

THE LEGISLATIVE ASSEMBLY OF MANITOBA

8:00 o'clock, Thursday, April 24, 1969

INTRODUCTION OF GUESTS

MR. CHAIRMAN: I should like to direct the attention of the honourable members to the gallery on my right where there are 60 students of Grade 12 standing from the Duck Mountain School Division. The students are from Ethelbert, Winnipegosis and Rorketon Collegiates, and in the constituencies of Ethelbert Plains and Ste. Rose. The teachers accompanying the group are Messrs. Bradford, Skulmuski and Jansen, Mrs. Helash and Mrs. Carruthers.

On behalf of all the Honourable Members of the Legislative Assembly, I welcome you all here this evening.

COMMITTEE OF SUPPLY

MR. CHAIRMAN: No. 4, Municipal Assessments. 4 (a)--passed; (b)--passed; (c)--passed; (d)-- Oh, pardon me.

MR. MOLGAT: Mr. Chairman, I'm sorry. When we recessed at the supper hour I was discussing assessments - on the item of assessments - and the point I was making, Mr. Chairman, was that the question of sale values is not only a problem in rural Manitoba, but as I understand it from complaints I have received, in the City of Winnipeg as well. And while I'm not saying that sale values are not a factor in that there were many many sales, and there were standard sales - no speculation involved, no special cases that this might well be considered - that it seems to me that in too many cases now the sale value is really one reflecting circumstances that are not standard. Now I have had some specific complaints about this in the case of housing near potential apartment blocks and so on in the City of Winnipeg. My question then to the Minister is, does he set the rules insofar as assessments within the metropolitan area as well?

MR. BAIZLEY: No, Mr. Chairman.

MR. MOLGAT: These are set completely and independently by the Metropolitan Corporation?

MR. BAIZLEY: . . . again, Mr. Chairman, to the Honourable Leader of the Opposition that the rule of thumb - as has been stated earlier, assessment is not an exact science - the rule of thumb is location, use and market value, and certainly within the metropolitan area my honourable friend can appreciate that market value is the predominate factor in the assessment of the properties.

MR. MOLGAT: Mr. Chairman, I've had a specific complaint as well from one taxpayer, who I think was in touch with the Minister or his department, regarding assessments in Winnipeg where an area has been reassessed and a comparable area right close by has not been reassessed. The particular case that was brought to my attention, the taxpayer ended up where on an identical house - a very few blocks apart actually - the assessment moved from the position where the other house was originally \$100.00 more in assessment and the land value \$5.00 more, to a complete reversal where the reassessed house ended up by some \$650.00 higher assessment and the land value up as well. Now what is the recourse for an individual in a situation such as this one where he finds himself reassessed and yet other areas of the city are not at the same time.

MR. BAIZLEY: Well, Mr. Chairman, this case and similar cases have prompted the Metro Assessment Department not to introduce a new assessment until a whole or total area is completed. They have the city divided but they did run into this problem, and the policy now is that they will complete an area before they establish the new assessment.

MR. MOLGAT: But, Mr. Chairman, where the assessments -- where this happened, I think the Minister knows the case, it's a Waverley Street property as against the Wellington Crescent property, and I think that has not been corrected has it?

MR. BAIZLEY: Well, Mr. Chairman, the individual concerned had the Court of Revision, he had appeal to the Municipal Board, and I understand that he is still not satisfied with the results of any of these procedures.

MR. MOLGAT: His recourse then is to the Court of Revision plus the standard recourse of every ratepayer to the Municipal, and now this applies -- this Board takes in all appeals whether it's city or rural.

MR. BARKMAN: Mr. Chairman, I wonder if the Minister would possibly elaborate on -

(MR. BARKMAN cont'd.)... when he says complete a whole area, are you referring to what type of area?

MR. BAZLEY: Mr. Chairman, it is my understanding for instance in Winnipeg that it would be the ward, where they have the ward system.

MR. MOLGAT: Mr. Chairman, it seems to me that in this particular case - and I use this case because it was brought to my attention, but I presume that it is an example of a number of other cases. Isn't there an injustice here in that one area is reassessed, the individuals there end up by paying substantially higher taxes and yet right close by another area, very similar in characteristics, is not. Now what is the recourse for the people involved?

MR. BAZLEY: Mr. Chairman, I can't tell my honourable friend what the recourse is. It does appear to be an inequity, and as I've stated earlier, the policy has changed so that a total area will be done before the reassessed value is placed on the property.

MR. FROESE: Mr. Chairman, earlier this afternoon I requested the Minister to give us the formula, if there is one in existence, that is being used in between assessments. Is there such a thing, and how do you arrive at the equalized assessment between various municipalities of the province and the towns and so on. I referred to this earlier and I would appreciate a reply.

I notice from the estimates that the resolution we're discussing now involves \$886,378, but I also understand that in the budget estimates there is another \$1,296,000 under Municipal Affairs, and from previous years apparently this is also spent on and for assessment purposes, and this is the contribution the municipalities make. Am I correct in this and will the total amount be spent this year, and what areas are to be assessed this year? What is the program for this coming year?

MR. BARKMAN: While the Minister is looking for his answer, I noted before that quite a few harsh words were felt or said about the provincial assessors. I happen to be one of those that have been working with them quite closely and I would like to leave this on the record that they have been -- in our case it has been not just a wonderful group, but in the 10 quarter divisions that I attended, they really left the information with the taxpayer that I thought was very necessary to these people that felt that they had possibly been misunderstood or not treated right. And I just wish to leave that because in our area, and I think I can speak for all of southeastern Manitoba, they've done a terrific job.

MR. BAZLEY: Mr. Chairman, in answer to the Honourable Member for Rhineland, I must tell him that assessment is not an exact science, as we're all finding out here today, and that there's really no formula or magic rule of thumb that is used in the business of assessment. There is a revision for equalized assessments every year if certain municipalities are having problems, as indicated by my honourable friend, why then this is the indication to the assessment department that there has to be a reassessment - a readjustment of the assessments. -- (Interjection) -- Oh, the program for this year - right.

The proposed program for 1969-70 provides for new assessments to be completed in 20 rural municipalities, one local government district, four towns and eight villages, and it will involve some 50,000 inspections of property.

MR. MOLGAT: Mr. Chairman, before we leave the question of assessments, the same gentleman who approached me regarding this situation - which I really feel is inequitable and that he has an excellent claim - made a suggestion which I think is very useful, and that is that prior or immediately after an assessment, if the assessors were to simply indicate that they will be available in an area, either call a series of meetings where individuals who feel that they have a complaint could come, they could then on a simply quiet discussion with the assessor get the facts and figures and get the full information. I think that this would remove a lot of the appeals that come before the Board of Revision, and very frequently I think serve to satisfy many of the people who have a reassessment that there is a sound reason for the reassessment, keep them in much closer contact with the assessing branch, and I think lead to a much more satisfactory situation.

So this would be a step prior to Court of Revision, where the assessors would simply indicate by advertisement or otherwise that they will be available for discussion, someone could come in to them with the assessment, all the facts and figures, and I think it would be, from a public relations standpoint and from a communications standpoint, a very important suggestion. This came to me from this individual who feels that he has been sent from one spot to another to another to another and just ends up in total frustration.

MR. BAZLEY: I would like to thank the honourable member for his suggestion. I might advise members of committee that this is the practice that we're attempting at the provincial level. I've found that there have been many criticisms of assessments being done without consultation either prior or afterwards, and I might say that on inquiry I find that what the honourable member says is quite true, that it answers many questions relating to the assessment practices and relieves the Court of Revision of many of the cases. Now I will bring this to the attention of the Metro Assessment Department for the Metropolitan area.

MR. HILLHOUSE: Mr. Chairman, as far as the provincial assessment is concerned, I have found as a matter of practice, and no doubt as a matter of courtesy, that the provincial assessors would make that information available to anybody who'd come in to see them and they usually had that information in their possession before the matter came before the Court of Revision, but maybe in the case of the City of Winnipeg or the Metropolitan area that procedure is not followed.

But going back to the point raised by my Honourable Leader regarding a partial assessment having been made in one area in the City of Winnipeg and the city adopting that assessment without the balance of that area being assessed, I consider that to be most unjust, most inequitable, and I question its legality, because assessments must bear a fair relationship towards each other, and I can't understand why there wasn't a different decision made by the Board if there was an appeal made to it. But so that that'll never happen again in the City of Winnipeg and the Metropolitan area, I think we should make sure that we amend our Assessment Act precluding that possibility from arising, that if the assessor or the municipal council had been on their guard and had been looking after the best interests of the ratepayers, I'm sure that thing would never have happened.

MR. BAZLEY: I might say, while it didn't seem to help this individual ratepayer, that he has in fact accomplished this change in policy that the honourable member points out. I agree with him, and as a result it has changed to the area assessment.

