go through the overall decentralization and development of program, that quite the opposite will in fact be the conclusion.

The reorganization has put many more families, and families with abuse problems, in contact with people who can help them, many who were overlooked before. In fact, prior to this government taking initiative in the abuse area, there was a great deal that was never identified, let alone treated and dealt with.

### **Child Abuse Review Committee - report**

**MR. G. MERCIER:** A final question to the Minister, can she inform the House when she now expects to receive the report of the review committee, and will it be tabled in the House as soon as she receives it?

**HON. M. SMITH:** Madam Speaker, I am expecting it. I think it's to come this week, and I understood that we were going to have a week or two to review it and will then table it.

### **The Labour Relations Act - review of**

**MADAM SPEAKER:** The Honourable Member for Brandon West.

**MR. J. McCRAE:** Thank you, Madam Speaker, my question is directed to the Minister of Labour.

In view of the fact that The Manitoba Labour Relations Act is one of the fundamental laws of our province, and in view of the fact that the Provincial Government in Manitoba has committed itself to reviewing all of its laws to check out whether they comply with the Canadian Charter of Rights and Freedoms, and in view of the fact that last week the Minister of Labour stated to the media that he was unsure whether his Labour Relations Act had been subject to that review, can the Minister now tell us whether The Manitoba Labour Relations Act has been reviewed for Charter compliance?

**MADAM SPEAKER:** The Honourable Minister of Labour.

**HON. A. MACKLING:** Madam Speaker, I indicated that all of the laws of the Province of Manitoba were being reviewed in a systematic and thorough process by the Attorney-General through his department, and that I wasn't aware of the nature of the review of our legislation at this time.

I have noted an interdepartmental memorandum showing some concerns about some acts, one of which we recently dealt with, and that was The Retail Stores' Closing Act, a concern as to whether or not there was any further - (Interjection) - Well, Madam Speaker, some members over there don't want to hear the answer.

Some of the references, for example, in some legislation is no longer valid. I recall a specific reference to provisions in The Retail Stores' Closing Act dealing with The Lord's Day Act; and there are similar concerns of different acts, and all of that process is being carefully reviewed with the Attorney-General's Department.

**MADAM SPEAKER:** The time for Oral Questions has expired.

### **ORDERS OF THE DAY**

#### **NON-POLITICAL STATEMENT**

**MADAM SPEAKER:** The Honourable Minister of Employment Services.

**HON. L. EVANS:** Madam Speaker, I wonder if I could have leave to make a non-political statement.

**MADAM SPEAKER:** Does the honourable member have leave? (Agreed)

**HON. L. EVANS:** Madam Speaker, I'm sure I'm going to be joined by my colleague.

The Bobcats, Brandon University's men's basketball team, wrote a new chapter in their history this past weekend at Halifax. The Bobcats won the Canadian Inter-University Athletic Basketball Championship.

Indeed, I wish to convey my personal congratulations to the players and to the coaching staff. The entire university community in Brandon is very proud of their team, and the residents of Brandon and Westman are particularly pleased with their perseverance over the years and that the hard work has finally paid off.

I'm sure all members of the House will join me in extending sincere congratulations to this very fine team of athletes, the Brandon Bobcats.

**MADAM SPEAKER:** The Honourable Member for Brandon West.

**MR. J. McCRAE:** Madam Speaker, I rise to endorse the comments of my honourable colleague opposite. Indeed, I had been on my feet - the honourable member was just a little too quick for me today. But I'm very pleased, Madam Speaker, to join with all honourable members and, I should hope, all Manitobans in expressing congratulations to the Bobcats and to their coach, Jerry Hemmings.

**MADAM SPEAKER:** The Honourable Minister of Health.

**HON. L. DESJARDINS:** Madam Speaker, if I may, of course we rejoice when the university is the best in any sport in the land. We shouldn't forget, while we're congratulating Brandon, the University of Winnipeg whose men team and women team won the volleyball competition in the championship of Canada, and the University of Manitoba that finished second and third in the same discipline.

**MADAM SPEAKER:** The Honourable Government House Leader.

**HON. J. COWAN:** Madam Speaker, would you please call for Second Reading, Bill No. 8?

### **SECOND READING**

#### **BILL NO. 8 - THE CITY OF WINNIPEG ACT**

**HON. G. DOER** presented Bill No. 8, An Act to Amend The City of Winnipeg Act; Loi modifiant la Loi sur la Ville de Winnipeg, for Second Reading.

**MOTION presented.**

**MADAM SPEAKER:** The Honourable Minister of Urban Affairs.

**HON. G. DOER:** Thank you very much, Madam Speaker.

I would like to speak very briefly to the bill. The bill has been developed in consultation with the City of Winnipeg and the Minister of Municipal Affairs and myself, who sit on a committee that has been working with the official delegation of the city on the problems posed by the court-ordered reassessment for 1987.



The bill has basically two features. One is, Madam Speaker, to allow for an appeal period to be extended 105 days after the last appeal period for 1987 alone. The appeal period extension of 105 days will mean that homeowners in the City of Winnipeg, and in fact all property owners in the City of Winnipeg, may appeal their assessment notices up till June 12, 1987. I think this is a very positive proposal, one which I know has been initiated by members on our side and members on the opposite side - and I appreciate the advice - to deal with the real problem of: No. 1, members in one part of the city not being able to compare their assessments and assessment values with areas of the other side of the city by virtue of the way the city staggered the tax bills; and secondly, to deal with the other issue of many people being totally confused in terms of what their assessment is vis-a-vis what their taxes will be.

Hopefully, the city will have established the mill rate, the budget, and people will also have their tax bills prior to June 12, so that individuals will have a better sense of whether in fact they have been justly assessed in terms of what their taxes will be.

I should point out, Madam Speaker, that individuals are not allowed to appeal their taxes. I suppose people do that by way of the political process, but they are allowed to appeal their assessment notices.

The second feature of the bill is to provide for a phasing-in by-law for increases only, Madam Speaker, not for decreases, for purposes of three years. This, Madam Speaker, in combination with the previously introduced bill, Bill 57, we believe will provide the necessary flexibility for the city to implement the court-ordered reassessment. It will also allow some flexibility to cushion the shift of some \$26 million that potentially could have gone on to homeowners in the City of Winnipeg, Madam Speaker, a situation I think all members of this House believe is intolerable.

We have attempted to take, Madam Speaker, a cooperative problem-solving approach with the City of Winnipeg. My colleague, the Minister of Municipal Affairs, has been fantastic in my opinion in meeting with both his colleagues in caucus and the officials at the City of Winnipeg. His energy and time have been very, very helpful in development of many of the bills, Bill 57 and Bill 8, and in many of the meetings with the city in terms of developing the classifications that are pursuant to Bill 57, the classifications that have, in one sense, become a controversy in this House but I believe again provide the maximum flexibility for the City of Winnipeg, through Bill 57 and through this bill, to prevent a shift of some \$26 million onto the homeowners of Winnipeg.

Now in saying that, Madam Speaker, shifts will still take place within the classifications themselves. There still will be shifts within the homeowner classification. There will be shifts in the commercial classification, the institutional classification for those properties that have been really overvalued for 25 years onto properties that have been undervalued. So in order to achieve the fairest way of developing that proposal, the city has proposed and we have said, always subject to their specific proposal and subject to the numbers, that we would develop phasing-in legislation for allowing the buffering of the tax increases only to take place.

I should point out, Madam Speaker, in the discussions the Honourable Municipal Affairs Minister and I have

had with the city, the proposal for the phasing-in legislation, as we understand it, that is before city council is a proposal that will cost some \$3 million in a revenue source in 1987, \$1.5 million in 1988, and less than \$1 million in 1989. Half of this money, Madam Speaker, of course will come in from taxation sources other than homeowners, because of the whole area of the way the city is structured in terms of its revenue base.

To put this in context, Madam Speaker, the cost of buffering and phasing that the city is proposing to their Executive Policy Committee and to council in some three weeks is the cost of a major blizzard this year, but not quite as major as the one we had in November, half a blizzard next year and a quarter of one the year after.

There is no question, Madam Speaker, that this bill comes before this House at a very late date. I should point out that we have always stated to the city that we would bring the bill in subject to discussions with them, subject to the specific proposal that they would make, and subject to the advice we would provide back.

For example, Madam Speaker, when the city proposed a bill that would allow phasing in over an undefined period of time, we said that would not be fair, and that's why we stipulated in the bill that it should be 1987, 1988 and 1989. When the city was ambiguous in terms of increases versus decreases, we wanted to make it very clear that it was for increases only.

We asked the city in November, Madam Speaker, pursuant to Bill 57, to please provide us at the official delegation meeting as soon as possible with the proposal on phasing in, if they felt it was necessary. Again, Madam Speaker, on January 22, the Minister of Municipal Affairs and I met with the official delegation and again said, please give us your specific proposal on this issue so that we can review it, discuss it with our caucus, and review it with the legislative draftspeople prior to bringing it in this House.

Unfortunately, Madam Speaker, it has come to the House at a late period. We received it from the city some week-and-a-half ago, and we have tried to turn it around as quickly as possible for purposes of the city establishing the predictability in their budget-making process, consistent with commitments we have made to them over the last year.

Madam Speaker, we have a general agreement with the city on Bill 57 on the categories, although there are specific councillors disagreeing with some of those categories. I know, Madam Speaker, that this bill is a city bill, and it doesn't solve all the problems of assessment outside of the city. I appreciate the sensitivity of that with all members in this House, and I know the Minister of Municipal Affairs does as well.

We, as I've said, have tried to take a cooperative approach with the city to provide them with the tools to deal with this major, major problem confronting homeowners in the City of Winnipeg.

Madam Speaker, I believe that is a superior way to go rather than a situation some of have described over the last couple of weeks. In Montreal, we have a situation where all the councillors and all the citizens are blaming the city council, and all the city council is blaming the Provincial Government. The Provincial Government is blaming the City Governments. They are pointing fingers. Homeowners are getting killed and nobody is

doing anything about it. We think the cooperative approach with the city and with the Opposition is a much more intelligent way to go on behalf of all the homeowners of Winnipeg.

Madam Speaker, I've mentioned briefly the features of Bill No. 8 before the Legislature. I thank the members opposite for their advice, both the Member for River Heights and the Member for Charleswood, and the advice from our caucus. I think it's a good idea that this bill will be going to committee and public hearings. I know that there is a lot of concern about assessment, not necessarily with this bill - although there may well be a concern with this bill specifically - but there is a lot of other concern by citizens in terms of the other issues that have been raised in this House. I think that's very healthy to hear that in those committee hearings.

We feel we have charted the most fair approach to this issue. We are getting somewhat criticized on one side from business, and another side from large property owners and from other groups on the course we've taken, but we feel we have taken a fair and balanced approach to save the \$26 million coming onto homeowners. We think that the three-year phasing will allow the city and the province to proceed with the next stage, and that is to move to '85 values and the next stage, and that's assessment reform and people will know that we can be fair in dealing with it, rather than in just allowing some very, very abrupt hits to take place onto homeowners, abrupt hits, Madam Speaker, that some homeowners when they were buying a home may not have considered. Notwithstanding the 25 years of problems, some homeowners will be buying homes, considering their tax bills as a means of purchasing their home, and to have an undue hit take place, I think, would be very unfair to those homeowners.

So, Madam Speaker, I certainly recommend this bill to the House and look forward to the committee debate if that takes place, and the public hearings that will also go with it.

Thank you very much.

**MADAM SPEAKER:** The Honourable Member for Charleswood.

**MR. J. ERNST:** Madam Speaker, thank you.

I want to rise in support of the principles of Bill No. 8 that is presently before the House for Second Reading.

As the Minister has indicated, the bill is in two parts, the first part, Madam Speaker, dealing with the phasing-in portion of the legislation. Certainly, I think it's highly desirable and is in fact good legislation being brought forward in this respect. But, Madam Speaker, one has to wonder why it's taken so long to get that kind of legislation before the House.

Madam Speaker, it was on October 9, I believe, 1985 that Mr. Justice Kroft ordered the City of Winnipeg to reassess for the year 1987. Madam Speaker, that was 18 months or more ago. For 18 months we have known and, as a matter of fact for a considerable period of time longer than that, Madam Speaker, we have known that there were going to be inordinate shifts of assessment value within the City of Winnipeg.

Walter Weir, in his report tabled with the preliminary report in 1980, the final report I believe in 1982, clearly outlined the kinds of impacts that were going to take

place, so that, Madam Speaker, the government has known, known since the tabling of the Weir Commission Report, known since Mr. Justice Kroft ordered the City of Winnipeg to reassess, that serious impacts were coming.

Certainly there was no need, Madam Speaker, to have waited for the City of Winnipeg. There was no need to wait for specific numbers, Madam Speaker because the impacts, the general impacts, were well known by those who had studied this problem over the last numbers of years.

But, Madam Speaker, notwithstanding the fact that it wasn't done by the government and they were lax in bringing it forward, it is in fact here now and is a highly desirable form of legislation for the City of Winnipeg.

