PROPERTY WRONGS

The Seventy-Year Fight for Public Housing in Winnipeg

Doug Smith

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This book attempts to explain why public housing took so long to come to Winnipeg. The history of the public housing that was built from the 1960s onwards still awaits its author. Such a history would attend to the myriad social and political questions that swirl around any discussion of public housing. These include decisions about where public housing is built, whether it is reserved for the poorest of the poor, or whether it is developed as some form of mixed-income community, the degree to which residents should shape the development and governance of housing projects, and the need to provide a range of supportive social services along with bricks and mortar. These questions are real and important—an examination of the history of public housing, not just in Manitoba, would do much to inform future housing policy decisions.
Introduction

DEMOCRACY, CLASS, AND HOUSING

In his memoirs, Humphrey Carver, a former official with the Central Mortgage and Housing Corporation and long-time public-housing advocate, observed during his career with the Corporation that “my many visits to Winnipeg were mostly concerned with the long succession of studies and plans for providing decent housing and a better way of life for the people who live near the railway tracks.” When it came to looking after their own people, Winnipeggers, he feared, “needed a great deal more coaxing” than some other Canadians. Carver was speaking, somewhat gently, of the fact that between the end of World War II and 1969, the City of Winnipeg developed only two public housing projects.

To be fair to the Winnipeggers who Carver was attempting to coax into building public housing, no Canadian city seriously engaged in the construction of public housing until 1949, when families began to move into the Regent Park North housing project in Toronto. And it was only with the amendment of the National Housing Act in that year, that federal funding was made available to support the construction and operation of public housing projects across the country. But no one could accuse the Manitoba government or Winnipeg city council of seizing this opportunity. Nearly fifteen years would pass before the Province and the City were able to overcome deeply rooted opposition to public housing. The two projects that they undertook—Burrows-Keewatin (now known as Gilbert Park) and Lord Selkirk Park—should be seen as important steps forward in the provision of quality housing for people with low incomes. But they were one-offs: unloved attempts by local elites to capture available federal money. The City did not attempt to learn from the experiences of public housing development in
other provinces, and what it did spend on necessary social services and recreational facilities was limited and provided grudgingly. It was not until the election of Ed Schreyer’s New Democratic Party government in 1969 that public housing was constructed in Winnipeg on anything close to the scale needed to address long-identified needs.

The need for public housing in Winnipeg can be traced back as far as the 1880s. By then, Winnipeg had identifiable shantytowns located near the rail lines and east of Main Street on what was termed the Hudson’s Bay Flats. In 1883, the *Winnipeg Daily Sun* reported that one shantytown was made up of “not less than three hundred little wooden shanties, varying in size from that of a large dog-house to a good-sized ash-house.” (An ash house was a small shed that stored ashes used to make soap.) Shanties twelve by sixteen feet in size were advertised for sale in local papers. Often located on the public roadways, these shanties were fire hazards, so flimsy a strong wind could literally pick them up and blow them away. The shanties cost between $50 and $115 to build and were occupied by an estimated two thousand people (out of a population of sixteen thousand) who could not afford the local “high rents.”

From then on there was a portion of the city’s populace that could not afford to rent, let alone buy, housing that was safe and healthy. Safe and healthy simply means housing that was warm enough, sturdy enough, properly ventilated, free from fire hazards, provided with adequate plumbing, and allowed for a modicum of privacy. A considerable portion of Winnipeg housing failed to meet these criteria when judged by the common standards of the day. What, then, did poor families do? They generally had two options: they cut down on what they spent on food and clothing, allowing them to pay rents that they could not otherwise afford, or they crammed more people than were healthy into barely adequate housing. Or they did all these things and still ended up living in substandard housing.

For each of these families, getting and maintaining housing was a crisis that dominated their lives. Could they find a house? Would they be evicted if a wage earner was injured? Were conditions so crowded that typhus or diphtheria would rip through the tene-
ment, leaving a trail of sick and dying children? On a night when the temperature hit forty below, would a spark from a cheap stove set the whole building alight? Would anyone ever enjoy a moment’s privacy? But it is not possible to say Winnipeg itself had a housing crisis, since that would imply that the shortage of good quality affordable housing was a rupture, a break from some normal condition in which modestly priced healthy housing was available for all. There was no golden age: the constant crisis that individual low-income households faced in the search for housing has been continuous throughout Winnipeg’s history. From 1900 to 1970, it is possible to find reports from each decade that speak in sober, matter-of-fact tones of the extent of inadequate housing and the City’s inability to enforce its housing and health bylaws, since to do so would be to force families onto the street.

The uninterrupted failure of the private housing market to provide adequate affordable housing is one of the central themes of this book. Historically, Canada has left housing to the private sector. And the private housing industry has been unable to deliver housing at a cost that is affordable to all Canadians. This is, in itself, not surprising. The ownership of urban land has often been concentrated: by controlling the rate at which land is developed, landowners have been able to keep house prices up. And good quality housing is not cheap to build or maintain. It is no surprise to discover that an industry that provides housing to make a profit fails people who cannot afford to pay for adequate housing.