MR. FROESE: Mr. Chairman, I then understand that there is no set formula in operation in between assessments from time to time, and as already indicated by the two other previous speakers, that if there is nothing of this sort in operation, I'm just wondering how do they arrive at the equalized assessment then, because I understand by equalized assessment is that there should be a relationship between the assessment of one municipality and another in striking a general levy and so on. I would still be interested to find out just how this is brought about.

On the matter of Courts of Revision, in a way I think people who have appeared before Courts of Revision find it very frustrating and find that there is very little purpose and very little to be gained by attending these Courts of Revision because very seldom do you find that they accomplish anything as far as the individuals are concerned. Is this matter also going to be referred to this committee that will be set up to look into the various matters of Municipal Affairs? I think this would be of interest to know.

MR. BAZLEY: Mr. Chairman, the whole matter would be considered by the Tax Structure Committee.

MR. MOLGAT: I don't want to labour the point that I have been on with the Minister because he agrees with me, but is there nothing that can be done for this situation, because this particular taxpayer who happens to be a retired gentleman, retired from the service of this government in fact, ends up, purely because of the reassessment - not including any mill rate change at all, it's purely on the reassessment - having his taxes increased by \$83.00 per year, an increase from some \$310.00 total up to \$526.00, but the portion strictly on assessment of \$83.00 a year. It's not fair, because other areas very close by are frozen in effect now. Now is it not possible to wipe off and go back to the original basis and start from scratch?

MR. BAZLEY: Mr. Chairman, I gather it isn't because I have sought not only the best legal advice that is available to me within the department, but in this particular case I got extra special advice, and it is a situation where he has used every avenue within the law to try and have it corrected. He did accomplish and establish the inequity, as my honourable friend points out, and the practice has been discontinued.

MR. FROESE: Mr. Chairman, a few more questions. I mentioned the figures before of 886,000 in the estimates and another 1,296,000 in the budget under Municipal Affairs. I take it the total amount is being used for assessment purposes. Is every dollar being used or is money left over? And how many assessors do we employ and are we employing additional

(MR. FROESE cont'd.)... people during the summer months on this matter?

MR. BAIZLEY: Well, Mr. Chairman, we have a staff of 80 in the Assessment Department and the budget requirements for this year is \$886,378.

MR. FROESE: Well, what about the 1,296,000 in the budget from the Municipal Affairs? In past years we were given to understand that this money was being used for assessment purposes.

MR. CHAIRMAN: (a)--passed; (b)--

MR. FROESE: Mr. Chairman, I think we should have an answer to that last question.

MR. CHAIRMAN: (Resolutions Nos. 82 and 83 were passed.) No. 6 - Municipal Planning Services. The Honourable Member from Brokenhead.

MR. USKIW: I just wonder whether I can get a clarification from the Minister on just what is the case with the outer zone municipalities where they apparently are paying the Provincial Government 30 cents per capita for planning services but they're also compelled to pay a per capita rate to Metro. Is there some duplication in this area or just what is the situation? We were led to believe that this was the case during our proceedings at Municipal Affairs Committee the other morning, and I'm just wondering for clarification if we can find the answer to this.

MR. BAIZLEY: Well, Mr. Chairman, there are some peripheral municipalities, as the honourable member has said, that have the provincial planning service, but it is my understanding that they do not pay for the Metro planning service. The only fee that they pay is the 30 cents per capita to the provincial planning service where they have requested that service.

MR. GREEN: May I just get some clarification. They pay 30 cents per capita for provincial planning services but they get no provincial planning services. My understanding from the gentlemen who were here yesterday is that the planning in that zone, the additional zone, is done by Metro. Well, certainly Metro has the power to plan the additional zone and they are paying for planning to the provincial government which they get no service from. Is that not correct?

MR. BAIZLEY: No, Mr. Chairman, they receive the service from the Provincial Planning Department, but as was pointed out yesterday, Metro planning, with their regional plan for Metro Winnipeg and the additional zone, is there, but the nitty gritty plans for the municipalities and the towns and villages has been done by the provincial planning service and the individual yesterday was pointing out that there was some area of conflict in their opinion here because they had the planning service but were sort of locked in with Metro planning.

MR. USKIW: Mr. Chairman, does this not mean then that they should be relieved the per capita rate, at least for that area which is under Metro zoning, whether that portion could be relieved from the provincial 30 cent per capita levy?

MR. BAIZLEY: Mr. Chairman, any of these municipalities that wish to be relieved or withdraw from provincial planning, why all they have to do is say the word, because regretfully we are not able to accommodate all the requests we have for the municipal planning.

MR. CHAIRMAN: The Honourable Member for Carillon.

MR. BARKMAN: I realize that this is the situation but I understand, at least for a number of years, there seems to be an awful shortage of planners. Is this improving any at all or are we still in the same predicament?

MR. BAIZLEY: It is not improving, Mr. Chairman.

MR. CHAIRMAN: (Resolution No. 84 was passed.) No. 7 - Municipal Budget and Finance. (a)--

MR. FROESE: Mr. Chairman, what does this entail - this item - what does it cover?

MR. BAIZLEY: Mr. Chairman, the Municipal Budget and Finance Branch is in charge of municipal budgeting, accounting, reporting and auditing throughout the province. It's the source of municipal statistical information which compiles from reports and records of the municipalities and co-relates this information with other governments and particularly DBS. This function is increasing, and hopefully we are going to be able to increase our staff so that that service will be improved. This branch also serves as the operational arm of the Municipal Board recommending upon applications for approval of debentures that are issued and the preparing of orders for the board in that regard.

MR. BARKMAN: Mr. Chairman, I think that a lot of compliments should go out to municipal people in this direction, but Mr. Chairman, I think I also have to say that these municipal people are being challenged every day. Where are they going to go for these special

(MR. BARKMAN cont'd.)... school taxes? Where are they going to go for the extra money they may need for collection of medicare premiums, local improvements, streets, and so many more things that could be mentioned? I'm not saying this to create gloom and doom but I believe that something has to be done with some of these problems. After all, there isn't very many sources a municipality can draw their taxes from. There is basically the property tax, possibly some business tax, but other than the bicycle and the dog licences there isn't very much left. I think that along this line - my Leader and the Premier have said it also - that this is a place where we should get going on a provincial-municipal conference as soon as possible. I am sure that the sooner we get along with this the sooner we can discuss certain things. We have got to -- the assessment problem is being brought up continually. We have the 1965 arrangements to discuss that possibly are not as satisfactory any more as they used to be. We have so many other things that I don't want to bring in under budgeting, but I hope that this situation or this committee, or whatever they wish to call it, gets going as soon as possible.

MR. CHAIRMAN: (a)--passed; (b)--passed; (c)-- The Honourable Member for Rhineland.

MR. FROESE: Is it the intention to cut out the winter works program completely? I notice there is nothing budgeted under this item. Last year we had a budget of \$115,000; now it's nil. Does the government not plan any works on their own?

MR. BAIZLEY: No, Mr. Chairman, except in the special northern assistance program that we introduced this year for the remote areas.

MR. CHAIRMAN: (Resolution No. 85 was passed.) No. 8 - Local Government Boundaries Commission. (a)--

MR. MOLGAT: Has the Minister anything to tell us about the Commission? Is it his intention to continue this costly project, and if so, for how long? We are now up to something over half a million dollars in this affair, and as far as I can recall, we have had one abortive report on the Interlake, one second report on the Interlake which I gather isn't totally acceptable to the people of the area; and apart from that, a series of meetings across the province last fall which were attended by large numbers of municipal and school people which were to be followed in early January, in fact in December and early January, with further meetings which were not held at that time. I never quite knew why, whether it was certain other events in the province that the government felt it wasn't an opportune time to have these matters discussed in rural Manitoba particularly, but be that as it may, for the half a million dollars, Mr. Chairman, I haven't really seen much production.

MR. CHAIRMAN: (a)--

MR. MOLGAT: Is there no comment from the Minister, Mr. Chairman?

MR. BAIZLEY: I think I would like to make a comment because I realize that my honourable friend has a colleague who is also interested in this commission and the fine work that they are doing, and I find while it is a handsome figure that we the people of Manitoba are paying for the information that is needed on this very complex subject, I am sure my honourable friend wouldn't want this commission to advance in undue haste when he thinks of the complexity of the problem. But as I have indicated to members of the committee, the commission has been asked to have a report within the year on the Metropolitan situation. As the Honourable Leader of the Opposition has pointed out, it is expected that the provisional plans for the balance of the province will be discussed in early months, and as members know, the final plan for the Interlake has been tabled. It is also understood that the commission will be considering, with municipal governments, the other aspects of regional support and control according to the Act that we passed in 1966.