Taxpayers, Madam Speaker, are going to be faced with substantial increases in many cases in their taxes and I think it behooves those people in government circles, wherever possible, to mitigate the kind of impact that those people are going to be facing.

All fine, well and good to say to someone, well whatever happens, it flows through and you'll have to pay the piper. But, Madam Speaker, it's also order of magnitude we are speaking about. When you have taxpayers, Madam Speaker, predominantly the areas that are going to be hardest hit with respect to reassessment are those in the suburban areas, who are presently paying the lion's share of realty taxes on single-family homes in the city in any event. Madam Speaker, those suburban homeowners are paying \$2,000, \$3,000 in realty taxes at the present time. Now, a 50 percent increase or a 40 percent increase or a 30 percent increase on those homeowners, Madam Speaker, is by and far more significant than increases of the same percentage, but on much lower value of taxes.

So, Madam Speaker, those people, it's going to be a serious impact and they must have some method of at least cushioning the blow, so to speak, phasing-in that additional cost to them so at least they can put their personal financial affairs into such an order that they can take care of that increase or, on the other hand, decide to dispose of that property in favour of one that is going to be taxed at a lesser rate.

Madam Speaker, I want to speak on behalf of those residents of the city who are presently residing on large-lot residential property. If anyone needs the phasing in legislation, Madam Speaker, it is going to be they. They are going to be, of all of the taxpayers of the City of Winnipeg, the hardest hit.

Madam Speaker, we're seeing properties where assessment increases are in the order of 18, 20, 25, as high as 34.5 times what their assessment was prior to the reassessment taking place.

Assuming that four times reassessment is about an equivalent, Madam Speaker, they are going to have a nine-fold increase in their taxes, if your 34.5 times the assessment is the order of the day - nine times, 900 percent. Madam Speaker, no one can face that kind of an increase without having severe financial hardship burdened upon them. So, Madam Speaker, I would hope that the Minister for Urban Affairs would, despite his denials up to this point, consider the request for an additional classification for those people in large-lot residential situations who are being faced with assessment increases.

Madam Speaker, as an example, inside the Perimeter Highway in my constituency, land increases are in the order of seven times. Outside the Perimeter Highway in my constituency, outside the Perimeter Highway where there are no piped services, outside the Perimeter Highway where there is no hydrant fire protection and only limited service, outside the Perimeter Highway where there is only very limited transit service and limited other types of services that are enjoyed by those inside the Perimeter Highway, the average is 18 times - Madam Speaker, seven times inside the Perimeter, 18 times outside the Perimeter.

I think it behooves the Minister to address that situation. And it's not unique to my constituency, Madam Speaker. The Member for Niakwa has a similar problem there. The Member for Kildonan has a similar problem in his constituency, Madam Speaker. The Member for Radisson, Madam Speaker, has a similar problem in his constituency, whether he is aware of it or not.

Madam Speaker, those large-lot residential properties must be addressed in a unique and different manner. They are unique and they are different. They are faced with substantially higher, in relative terms, increases in assessment than anywhere else in this city.

Madam Speaker, without the services that the rest of the city taxpayers enjoy - and they are contributing to the Core Area Initiative; they are contributing to downtown redevelopment; they are contributing to the rest of the operations of the City of Winnipeg. Yet, they are not in a position to have a classification that will allow them to participate on a fair and equitable basis.

Madam Speaker, those people are also locked in by the urban limit line. The Minister knows full well in their Plan Winnipeg, approved by the former Minister of Urban Affairs, that the urban limit line around the City of Winnipeg precludes development of the lots these people are sitting on.

The suggestion by the Mayor for instance, Madam Speaker, that these people have taxes deferred until such time as development takes place, that development is not going to take place until after 1999 according to The City of Winnipeg Act, and then it is questionable, but certainly not until that particular time when the urban limit-line freeze will come off.

The White Paper produced by the Department of Urban Affairs indicates control of development in the suburban areas. But certainly, if you put an inordinate tax burden on those people, they'll be forced to do something. If they cannot afford to pay the taxes, then they have to do something else. And what can they do? Subdivide their property in an attempt to get out from underneath the kind of tax problem that has been created for them? Madam Speaker, they can't do that either. So they are faced with a Catch-22 situation, one that I think can be addressed fairly and reasonably by the creation of a further classification.

I know that it's difficult for the Minister of Urban Affairs to have to address this situation, the fact that his colleagues on the benches opposite are seeing him come in with additional classification after additional classification, but the problem was forced upon all of us, I think, by the order of the court.

Madam Speaker, it is new and different and unique and has to be addressed on an emergent basis. As problems arise, they have to be addressed, and it's not good enough for members to stand up and say,

well if it's rushed through, it's not good legislation. Madam Speaker, I don't agree with that. I think good legislation can come forward out of an emergent situation. It can be addressed by all members in this Chamber, not just the government side, not just the opposition side. We can all address that problem, and try and address it in a quick, efficient and reasonable manner so that the taxpayers of Winnipeg, the taxpayers of the Province of Manitoba are the real beneficiaries, Madam Speaker. We don't, particularly in this Chamber, benefit from this legislation other than maybe as ordinary citizens, but certainly the taxpayers of the City of Winnipeg are going to benefit from this legislation.

The second part of the bill deals with the extension of the appeal period. I must say that the members on the benches on this side of the House can take substantial credit for the fact that on the very first day that questions were available at this Session of the Legislature, it was paramount in the minds of the members on this side of the House that we brought forward that question to the Minister of Municipal Affairs to ask him, to question him, on the whole aspect of the ability of people to appeal their assessments.

Madam Speaker, his indication at that time was, there isn't any problem. There's no great hue and cry; nobody's calling my office; there isn't really a problem. Go away and don't bother me. Obviously, someone got to the Minister of Municipal Affairs over the weekend because, when we brought in emergency debate on that matter on the following Tuesday, it was turned down by the members opposite but the Minister for Urban Affairs then, contradicting his counterpart, the Minister of Municipal Affairs, walked out into the hallway and announced to the Press - not to the House - that in fact legislation was coming forward.

So I'm pleased to see that legislation is here because, if any members opposite had been to any of the assessment hearings, Madam Speaker, throughout the city - they were being held over many weeks - they would have known that the single largest question being brought forward at those public meetings was, what are my taxes going to be. Don't give me 1975 levels of value and don't give me classifications and differential mill rates. I don't understand that. Just tell me, they were saying, what my taxes are going to be; that's all I really want to know.

Madam Speaker, they were not going to be able to appeal their assessment. In fact, the appeals would all have expired this Thursday, were it not for the legislation contained in Bill 8 which will now allow them to appeal their assessment after they receive their tax bills. That's assuming that, of course, the bill receives passage and then continues on in the normal process and is put in place in sufficient time to allow that to occur.

Madam Speaker, I am pleased that we were able to draw to the government's attention, very quickly and very forcefully, the need for this kind of legislation and the fact that it was brought forward for the citizens of Winnipeg to be able to take that opportunity to be able to say to themselves: I can now rest assured, with the passage of this bill, that I can wait and I can get my tax bill and I can look at it and I can understand then the relationship between taxes and assessment and then decide whether I should appeal my assessment to the Board of Revision.

I also had to chuckle, Madam Speaker, and make comment again that the Government House Leader at

that particular time stood up at the time of emergency debate and said, notwithstanding, it was a good legislation; they thought of it first. It reminded me of the days of the Cold War of the 1960's when, every time the free world would invent some kind of new mechanism, the Russians stood up and said, we thought of it first. So, Madam Speaker, I'm hoping that the Minister for Cooperative Development, the Government House Leader, at that time was only trying to pull our legs on this bench.

Madam Speaker, the question raised by the Member for St. Vital with respect to the legislation, he's reported as having said over the weekend that this is bad legislation and it gives inordinate powers to the City of Winnipeg to do all sorts of nasty things and to discriminate against one taxpayer over another and so on. If the Member for St. Vital had had the opportunity of understanding, I think, Bill 57, he would have seen that the powers granted under Bill 57 were far, far greater than those granted under Bill 8. Under Bill 57 was the time that if there was a great concern, that if there was a great desire to put a halt or a control on the powers of the City of Winnipeg, then certainly Bill 57 was the one that should have been debated, Bill 57 was the one that should have been voted against, and Bill 57 was the one that should have had a stop put to it, Madam Speaker.

But in this particular situation where we have a situation of granting leave to people - perhaps the wrong terminology, Madam Speaker, under the circumstances - but granting an opportunity to the people of the City of Winnipeg to appeal their assessment once they receive their tax bill is certainly not bad legislation by any matter of means, Madam Speaker.

On the other hand, to be able to grant to homeowners in the City of Winnipeg an opportunity to phase in inordinate increases over three specific years as was done under The City of Winnipeg Act originally back in 1971, when municipalities surrounding the old City of Winnipeg were forced into Unicity, they had that same opportunity of phasing in their tax increases at that particular time because of large increases in property taxes, but somewhat less than the kinds of increases that are going to be faced under reassessment.

In those days, those levelling off of taxes, if you will, between municipalities surrounding the City of Winnipeg and the old City of Winnipeg were less than the kind of increases people are going to be faced with today under this reassessment situation. So I think the Member for St. Vital, perhaps, didn't understand the question as to what's happening under this particular bill and the kind of benefits that are going to be confirmed upon the citizens of Winnipeg.

So, Madam Speaker, I commend the bill to the House and I would hope all members would support it. Thank you.

**MADAM SPEAKER:** The Honourable Member for St. Vital.

**MR. J. WALDING:** Thank you, Madam Speaker.

I believe that I do understand, and let me try to tell the Honourable Member for Charleswood what the objection is in this particular case. I don't claim to be

any sort of expert on assessment or taxation, but the principle, I believe, is clear enough, and it's the principle that I want to address and should have been addressed.

Reference has been made to Bill 57 of last year by both of the two previous speakers, so I want to mention that, and some of my remarks will be perhaps directed to Bill 57, as it provides a context in which we can see Bill 8.

One of the first things that attracted me to the New Democratic Party some 25 years ago, Madam Speaker, was that principle. When you take away all the extraneous and minor principles that are put onto it, the very basic principle there of fairness, of doing things the same for everybody. The CCF had a slogan of, humanity first. That appealed to me very much. It is not a party that provides special benefits for some people or puts some people in a privileged position. We've heard a good deal about fair taxation - (Interjection)- Yes, I agree with that; I believe in that, too. That went along with that very basic fundamental first principle of fairness, which we have always agreed with and always promoted.

I can recall, along those same lines, going to numerous conventions every year, when the matter of municipal taxation would come up. It was always stated forthrightly by anyone who spoke on it that we thought that taxation at the municipal level should be on the basis of ability to pay. That was said over and over again, endlessly, I believe, and that is what this New Democratic Party would move towards. It wouldn't do it tomorrow; it would do it sometime, but that was always the basis.

The moves of some 10 years ago with the Property Tax Credit Plan were on that basis. It was recognized then that people paid taxes on the property that they own, but the Property Tax Credit Plan, which had the result of reducing the tax burden to some people would be on the ability to pay. I don't want to go into the details of what it was, but surely everybody knows about that.

So that was always a background of belief by the NDP, what they wanted to put forward to and the way they wanted to go to municipal taxation. It was recognized, however, that it couldn't be done tomorrow and that the existing situation of some 25 years ago, I'm talking about now, was on the basis of charging people on the basis of the ownership and the occupation of the land that they lived on or, if it was their business or whatever it was; not a perfect basis because poor people lived in houses and rich people lived in houses; poor people lived in apartment blocks and rich people lived in apartment blocks, too. There were some businesses that made money and had the ability to pay, and there were other businesses that didn't make any money and obviously didn't have the ability to pay. So in those terms municipal taxation is a regressive tax and it's not something that this party wanted to go along with. However, it was there. We recognized that.

There would be no assessment needed if all our homes and houses, businesses, whatever it was, were of the same value. We'd simply pay the same amount. There would be some equality there. But we don't all live in the same value of house. There are larger houses, smaller ones; there are large businesses, small businesses; there are the corner stores and the shopping centres.

(Mr. Deputy Speaker, C. Santos, in the Chair.)

So it was decided a long time ago that the way to get over this and to recognize those differences was to assess, on some basis, the relative difference between properties. Unfortunately it was given in dollars which tended to confuse people but, if it was given in units or doughnuts or something else, that would probably be more accurate. What it did was to tell people that your house is worth twice as much as that one, or this business is worth one hundred times what that one is, etc., etc.

Once that was done, and as long as that is current and up-to-date, everybody can see it and understand it and they then know what their house is worth or what their property is worth, in comparison with any other property in a municipality. Then all that has to be done is to set one dollar mill rate that applies to everyone equally on the basis of the assessment they had, so the house that was assessed at twice its neighbour would pay twice the amount in dollars, etc.-simple, easy to understand. It has the benefit of fairness and there is equity there.

What it means is that when you assess property, that is equity. When you put a mill rate on the top of it, that is equality. When you put equality and equity together, surely you get fairness, and that is something that the NDP has espoused over the years, something that I believe in and I believe that all people do.