Many of the people who lived in Winnipeg at the beginning of the twentieth century were immigrants from Great Britain. As such, they were painfully aware of the failure of the private housing industry in England, Scotland, and Wales. They did not have to have read Charles Dickens’s *Oliver Twist* or Arthur Morrison’s *A Child of the Jago*—to name but two popular nineteenth-century novels of London slum life—to know that crowded, poorly ventilated, unsanitary conditions had condemned thousands to a life of squalor. They had personally experienced these conditions; they had come to Canada in hopes of escaping such conditions. They were also aware that there was a growing public-health movement that was focusing on what we now call the social determinants of health. These advocates recognized that inadequate living condi-
tions created poor health, shortened the lives of slum dwellers, and served as a reservoir for diseases that could penetrate class lines, such as tuberculosis. Methodist minister and social reformer J.S. Woodsworth wrote of how, when officiating at an infant’s funeral, the words “Forasmuch as it hath pleased Almighty God in His wise providence to take out of the world the soul of the departed” stuck in his throat. “In my heart, I said: ‘That’s a lie.’ It was bad housing and bad milk that killed the baby.” In his view, poor housing was one of the three major reasons why the infant mortality rate in the city was higher in the North End’s Ward 5 than in the South End’s Ward 1.

Many of these immigrants played an active role in the city’s labour movement and the various social reform movements that arose in response to the challenges of urbanization and industrialization. Aside from campaigns for public health, direct democracy, prohibition, votes for women, and proper sewage treatment,
there were calls to address the problem of “slums,” including, as early as 1908, calls for public housing. Public-housing advocates came from both the labour movement—many of whose members lived in or had lived in the city’s slums and shanties—and from more economically comfortable social reformers like journalists, clergy, and, significantly, senior municipal health officials. J.S. Woodsworth is likely the most well known of these individuals, but E.W.J. Hague, Alexander Officer, Fred Austin, and William Courage, to draw only from the list of municipal officials, deserve to be better known. The chronicling of the work of these campaigners for public housing represents the second theme in this book. The first call for the creation of public housing was made by trade unionist William Cooper in 1908. The fact that fifty-five years would pass before the residents began to move into Burrows-Keewatin, the city’s first housing project, is a sign of the tenacity of those who kept up the fight for public housing.

That gap is, of course, also a sign of the strength of those who opposed the creation of public housing. Proud, self-willed, and determined, Winnipeg’s business elite was rarely less than visceral in its hostility to public housing. Its animus was grounded in ideology: to the city’s elite, all housing should be provided by the market. And to force some citizens to subsidize the housing of others—whose poverty was doubtlessly the result of imprudent life choices—was unfair to those who must pay and would only further “demoralize” those who were being subsidized. Some members of the business community appear to have genuinely believed that with the right form of government incentives—usually low-cost loans to what were termed “limited dividend housing companies”—the housing industry could provide affordable low-cost housing. These beliefs were largely chimerical: they served to divert pressure away from the provision of public housing but failed to deliver housing at an affordable price. For that portion of the city’s elite who were directly involved in the real-estate industry, the opposition to public housing was also pragmatic. They feared that a reduction in housing costs for low-income people would generate downward pressure on housing prices—and profits—in general. This fear led them to resist any government policies that might reduce housing costs. A classic example was the opposition
of Winnipeg lenders to low-cost mortgages under the *Dominion Housing Act* in the late 1930s. Finally, the business community’s opposition was partisan: it had come to associate public housing with socialism. Agreeing to public housing would, in effect, be seen as a capitulation to the socialist faction on city council, little more than letting the terrorists win, encouraging them to make even further demands on the rights of property. A third strand in this story, then, is an examination of the way the members of the Winnipeg business community stood shoulder to shoulder in their determination to block the construction of public housing in the city.

The business community was able to hold out for so long because the political deck was stacked against the proponents of public housing. In Winnipeg the rights of property and citizenship were at odds. In the city’s early years, to be eligible to vote for the mayor or a member of council, “citizens” not only had to be male, over twenty-one, and a resident of the city, but they had to either own property or rent property of significant value. The right to vote on money bylaws—laws authorizing significant municipal borrowing and spending—was even more restricted: only those who owned $500 worth of property could cast a vote on a money bylaw. Property owners could vote in each ward in which they owned property: which meant in 1907, a person who owned property in each of the city’s seven wards could vote seven times. In 1910, there were more than six thousand of these “plural voters.” And no one could run for office unless they owned property, plenty of property. In 1905, when a house on Arnold Avenue in Riverview cost $1,700, one had to own $2,000 of property to run for mayor and $500 worth to run for council. The rationale for these restrictions on the right to vote was simple: since the City raised its revenue through taxes on property, only people who owned property should have a say in city government. In 1909 Winnipeg city council went so far as to consider granting the right to vote to corporations. Mayor William Sanford Evans supported the idea, saying “Property is the whole basis of municipal voting and corporations own a large part of the property of Winnipeg.” Forty years later, a resident of River Heights felt no shame in asserting that “homeowners make the best citizens,” when making an argument against building low-cost housing in his neighbour-
hood. It was not until 1970 that all the property-based restrictions on the right to vote were lifted. The story of public housing is deeply embedded in a broader story of a struggle for greater democracy on the municipal level in Winnipeg and is very much a conflict between the rights of people and the rights of property.