I think it would be appropriate for me to tell the honourable members about the numbers of people on this commission. There has been some suggestion that they weren't capable people, and I really don't think members of committee mean that at all, because I found on reviewing the membership of this committee that we have Reeve Z. Audet from the Rural Municipality of De Salaberry; we have Alderman Ernest Enns from the City of Winnipeg; Mr. Glavin, Vice-Chairman of River East School Division No. 9; we have Mr. Cam Harvey, Assistant Professor, Faculty of Law, University of Manitoba; we have Mayor Juba of the City of Winnipeg; and Mr. Keay of the Rural Municipality of Shellmouth; we have Dr. Lockhart....

MR. ELMAN GUTTORMSON (St. George): Is Mr. Juba on the commission that settled the Interlake?

MR. BAZLEY: No, Mr. Juba I might inform members of the committee was one of the additional members that were added to study the metropolitan problems. There is Mr. McIver, Secretary-Treasurer, Fort la Bosse School Division No. 41 and Reston Consolidated School District No. 141; Mr. Riediger, Trustee of Consolidated School District of Manitou; Mr. Shearer, Reeve of the Rural Municipality of Grey; Mr. Thiessen, Head of Geography Department, Selkirk Collegiate; Mr. Wopford, Reeve and Chairman - he's Chairman of the Evergreen School Division and Reeve of the Rural Municipality of Bifrost; and Mr. Whitehead, the Councillor from the Rural Municipality of Rosser. We have four members of the Boundaries Commission who are not holding any elected or appointed municipal or educational office, and that is the Chairman, R. G. Smellie, Q. C.; Mr. Remi Lafreniere; Mr. John Belows; and Mr. Elswood Bole.

So while my honourable friends can have some fun, I must tell you that the government has confidence in the members of this committee and I'm sure that their reports will be a worthwhile contribution to improving the life of the citizens of Manitoba. And I think rather than talking about the half a million dollars, which as I said before was a lot of money, that Manitobans have paid 55 cents approximately per capita for this very vital information to the continuing well-being of the Province of Manitoba.

MR. MOLGAT: Mr. Chairman, I have been very critical of the Commission as the Minister knows, but not because of the individuals. I don't recall that there was a discussion about the qualities of the individuals although there was some comment on a number of occasions as to some of their other qualifications which rather seemed predominant in their choice, and it seemed to be that their previous political activities might -- there seemed to be a general current running through the appointments, but be that as it may, the criticism was not of the quality of the individuals but rather that for the amount of money expended there just hasn't been to my mind enough production. And that is still my point of view, Mr. Chairman, that for half a million dollars we just haven't had value. When we talk about priorities in Manitoba and about the things that we cannot afford to do because we don't have the money - so the government tells us - then it seems to me that a half a million dollars in this area just has not been productive and it's been much too slow.

While I'm on my feet, I want to say, however, that there's one area in which I think the commission changed its course of action, for which I commend them. When they first went into the Interlake, made their study and then came out with a report, published it, that many people in the Interlake thought it was simply an imposition from on high, and to the credit of the commission, last fall when they had their tentative programs for the balance of Manitoba, I think they took the right course in calling meetings in the various areas and consulting with the people themselves. I had the pleasure of attending two of those meetings and I think that this was the proper approach, to involve those who are going to be in the local areas concerned with either establishing this or making it work once established. So on that score I think this was a commendable change, but Mr. Chairman, I still think that a half a million dollars is too much money for what we've got out of this commission.

MR. GUTTORMSON: Mr. Chairman, could the Minister tell us, is it the responsibility of the Boundaries Commission to decide where the schools should be located?

MR. BAZLEY: No, Mr. Chairman.

MR. GUTTORMSON: So they won't be making any decisions? Has the government asked them to refrain from doing this, because when the commission was set up this House was told that this would be one of their responsibilities, to decide the location of the various schools. This is a change of policy?

MR. BAZLEY: No, Mr. Chairman, it's not a change of policy. I'm sure that there will be recommendations.

MR. GUTTORMSON: The Minister just finished saying that they wouldn't be making recommendations.

MR. BAZLEY: No, I didn't say that, Mr. Chairman.

MR. GUTTORMSON: Well I asked him would the commission be making recommendations with respect to where the location of various schools should be.

MR. BAZLEY: I would imagine the commission will be making many recommendations.

MR. GUTTORMSON: Is the position of chairman a full-time job?

MR. BAZLEY: Mr. Chairman, the position of chairman is a job that requires many hours and much travelling.

MR. GUTTORMSON: Is it a full-time job?

MR. BAIZLEY: The chairman spends as much time as the job requires to accomplish.

MR. DESJARDINS: Mr. Chairman, I think I maybe should say a few words on this. I'm sure the Minister was referring to the Member from St. Boniface when he said there was somebody else interested in this commission, and mind you, my Leader said some of the things that I was going to say. I don't remember anybody saying that these people were not capable or that they were. You know this is not what we were referring to at all, but we did happen to mention that there were about four or five candidates who lost in the last election and they all happened to be from the one Party, the Party of my honourable friend, including the chairman and including the gentleman that contested the seat for the Conservatives in St. Boniface and a few others. Then there were a few well-known organizers of the Party. I'm not suggesting that the government should not try to pick any of these people but it's a little more than a coincidence when they happen to be all from the same side. I am sure that there must be at least one out of ten people who belong to other parties who have a bit of sense and that could maybe contribute also. I don't think that the Party of my honourable friend has a monopoly on brains - not yet anyway.

And another thing, and the Honourable Member from St. George I think can show again the weakness of the position. The Minister was asked the question: Is this a full-time job? And he rose three times without answering. I mean if somebody asks is it a full-time job, you either say yes or no, and his last answer I don't think is satisfactory because I think we have seen delays; this has been going for an awful long time. There is a bit of a schmozzle here in the metro government and so on around the Greater Winnipeg area and I think this is something that we should speed up. If you remember, Mr. Chairman, when this commission was appointed, the then First Minister definitely stated - and I'll find Hansard very fast if you wish me to do so - the First Minister said that this would be a full-time job, that it had to be a full-time job, and then he changed his mind three times. We finally saw an interview with Mr. Smellie who said that it wasn't going to be a full-time job and then this government has been backing out. There is no doubt that it was meant to be a full-time job. If you are going to spend that kind of money, why drag it along? Are you going to drag it until the next election and then release the candidates to run again? Is this the payoff if they are going to be there for four years? Is this what you are trying to do? You are spending money; what have you said? I asked you for a report - and I should address the Chair - I asked the Honourable Minister for a report. What did he say? The same thing he did when he started his estimates - oh well, don't worry about the money they spend, it's vital information. Well what is that vital information? What is being done? This is what we want to know. We are not getting too much action, Mr. Chairman. Nobody is suggesting that these people are not capable at all, not by me anyway, and I haven't heard anybody say it, unless it's maybe some of the members of the caucus of my honourable friend. Maybe this is where he heard it. I don't know.

But I think that this is something very important. This is one of the most important problems facing Manitoba and Greater Winnipeg anyway, and if something isn't done soon we could be in a lot of trouble. We are losing time and things are done that shouldn't be done. Look at what is going on in the - my honourable friend brought it up - this Metro, this Metro is competing with the government in other areas to make a little more money and are practically - what can you call it? bribing or blackmailing certain businesses. And then you have the Minister of Industry and Commerce that is going around the province - I should say the world - trying to get business here, and we have a situation right here when somebody comes here we want to chase them out. I don't think that this is satisfactory, this is not good enough, and I suggest that the Minister should crack the whip a bit and speed this up and see if we can have a little bit of action.

MR. CHAIRMAN: (Resolution No. 86 was passed.) No. 9 - Nelson River Agency.
(a)- The Honourable Member for Churchill.

MR. BOROWSKI: Could the Minister give an explanation on 9 (a) and is it the same as 11 (d)? I notice the word Nelson is used in both places - Nelson River.

MR. BAIZLEY: No, Mr. Chairman, 11 (d) is monies that are being provided there for the Nelson River resettlement and development fund. The Nelson Agency, staff of two headed by Mr. Bowman who has been working very closely with the people of the community in the interests of the development and all the people of Manitoba.

MR. BOROWSKI: Could the Minister tell us where these two men are stationed and

(MR. BOROWSKI cont'd.).... what their jobs are?

MR. BAIZLEY: Mr. Bowman is stationed in Winnipeg and spends considerable time in the north and in the community, and he has a secretary.

MR. CHAIRMAN: (Resolution No. 87 was passed.) No. 10 - Emergency Measures.

MR. BARKMAN: Mr. Chairman, I'd just like to say a few words on this. I realize that possibly EMO measures are not as popular as they used to be in this Assembly. I also believe this is the department where the Federal Government picks up 75 percent of the tab, but there seems to be quite a bit of confusion in this department the last year. I certainly don't want to belittle the work that these fellows are doing, especially with the flood situation now and other situations, but I am one of those who still think this is something we need. I am sure that many members will not agree with me, and I'm not necessarily only thinking of a national disaster or that type of a disaster but I think it has been very useful on a provincial or on a municipal basis, but there seems to be entering so much confusion since March 31st when the last budget was drawn up. It seems that the \$266,000 has been cut down to \$189,000, which if this is figured out right I have no objection, but in the meantime I think this money only covers the expenses at Winnipeg, Dauphin, Brandon and Portage la Prairie. I believe that all the other rural municipalities are left out.