That was recognized a long, long time ago, when this Legislature told the City of Winnipeg, reassess every three years, keep your values current and keep it fair to everybody. Twenty-five years ago, the city did not do that. Three years later, they did not do that. For the last 25 years, they have been thumbing their nose at this Legislature, and in fact defying the law of the province in refusing to do what they were told to do.

Now when you and I break the provincial law, we go to jail or we're fined or, if we have a particular provincial appointment, it's taken away from us, but did that happen with the city? Were they fined for breaking the provincial law? No. Did they go to jail? No. Was the City of Winnipeg disbanded and a commissioner put in there? No, it didn't happen. The city defied the Legislature for 25 years, until a judge told them to reassess the properties. It gave them a time limit, the end of '86, I believe. The city then went ahead and did it, but values had eroded and some had increased over the years, and the level of assessment had grown way out of line with what it was some 25 years ago.

But what it meant was that some people would be seeing a tax increase because of reassessment and the reason for that is that they were paying too little last year and the year before, and for several years before then. An assessment tells them to pay their fair share, that's what it's about, but there were those who would be paying less under reassessment because their assessment was decreased. That meant they were paying too much last year and the year before and the year before that, and where were those people? Mostly in the inner city. We're talking about your constituents now, who should be getting a decrease in taxation in order to make it fair. What Bill 57 was about last year and what Bill 8 is about this year is to prevent the increases on those on whom it had been properly assessed, to be paid for by everybody, including those

inner-city residents who would normally get a larger decrease if it were not in effect.

I was told personally, when Bill 57 came in last year, that it was brought in in order to prevent large increases in apartment blocks. What it did was exactly the opposite, of course that it prevented large decreases in apartment blocks, but I didn't find that out until later.

Bill 57 has gone through and there are different categories now in effect. There were six; there are now eight. Fair enough, I will accept that can be cushioned to bring in fair taxation for everybody since it is there. I would prefer it not to be there, but it is. When I came to Bill 8, I expected to find that the phasing-in provision would say, those differential taxes shall be phased out of existence in three annual equal amounts so that, whatever they offer this year, they'll cease to exist in three years time. That's what I expected to find. I didn't find that, but what I did find under the increase of the extension of the assessment appeal process - (Interjection)- Yes, it extends the period for 105 days from the date of the sending out of the last assessment notice. It really doesn't bother me, except that it will provide some difficulty to those people who will attempt to appeal their tax bills, which of course they will not be able to do. It will be pointed out to them that only assessment is appealable, not the taxes themselves.

Okay, let's go back to limited increase. We find the wording, and I'm not going to read it all, but it says that the city may pass by-laws, any number of by-laws, not one by-law doing this one thing but a separate by-law however often they wish to do so, but they will limit the increase on "separately assessed parcels of property or within such classes of property."

So it's not just the eight classes of property that were set up by Bill No. 57 whereby all houses or all apartment blocks or all businesses would be treated the same and a differential rate put on there. This permits them to take some houses, some apartment blocks; in other words, within those categories, they can vary the amounts of taxes that people pay.

So, in theory, this gives the city council the ability to put one taxation rate on one house and a different taxation rate on its neighbour or no taxation increase on one house and all the neighbours pay for it. It will also permit city council to say this particular shopping centre, which has been assessed terribly low in the past and has not been paying nearly enough when compared with downtown stores, shall have no increase or a small increase or part increase at the same time that another shopping centre, assessed as a separate parcel, will be given some other rate, maybe the full increase; or some particular bank in the suburbs, which is assessed separately, can be given one increase and another bank may be given another increase and a different company may be given a particular increase.- (Interjection)- I really can't hear the Honourable Member for Norwood (sic). If he wishes to join the debate, he may of course do so.

But that is what is in this particular bill and, before honourable members get too upset about it, I should tell them that I really didn't expect to have any objection to this bill when I didn't give leave for it on Wednesday. It was purely coincidental that I went home on Wednesday evening and I sat down to read the bill, and I read it a second time and a third time, and it began to dawn on me what these words meant that

were in here. They were quite different from what had been said that the bill contained.

Because I'm not a lawyer, and it may be that I don't always read the words exactly as they were intended, I went down to see the Legislative Counsel the next day. I said, I'm interested in this particular bill and this particular clause. This is what I think it means. Is that right? Does it really mean that, that the city can set its taxes individually on a property-by-property basis? He said, yes, that's right; that's how I read it. But, he said, would you like to speak to the man who drafted the bill? He's in the next office. And I said, no, I came to you for an independent view on it. He said, but just wait a minute, I'll go and see. So he went to see the draftsman of the bill, and he came back and he said, yes, I'm right, that is exactly what it says; and you are right, that is exactly what it says. So I presume it's the city that asked for these particular powers.

The honourable member mentions large-lot properties. There are some out in Charleswood; there are some out in south St. Vital, too. Yes, there is a problem there. The Minister has been asked to set up a separate category of assessment to take care of those particular increases. The Minister, quite rightly, in my opinion, said no, he would not do that. This bill makes it absolutely unnecessary to do that. The city council can moderate the tax increases for every one of those lots, individually, at a different amount if he wants to, or the same, but this gives them the power to do so. It, in fact, undercuts what people have been asking the Minister to do. He wouldn't do it by assessment but he'll do it by bill. This hasn't been explained and told to the Legislature or to the press.

The city councillors might well say, oh, but we would never do that; this is what it's intended for; we don't want those sort of powers. If they don't want them, why did they ask for them? Why did they put them in the bill that is coming before all of our members here asking for their particular approval for them? It's bad legislation in my opinion.

If there was a phasing-in provision wanted, all that was necessary is to have those differential taxes decreased over three years. That'll do it; that will get you from the present position to the reassessed position. There will be a little less fairness that way but there will be some fairness. It's not as fair to those people who should be getting a reduction now and put it in immediately - they'll get that benefit in three years' time. There will be other people who won't be paying their fair share this year - they weren't paying their fair share last year - but they'll be paying a little more. In three years, it'll get to that fair stage, that matter of equity where they will be paying their fair share, and that's all that I asked for. That's all that this party has been asking for for so many years.

It's a matter of fairness and equity. It's a matter of fair taxation in treating all of the people all of the same and not having a special or a preferred tax rate for some people. Whether it will happen, I don't know, but that is the power that we're being asked to give them. If we don't want to give them that, let's say no, this is the place to get it. It's like saying, in giving the city the power to make a by-law to do this, it's like saying, I won't throw the first stone but let me hold your coat, and here, you can make a by-law; do it yourself. That is wrong in my opinion. I intend to oppose the bill, and other members if they wish to.

It just occurred to me - I wonder why gentlemen opposite are so keen to approve this. They have a natural affinity to people on city council. Most of whom are Conservatives, I believe - there are some Liberals there - but the city council and the Opposition are agreed and very much in favour of that. But I have difficulty in understanding why New Democrats should be wishing to get into bed with those people to approve this particular matter.

That's all that I have to say on this matter.

**MADAM SPEAKER:** The Honourable Member for Morris.

**MR. C. MANNES:** Thank you very much, Madam Speaker.

I've enjoyed the presentation just offered by the Member for St. Vital. I think some of the points that he makes are those which we should consider in some depth and, when he leaves or asks the final rhetorical question as to whether or not this is a fair bill, Madam Speaker, I won't pretend to give the answer to that.

I rise today on a little different issue. I rise because I'm concerned about the whole assessment process. Madam Speaker, there are two features within Bill No. 8, one of them granting appeal, another one a phasing-in process. I can tell you that, although I may have some comments to offer on both those areas, my greater concern is what is happening within the whole reassessment process. Unfortunately, I don't have another opportunity to rise, because I can't take it for granted that there will be other bills coming before this Legislature dealing with assessment. So as on Bill 57 where myself, and I believe my colleague, rose to put on the record some of our concerns, I also rise for that same purpose at this time. But still, Madam Speaker, the Member for St. Vital says is this a fair bill?

I think maybe part of the answer to his question is I guess it's fair when you're a new Minister within the NDP party and you're trying to move through a land-mine area, so to speak, this whole assessment question, and you're trying not to cause a whole host of political issues. So fair, I can't say, Madam Speaker; certainly it's fair in the sense of those homeowners in the City of Winnipeg who could experience a major increase were the provisions of this bill not brought forward. I think though, in the minds of the NDP Cabinet and particularly a new NDP Cabinet Minister who doesn't really want to move into significant political problems in this area, it's fair from a very political viewpoint.

Madam Speaker, as I've said, I'm troubled not with the two features, although I question a little bit on the extension of appeal, not in the sense that everybody shouldn't have a fair and reasonable time to look at their reassessment. That's only fair, if we're going to use that word, that everybody have an opportunity to see how their assessment is relative to other properties. Indeed, when our colleague, the Member for Charleswood, indicated by way of request to this Chamber that that be discussed by way of emergency debate and, secondly, once he discussed with our caucus the intent of Bill 8, I think it's safe to say that he had full support from members on this side of the House with respect to the appeal process dealing with assessment.

Now my quarrel, whether that should be taken into the area of taxation - because indeed you've crossed a major barrier because appeals were never meant to put into place on the basis of taxation levies, Madam Speaker, they're on the basis of assessment. Indeed, there are a whole host of us in rural Manitoba and other areas who are not given the opportunity or given no opportunity to appeal taxation; appeal assessment, yes, to the Court of Revision, but never to appeal taxation. So the Minister in charge of this, who is trying to guide this through the Legislature, is going to have to indicate to us or to the House why those of us in rural Manitoba are second-class citizens with respect to this area of appeal.

Madam Speaker, we have undergone major times of reassessment in rural Manitoba and at no time were our constituents given an opportunity to appeal once the tax statement was presented to them. Madam Speaker, we played by the rules and the rules were such that you appealed assessment. Yet, the Minister brings in Bill 8, and maybe he can explain - and of course he'll talk about the various circumstances that make it different.

Fine, Madam Speaker, I still think when you're talking about assessment and you realize that you have such a division within the province between rural and urban that you have to bring these assessment bills in not only to be fair to whoever, but to appear to be fair to all people within this province.

Madam Speaker, I rise on Bill 8 not so much as dealing with the assessment appeal issue as I do because of something that this Minister said with reference and in arguing Bill 57 a year ago, a short six months ago.

Madam Speaker, when the new Minister brought in Bill 57, he talked about classification and I have his notes, his speaking notes on Second Reading. The Minister said this, and I'll paraphrase, he said on page 3632 when he was talking about this bill, this bill, of course, as you know and members know, is a measure to allow the City of Winnipeg to deal with the severe difficulties that have arisen out of the court-ordered reassessment within the City of Winnipeg. For a defined period of time, Madam Speaker, the city will have the power to set differential mill rates for differential classifications of properties. I can't argue with that, Madam Speaker. That was the rationale used to support Bill 57. I accepted that at face value.

Further on, the Minister, in that same presentation, used the word "intrameasure," Madam Speaker, not on one, not on two, but at least three occasions. Madam Speaker, that bill came in very quickly and the essence of my remarks at that time was - as a rural representative sitting and watching this government and how it was handling the whole reassessment affair - I asked him how it was that those of us rurally who have been concerned about this issue for five, eight, ten years, how they could hold us at bay trying to bring forward more information as they claimed, trying to take it through their computer runs to see the impact on various classifications. For that long period of time, Madam Speaker, upwards of 10 years, and yet in the short course of two weeks, rush through this Legislature a bill that was going to mitigate the effect of a court ruling upon the property owners in the City of Winnipeg.

Madam Speaker, that's all very noteworthy and that's what we're empowered to do. I can't argue with that,

Madam Speaker. But the Minister at that time told us that these were intrameasures and I accepted that at face value.

Madam Speaker, Bill 8 then comes along early on in this Session under the same more or less powers, pressures to move it through expeditiously. So again, some certain group of property owners, very significant, and certainly not to be minimized in my view at all, to prevent their property values from increasing at a rate that would not be considered fair.

Madam Speaker, that's when I began to realize that this government, without even telling us what the defined period of time was with respect to Bill 57 as to how long the classifications, eight of them, which they now have developed by Order-in-Council since the passing of Bill 57, how and when those classifications would be lifted. Then we imposed, superimposed upon that, the power and effect of Bill No. 8, which we're discussing right now. Madam Speaker, what becomes obvious to me is that this government has absolutely no agenda to bring about fair and equitable reassessment that was promised by where the process was laid out and this government has chosen not to in any degree share with members opposite as to how that was to be done, but, no, how we are faced with it. The only opportunity we have to speak on it is through Bill 8 -(Interjection)- Madam Speaker.

Well, we have a member say that's not true. That's the same Acting Minister of Municipal Affairs who took my question as notice last year and said that all members of this Legislature would be given an opportunity to find out first hand what the government had in place for the process of reassessment. That's the same Acting Minister, Madam Speaker, and he sits in his place today and he says, not true.