Given the distribution of spending and taxing power in Canada, the story of public housing in any given city must address national and provincial housing policies. Building public housing requires large-scale long-term borrowing, as does the provision of operating subsidies. During those periods when the public-housing sector has expanded, the federal government has led the way, with provincial and municipal governments serving as junior partners. When the federal government turned away from non-profit housing, as it did in the 1990s, the sector’s growth simply ceased. Up until the 1930s, no level of government was prepared to adopt an ongoing housing policy of any sort. When the federal government did enter the housing field in the 1930s, it did so to address the decline in construction prompted by the Great Depression. The limited supports that the government provided were intended to get construction workers back on the job, building homes for middle- and upper-income earners.

The dirty secret of Canadian housing policy is that more subsidies have been directed to homeowners and home builders than to low-income renters. These range from subsidized mortgages through the Canada Mortgage and Housing Corporation to the construction of highways and bridges that enable homeowners to live in the suburbs, to the exemption from capital gains taxes that homeowners enjoy. Although the 1962 Royal Commission on Taxation recommended that house sale capital gains be treated like other capital gains—on the sensible principle that a buck is a buck and that an exemption would be unfair to low-income Canadians—homeowners were exempted from paying this tax upon the sale of their homes. The cost to the Canadian government of this tax break for homeowners was $7.1 billion in 2021. This is equivalent to the amount the federal government committed to spending on its entire National Housing Strategy in 2021, only a portion of which would be targeted to housing for low-income people.
When, in 1949, the federal government agreed to fund public housing, it required provincial governments to contribute a quarter of the costs. Many provincial governments, including the government of Manitoba, chose to require municipal governments to pay a portion of the provincial costs. The funding of public housing under this model required that pro-housing governments simultaneously hold office at all three levels and be able to successfully negotiate complex three-cornered funding agreements in a short period. The election of the federal Conservative government headed by John Diefenbaker in 1958 meant that housing ceased to be a federal priority for five years, just as Winnipeg city council and the Manitoba provincial government were finally developing an appetite for development. It took the election of a reformist federal Liberal government in 1968 and a reformist NDP provincial government in 1969 to bring the public-housing stars into alignment. While the federal government provided the bulk of the needed mortgage money, the provincial government cleared away roadblocks by essentially relieving municipal governments of their funding role. The result was an explosion in the construction of public housing.

That period of growth in public housing created an important set of publicly owned assets. Those assets have been neglected and their residents have often been vilified. But public-housing developments were and are considerable improvements over the often-deplorable options that the private market offered to low-income people. The social problems that are associated with poverty should not be laid at the door of public housing, but of a society that has all too often scanted its responsibility to low-income people. As well, powerful forces sought to block the creation of public housing, while its advocates had to endure long years of frustration and defeat.

The immediate stimulus for the writing of this book was the housing policies that were embraced by the Conservative government of Brian Pallister and his housing minister, Heather Stefanson. They ended a tax credit for the construction of rental properties and issued no calls for proposals to construct new affordable rental housing. They did, however, seek proposals from organizations that might be interested in purchasing existing
public housing. Slowly but surely, the Pallister government began to chip away at the public-housing sector: staff were reduced, programs were frozen, and construction was halted. The number of government-owned housing units declined by 2,600. This was a dramatic break from the previous NDP administration of Greg Selinger, which had added five hundred units to the stock of government-owned housing and provided extensive support for affordable and social housing in partnership with local non-profit organizations, developers, and the federal government.

Publicly provided health care and public education are crown jewels of the post-war welfare state. Public housing, on the other hand, is more like a neglected stepchild. Most Canadians believe, erroneously, that they provide themselves with their own housing free of any subsidy. The history of public housing should both serve as a reminder of the dangers of the current reversion to a model where the poor are obliged to rely on the mercies of the market for housing, and provide some succour for those who struggle to create better housing. There have been darker hours in the past, and while no victory is ever permanent, nor is any defeat.

NOTES

7. “City starts work on Howe’s rental collection offer,” Winnipeg Free Press, July 26, 1946; “Builders seek council committee to probe wartime houses set-up,”

8. “Canada’s wild housing market is making the case for the country’s most unpopular tax,” Globe and Mail, March 2021.


10. The Manitoba government owned 18,100 units of housing when Brian Pallister became premier in 2016. When he left office in 2021, the number was 15,500. Manitoba Housing owned 18,100. Manitoba Families, Annual Report 2016–17, n.d., 101; Manitoba Families, Annual Report 20–21, n.d., 120.