Now this has created quite a bit of confusion, especially amongst those that have been working actively with the EMO groups in most of the municipalities. First of all, here the coordinators are called in for a meeting, and by that time of course they are capable or able to explain what the situation seems to warrant, but in the meantime, every municipality is cut off of every single cent as far as our budget is concerned. Now I think in a case like that, especially an important department like this in many areas, and as I said before I'm one of those that believes, and I have seen in my own area where they've been very very useful, but in the meantime surely these municipalities should have gotten at least a couple of months' notice. Here they were organized and possibly didn't know which way to turn, because it does create some revenues from five or six municipalities creating one group and naturally quite a sum of money gets involved before this can stay organized.

My main question is this: I think there must be a solution to keep this going if necessary, but surely you cannot believe that the municipal people, if the federal people, if the provincial people think it's not necessary, how can you persuade or convince the municipal people that it is necessary, and surely this situation should be cleared up, at least within this fiscal year.

MR. BAIZLEY: A word on the Emergency Measures Organization, Mr. Chairman. I think the indications and actions certainly of recent days has indicated to all of us the importance of such an organization, and I am sure this will re-affirm to municipal people the reason for their continued interest and participation. However, the economics of the operation is such that, as the honourable member has pointed out, we have had to cut back on the services except to have the control centres in the larger areas. But I am sure, with the indications that we have of the excellent work of Emergency Measures during these recent weeks, why there is no doubt in anyone's mind that this is a very worthwhile work and we will do what we can to encourage and assist the municipalities to continue an interest in their work.

MR. FROESE: Mr. Chairman, do the cost of the present work and flooding all come under this item?

MR. BAIZLEY: No, Mr. Chairman.

MR. MOLGAT: On the Emergency Measure, I have recently had some correspondence from Brandon regarding the plan apparently to cut out their Emergency Measures structure there. Could the Minister indicate whether this is in fact contemplated and the reasons for this?

MR. BAIZLEY: I had not been so advised, Mr. Chairman.

MR. MOLGAT: The Minister has not had any advice at all from Brandon or complaints?

MR. BAIZLEY: Yes, Mr. Chairman, I have had complaints but I have not been advised that they were going to cut out the service. I find in reviewing the situation that Brandon has a support of 29 cents per capita, contribution of \$11,000 to that program.

MR. MOLGAT: Well the decision to make a change at the local level is up to the local area, or is it the provincial government who makes the decision or the federal?

MR. BAIZLEY: No, the major decision of course rests with the federal government who contribute 75 percent of Emergency Measure funds.

MR. FROESE: Under what item will the cost of looking after the flooding come, or is it going to be a supplementary item?

MR. BAIZLEY: Mr. Chairman, there won't be an item in the estimates for this emergency. It will be a supplementary item.

MR. CHAIRMAN: (Resolution No. 88 was passed.) No. 11 - Commissioner of Northern Affairs. (a)--

MR. BOROWSKI: Mr. Chairman, could the Minister give us a breakdown of the employees and their duties.

MR. BAIZLEY: Mr. Chairman, the department consists of a staff of eleven. At Thompson there is a Director, two co-ordinators, an Administrative Officer, a Clerk V and two Clerk-Stenos. At The Pas there is a Co-ordinator and a Clerk-Steno; at Lac du Bonnet a Co-ordinator and a Clerk-Steno; and a Clerk-Steno in Winnipeg.

The duties of these people are to attempt, as best we can, to provide municipal services in the remote areas of our province, and I must say that I would look forward to the day when honourable members could in fact take a look at these remote communities and see some of the excellent work that has been done in the remote areas. The honourable members might be interested to know that we have installed some 16 emergency airstrips, there have been assistance in community works in water and house wiring, road development and trail development that has been quite essential to helping for easier communication and a better standard of living in an area that my honourable friend knows quite well.

MR. BOROWSKI: Mr. Chairman, I have no argument with what these people are doing. I am sure they are performing a very valuable service. I just look at the figure of \$920,000 for the north. I notice in tourism they spent \$5 million - and other departments which I consider less essential - I'm really amazed when you consider that there is \$208 million worth of minerals that come out of Thompson alone, and there are several other mines. A third of the wealth of this province is produced in the north and I'm quite shocked really that there is so little concern. It seems to me that when you have an area so valuable in natural resources and with the Hydro coming and one thing and another, I think the former member had a good idea when he suggest there should be a ministry set up and a minister for this area. Just looking at the figure, they couldn't be doing a heck of a lot, and I'd recommend to the Minister he seriously consider setting up a department and paying the attention to this area that it deserves. I think one of the reasons that there's talk of separatism there is because the people are getting fed up, you just don't have the staff down there to look after the area. -- (Interjection) -- Well suppose you tell us what it is all about.

MR. LYON: . . . tell my honourable friend what he should know as the Member for Churchill, and I hope that his education will be improved by the time I sit down.

The Branch of Northern Affairs was established long before my honourable friend had anything concrete, ill or otherwise to do with the north, in order to bring, primarily, municipal services to many of the remote areas, most of which he hadn't even heard of at that time. It is not meant to be an all-encompassing branch of government at all; it is meant to provide essential services in areas where there is no local government set up.

The Department of Health provides the health services in northern Manitoba and the amounts that are being voted, or will be voted in this Committee of Supply, hundreds of thousands of dollars for health for the north are in that department. Learn that point.

The Department of Transportation which builds the roads in northern Manitoba has its vote in the Department of Transportation vote, hundreds of thousands, if not millions of dollars for northern Manitoba. It's in that vote.

The Department of Education which supplies the schools for northern Manitoba, most of which are remote and have to have full support because there is no tax base, the hundreds of thousands if not millions of dollars for northern Manitoba are in that vote and you are voting on it - you should know. Mr. Chairman, the member should know what he's voting on; it's one of the primary requisites when you come into the House to know what you are voting for.

The Department of the Attorney-General which supplies the police services for northern Manitoba, the money is in that department, not in Northern Affairs. And the hundreds of thousands that are spent on police services for northern Manitoba are in that department, not in Northern Affairs.

And on we could go down the line. Fairly elementary - I would say kindergartenish - for anyone who wants to take an interest in it, but for the honourable member to stand up tonight and say that this is a shocking vote for Northern Affairs because of the small amount, it means that the honourable member does not know, does not comprehend what this branch is supposed

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(MR. LYON cont'd.)... to be doing. One could go on for some several hours but I don't intend to waste that kind of time. I'm just sorry my honourable friend hasn't learned more about his own area.

MR. BOROWSKI: Mr. Chairman, let me first of all thank our clever wise guy there for venting his spleen on me. I'm a new member here and I know you are right, I don't know, that's the reason I stand up to ask him these questions. He doesn't have to get smart about it and start treating me like a juvenile.

MR. LYON: That's what you are.

MR. BOROWSKI: Well that's your opinion. I have got some opinions about you, which are unparliamentary I might point out. You can tell me all you like about all the money you spent, and the best person I can get over here to refute that garbage that you're telling us is the former member, and this is the reason he quit because he couldn't stomach the crap that you give us.

MR. LYON: Mr. Chairman, my honourable friend at least should be able to know what proper language is. There is a question of civility in the House. I thought he came in with some; I hope he has some.

MR. CHERNIACK: Well, it would be helpful if all members of this House listen carefully to what the Attorney-General said, including himself. He provoked exactly what he got, and if that's the way he wants to conduct himself, he'll get those answers I'm sure.

MR. LYON: If I get them, Mr. Speaker, and if this House has to be subjected to the kind of incivility of language made by the honourable member, he won't be here.

MR. BOROWSKI: Mr. Chairman, it sounded almost like a challenge, and if this was five years ago I'd invite him to throw me out. I could handle two smart alecks like that.

Getting back to the north, there's one area I can point out - he can tell us all the millions or hundreds of millions that he spent there - we've talked about that road and I'd like him to give us the figures of what he's doing for this road. This is just one area, and if he's spending all this money, why is this road so bad? We have an average of one person a month getting killed. -- (Interjection) -- Well, come on, look at the figures. The tires that are smashed, the headlights. I've had a car for seven years and every year I've had to replace the windshield. Now of course it's insured but it's \$25.00 deductible and I still have to pay \$25.00 deductible every year. I lose an average of three headlights and I lose a couple of tires on that road, and he knows this thing here. And this isn't the only road. There's another road to Snow Lake. They're very clever, they build paved highways to Flin Flon and The Pas where the Ministers are, but up north there is no Minister so they don't care. They've got the nerve to come up here and lecture us. These kind of lectures are meaningless when you look at the north. He may come into this House and tell the people how clever he is, how well he knows the north, but I've lived in the north a lot longer than he's ever been up there. I know what the problems are; I know the area. He may fly out there in a chartered aircraft at our expense and fly over it and come back here and say what a wonderful place the north is and take credit for it, but the only credit, if there is any, goes to the people and not to you and your department.