Madam Speaker, I don't see really, quite frankly, how any member of this Legislature in fairness to their constituents can allow any assessment bill to move forward until the government opposite lays before us the process that it anticipates will ultimately reach fairness as between all property owners, as between all individuals that are located, regardless of where. The members opposite haven't shown me that they know where we are going within this whole area.

Madam Speaker, I challenge the Minister of Urban Affairs, the person who's guiding Bill 8 through this Legislature to tell us how long the classifications that are now in place by way of Order-in-Council, how long they'll be in place. Bill 57 allowed classifications for a defined period of time. He said the word, "interim, interim, interim," Madam Speaker, and yet to this date he brings forward another assessment bill without defining the time that these classifications will be in place.

Madam Speaker, the Minister says that this bill, if it did not come into effect, that reassessment in the City of Winnipeg would represent a due hit which would be unfair to the City of Winnipeg homeowners, and I agree with that, so it would be. It would be unfair and there's no doubt that there would be a major shift in taxation which would occur over a short period of time.

But, Madam Speaker, how can this Minister, as representative of the Cabinet, particularly with the Acting Minister of Municipal Affairs, how can they sit there and watch this type of host or adhocery legislation come forward, and that's what it is. It's

reacting to a problem and that problem is real, I don't deny it, and yet on the whole area, the whole issue of education tax on farm property, sit there and do virtually nothing. How can their rural members sit in their places, sit there and, over the period of years, do nothing?

**A MEMBER:** Blame it on somebody else.

**MR. H. ENNS:** Shame on you, Leonard.

**MR. C. MANNESS:** Well, the members opposite can't even blame it on anything else. They know that it's within their destiny, it's within their power to do something about it if they so choose, Madam Speaker, but they sit there. They sit there and, when a new bill comes along to protect an important group of ratepayers within this province, they jump to attention.

You know I listened very carefully to the remarks by the Member for St. Vital - the would-be Minister I suppose, Madam Speaker - and he talked about fairness in this area of property taxation and he talked about how important it is that fairness be seen to be done. I think his words were, "... that the property tax is regressive." Madam Speaker, I sometimes have difficulty with these words, "regressive" and "progressive," because I've never seen them properly defined. Within the political realm, Madam Speaker, I guess we're supposed to know -(Interjection)- Well, this member over here talks about regressive leadership. Well, they've got no leadership from the present Premier, I can tell you that.

Madam Speaker, he talks about regressive taxation and believe me, I can identify with that. Coming from rural Manitoba, I have constituents - indeed as do many members here - who are paying education tax upwards of \$4 an acre, Madam Speaker, without the least bit of reference to income. Madam Speaker, I can see where this government will move very quickly on one hand; and yet dealing with that very critical issue where you have farmers today paying thousands and thousands and thousands of dollars of tax without reference to income, is that called regressive? Well my understanding of that word says it is. There's nothing more regressive than that; and yet the Minister of Agriculture sits in his place and rubs his hands and says, "Oh, yes, it's a problem." -(Interjection)- Well, today he doesn't rub his hands, but other times when he's felt the heat, Madam Speaker, he's rubbed his hands and said we're going to -(Interjection)- Well, you know this Minister of Labour, he's finally coming out of his hole, Madam Speaker. I thought he was driven so deeply in here last Session that he would never rise again, but of course it's amazing what a TV or a newspaper photo shot will do with him conversing with the Premier at the NDP Convention in Montreal. I guess he feels now he's equal status again, fully revived.

**MR. H. ENNS:** Throwing water on the CF-18 - pulling back the CF-18 resolution.

**MR. C. MANNESS:** That's right, taking the Premier into pulling back the CF-18 resolution, you're right. That's exactly what's happening.

Madam Speaker, my fears are this. The NDP Government has not laid before us at all, their agenda

towards fair taxation reform. The Minister of Municipal Affairs has agreed to meet with members of this side, indeed all MLA's. In case they haven't indicated to the Member for St. Vital, I will use this opportunity to give him notice. There is a meeting of all members with assessment officials of the Department of Municipal Affairs, probably Thursday morning at 9:00 o'clock, so I've served notice to the Member for St. Vital; probably his colleagues wouldn't do that.

At that time, we are going to discuss, Madam Speaker, where it is the government has this whole reform process. At that time, Madam Speaker, I think some of us will make a clearer determination as to whether or not Bill 8 - Bill 57 are part of that path or indeed they're on a different path.

Because the point I make, Madam Speaker, is this. Classifications, once they're frozen into place, for however long interim means, Madam Speaker, politicians, by their very nature, are reluctant to pull away from it. Madam Speaker, it's the reason why, in my view, reassessment in the City of Winnipeg may have not been done in as orderly a fashion as some people may have wished. It's the reason why, at times, rural people, rural officials, Madam Speaker, if they had the power, would probably do the very same thing. It's human nature to the people that have the political power to stay away from fooling around with taxation.

But, Madam Speaker, I fear that these classifications that have been brought in through Order-in-Council, as enabled by Bill 57, may be in place not for two years, not for three years, not for ten, not for twenty, but maybe for forty or fifty years.

Madam Speaker, why I stand on the issue is because if you remember what the Minister of Urban Affairs said when he brought forward Bill 57, that these classifications determined for the City of Winnipeg will not be those that are put into place for rural Manitoba. I guess I asked the question today: "Are you sure?" Indeed are those the classifications that are going to come into place for all of Manitoba; or indeed, are there going to be a whole new set of classifications for rural Manitoba, such that you have eight classifications for the City of Winnipeg, eight for rural Manitoba, and, Madam Speaker, that in itself is no problem but we have something called an education tax and that education tax is to be applied across the whole province fairly. When one constituent, when one member of the public looks at somebody either living in rural Manitoba or somebody from rural Manitoba looking at urban Manitoba and says, I am paying education tax, even though it's an equal levy across the province, I'm paying into it in a fashion which is unfair, then you bring into disrepute the whole question of assessment and property tax.

The Minister and the Minister of Municipal Affairs and Urban Affairs have not shown me that they are working to a system, whereby those of us who are paying education tax on our property, indeed as all property owners are, rurally or urbanly, will be given any degree of confidence that they are being treated fairly. Madam Speaker, I fear that the effects of Bill 57 and classifications are going to be locked into place for a long period of time, unless again in wrapping up the Minister can convince me otherwise.

Madam Speaker, I would just like to say, in closing, two things. Firstly, the phasing-in portion of Bill 8, I



have no problems with. I just wish again that, if the Minister is saying that it is precedent-setting, that now, times we have major shifts in assessment in all jurisdictions, that that be considered everywhere. I think, by the precedent-setting move that is being taken here, it has to be. Secondly, the appeal process, I support my colleague completely, with the one proviso: should it really be extended to the tax setting statement process?

Madam Speaker, there is something that the Member for St. Vital said that bothers me. He said he went and talked indirectly to the draftsman of the bill, and the draftsman said, yes, the City of Winnipeg had certain powers to put into place differential mill rates in any fashion that they so chose; and at the same time he said that, Madam Speaker, I couldn't help but detect the Minister of Urban Affairs shaking his head "no."

Madam Speaker, here is a classic case where the sponsor of the bill is saying, by using no words, but saying, by at least the movement of his head, that the draftsman of the bill is wrong. Can you imagine that, Madam Speaker - the draftsman of the bill is wrong!

Madam Speaker, that brings me back to my original point. My original point was that this bill is being brought in not to expedite the process of assessment. This bill is being brought in to negate any political fall-out that may happen as a result of movement, and proper movement, to a fairer system.

And, Madam Speaker, I think it's incumbent then on this Minister, when he is wrapping up the Second Reading on this bill, to first of all tell us how long the classifications that have been brought into force under the power of Bill 57 are in place; and secondly, explain to us how it is that he could disagree with the draftsman of the bill.

Madam Speaker, I think with those few remarks, I go on to support Bill No. 8 with some reservations. Those reservations, of course, are that this assessment process is totally off the path as envisaged, indeed spelled out, by one former Premier Weir, and the NDP are purposely leaving the blueprint that was provided and, in my view, were nowhere closer to a system of fair property taxation within this province.

Thank you.

**MADAM SPEAKER:** The Honourable Member for Riel.

**MR. G. DUCHARME:** Thank you, Madam Speaker.

I'm glad to rise on a very important issue, Bill 8. When I was first involved in city council and first elected in 1980, the first thing that was thrown at me as a member of the Finance Committee that year was the Weir Report and, since then, I have followed this issue until now. When we were on the Finance Committee then, it was frozen in 1981 and then the 1985 ruling came about and we were told to have a final assessment.

Madam Speaker, I'm speaking in support of this bill, not because I want to go in bed with the opposite side as accused by the Member for St. Vital, or to gather with my Conservative colleagues or whatever they are, at city council. If the gentleman from St. Vital wants to compare or start to call the finance member a Conservative by the name of McDonald at City Hall or wants to call the member of the EPC, the chairman of

EPC, a Conservative by the name of Savoie, then I don't know where he gets his count about gathering together with the Conservatives at City Hall.

However, Madam Speaker, I am pleased again to support this. I am also pleased that the present government has decided to live up to the Throne Speech promise on page 21 that this particular government will continue to support the orderly introduction of the new property assessment in the City of Winnipeg.

Madam Speaker, the introduction of Bill 8 does some of that. When the emergency date was requested by the Member for Charleswood, he did mention some of these important issues that are brought in Bill 8.

Madam Speaker, when the assessment was started to be discussed back in 1980, there were the concerns about the shift in taxation. We knew that there would be some inequities. We knew that. However, we also agreed, with meetings with the Provincial Government at that time with the previous Minister, that the government would make sure the people would not suffer as result of the assessment issue.

The first part of the bill is not to prevent taxes but to phase in. The Member for St. Vital mentions to prevent. We all know the intent of that particular part of the bill is to help the taxpayers who are put in that financial hardship, and this enables the city to share or postpone that tax over the three-year period. Remember, it will be the City of Winnipeg taxpayers that will be sharing in the interest that is lost or the share of the taxes spread from one house to the other.

Madam Speaker, I was more concerned about the appeal period. The appeal period gives the extension time, and when the assessment issue first came at City Hall, and when the assessment issue came up at this time, that appeal period was questionable. The whole idea of appeal period and the whole idea of equalized assessment is to spread that tax and to spread it equally and also allow myself in St. Vital to compare to the properties in North Kildonan or to compare the properties in Fort Garry. The whole idea of that was to be able to compare. But because of the mailing, etc., that occurred throughout the city, it was discovered that this could not be obtained. So the city delegation came forward and asked for this particular appeal period to be extended.

I am also concerned, like other members, that we do not have that particular appeal period interfere or get confused with the taxes, because the whole idea is to compare assessment and not taxes. Yet we have some people rise and say, well, how can a person do that? The same confusion arises if they are comparing their taxes. They start comparing school tax. They start comparing allies. They start comparing all different parts of their taxes when they start to compare taxes on their tax bills. They have to compare to the assessment and this appeal period does allow them to do so.

Madam Speaker, I do support this particular bill. I support the principles of it. However, Madam Speaker, I am a little disappointed in the confusion that this particular bill has caused. This bill has caused a confusion to the extent that the people who are asking for the Class 9 classification do not understand that this particular bill does not affect them.

Madam Speaker, I will maybe add to that confusion because, as previously mentioned by other speakers, it's probably the last chance we will have to talk on

the assessment issue for these people in the Class 9 categories. Madam Speaker, it is imperative that the city, in their particular cases, dictate the minimum lot size, as the two- and five-acre lots south of the Perimeter, that some form of allowance be established. This could be done by the establishment of another classification and that would be 9.

This is a problem, particularly, for two-acre lots. The five-acre lots do get some recognition as one-half acre falls in classification 10, residential; and the balance falls into the classification 34. However, the two-acre lots receive no such recognition and these are what the people will be appealing. The part about the bill just extending their payments of their taxes over the three-year period does not solve that particular problem. These people, in this particular area, are arguing the fact that they do not realistically expect the services of the people that are in the rest of the city. The city should not realistically expect to collect the same level of taxes from these rural areas as from other suburban areas.

Madam Speaker, in closing, I'm not adding too much more to the debate, except to get on record that I do support this particular bill.

I am very disappointed in the Member for St. Vital. The Member for St. Vital has gotten up and mentioned some issues in regard to this particular bill. If the Member for St. Vital, who has been around this particular room since the assessment issue started, had attended the meeting in his constituency in February that was attended by 400 to 500 people, explaining the assessment issues, maybe he would not have taken the same stand as he did the other day.

Madam Speaker, in closing, I feel that both these issues are very important. They will probably put the assessment issue on stream that is required at this present time so that the city can get on with its work of getting out their tax notices and so that this whole assessment issue can be straightened out.

Thank you very much.

**MADAM SPEAKER:** The Honourable Member for Pembina.

**MR. D. ORCHARD:** Thank you, Madam Speaker.

Madam Speaker, I didn't think I was going to get the opportunity to speak this afternoon on the bill, but I will take this opportunity to make some brief comments.