MR. CHAIRMAN: The Honourable Leader of the Opposition.

MR. MOLGAT: Mr. Chairman, I want to refer to what is probably one of the larger centres in the north, the one with the greatest difficulties, the Town of Churchill. And I want to say at the outset that I'm not picking on the Minister on this one; the Town of Churchill has been a problem for a long long time. What I want to see is some progress made.

Now last year, in fact just about a year ago to the day, we were given the Murray V. Jones report, "Churchill Development Plan, Phase I". The report re-emphasized in rather startling language some of the things that we knew but which maybe had not been put down in print as clearly as this report did. Since then the federal government have agreed to put in a substantial amount of money insofar as the water and sewage for a portion of the area - and I point out a portion of the area - although admittedly the first recommendation of the report was that this was the first area to be considered. My questions to the Minister are: Is the province proceeding to put up a share matching the federal contribution? And then the other question: What is the province doing regarding the other recommendations in the Murray V. Jones report?

In the concluding chapter entitled "A Course of Action", Page 57, the report says: "The problems of Churchill are so great and the conditions so wretched that it must be treated as a special situation." It then goes on to assign priorities. "No. 1. The reconstitution and expansion of the Churchill Liaison Committee. No. 2. Approval by the Liaison Committee of

(MR. MOLGAT cont'd.)... the conclusions and recommendations of this Phase I study, together with any necessary amendments. No. 3. Authorization to proceed with Phase II of this planning study as outlined below" - and Phase II is the Housing Study.

I would like to know from the Minister where we now stand on the recommendations on priorities, remembering the opening statement of the report under this heading that the problems are so great and the conditions so wretched, what action has gone on in the past year?

MR. BAIZLEY: Well, Mr. Chairman, as recently as last week, as I'm sure the Honourable Leader of the Opposition knows, I met with Mr. Laing. We are in deep negotiation, and I must say, in fairness to the Minister, that he appreciates the responsibility that the federal government has at Churchill. I understand that he indicated at his press conference that it is the desire of the federal government to withdraw from the Fort as living accommodations, and as the report has indicated, there are plans for a housing development adjacent to the town, and as obsolescence occurs, which my honourable friend knows is occurring at the Fort and is extremely costly, why these folk will be moved into the Local Government District and will become part of the supporting tax base and we will take over the municipal services.

I might tell honourable members of the committee that we are not prepared to share in the cost of water and sewer for that community. We feel that Churchill, like Pinawa, is a one industry town. In this case it is a one industry town of the federal government, and I'm sure that as negotiations proceed between the Honourable Minister from the federal government and myself and officials of the Manitoba Government that satisfactory arrangements are going to be made for a major face-lifting and a revitalization of the Town of Churchill. My honourable friend knows that one of the problems in that community is the fact that it isn't one community, that it is six communities, and it is recognized that the Fort has caused considerable problems in providing certain amenities that weren't available to the people of Churchill. It's understandable that the citizens there, when they see the research people getting us ready to live tomorrow and they're living with conditions that we were accustomed to yesterday, if you will, that they are disappointed.

But I am in agreement with our federal counterparts that we don't need further studies for Churchill; we need examination of the information that we have and certainly it is the intention, I am advised, to proceed as fast as moneys can be made available for the redevelopment of the Town of Churchill.

MR. MOLGAT: Mr. Chairman, I thank the Minister for his statement. I note he says that the province will not participate in the provision of water and sewage. I point out that the Murray V. Jones report on Page 55 stated: "If it does prove necessary to build the new line this summer, we believe that the provincial and federal governments must find a way to bring this new water supply at least to the major commercial and institutional users who are clustered in the vicinity of Hudson Square." So the Murray V. Jones report certainly recommended that this be a joint federal-provincial action. Well, the Minister says the province is not prepared to proceed. All right. What about the other priorities then, the three that are recommended and which I just read to the committee, Page 57 of the Report, Assignment of Priorities. Can the Minister tell us what - this, I presume, is within the provincial responsibility directly, that is the Churchill Liaison Committee and proceeding with next phases - what has the province done?

MR. BAIZLEY: Well the province has in fact set up a Liaison Committee of senior government officials to work with the Advisory Committee and with the Development Committee in Churchill to look for types of industries and enterprises that would be of benefit to that community. The province is in negotiations, and I know my honourable friend wouldn't expect me to talk about negotiations at this stage and certainly I wouldn't want to say anything that would give too much encouragement to the people of Churchill because I, like he, knows that for years we have studied and have been concerned with the problem. But I must say that we are on the horizon of a new day and a better day for the Town of Churchill. I must tell my honourable friend too that last year the input of dollars was just shy of a million dollars into Churchill for services that were required in that community over and above what was available from the local tax base. I think it's interesting to note when I was up there and talked with the folk in Churchill, they wanted to know if we, the government of Manitoba, were prepared to make an input, and I must say they were quite surprised to find that in that half-year our input was just shading the million dollars.

MR. MOLGAT: I thank the Minister and I would appreciate if he would give us the

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(MR. MOLGAT cont'd.)... breakdown of that million dollar input. He may not have it now, but I wonder if he could simply give us later on a written sheet with it.

Now he mentioned that the Churchill Liaison Committee has been reconstituted. Could he indicate when this was done?

MR. BAIZLEY: They had their first meeting in Churchill - I'm trying to get a message because the initial meeting had been held early last month - I can't give you the exact date at this time.

MR. MOLGAT: Early last month? That would be then in the month of March, which was some 11 months after the report recommended that this be the first step. This, Mr. Chairman, appears to me, in the light of the urgency of the situation and the statements made in here that the conditions of the Town of Churchill are unparalleled anywhere in Manitoba or even throughout the nation, it would appear to me to be a little less than rapid action. I wonder if the Minister could then tell me what the Liaison Committee has done about the other two recommendations, and that is the approval of the conclusions and recommendations of Phase I of the study and any amendments; and the next one, the authorization to proceed with Phase II. Has this been done?

MR. BAIZLEY: It is being undertaken at the present time, Mr. Chairman. For my honourable friend to suggest that with the establishment of the Liaison Committee and that there had been no consideration of the problems within Churchill is a little unfair, because he realizes that in that 11 months there were numerous meetings between officials of the Manitoba government and the federal government and some reasonable and fair bargaining to advance the situation to where it is, and I am hopeful that there will be continued - continued progress at Churchill.

MR. MOLGAT: Mr. Chairman, I don't think it is unreasonable at all to say that the progress is less than slow, because as I pointed out I was not blaming the Minister, this situation has been with us for 30 years at least, but here was this report produced a year ago and its recommendations are not that difficult it seems to me. My honourable friends frequently say the federal government isn't prepared to move. Well at least in the case of this water and sewer it did move and that's being done, but in those areas where the province is responsible, the Minister tells us that the first step of setting up the committee took 11 months. Mr. Speaker, when you read this report and see the urgency of the situation, I simply don't think that that's good enough.

MR. CHAIRMAN: The Member for Rhineland.

MR. FROESE: Are there any additional moneys spent in connection with housing for the native people up there? I recall some years ago moneys were spent in connection with providing housing for the Eskimos at that time and when a group of us went out there we saw what had been done at that time. Is there any further moneys being spent for the local people up there now?

MR. BAIZLEY: No, Mr. Chairman.

MR. CHAIRMAN: (a)--passed; (b)--passed; (c)-- The Member for Churchill.

MR. BOROWSKI: Are we on (c) now?

MR. CHAIRMAN: Yes.

MR. BOROWSKI: Could the Minister give us a breakdown on (c) please?

MR. BAIZLEY: Mr. Chairman, in the communities of Brochet, Cormorant, Shamattawa, Split Lake, Pikwitonei, Thicket Portage, Nelson House, Granville Lake, Islford, York Landing, Moose Lake and South Indian Lake, these were the services that were provided. Fire equipment at Islford and Brochet. Telephone and radio communication at Thicket Portage, Granville Lake, Islford and Moose Lake. Airstrips at Brochet, Cormorant, Shamattawa, Split Lake, Pikwitonei, Thicket Portage, Nelson House, Islford, and Moose Lake. Water supply to Brochet, Cormorant, Pikwitonei, Thicket Portage, Nelson House and Moose Lake. Foot bridges at Brochet, Cormorant, Shamattawa, Pikwitonei and Islford. Hydro at Brochet, Shamattawa, Split Lake, Pikwitonei, Thicket Portage, Nelson House and Islford. Rinks at Cormorant, Pikwitonei, Thicket Portage, Nelson House, Islford and at Moose Lake. Community halls at Pikwitonei and Thicket Portage. Docks at Brochet, Shamattawa, Split Lake, Pikwitonei, Thicket Portage, Nelson House, Granville Lake, Islford, York Landing, Moose Lake and South Indian. Roads in Brochet, Cormorant, Shamattawa, Split Lake, Pikwitonei, Thicket Portage, Nelson House, Islford, Moose Lake and South Indian. House wiring at Brochet, Cormorant, Pikwitonei, Thicket Portage, Islford and Moose Lake.

(MR. BAZLEY cont'd.)... Weirs at York Landing. Garbage sites were established at Cormorant, Pikwitonei, Thicket Portage and Moose Lake. Drains provided at Brochet, Cormorant, Split Lake, Pikwitonei, Thicket Portage, Nelson House, Islford and Moose Lake.

MR. BOROWSKI: Mr. Chairman, could you tell us what these rinks are? What they're for and their cost? And you mentioned one road. Where does this road lead to and what is the cost.

MR. BAZLEY: Well, Mr. Chairman, I mentioned roads that were assisted by Northern Affairs in Brochet, Cormorant, Shamattawa, Split Lake, Pikwitonei, Thicket Portage, Nelson House, Islford, Moose Lake and South Indian.

MR. BOROWSKI: What roads were they?

MR. BAZLEY: Well, I'll give my honourable friend an example. There was construction of a public road at Brochet \$3,100.00. Gravel on roads \$1,000.00. Construction of an airstrip at Brochet \$3,000.00 - and I might say, Mr. Chairman, that it was quite interesting and I would not mind sharing an experience I had on my first trip North with honourable members. As you know, there had been considerable criticism on these emergency strips which are so vital for communication at break-up and freeze-up in the north, and I knew that where I was going was native people and I assumed naturally that I would have to have an interpreter. I arrived at Brochet with an interpreter to find out that I had a Cree interpreter and the native people were Chippewayan and he wasn't able to understand them any better than I could. Fortunately Father Gravel was there and we communicated quite well, but it's interesting to know that this airstrip was provided by men, 35 men, and three wheelbarrows and we landed in there at this in-between season in an Islander which is a twin engine aircraft and living proof that the airstrips are serviceable and certainly appreciated by the community.

.... continued on next page.

MR. BOROWSKI: Mr. Chairman, one more item under (c). There's a new release that the Minister gave out dated January 14th, Winter Roads Policy. Would this \$66,000 we have on the sheet, would that come out from under (c)?

MR. BAIZLEY: Yes, Mr. Chairman.

MR. BOROWSKI: Thank you.

MR. CHAIRMAN: (d) -- passed . . .

MR. BOROWSKI: Could the Minister give us a breakdown on Nelson River Resettlement and Development Fund. I realize it's only \$50,000 but I think we should know what it's for.

MR. FROESE: Mr. Chairman, while we're discussing this item, is it the intention of the government in future that Manitoba Hydro will be spending monies under upgrading in the different courses and so on, or is it the intention to bring some of these matters under this item in the estimates?

MR. BAIZLEY: . . . none under these estimates, Mr. Chairman.

MR. CHAIRMAN: (d)--passed; \$920,000.

MR. BOROWSKI: Mr. Chairman, I don't believe we had an answer to (d).

MR. BAIZLEY: If my honourable friend will bear with me for a moment I will see if we can't provide him with an answer. I am sure, Mr. Chairman, if you would like to continue, that an answer will be flying down presently.

MR. BOROWSKI: I beg your pardon?

MR. BAIZLEY: I'm sure there are other folk who have heard the question and will assist me in giving an answer to my honourable friend.

MR. CHAIRMAN: Is that agreeable to the honourable member? (d)--passed - \$920,245. Resolution 89--passed.

No. 12. Unconditional Grants Act. \$7,601,304. Resolution 90--passed?

MR. FROESE: Mr. Chairman, were we not led to believe that this was going to be \$8.00 per capita for Manitoba and does this come out to the exact population?

MR. BAIZLEY: Mr. Chairman, on Resolution 90 the per capita grant is \$8.00 based on 1966 census figures.

Mr. Chairman, in answer to the Honourable Member from Churchill, the Nelson Resettlement and Development Fund is used for paying lawyers and expenses for local people to come to Winnipeg for hearings.

MR. CHAIRMAN: Resolution 90 -- passed. No. 13. Payments or Grants to or on behalf of the Manitoba Centennial Corporation. \$1,759,672. Resolution 91--passed?

MR. MOLGAT: Mr. Chairman, there is a very sizeable increase here of almost a million dollars. I wonder if the Minister can give us a breakdown as to where this is going, and accounting for the change in particular.

MR. BAIZLEY: Mr. Chairman, there is \$192,889 to Museum of Man and Nature, an increase over last year. The Centennial Centre increase is \$20,525, and the Centennial Corporation increase is \$691,220 over last year. The provincial grants that are provided for in this year's estimates were approved centennial projects, \$450,000. This is the breakdown of the Centennial Corporation money, the \$691,000; administration is \$70,000; promotion \$25,000; student exchange \$5,000; Centennial projects and preparation for our Centennial in 1970, \$141,220.00.

MR. MILLER: Mr. Chairman, I am wondering could the Minister at this time tell us whether he has come to any decision regarding the grants to the municipalities for the Centennial. At present I believe the grant is \$1.00 per capita but this is not really adequate to plan any major project, and the Act as it reads now pretty well limits the amount that can be raised by the municipal corporation itself, particularly those areas that extended the amounts available under the Act for the 1967 Centennial, and there are a number of municipalities that I am aware of, in Greater Winnipeg certainly, that would like to enter into some major projects but the \$1.00 per capita is quite inadequate for that amount and there is no way that they can do it except by the ratepayer approval type of by-law, and I was wondering whether the Minister perhaps has given any consideration to changing these regulations and making it possible for municipalities who had the financial ability to do so, to enter into projects on a long term repayment basis so that they could come up with something they feel is more adequate for the Centennial.

MR. BAIZLEY: Mr. Chairman, I thank my honourable friend for asking this question because I have been seeking some advice from various members of the committee who have had experience in this field, and I would like to tell my honourable friend that it is our

(MR. BAIZLEY cont'd) . . . intention to bring in amending legislation which will improve the situation for municipalities who so desire.

MR. FROESE: Just what are the functions of the Centennial Corporation during the years when we are not having actual celebrations like in 1969?

MR. BAIZLEY: I would like to tell my honourable friend the Honourable Member from Rhineland that the Centennial Corporation is now of course in the speed-up stage for our own Centennial in 1970. It is unfortunate at this time that we couldn't get another P.R. plug to remind all our citizens that this is a once-in-a-lifetime event, and they have been exceptionally busy planning with a very small holding staff from the 1967 Centennial. I would be remiss, I think Mr. Chairman, if at this time I didn't pay tribute to our Centennial Chairman Mr. Maitland Steinkopf, Q. C. , who has spent endless hours in planning and developing committees that are going to have total community involvement for our Centennial in 1970.

MR. DOERN: Mr. Chairman, I wonder if the Minister could, if possible, give us some better idea of the province's attitude towards the recognition of Louis Riel. We've discussed this many times in the Chamber and there has been suggestions and a few clues given. Is the government in fact going to actually tie in the 1870-1970 Centennial celebration with Riel? Is there some kind of mark of respect, some allocation of funds, some statue, some park, something that is being either considered, or could the Minister indicate perhaps what he is considering in this regard, or some actual plan in terms of the founder of our province?

MR. BAIZLEY: Mr. Chairman, I'm not prepared at this time to tell my honourable friend what the plans are. He has been advised, and I will advise him again, it is under active and serious consideration at the present time.

MR. CHAIRMAN: Resolution 91--passed . . .

MR. FROESE: Mr. Chairman, one final remark. In previous years I have mentioned this for our Centennial celebration in this province, that we should probably have a nickel dollar minted to celebrate this occasion, but maybe -- most of our coins are coming out nickel right now, so that this would be nothing new, but until recently our coins were silver, and whether this could not be brought about, because we have a big nickel development and I think it would be only proper that we have a nickel dollar minted for our 1970 celebration.

MR. BAIZLEY: Well Mr. Chairman, that's the best offer I have heard tonight, a nickel dollar, and I will pass this along to the Centennial Corporation because I can't think of a finer way to pick up 95 cents if the federal Mint would permit us to do that.

MR. CHAIRMAN: Resolution 91--passed . . .

MR. DOERN: Mr. Chairman, in regard to students in the province. I don't know whether the Minister is going to give us any kind of an outline this evening of Centennial plans. Could he tell us, for example, when we are going to see -- I don't expect this Legislature will, but when is the province going to be sort of shown a kind of a master plan, a calendar of events, in regard to the Centennial?

MR. BAIZLEY: It is my intention to have a master plan ready by the middle of June. I would like to tell my honourable friend and members of the committee that we are going to do our utmost to have every member of the committee informed of the events in Manitoba and invite all members of the committee to take part in those Centennial events that will occur in their respective constituencies and to do everything they can to promote Centennial activities in their constituencies in 1970.