Madam Speaker, Bill No. 8 had, last week, a certain amount of urgency attached to it, according to information that was made available to us and, presumably, to media personnel who were following the urgency and the necessity of having leave granted on Wednesday of last week that we deal with this bill in First and Second Reading so that presumably this bill could reach a conclusion some time today.

It was on that basis that I and a number of others, with reluctance, were compelled to not oppose dealing with this bill through First and Second Reading stages on Wednesday of last week so that it could be passed today, presumably, for the convenience of the City of Winnipeg. But, as it turns out in discussion with the media, the Minister indicates, well, there's really no problem; the city has until April 15.

Quite frankly, Madam Speaker, if that is the method under which this new Minister is going to present

legislation to the House and ask for cooperation to pass legislation, it's not doing him any good in not providing us with the full information on the urgency of passing this bill.

Now, one of two things had to happen. Either the Minister, when he walked out of the Chamber on Wednesday of last week, wasn't being completely candid - is the proper word, Madam Speaker - with the members of the media in that he indicated April 15 was no problem so that that way the problem he encountered on Wednesday would not appear to be any major setback; or, secondly, Madam Speaker, the bill really wasn't that urgent that it needed to be passed by today, as was indicated to us when we were asked to give leave to go through two stages in one day to be at the stage of passing this today. Either the Minister was attempting to save face on Wednesday before the television cameras and the people of Manitoba, or the urgency didn't exist. It's one or the other, Madam Speaker.

Madam Speaker, the bill has merit from the standpoint that it complies with a request we made in terms of emergency debate, that being a delay in terms of the assessment appeal process so that individuals and companies presumably, as well, who are property owners and are reassessed in the City of Winnipeg will have an opportunity to review the impact of their reassessment in relation to properties they consider to be of equal value throughout the city, whether it be homes of comparable value or businesses of comparable value.

And that's a request that we made, Madam Speaker - the Member for Charleswood made it. We attempted to focus in on it in terms of a request for emergency debate which did not proceed. That issue needed to be addressed, Madam Speaker, needed to be addressed and is addressed as part of Bill 8, because no one can be expected to carte blanche accept a reassessment without understanding fully the relative implication their reassessment had on their property compared to other parts of the city.

The second aspect of the bill, Madam Speaker, which was not part of, as I understand it, any matter that we had been urging the government to act upon, is of course the provision to provide phasing in.

My colleague from Morris has already made mention of the apparent confusion that exists between the Minister and the Member for St. Vital in advice they apparently have gotten from legal counsel. I think the Member for St. Vital, as a veteran member of this House, probably would not misunderstand what legal counsel was telling him in terms of what the strict interpretation of this bill is.

And I read with a great deal of interest, I believe it was Saturday's Free Press, where the Member for St. Vital's comments were there and subsequently were vehemently denied, I believe, by the Deputy Mayor of the City of Winnipeg in terms of they would never use the provision to individually change the reassessment process, which is part and parcel of the legislative provisions of Bill 8.

Well, Madam Speaker, all too often I guess we've passed legislation in this House where various Ministers - and I won't even say I haven't been guilty of it myself - have said, well yes, that provision is there, but certainly no member in this Chamber would ever believe that

it would be used. Then some several months or several years later, to our chagrin and much to our embarrassment, the bureaucrats have literally interpreted the legislation as it is written, and we end up with problems that Ministers ought not to end up with if they come in with properly drafted legislation in the first place which candidly and explicitly indicates what its intention is and the abilities that it grants to bureaucrats or to others in the legislation.

I think the Minister might want to, before passing this bill through committee, take a look at a rewording of the section in the bill which may well be interpreted as liberally as the Member for St. Vital has indicated on Saturday and has had confirmed through Legal Counsel.

Madam Speaker, that is not the major issue that I had difficulty with in this bill - and I have to tell you that I did have difficulty when we discussed the parameters of this bill. This is a bill of kindness in that what we are going to do is allow individuals, through the process of reassessment - a process that has been long overdue in the City of Winnipeg - we are allowing, through this legislation, the enabling legislation which would permit City of Winnipeg City Council to phase in, I understand, any increase in taxation above 10 percent, I believe is the target figure that has been bounced around. If, because of reassessment, your taxes increase by more than 10 percent, then the city wished and this legislation would presumably grant them the ability to phase in that increase over up to a three-year period. Madam Speaker, that is a very amiable and very kind enabling piece of legislation that we are giving to the City of Winnipeg.

Madam Speaker, examples abound in rural Manitoba, and some of my colleagues will deal with them, where, through reassessment, certain classifications of farm land have been deemed to be substantially more valuable than they were the last time a general assessment was done. In some areas, those parcels of land by their classification doubled in assessment. Naturally in the confines of a municipality, a much smaller entity than the City of Winnipeg, their share of the tax load doubled compared to other parcels of land within the same municipality. And I want to assure you, Madam Speaker, that there was no such sympathy applied to those landowners, those farmers, those family farms, in phasing in the abrupt shock of reassessment.

But, Madam Speaker, that's what we are doing here. Madam Speaker, that may be kind and that may be a very amicable thing for us to do in this Assembly, but it has never been done to anyone else in rural Manitoba when they were faced with the shock of reassessment and the subsequent dramatic increase in taxation. Madam Speaker, it's from that standpoint that we have been for five years urging a do-nothing NDP administration under the Premier, a do-nothing administration in reassessment, to get on with the job of implementing the major tenets of the Weir Report. This NDP Government, since receiving the Weir Report, has virtually done nothing except study it to death, and study it to death.

Madam Speaker, what has happened meanwhile in rural Manitoba is that assessment and reassessment has gone on. We have seen some very dramatic shifts in taxation in rural Manitoba. Those dramatic shifts in taxation have been unfair, equally as unfair as this

potential taxation shift to 17,000 homeowners in Winnipeg is unfair to them. But they bore the brunt of it. I might say to you, Madam Speaker, that when some of those individuals came to have their assessments appealed, and even walked in and made appointments with the Minister of Municipal Affairs and others to talk about this inordinate reassessment, which raised their levels of taxation substantially, they received no sympathetic ear from either the Minister or the bureaucrats whatsoever. They were virtually laughed out of the respective offices of the Ministers and the bureaucrats when they tried to point out how unfair this reassessment on their farm property was. - (Interjection) - Madam Speaker, the Member for Rossmere may not be aware that this is happening but I wouldn't expect he would be aware of it. After all, he was only Minister of Finance for four years; the four years, incidentally, Madam Speaker, that this province went into massive debt under his skilled tutorship as Minister of Finance.

Madam Speaker, what else has happened - and this is an area that really is a general area in terms of the reassessment in the Province of Manitoba - I hope to find out and confirm on Thursday of this week when we meet with the Minister of Municipal Affairs, in his long-promised explanation by staff to this side of the House and to others, as to what the full implications of reassessment are throughout the province. I hope to have this confirmed because I hope my impression is wrong. But I believe that the relative proportions - put it this way - the relative proportions of Education Support Levy that is raised throughout the province has now been fixed between the City of Winnipeg and rural Manitoba. Now that means, Madam Speaker, that regardless of reassessment, regardless of whether property values have increased dramatically in the City of Winnipeg compared to rural Manitoba or vice versa, regardless, it's my understanding that the proportion of Education Support Levy to be levied on the City of Winnipeg is now fixed by statute as it is fixed for the rest of the province.

Here's the problem, Madam Speaker. Education Support Levy, if it were to follow the assessment, and let's take the example of the City of Winnipeg assessment going up rather dramatically, and bearing in mind that we are working towards the goal of an assessment which is applicable throughout the province, if we have frozen in legislation the amount of money to be raised to support education by statute, so that it will no longer reflect current assessment values, then we have built in any inequity in the system, and that, Madam Speaker, is what I suggest is happening. I'll give you the example.

It's my understanding that this relative contribution from the city versus rural Manitoba was established some several years ago. Now, Madam Speaker, in the interim period of time, you as a resident of this fair city, know full well that property values have risen and risen dramatically. Now that means that in terms of taxation on your property, given market value as the driving force for assessment, your fixed rate of education support contribution is a much smaller percentage of your rising property value. So that, Madam Speaker, you and many others may well be getting a bargain in terms of the Education Support Levy derived from your property which is increasing in

value. Madam Speaker, it is fixed also for rural Manitoba, and what is happening in rural Manitoba is now land that was selling in my area for anywhere from \$800 to \$1200 per acre may well not find a buyer at as low as \$300 per acre and anywhere up to \$500 or \$600 an acre. Land values have dropped in half. Assessment is a function of market value, but yet each and every levy for education is still being levied on farmers at the fixed level by legislation and the Education Support Program now being drawn from land at half the value.

Madam Speaker, if taxation was fair and the Education Support Levy collection was fair, farmers in rural Manitoba would be paying one-half of the Education Support Levy they currently are asked to pay. Likewise, they would be paying half of the education special levy taxes, if assessment and taxation truly followed market values.

So you see the quandary that we have, and that's only but one issue in the reassessment problem, Madam Speaker. Bill No. 8 is simply trying now, in a crisis management way, to relieve 17,000 homeowners from the instant shock of reassessment in terms of their property tax bill. Madam Speaker, as I say, that is a kindly and a very amicable goal. But by passing this legislation, we still are ignoring the enormous problem of property taxation and how inequitable it is in rural Manitoba to farmers.

My honourable friend, the Member for St. Vital, said that for 25 years the New Democratic Party had believed that taxation must be fair and equitable.

**MR. G. CUMMINGS:** It's a joke.

**MR. D. ORCHARD:** In property taxation, Madam Speaker, my colleague from Ste. Rose said it correctly: "It's a joke." Because there is no fairness and equitability in property taxation particularly, Madam Speaker, as it applies to funding education to the farm community. The Weir Report was delivered to an NDP Government in 1982, and it laid out a timetable for implementing the reassessment of the whole province to bring in a fair and equitable property taxation regime. This government, this NDP Government, has ignored it, has shelved it. The only thing they did - and I have to reiterate this, Madam Speaker - in 1983, in approximately January of 1983, the then Minister of Municipal Affairs, the former Member for Ste. Rose, came out with a study on the effects of the Weir Report if it was applied on rural municipalities. They chose several municipalities. Hanover was one, and I forget what other municipality; and then they chose two school divisions.

Madam Speaker, the premise on which they based their conclusions were so flawed. They had no part or parcel coming from the Weir Report. Weir never suggested a lot of the areas that they used as their basis for this analysis. The analysis was totally flawed and what it did, Madam Speaker, was totally avoid the issue of unfair taxation in rural Manitoba, and exacerbated the problem by making false bases of assumption in arriving at that particular computer model. They were shot down soundly not by ourselves only - because we did our homework as well - but many municipal councillors understood how flawed that

analysis was by the former Minister of Municipal Affairs. It was never proceeded with; it was dropped; it was shelved.

Then a new Minister of Municipal Affairs came along and he understood the politics of it and, as a result, did nothing with the Weir Report.

So, Madam Speaker, when we pass this bill, as I presume we will eventually, it is to give convenience and relief to some 17,000 homeowners in the City of Winnipeg, to provide them with a shock absorber to drastically increased taxes as a result of reassessment in the City of Winnipeg - reassessment that hadn't been done for many, many years, decades in fact. Madam Speaker, that kindness extended in haste to the residents of the City of Winnipeg - well, not as much haste as the Minister first led us to believe, but nevertheless in haste - is the kind of consideration that sets the standard that now members, both in government and in Opposition, will ask for in terms of implementation of reassessment in rural Manitoba. I know that our demands will be joined by such notables as the Minister of Agriculture, the Minister of Northern Affairs, I believe he is now, the Minister of Natural Resources, the Member for Lac du Bonnet, who know, and particularly I refer to the Member for Lac du Bonnet because he has not been part of the New Democratic Government long enough to be blindered. He still has a semblance of free thought and he knows the problems that are there in rural Manitoba.

Now that we have provided what I might describe as emergency relief to taxpayers in the City of Winnipeg to get them over an unfair taxation shock then, Madam Speaker, we now know that this government will likewise, in its fairness to all regions of the Province of Manitoba provide similar relief to rural Manitoba.

Madam Speaker, we are constantly urging this government, as we have in a number of question periods over a number of years, to remove education taxes from farm land. That is something we dedicated our party to do if we had formed government after the last election.

Madam Speaker, we still maintain that commitment, and we hope tonight that this New Democratic Party Government has the courage to provide that taxation relief on education taxes to farm land tonight in the Budget, because not only is it needed, but it's justified from the standpoint that I explained to you, as you listened so attentively, where farm land values have dropped by half, but the taxes remain the same. Farmers tonight, if they receive even half of their Education Support Levy given back to them in this Budget will only be maintaining status quo, Madam Speaker. It won't be a gift, it'll just be a return of what was stolen from them.

So, Madam Speaker, I hope that happens tonight, and I look forward to cooperation on rural assessment issues from members of the government benches over the next several weeks that we may well deal with them.

Thank you.