MR. MOLGAT: Mr. Chairman, I have been totalling up the figures the Minister gave me and I cannot reach a total of \$1.7 million.

MR. BAIZLEY: I think if my honourable friend -- the figures I know that he is referring to was a breakdown of the Centennial Corporation figures for the \$691,220, and the first group of figures that I gave him were the amounts over last year. For instance, the Museum of Man and Nature have an increase in their budget this year of \$192,889, the Centennial Centre was \$20,525, and the Centennial Corporation the \$691,220. That's the breakdown that I gave him. I believe if he will look at his breakdown there were provincial grants \$450,000; \$70,000 for administration; \$25,000 for promotion; \$5,000 for students, and Centennial projects \$141,220.00.

MR. MOLGAT: Maybe the simplest, Mr. Chairman, would be simply to ask the Minister if he could supply us, if not right now, by a written sheet defined by me, the total figures accumulating to the \$1,759,000.

MR. GUTTORMSON: Mr. Chairman, I don't know if the Minister answered this question earlier, but when is the deadline for applying for grants for the Centennial?

MR. BAIZLEY: I am not able to answer that. I know that the information has gone out to the municipalities with the deadline. I will provide honourable members with a copy of the information that went out to the municipalities so that they would be informed on that date.

A breakdown for my honourable friend, the Centennial Centre Corporation \$836,620; the Centennial Centre \$204,100; the Planetarium and Museum \$718,952; for a total of \$1,759,672.

MR. DOERN: I wonder whether the Minister could give us some idea about the kind of program that is being considered in relation to the educational system. For example, are there going to be any special activities promoted within the public education system? I'm particularly interested in the question of student exchanges, whether we are going to send any of our young people out of the province and bring other people in for the Centennial of Manitoba.

MR. BAIZLEY: Well, certainly it is our hope that May 12th would be a very important day in the student life. We think that is the appropriate day within the school year to have a specific student celebration and it is our hope that in our Centennial year we will have an interchange of students between the various parts of our own province.

MR. PHILIP PETURSSON (Wellington): Mr. Chairman, I wonder if I may just follow up on that question. Would this be part of what they call the Voyageur Program in which there is an exchange? It has been carried on through, I think, Departments of Education. Groups of students have gone from here to other provinces and other students have come from the other provinces to Winnipeg. They call it the Voyageurs.

MR. BAIZLEY: It would be similar to the Voyageur problem but concentrated within the province. Hopefully we are going to have an interchange of students between some of our remote areas . . . from the southern part of the province and within Manitoba, yes.

MR. DOERN: I wonder if the Minister could clarify a point. There were rumours, or perhaps factual statements made, that the Queen or a member of the Royal Family might enter the province during 1970. Could the Minister give us some information on that? Whether there's been a formal request made?

MR. BAIZLEY: Mr. Chairman, there has been a formal request made and I would like to tell members of the committee that we are very hopeful that Her Majesty the Queen will visit Manitoba in our Centennial Year. Hopefully, it is going to be around that July 15th date and we would hope that we could call a special session of our Legislature when Her Majesty is with us.

MR. DOERN: Mr. Chairman, a final question. I brought up this matter before, namely the fact that I have found, as I'm sure other members have, that these bison pins that were passed out to us were, you know, most useful and most appreciated on the part of the public, and the Minister made some general answer a few weeks ago in regard to that. Is he going to provide members of the Chamber with some kind of special token that we can distribute to friends and acquaintances during the Centennial Year?

MR. BAIZLEY: I'm sure there will be special tokens for the Centennial Year and I know that my honourable friend -- we have talked about the bison pin and I believe my colleague the Minister of Industry and Commerce has undertaken to see that the members of committee would have a sufficient supply to use for the extra special occasions that my honourable friend refers to.

MR. CHAIRMAN: Resolution No. 91--passed. The Honourable Member for St. Boniface just informed me the score was still one-one and if anybody else brings in the final score, kindly pass the message to the Chairman.

We shall now proceed to one of the biggest and largest departments, the Department of Health and Social Services. Department VIII, Health and Social Services.

HON. GEORGE JOHNSON (Minister of Health and Social Services) (Gimli): I hope it ends up in something better than a tie.

Mr. Speaker, I wish to open the discussion of these estimates with the observation that it's a very distinct honour and privilege given to me by my Leader and colleagues to serve in the capacity of Minister of Health and Social Services. The estimates before you are very large indeed. The primary purpose, though, of these estimates is to provide services to meet the largest part of the health needs of Manitobans and to assist those of our citizens who, for one reason or another, require help in meeting problems of individual or family breakdown, whether those problems are caused by lack of income, handicap, environment, personal maladjustment or conflict with the law. These estimates represent programs that previously came before you from the departments of Health and Welfare, Corrections and Probation, Services of the Attorney-General's Department, and from the Housing Corporation of the

(MR. JOHNSON cont'd) . . . Department of Municipal Affairs.

It's interesting to note that Manitoba has always been a pioneer in trying to organize its health and social services to better meet the needs of our people. Members of this committee will recall that Manitoba was the first province in Canada to institute a program of Mother's Allowance more than 50 years ago, in 1917. We were one of the first provinces to introduce Workmen's Compensation. Our Child Welfare Act of 1924 was the first provincial consolidation of Child Welfare law in Canada. We were one of the first provinces to enact Old Age Pension legislation in 1928 and Manitoba's Social Allowances Act of 1959 has been copied by most of the provinces and has formed the basis for many of the provisions of the Canada Assistance Plan. Manitoba's extension of public health services through the creation of health units pioneered this type of service. More recently, the integration of welfare services in the core area of Winnipeg through People's Opportunity Services and the substantial investment by the province in the Social Service Audit during the past 3 1/2 years, reflect clearly the concern of our province and its people in trying to face the health and social service problems in our community.

A year ago, following a complete review of government programs and organizations, it became clear that the Manitoba Government, through a number of programs in the departments of Health and Welfare, in the Attorney-General's Department and in the Housing Corporation under the Department of Municipal Affairs, through separate staffs, programs and organization, were dealing in separate and sometimes uncoordinated ways with primary health and welfare problems. Provisions for the family with primary health and for mental health problems, often accompanied by housing problems and problems of child welfare or income maintenance, could find help only from a series of government agencies or programs each with their separate provisions and policy. It also became clear from the study, that we in Manitoba, with a growing emphasis on rehabilitation, should put our emphasis and major thrust into preventative programs. In view of this assessment of the situation, it was determined by all these rehabilitated treatment and assistance programs of the government, that these should be brought under one direction with two clear objectives in mind: to achieve the maximum integration and coordination of services at the level where people require help; and secondly, to bring forward those ideas and programs that have preventative possibilities.

In September 1968 the first step was taken in bringing these separate programs under one Minister and these are the program provisions which are made in these estimates. Speaking frankly, I should say that it will take years and not just months to bring these changes to their full effectiveness. It has been more than 40 years since the first Department of Health and Welfare was established in 1928 and it will take much more than six months to effect thoughtful and well-planned coordination and integration of services. This is the charge that has been given to the Department of Health and Social Services in its reorganization, and it is in this context that members of this committee will be viewing the programs and staff expenditures now before you.

I would like to take just a few minutes to outline the divisions of administrative responsibility within the department under Dr. J. Morison, the Deputy Minister. There are five Assistant Deputy Ministers, Mr. R. D. Johnstone, in charge of the Administrative and Central Services appropriation; Dr. Roy Tavener, the Mental Health Services and Adult Correctional Institutions; Dr. Peter Warner in Public Health Services; Mr. Walter Boyd in Social Services and the Probation and Juvenile Correction Institutions in that division; and Mr. Alf Kitchen, Housing and Agency Relations. The chairman, as you know, of both the Manitoba Hospital Commission and the Manitoba Health Services Insurance Corporation is K. O. MacKenzie, who reports directly to the Minister. Mr. MacKenzie, of course, is well-known to all of us from his long association as Deputy Minister of Welfare, and he replaced Mr. Gordon Holland who left the Commission to become secretary to the Management Committee of Cabinet, and he assumed the Manitoba Health Services Insurance Corporation when ill health made it necessary for our chairman, Dr. Robert Tanner, to resign his post in January. I cannot speak too highly of the tremendous input of all these senior personnel. Neither can I speak too highly of the dedication of all our staff, from the attendants on the wards of our Manitoba School for Retardates, on up through the several branches of the Department, because these are the people who are engaged in the day to day activities of assisting people amongst us, and the work that they do is most worthy of mention in this Chamber.

I believe all members received a copy of the departmental newsletter in January of this

(MR. JOHNSON cont'd) . . . year where a short description was given of the various administrative divisions, and I will deal with them in a moment.