**MADAM SPEAKER:** The Honourable Member for Emerson.

**MR. A. DRIEDGER:** Thank you, Madam Speaker.

I'm glad that I have the opportunity to get involved in this debate and I want to express my appreciation

that there wasn't leave given last week when we embarked on this venture. I just want to make some comments about the procedure that we went through to some degree. I want to caution the Minister of Urban Affairs that in the future, if he plans to bring through that kind of an approach, he'll probably meet with a lot of resistance, because he certainly lost a fair amount of respectability by the scenario that he developed that we should have to pass it by leave to accommodate what that bill had in mind. Madam Speaker, I'm glad that that leave actually did not work out, because now it appears that it wasn't that dramatic and wasn't required.

Talking about the assessment aspect of it and taxation, it's probably the most misunderstood issue in raising that we have in this province - assessment and taxation. This problem, Madam Speaker, has been there for a long time.

Fifteen years ago, when I was Reeve of the R.M. of Hanover, at that time, we already had major problems that differentiated between the rural areas, the town areas, farm buildings were exempt. What happened is senior citizens - and I have used this example before - that had five acres with a meagre dwelling on there had to pay the full impact of taxes and farm dwellings at that time were exempt. Madam Speaker, at that time, at municipal conventions, the issue of assessment was raised time and time again, and I had the opportunity to be involved in debates at that time already. Madam Speaker, that was 15 years ago and it is a very dramatic problem.

Now what has happened when we formed government in 1977 and the problem was brought forward by the rural members at the time, then we commissioned the Weir Report. Some of these comments have been made already today, Madam Speaker, and we'll make them many more times. I think it's important because they have been falling on deaf ears. That is why I enjoy the opportunity of being able to participate in the debate and bring forward some of these comments.

When the Weir Report came in, it was just prior to the election of '81, a most unfortunate election, I suppose, at least in our view it was. What happened since that time, the government took a look and the whole scenario was set up in terms of a timetable so that the whole procedure had to follow a certain timetable to accommodate the total impact, the least impact, but to bring things in a proper perspective in the city as well as in the country. Madam Speaker, that was in '81 and since that time, really nothing has developed. When we consider what has the government done, we were pushing at that time: implement the Weir Report, bring forward legislation so we can move on that.

(Mr. Deputy Speaker in the Chair.)

What happened is the then Minister of Municipal Affairs, the Member for Ste. Rose, was the Minister at that time, he started having hearings, Mr. Deputy Speaker, and we took a bus, members from the Opposition as well as members from the government side and we toured the province. We held hearings in various parts, we even flew up to The Pas and had hearings there. That's right, and trying to get the reaction, because the Government of the Day was not

prepared to move on the Weir Report, but they wanted the reaction of the public first.

So what we did, Mr. Deputy Speaker, we went and met with municipal people; we met with everybody who was interested: farmers, businesspeople, townspeople, residents. Whoever wanted to, they could come and make representation at these meetings. Invariably, all of them at that time indicated very strongly, proceed with the Weir Report. We are concerned with the impact it will have on some cases, but proceed with it because it has been planned well and it's going to be a fair way of assessment and taxation in the province. Here we are, Mr. Deputy Speaker, and it's 1987, and we almost, by leave, dealt with Bill No. 8 the other day which would have actually to some degree cut off the debate that we would have liked to get into and that we now have the opportunity of doing. But why do we have this problem, this recurring problem that has been there, the bills that have been passed for the City of Winnipeg? If the government had implemented the Weir report, all these things would have been absolved.

Mr. Deputy Speaker, we're dealing with the city's problem right now and I appreciate the concern and the problem that is involved with this, but we still have not dealt with the rural area.

I want to give you some examples of what has happened in the rural area, even after I got elected since 1977. When reassessment took place, and in the rural area it's supposed to take place every five years, in some cases it happens to be seven and in some cases nine, but reassessment is a recurring thing in the rural areas. Municipalities get reassessed.

The R.M. of Franklin got reassessed during this period and what happened is that there was a dramatic shift in the assessment from the farmers, what actually developed into the more marginal lands and you know what happened, because based on - and the Member for Pembina alluded to some of the high prices - when smaller acreages sold for more, they were reassessed at that price and then lost the privilege of being called farmers and I have, Mr. Deputy Speaker, people who are not that affluent. They are not rich farmers. They are not rich country dwellers. Some of them do farming on the side and they supplement their income by working out. The way the legislation stands right now, if they make more money from working out than they do from their farm, then their buildings become taxable. Mr. Deputy Speaker, out of necessity, many of our marginal farmers drive school buses, have other part-time jobs, and because of that income, their buildings all become taxable.

What happened after the last reassessment in the R.M. of Franklin is we have places that were tripled and four times from what the taxes used to be before. The people called general meetings, and I, Mr. Deputy Speaker, in my ignorance, accepted to act as chairman of one of those meetings in a packed town hall. Well, for anyone who hasn't had that experience, I would encourage - (Interjection) - no this was out in southeast Manitoba. People were very upset, Mr. Deputy Speaker. They were as upset as the people in Winnipeg are today because of what is happening, and rightfully so. The only thing is, when I brought those concerns forward to the Legislature, nobody really bent an ear because it was one small municipality. My concern to some degree is: numbers make a difference. Here we're

talking about 17,000 people in the City of Winnipeg that are going to be affected but, if it happens to hit about 40 of my people in a predicted municipality, it wasn't that dramatic.

Mr. Deputy Speaker, can you envision, if I had brought in a bill as an Opposition member at that time, trying to suggest that we give relief and stage this in? I would have been laughed out of the House and nobody would have paid attention to it. I fault myself for not having used that approach in retrospect, but it all stems back to the fact that this government has not had the desire or the political will to implement the changes and that's what it's been all about.

The Member for Ste. Rose, the then Minister, fudged and hedged around this thing forever. You know why, Mr. Deputy Speaker, because it's all based on fairness. It's all based on fairness and if you're going to have shifts in assessment, what one gains, the other loses and that is exactly what's happening in Winnipeg. There is a shift. The amount of monies that will be raised will not change the amount of money that the city will be expending. It will be shifted within the system and that is a concern.

Now it is a concern and I support that concern for 17,000 people in Winnipeg, but we still haven't addressed the problem for the rural area. Now we have a chance to, once again, bring these concerns forward to the Government of the Day and, as the Member for Morris indicated, we see no plan, we see no game plan that they've suggested to us.

I would really like to do some horse trading on this bill, if I could. I would like to say before this bill is passed, give us some commitment that you will deal with the rural areas as well. I think that would be fair. I do not want to deny my city colleagues anything at all in that respect, but I am here to defend my rural area and I think we should do some horse trading.

**MR. H. ENNS:** Just check them for swamp fever first, Albert.

**MR. A. DRIEDGER:** Mr. Deputy Speaker, maybe talking of horse trading in the Legislature is not a good vocabulary. It doesn't sound well, because we should be passing legislation that is good, sensible legislation, so when I talk of trading, that is not fair.

But then I hold this government accountable for the fact that they have not moved on the rural area. They have not moved at all. Fairness, what is fairness? Everybody's prepared to pay taxes. Most people are prepared to pay their fair share of taxes. Now how do you establish fairness? That is why I say for 15 years - longer than that even - this thing has been boiling and people know it isn't fair and nobody's dealing with it properly.

For example, in my area, Mr. Deputy Speaker, if we change the system and make it fair, I'll have a bunch of people that are going to be upset and there's going to be a bunch of people that are going to be happy. For example, if we start taxing the farm buildings, residential buildings - you know there are some pretty fancy buildings out there by some farmers and also some very meagre ones - but when we start doing that, we'll be doing it fair and that's all anybody really expects. They'll pay their taxes and accept their

assessment if it is fair. But how do you accomplish fairness when you have a government that has been hedging and balking around this thing, stickhandling around it and not prepared to face the issue? That is where all the difficulty stems from, Mr. Deputy Speaker, that's what it's all about.

The other thing that has created some dilemma in people's minds, and again it affects my area substantially, but I have many residents in my southeast area who don't pay any taxes at all because we have the rebate system. I do not think, Mr. Deputy Speaker, that is fair either. I think all people should pay taxes against real property for services rendered against that. I'm not talking of education taxes necessarily, I'm talking of services rendered to real property. I'm talking of road maintenance, snow plowing, these kinds of things, drainage, whatever affects them. The rebate system has put that out of proportion as well.

Again we see no plan coming forward in terms of how we can address this whole thing and bring it on a proper track. That is why we're frustrated. Many of us, Mr. Deputy Speaker, are very frustrated with the process and the injustices don't get less, they get more. The Member for Pembina just illustrated how municipalities, where a tax on land was at peak prices, at the top of the level prices, that's when the municipalities were assessed and that is what they get taxed on at this stage of the game. Land prices are half that value right now and on the equalized assessment, they do get nailed harder and they know it. They know it and it is not fair.

I'm very pleased that on Thursday morning at 9:00 o'clock, we'll have a chance to get together with the Minister of Municipal Affairs, with his staff to pursue some of these questions because, Mr. Deputy Speaker, I, myself, don't understand the whole system in terms of how we work this between equalized assessment between the city, between the rural areas. I want to have a better understanding of it and that's all that was asked last year by the Member for Morris when he said, give us a chance to discuss what's happening, the impact of these things.

Mr. Deputy Speaker, changes will not be pleasant. As I indicated before, it takes - and that is why maybe this government hasn't moved. Because for everyone who is going to get a benefit through reassessment, there's going to be a loser in it, and any move that you make will affect people that way, and that is basically what this bill is about. There are 17,000 homeowners who are not happy, so we end up in turning around, and this is the dilemma that I have, Mr. Deputy Speaker, is we're doing that and I have compassionate feeling for those people - we're going to have a phasing-in period, a different appeal system than we have in the rural area. That is why I say, we'll do it, we'll probably do it; but it still doesn't make it right, if we're now doing it for the city and we still leave no plan for the rural area at all.

Mr. Deputy Speaker, I guess we could belabour this a lot longer. Good points were touched on by the Member for Morris, as well as the Member for Pembina. Our city representatives are putting their case forward as to the injustice of it, but it all stems back, once more, to the lack of action and planning by this government. Before this Session is over, I would hope that if this bill goes through, that we will have a

commitment, a firm commitment that we are not finished with the assessment problem; that we're going to try and resolve it for all Manitobans, not just for the people of Winnipeg.

Thank you.

**MR. DEPUTY SPEAKER:** The Honourable Member for St. Norbert.

**MR. G. MERCIER:** Thank you, Mr. Deputy Speaker.

A bill like this, I think, cannot be allowed to pass without speaking to what is the underlying problem facing City of Winnipeg property taxpayers, Mr. Deputy Speaker. This bill should be called instead of "An Act to Amend The City of Winnipeg Act," it should be called, "An Act to Confirm that the City of Winnipeg has the Highest Rate of Real Property Taxation of Major Cities Across Canada." That is the aspect, Mr. Deputy Speaker, that has caused most of the fear that homeowners have throughout the City of Winnipeg over reassessment.

Mr. Deputy Speaker, it has been pointed out on numerous occasions by City of Winnipeg officials, confirming surveys and reports published through the media, that the City of Winnipeg does have amongst the highest rates of real property taxation in Canada. There was, for example, Mr. Deputy Speaker, a survey done by Royal LePage in the fall of 1985 which confirmed that after comparing six standard-housing types in various Canadian cities. The Financial Times has confirmed that; business magazines have confirmed that.

A City of Winnipeg Planning Department property tax survey done in 1984, Mr. Deputy Speaker, confirmed that City of Winnipeg property taxes were the highest of all cities surveyed in gross terms, and even when they took into consideration the rebate, the City of Winnipeg, according to their survey in 1984, was the second-highest of the 18 major cities surveyed across Canada. So that is a fact, Mr. Deputy Speaker, that this government should also be dealing with in reassessment in the City of Winnipeg.

We support the provisions of this bill, as far as they go, but they do not solve this major problem that homeowners are facing in the City of Winnipeg. One only has to look at what the increases have been, and I have pointed them out on numerous occasions to members opposite for the past number of years. But the facts are, Mr. Deputy Speaker, that for the years 1977-1981, while there was a Progressive Conservative Government in power, those terrible Tories, looking at an average home at that time was \$7,000 assessment, and assuming a minimum property tax credit, the total increase in taxes for that period of time was some \$78.33 over the whole four-year period; just \$78.33, including education tax and municipal tax.

Now, from 1981 up to and including last year, while the NDP party have been in power, the taxes on that home in Winnipeg School Division, that average home, have increased some \$470.26. In five years the NDP have imposed an increase six times the total increase under the Conservatives for a four-year period. That's a monumental tax increase, Mr. Deputy Speaker, coming from a party who we hear talk about tax reform. All they do in the House is talk about tax reform, the

unfairness of what the Federal Government is doing, but they believe in tax reform. Is that tax reform imposing upon your most humblest of homeowners in the City of Winnipeg, in the City of Winnipeg School Division, those huge inordinate increases in real property taxation? Why should City of Winnipeg homeowners pay the highest rate in taxation of all these major urban cities in Canada? Because this government, Mr. Deputy Speaker, has done absolutely nothing for them. In five years they've done absolutely nothing. Those terrible Tories, who were in government from 1977-1981, they increased the property tax credit by \$100.00. They made significantly huge increases in funding for public education.