I thought I should comment on the broad general picture with respect to the Manitoba Hospital Commission and the Manitoba Health Services Insurance Corporation at this point, to bring to the attention of the committee that it's less than 11 years ago on July 1, 1958, that Manitoba embarked on its first venture into a comprehensive and universal social security measure, the Manitoba Hospital Services plan. By the end of this year we will have spent more than half a billion dollars, 550 million, meeting the sickness needs of more than 2,100,000 hospital cases. Costs have risen from approximately \$27.00 per capita in '58 to an estimated \$80.00 per capita in 1969. Any informed observer must agree that during these 11 years, hospital facilities, buildings, equipment and staff have been steadily and quickly upgraded to the point where patient care in Manitoba today can only be described as being far superior to that of 1957-58.

We have more hospital beds today than 11 years ago. I am advised that there are 6,600 active treatment beds as against 5,500 ten, eleven years ago, but not only was there a net increase of 1,100 beds but with the replacement of obsolete hospitals and with renovations to existing hospitals, I'm advised that almost every hospital ward in the province will soon be new or substantially improved from what it was at the beginning of this plan. Since the inception of the plan, rising costs have been the subject of close scrutiny. This is more than just a problem of holding the line, or keeping cost increases within the resources of the province, but of also achieving the delicate balance of reasonable cost increases and ensuring that the development and improvement of hospital services does not stagnate.

The introduction of new services must be controlled and coordinated. Pressures to expand service which mean cost increases must be carefully watched and assessed in terms of need. This improvement in service and rapid increase in cost is not confined to Manitoba. In fact, the increasing cost picture has been even more dramatic elsewhere in Canada and most certainly south of our border where, without universal coverage, costs in many areas have almost gone out of sight. This is a product of a characteristic of our economy, of a steadily rising expectation on the part of our citizens for better and better services.

This cost picture is not limited to the hospitalization program. The over-all impact of the cost of other health services follows a similar pattern. In 1950, Canadians spent 3.2 percent of the gross national product on health services including physician services, drugs, dentists, etc. By 1966 this figure had climbed to 4.8 percent, and where are we now? We've reached the point where government participation, where universal programs are necessary to make not only hospital but medical services as well, available and within the economic reach of all our citizens.

On April 1st, of course, the Medical Insurance Plan got under way here in Manitoba and we have dealt at some length with that.

I would also like to report one of the more recent approaches which has been taken in the problem of rising hospital, medical and public health costs. Because costs in Manitoba are tied in with developments in not only the over-all Canadian scene but in the international arena, Manitoba has for some time been encouraging the establishment of studies at the national level to examine increasing costs. We have now participated in the establishment of an inter-provincial committee on health care costs and seven task forces to examine factors in the cost of health services in Canada. These task forces are made up of federal and provincial representatives and professional persons from related health fields. Four task forces will examine the provision of hospital care and services; two task forces will examine the area pertinent to the provision of medical care, and the seventh task force will examine the costs of public health services. People in the hospital field in Manitoba are involved. I would just inform the committee that this came about as a result of the meeting between the Ministers of Health of Canada and the Honourable Mr. Munro, the national Minister, last fall, last November, and as a result of our deliberations he established these forces. I think every Minister present there felt that we had done a great deal of work locally; we on the provincial level had gained the experience within our own jurisdiction; we'd carried out studies of personnel, building costs and so on, and I commend the national Minister for the way he's approaching the task forces and involving our people in the hospital field in Manitoba from our practising administrators as well as members of our Hospital Commission, and we look forward to active participation. I believe after the task forces have reported, the Minister will call us together at the policy level

(MR. JOHNSON cont'd) to inform us of the work from time to time.

In the expenditures before you, in addition to the major corporations and commission we have the division of Administration and Central Services covered by Resolution 49, and this provides evidence of the department's commitment to coordination and integration of programs, and this is really the central support services for all programming divisions with the exception of the Commission and the Medical Services Insurance Corporation and the Housing and Renewal Corporation. The functions of accounting, personnel, data processing and financial management have been centralized here in the administrative and financial services in that section which is now operating as a fully integrated unit. The functions related to research and planning are under way, and this section as currently structured provides a central research group at the disposal of the programming division and the Health education and Welfare and Social Services education are combined into one division.

In the area of Mental Health and Correction Services, our mental hospitals continue to provide a high level of service, and I might say to this committee, I would say as good or better than anywhere else. It might be interesting for the committee members to know we now have 28 fully qualified psychiatrists compared to 15 three years ago, with six of these men with the highest training they can receive, a Fellowship in the Royal College of Physicians, the highest ratio in Canada, and as members may note, the Selkirk Mental Hospital recently received provisional accreditation from the Canadian Council on Hospital Accreditation. There are only three such hospitals accredited in the whole of Canada. I understand they were particularly impressed by the treatment program and the design of the facilities at the Selkirk Psychiatric Institute. During the next year they hope to make application for the Brandon facility as well.

Negotiations, I might point out, are going forward with the federal government concerning certain of our geriatric facilities in connection with our mental hospitals, where we might have them classed as homes for special care. We have had discussions with the national Minister most recently and he is now studying the matter with us. The Winnipeg Psychiatric Institute, which comes under the policy direction of the Provincial Psychiatrist and the University, is a major university teaching centre and it is interesting to note that the superintendent, Dr. J. Varsamis, has been voted by the students in the medical school as the best teacher of the year. I think this is most encouraging to have this kind of calibre personnel in our psychiatric divisions to attract more of our young graduates into this very important field.

The Manitoba School at Portage la Prairie. There's been significant improvements in the areas of self care and social training and habit training. The capacity at St. Amant Ward has been increased to 176 beds plus 16 extended care units, and hopefully permitting the admission of more severely handicapped retardates. I might point out to the House that considerable financial assistance is made available to keep retardates in alternative care such as the Kin Glen community residence in Portage, and in cooperation with the Manitoba Association for Retarded Children, who always do such a wonderful job, we are developing standards and a detailed program for co-ordination of workshops and community residences throughout the province.

The central office of Child Development Services in these estimates is expanding its efforts to make consultation available to rural areas, and the placing of some 400 children through the foster home program is proving a very successful alternative to hospital care. I think, with some of our cases from Portage being placed in the community, it's changing the nature of that institution to a more high case load, and creating problems we will have to examine in the coming months.

A major development in the field is the decision to give this division responsibility overall for our Adult Correctional Institutions. This move follows from our policy of emphasizing rehabilitation. Last year we established a forensic clinic, staffed by a full-time psychiatrist and a psychologist to provide specialized assessment for persons who have come in conflict with the law, and with new opportunities for cooperation we plan to call upon the resources of both the mental health and correctional areas in a continued effort to develop effective rehabilitation programs for offenders. The director of Adult Corrections is Mr. Ray Slough, responsible within this division for the adult institutions and the programs at Headingley, Brandon, The Pas, Portage la Prairie, Vaughan Street, and the various rehab. work camps. The members will note that the detention homes and programs for juveniles are found in this appropriation. As the result of an on-going administrative study, the staff of the department recently recommended the Juvenile Institution programs be the responsibility of Social Services Division, and

(MR. JOHNSON cont'd) . . . administrative arrangements have been accordingly changed.

My final comment on the division of Mental Health and Corrections is the announcement we have decided to phase out our institutional farms as fast as possible, economically and with due regard to making adequate provision for permanent employees. In Resolution 51 we find a long list of the various public health services provided by the department. I think this is perhaps an area of on-going public health work, in an area which we tend to take for granted and fail to recognize the achievement of excellence which is duplicated in few other jurisdictions. That is, the on-going provincial laboratories which we have, the constant and daily fight against communicable and other diseases.

This year the opening of the southern Health Unit will mark the completion of the program to extend local public health services to all areas of the province, and the Public Health Division will bring together all available funds for home care programs so that a more effective service may be developed, particularly in rural areas. The Division on Public Health also makes funds to support research and non-government public health services, and in the detailed discussion of this particular area I could outline just where these grants are distributed, but I am sure we all join in this House in noting with gratification the success and international repute of the RH laboratory supported in part by grants in these appropriations, and its director Dr. Bruce Chown, who has received international awards for his work.

The Clean Environment Commission, an agency within the Public Health Division, has been meeting very frequently in an effort to develop methods of controlling pollution without unduly restricting industry and the commission, they advise me, will be discussing proposed regulations with industry very shortly.

I'm just about one half or better through. Do I carry on, Mr. Chairman?

MR. CHAIRMAN: Oh, well maybe you could stop here. Committee rise and report. Call in the Speaker. Mr. Speaker, the Committee of Supply has adopted certain resolutions, and asks leave to sit again.

IN SESSION

MR. McKELLAR: Mr. Speaker, I beg to move, seconded by the Honourable Member for Pembina, that the report of the Committee be received.

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

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

MR. SPEAKER presented the motion and after a voice vote declared the motion carried, and the House adjourned until 10:00 o'clock Friday morning.