The Minister of Education seemed somewhat concerned and upset, as well he should be, as we see from year to year the lack of support that has flowed from his ministry, particularly from his government, into public school financing, where the support for public school financing has now dropped, in some instances, as the Member for Fort Garry has said, below 70 percent. And what the Premier said was a commitment, prior to the last election, has now turned into some sort of hope, Mr. Deputy Speaker, some sort of hope.

**HON. R. PENNER:** We're keeping a record . . .

**MR. G. MERCIER:** Go ahead and keep a record. I suggest, Mr. Deputy Speaker, to the Attorney-General, if he's keeping a record that he also record the fact that this government's sense of priority obviously has no concern for the homeowner in the City of Winnipeg. That no longer is a priority for the Provincial Government, Mr. Deputy Speaker.

**SOME HONOURABLE MEMBERS:** Oh, oh!

**MR. G. MERCIER:** I'm telling you the effect of our grants, the effect of our system of funding, showed up in the net property tax bill. That's what the taxpayer is interested in, Mr. Deputy Speaker; that's what the taxpayer's interested in. He wants to know how much he has to pay. You're bringing in a bill to the City of Winnipeg which is based on provincial funding, and their bill is based on provincial funding and support for the public school system. And your lack of support results in that net bill the taxpayer has to pay.

We have a bill, Mr. Deputy Speaker, that wants to extend the time for appealing their assessment until after the taxpayers have received their bill. Why? Because they want to know what they have to pay. And what they do know is what they've had to pay under an NDP Government has pushed them into being the highest real property taxpayer of any major city in Canada; that's what their system of tax reform supposedly has done. And this is the Winnipeg School Division, those are their constituencies, Mr. Deputy Speaker. They're the ones who are paying, in the example I cited, these inordinate increases. That's a fact, Mr. Deputy Speaker, that has to be pointed out. It's a basic problem, a basic fear that homeowners have. Anyone who looks at the results, the tax bills that are paid in other cities are dependent upon the rate and the flow of funding from the provincial government both into the municipalities and for their public school system.

Mr. Deputy Speaker, obviously the provisions of this bill are things that we have asked for. We asked for the extension of time for appeal. We support the request of the City of Winnipeg on the phasing in because we have a great deal of sympathy for the City of Winnipeg taxpayer. We evidenced that when we were in government, and we have greater sympathy with them now after they have suffered through some five years, six coming up this year, of NDP Provincial Governments, which have ignored the plight of City of Winnipeg taxpayers, and that's the basic problem. The basic problem is the fact that the City of Winnipeg is taxed higher than any other major city in Canada, and that's the cause of the real fear of this whole reassessment problem.

Thank you, Mr. Deputy Speaker.

**MR. DEPUTY SPEAKER:** The Honourable Member for Kirkfield Park.

**MRS. G. HAMMOND:** Thank you, Mr. Deputy Speaker. I rise in support of Bill 8.

The Member for St. Norbert used so much of the argument that I wanted to raise; Winnipeg has the highest property taxes in Canada. There's no doubt that the people in the City of Winnipeg, when they were going to the reassessment meetings that were held in the city, no wonder they were angry and afraid at the thought of reassessment and higher taxes.

The meetings on reassessment consistently had people who were indicating and questioning: how can we compare? Well, there was no way they could compare because one area had their tax reassessment and another area hadn't received it, and no one basically understands it. So until they get their tax bill, that was the only way they were going to see. Am I really paying a lot more money, or am I just paying a little bit more? So that people have been asked to put in appeals that were probably unnecessary in many cases; and then if their appeal comes up before their tax bill, they really don't have any idea what they're appealing.

No matter what the Minister says, that it's on reassessment, not on taxes, that's how people can only tell, that's their only way of saying if my taxes went up miles, and they feel they shouldn't. That's going to be their basis.

The Minister indicated he had to wait for the City of Winnipeg for recommendations. Of course, he didn't have to wait for the City of Winnipeg. He represents a city seat; many of the members on that side, the majority, represent city seats; they had to be watching. When the Minister of Municipal Affairs was questioned on the extension of the appeal notice he indicated that "not a hue and cry from the public to our office." In other words, no one was complaining to us. "Entirely the responsibility of the City of Winnipeg", he went on to say, "it is not our responsibility."

Mr. Deputy Speaker, if there is one thing this government is, it's political. I want you to know that when they recognized that the shift of anger was going to go from city councillors onto the members themselves, that's when there came to be a sudden change. That's when the following Tuesday, after they had caucused, I'm sure, the Minister, when questioned further, said: "I would hope that we could count on

the full cooperation of the Opposition to amend legislation, if need be, to resolve these problems." When we asked for an emergency debate, of course they would not, but the Minister, as everyone knows, rushed out of the House to talk to the press and say that's what we're going to do.

(Madam Speaker in the Chair.)

Madam Speaker, as a member representing a city seat, I welcome this legislation. But what I deplore is the political manner that this Minister put into place to bring this legislation in, the fact that he waited so long, that he let people in the city - property owners, taxpayers - wonder what's going to happen to them, worry, would they have to sell their homes in many cases because, when you have young families buying a new home, taxes are brought into it. They are budgeted right to the minute, and they budget for small increases. They do not budget for large increases and this was a worry.

We have already heard of people who have put up their home for sale because they were afraid of what might happen. They didn't dare wait. So this legislation, while it's most welcome, I think politically that the Minister did a disservice to his own constituents by not bringing this legislation in the moment that they saw how worried people were, and they'd have to have been blind if they didn't recognize the concern, the anger and the fear that was in many property owners in the City of Winnipeg, in their minds.

So I would hope that this bill would be passed and I look forward to hearing some of the presentations that do come before the committee on this legislation.

**MADAM SPEAKER:** The Honourable Member for River East.

**MRS. B. MITCHELSON:** Thank you, Madam Speaker. I rise today very much in support of Bill 8, just wanting to add my comments to the many comments that have been made so far.

In respect to the bill being introduced at such a late date, I do have to say that it had to be some lack of action and lack of planning on the part of this government. Because last year, Madam Speaker, even before Bill 57 was introduced, my colleague from Charleswood introduced a resolution on reassessment, and at that time he spoke on it and I spoke on it too, indicating that something had to be done through this whole reassessment process in the City of Winnipeg, to protect the homeowners.

We urged this government at the time to take some constructive measures, and at that time, we talked about the phasing-in process and we all knew the impact of reassessment and the increase in taxes, especially in the suburban areas of the city and we knew the effect it was going to have on our constituents and we were genuinely concerned. I don't believe that the Minister of Urban Affairs had to sit back and wait and introduce this bill at the very last minute. I think something could have been done much earlier and saved the problem that's happening right here today.

I also do want to speak in support of the citizens of Winnipeg, Madam Speaker, who, through no fault of their own, are having to face this reassessment after



25 years. It wasn't the citizens of Winnipeg, Madam Speaker, that caused the problem, that didn't do the reassessment. - (interjection)- No, it was this government. I'm not laying blame on one level of government. It was governments combined, Madam Speaker, that did cause this problem and it wasn't their responsibility. They did not cause the problem, Madam Speaker, and they are the ones who should be protected at all costs as a result of the reassessment and the high taxes that they are going to have to pay; especially in the suburbs where those that are already paying high taxes are going to have increases of somewhere, in some instances, 30 to 50 percent.

Madam Speaker, at the assessment meeting out in our end of the city that I attended, the citizens were upset, and quite justifiably so. Reassessment and the assessment to them means very little when they see their assessment going up four times or five times or seven times. It doesn't mean anything to them until they know the bottom line, Madam Speaker, exactly what they're going to have to pay. I feel that the appeal process being extended is the right move, Madam Speaker, so that those people, when they get their tax bills, although they cannot appeal their taxes, will be able to appeal their assessment knowing full well what the bottom line is and what they are going to have to pay.

Madam Speaker, I want to say that I do sympathize with my rural colleagues also and indicate to them that we are very supportive of having this government look at the whole general reassessment for the Province of Manitoba and I'm pleased to hear that finally we have a meeting this Thursday, so that some of our questions can be answered and we will know where this government is heading in the area of general reassessment.

Madam Speaker, I'm pleased to stand here today to support this bill and hope that it will be passed in the very near future, so that the citizens of Winnipeg will have the opportunity to appeal after they get their tax bills and those in the suburbs that will be affected by substantially high increases in their taxes will have that phased in over a period of three years, so they can be protected somewhat.

Thank you.

**MADAM SPEAKER:** The Honourable Member for Niakwa.

**MR. A. KOVNATS:** Thank you, Madam Speaker.

First of all, I would just like to tell the Minister that I represent an area in the south St. Vital area that is quite unique. We are not looking for this particular area to receive special considerations that aren't fair. They're looking for considerations that are fair and I appeal to the Minister to consider these special requests.

The Minister, on Bill 8, has come up with - consideration is going to be given to phasing-in the reassessment bill and that there will be an extension of the time for appealing the assessment. I think these are good points and I wouldn't want the bill to be held back because of these good points that will allow a majority of the people to have their say and be treated in a fair manner.

The people in the south St. Vital area are not looking for the special consideration that they've been accused

of looking for. They are reasonable people. They moved out to this area and they were brought up in this area because this is the area that they wanted to live in. They don't have many of the amenities that are available to other people in the City of Winnipeg. I looked at a brief that was presented to me and I'm going to make reference, when I say south St. Vital, I'm going to make reference to the St. Germain area particularly.

They do not want to have to pay taxes for services that they do not receive. There's a post office in St. Germain to which people have to go to receive their mail, pick up their mail. Mind you, it's getting so that there are other areas and many other areas around the country that have to pick up their mail and don't get home delivery. I guess we, as City of Winnipeg dwellers who have lived here for quite some time, enjoy the home delivery and I certainly wouldn't want to lose it. I think that's part of the taxes that I pay, that I'm entitled to those privileges. There are other areas which don't get it. Now we're talking about Post Office services - St. Germain Post Office, which is the south St. Vital area.

They don't have any city water; there are no hydrants for fire protection. I think, Madam Speaker, this was their choice but they didn't know that they were going to have to have no services of water and fire hydrants and pay additional taxes because this is what's going to happen, no sewers out in that area. After every heavy rainfall I defy you to spend any great amount of time walking through the area - you're up to your - in water because we don't have the sewage disposal to take away the excess water. Most of them have their own sewage disposal on their own property, Madam Speaker, because there are no sewage lines out in that area. Transit service is non-existent, something that, you know, it doesn't matter what part of the city you live in, you can look out your door and you can see buses - you used to be able to see streetcars - but now buses going by your door, by the end of your street. These people don't have the same privileges, Madam Speaker. They don't have those services where they have bus service and Transit Tom that takes them to and from work, and to and from their recreational areas. Paved streets and sidewalks - you get a little child out there - what's a paved street, what's a sidewalk, mommy? We just don't have them out in this area. This is another service that they don't have which they're being asked to pay for, Madam Speaker. They don't have the flood protection because they're outside the flood protection zone of the City of Winnipeg. They don't have the services that we have: community clubs and parks, another service that is not available to them. They only have limited street lighting, and they have a very low level of mosquito control.

Madam Speaker, you could go on and on and on of all the things that they don't have. This is part of the reason that they moved out in that area, Madam Speaker, not to receive these services, they're not complaining. This was their choice, but they don't want to have to pay for these services that they don't get. Now is that asking for special consideration? I really don't think so, Madam Speaker. They just want to live in the lifestyle that they've grown accustomed to, that they chose. Sure, their properties are a little bit larger than some of the city lots, but that's the one advantage that they have, and I don't think that they should be punished because of that, Madam Speaker.

Madam Speaker, you're going to force a hardship on some of these people that will not allow them to maintain the type of lifestyle that they've grown accustomed to, that they've chosen. It's regrettable. You know, we can't put ourselves in their position; we shouldn't try to put ourselves in their position. But let's not try to be too punitive when it comes to looking at these people in comparison to others.

Madam Speaker, I jump at the opportunity of having this bill go to committee inasmuch as it will allow these people to make a presentation to the Minister and the committee, of which they've never been able to in the past, and they do enjoy that opportunity. Madam Speaker, I will be at that committee and encouraging my people to make presentations, and I hope that the Minister will maybe change his idea of having the eight categories and make it into nine categories because this is something special. Madam Speaker, I wish that he would rule from the heart rather than from straight dollars and cents, and understand the plight of these people.

Thank you, Madam Speaker.

**MADAM SPEAKER:** The Honourable Member for La Verendrye.

**MR. H. PANKRATZ:** Thank you, Madam Speaker.

I rise to speak on this bill also and actually I must say I'm very pleased that the Member for St. Vital didn't know anything about the bill, because otherwise I believe I would not have had this opportunity.

I am concerned about this bill, and I'll just make those few points known to you, to the members in government, how we feel in the rural area. I'll start off with - the assessment in the province as a whole definitely needs a severe upgrading. That has been brought to the attention of the Union of Municipalities pretty well at every annual meeting that I've attended.

We have the member in government from Lac du Bonnet, who has been serving on this executive, and every time one of these issues did arise, he could do nothing more but blame the Provincial Government for a lack of administration. - (Interjection)- Well, today I hear him constantly blaming the Federal Government. It doesn't take him long when he gets into government that he realizes he's got to put the blame on somebody else. When he was a municipal executive, then it was naturally the Province of Manitoba. They're proud of 13 years out of 17 years of administration. I would like to emphasize that I'm proud of the four years that there has been a PC government or we wouldn't even have the Weir Report to go by.

Madam Speaker, that Weir Report also states the inequities that there are on the farm in the farm sector. We have a Minister of Agriculture that sits there, and he can sit back and not pay any attention to it because naturally it would definitely affect him. It would affect him very drastically. He's sitting there with exempt buildings on his property, whereas we in the rural area are assessed heavily on land assessment. I don't have to belabour that issue; it has been made very clear by the Member for Morris and a few of our other colleagues.

But I want to go on what the Premier has been stating - or actually our Premier of the province - he says a

fair and honest government. He's talking about how fair and honest, and here we have Bill 105, which was introduced, which the Minister of Municipal Affairs indicated that we would all be able to have an opportunity to review how this assessment would affect each and every region, municipality, city, town, village, hamlet, whatsoever. To this date, it's almost a year later, we still haven't had that opportunity. We've had our Premier indicate how fair they want to address all situations, all problems. Naturally, he's falling down on every count.

The Member for St. Norbert indicated that the City of Winnipeg had one of the highest assessments in Canada. I have a few questions that I want to have addressed and I'd like to have clarified before I vote on this bill, Madam Speaker. One of them is this Education Support Levy. It's very dear to me because this is a shift of taxation that should be taking place. I'm not trying to indicate that it should be from the rural to the urban or vice versa, but it should be an equalized assessment. It should be an equalized way of assessing taxation. I think that will not be able to be taking place when we have this locked in, as far as your urban centre of the City of Winnipeg is concerned.

The next clarification is will these same classifications, as are put in place today, that will be used for rural when the rural assessment will be taking place, readjustment in taxation will take place? Will the same classifications be there? Will Bill 8 be able to be introduced in the rural area, that we will also be able to introduce a staging effect? I have a little bit of a problem with it when we are trying to introduce a staging system, whereby the same people have possibly not been paying their fair share as is. This, Madam Speaker, is definitely a great concern of mine. Most of my colleagues have expressed these concerns. I believe that the Government of the Day introduced Bill No. 57 to just act on the City of Winnipeg. It was totally neglecting its responsibility as far as the Province of Manitoba is concerned, and also the rural area, and I definitely want to go on record stating that to that effect.

I have to get back to the Member for St. Vital when he indicated that for 25 years the NDP Government wanted to have fair government. I'm really surprised that this NDP Government only talks about fair government. They should try to be a fair government. They are only talking of it. And the Member for St. Vital, he should actually, in a sense, be embarrassed to even mention the case of 25 years with being, all those years, on the NDP Government and not having dealt with any problem that concerns the whole province.

I think it's a disgrace and a shame to the Government of the Day that they have to act on something that the Weir Report introduced and then take it piecemeal. How many years of fair and honest government do you have to be on before you'll ever react to the problems that the rural communities are deserving to receive?

It's a disgrace and a shame that we have a Government of the Day, and there sits a Minister of Agriculture who his own buildings are exempt in a turkey quota, and he says, "Yes, you know what I am talking about. Don't look so surprised every time when I mention it because you will hear a lot more of this."

The inequities that exist in the rural area, and you are going to, arbitrarily, through this Bill 8, exclude the

rural from the urban, and I think there is another great injustice in taxation shift possibly that would be taking place, and I feel I have to address these problems; and I believe that we need to have this government, if they want to act fair and square, they should also introduce a clause that would allow a shift to take place if, at a later date, would be required.

Thank you, Madam Speaker.

**MADAM SPEAKER:** The Honourable Member for Lakeside.

**MR. H. ENNS:** Thank you, Madam Speaker.

Madam Speaker, I am pleased to participate in the discussion on Bill 8 if for no other reason than to briefly, at least, acknowledge the person that I was very privileged to serve, a former Premier of this province, the Honourable Walter Weir.

Madam Speaker, references have been made to the Weir Report. Let's be very sure about something, Madam Speaker. While the late Honourable Walter Weir may not have been the most flamboyant of leaders, when he undertook an assignment, a job, he took it very seriously. When he undertook the job of looking at assessment in the Province of Manitoba, that was not a make-work job, Madam Speaker, not to be confused with the kind of handouts, make-work jobs that were given to former defeated NDP Cabinet Ministers like Andy Anstett.

And nobody, Madam Speaker, that has referred to the Weir Report in this matter, in this connection, has for one moment suggested anything less because, in this whole area of assessment, if there is one thing that the Conservative administration can be proud of, it is the fact that we commissioned a person like Walter Weir to look at the issue; and I happen to know and, more importantly, every municipal council in the Province of Manitoba knows, that Walter Weir took that task seriously - just sat down, discussed with him, in the development of what we refer to as the Weir Report.

Madam Speaker, the fact that we are dealing here, as my deputy leader said a moment ago, with a kind of crisis situation on an assessment problem should be laid squarely at the doorsteps of those who, as they like to proudly remind us, have been in government 13 out of the last 17 years. And if there is an assessment problem, look to yourselves!

Madam Speaker, regrettably, in making my comments to this bill, I won't endear myself to my city colleagues because it is my intention to vote against the bill and not support the bill. Madam Speaker, that may, to you, appear to be a bit of a contradiction when last Wednesday I was among those who was prepared to give leave to see the bill's easy passage through the House.

Well, Madam Speaker, let me explain that to you; it's very simple. It's just that we have a Whip that wields a lot stronger arm, obviously, than the Whip that the honourable members opposite have. - (Interjection) - That's right - we have a Whip, not a wimp. And when called upon to acknowledge and to accept the party position on a matter that was presented to us in quite a different way on a matter of urgency, Madam Speaker, it was a matter of saving the taxpayers of Winnipeg \$3 million.

That's the way it was presented to us, Madam Speaker, and I certainly was prepared last Wednesday, without having the opportunity to fully acknowledge or appreciate or study the bill currently before us, but under those circumstances and from the advice offered to me by my brothers and sisters in the caucus, both better versed than I am in city affairs and urban affairs, and, as I have indicated, acknowledging the heavy hand of the Member for Emerson who currently is our Whip, and not wishing to demonstrate anything other than the fact that I do belong to a team on this side and I am prepared to play that way; but the issue on which that decision was made last Wednesday, as I say, was different than the one we are facing today. The issue that we faced last Wednesday was the question of urgency, that if it wasn't passed that day, the City of Winnipeg would face a \$3 million additional tax bill.

Madam Speaker, you have heard a number of representations and you have obviously understood from the comments made from rural members, particularly on this side, that we object very strongly to the different levels of treatment accorded in the area of assessment - those Manitobans living in rural Manitoba versus those living in the City of Winnipeg.

Madam Speaker, I represent rural Manitoba. My area, my municipalities, had been reassessed. There was no emergency legislation passed to phase in 40, 50, 60, 70 percent tax increases, and as my colleague just indicated a few moments ago, the Member for Pembina, we are paying those fixed tax increases at the time that our property values are dropping by 20, 30, 40 and up to 50 percent whereas, of course, just the opposite is true in the City of Winnipeg where property values are rising by the same amount.

So, Madam Speaker, it would be irresponsible of myself, a representative of a rural Manitoba constituency, if I didn't take the strongest objection to what we are attempting to do here in this Chamber. And certainly, Madam Speaker, now that we know - I believed my House Leader, I believed my Whip, I believed the Member for Charleswood, I believed all those people when they said that it had to be done last Wednesday - but I can now believe my Minister of Urban Affairs, and he is my Minister of Urban Affairs, who says there is no urgency to this matter, and I counsel all my caucus members to understand that. There is no urgency to this matter, absolutely none.

**MADAM SPEAKER:** Order please.

Does the Honourable Minister of Urban Affairs have a point of order?

**HON. G. DOER:** I have never said there is no urgency to this bill, Madam Speaker.

**MADAM SPEAKER:** A difference of opinion is not a point of order.

The Honourable Member for Lakeside.

**MR. H. ENNS:** Madam Speaker, I accept the interjection by the honourable member. All that goes to prove is that we can't accept anything he says heretofore.

It was presented to me, as an individual member of my caucus, that it had to be done on Wednesday or else the taxpayers of Winnipeg would be paying an additional \$3 million.

Well, Madam Speaker, the Minister shakes his head, that's not the problem. Well, Madam Speaker, then we don't have a problem. Then, surely, Madam Speaker, this important issue can receive the kind of debate that it deserves.

Madam Speaker, we are not a city council here, we are the Legislature of the Province of Manitoba. We have to take, in effect, the concerns of all Manitobans; and we have to be concerned about the fair treatment of all Manitobans. What I object to in this bill is because its roots go back some 15 years ago, to 1971 or thereabouts, when the Unicity bill was passed bringing in the 12, 13, 14 different municipalities into the one city, passed by a New Democratic Government, under the leadership of one Saul Cherniack at that time, who held the informational meetings throughout the city that persuaded Manitobans and indeed, I must say, most residents of the City of Winnipeg to buy that bill.

Madam Speaker, what had existed at that time was you had different levels of assessment among the different municipalities constituting what was known as a greater area, metropolitan area of Winnipeg. You had different levels of taxation and, Madam Speaker, for a good reason, because you had different levels of services. It's to be understood that if a community was prepared to accept a volunteer firefighting force, for instance, or considerably less in the way of other services, whether it's garbage or police protection, that their taxes would be considerably less. If the community of Charleswood was prepared to do with open ditches and not sewer and water, then of course their taxes are going to be less.

Madam Speaker, there were some of us in the House at that time that forewarned - and I speak to the Member for Sturgeon Creek - because, of course, there were also different levels of management in the various municipalities. Some managed their affairs prudently, in effect, had surplus funds sitting on hand at the time of unification; and, Madam Speaker, the citizens of the City of Winnipeg were forewarned, were told, that the act of the New Democratic Government at that time was going to cost and cost dearly.

Well, Madam Speaker, I take some exception because what has happened is that they have, in effect, been shielded for the last 15 years. We are asked to pass legislation that will shield them for another four years, and I don't think that's fair. I don't think that's fair to the core areas of the City of Winnipeg, and I certainly don't think, Madam Speaker, it's fair that a bill of this nature be dealt with in the manner that it has been presented to us in this Chamber.

Madam Speaker, my colleague, the Member for Emerson, talked about the very least that those who represent rural Manitoba ought to be doing in this

connection is doing some pretty hard bargaining with the Government of the Day. We have had no such intercession, no such phase-in legislation passed on our behalf when we faced 60, 70, 80, 100, 150 percent tax increases in rural Manitoba, and our property values are going down, not up. Our property values are going down.

So, Madam Speaker, I want it clearly understood, and I hope my colleagues will understand the importance of this issue to rural Manitoba. And I hope my colleagues understand what appears to be a contradiction on the part of the position that I was prepared to take on Wednesday as compared to today. Let me repeat it for the record. On Wednesday, I was being asked to do something that would save the taxpayers of Winnipeg \$3 million; today I am being told - or I was told within a half hour after coming into the Chamber that day - that was not the case. April 15, or other dates, are not important to the passage of this bill, Madam Speaker.

Well, Madam Speaker, then surely it behooves those of us who have suffered the accusations by our constituents for bearing, or allowing an inequity in assessment to continue for seven, eight, nine, ten years, and not rise in this House, not once get up in this House and effectively do something to correct that surely it should be understood by all that some of us feel that responsibility. I don't mind acknowledging the action of the Member for St. Vital in making it possible for at least this one member having an opportunity to rise and make these remarks at this time.

Madam Speaker, I don't believe that an action that we as the senior government take that allows a significant portion, the significant portion, of our community, namely, the City of Winnipeg, to so introduce their tax measures - and I am referring to the bill we passed last year, Bill 57 - which allows for the establishment of various sections within the Assessment Division to the bill we're passing today.

I see you are on your feet, Madam Speaker.

**MADAM SPEAKER:** Thank you. Order please.

In accordance with Rule 19(2), I am interrupting the proceedings for Private Members' Hour.

The Honourable Government House Leader.

**HON. J. COWAN:** Madam Speaker, I believe that there is a general disposition to call it six o'clock, with leave, if no members object.

**MADAM SPEAKER:** Is it the will of the House to call it six o'clock? (Agreed)

The hour being 6:00 p.m., I am leaving the Chair and will return at 8:00 p.m. tonight.