

THE LEGISLATIVE ASSEMBLY OF MANITOBA  
2:30 o'clock, Saturday, June 1, 1974

Opening Prayer by Mr. Deputy Speaker.

INTRODUCTION OF GUESTS

MR. DEPUTY SPEAKER (Mr. Jenkins): Before I proceed any further I'd like to draw the honourable members' attention to the gallery where we have 9 pupils of the Countryside Alternatives, Minneapolis, Minnesota, Kindergarten to Grade 6 under the direction of teachers, Mr. Lewis and Mrs. Molloy.

On behalf of all the honourable members I bid you welcome to the Chamber.

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

ORAL QUESTION PERIOD

MR. EDWARD MCGILL (Brandon West): Mr. Speaker, my question is to the Honourable the Minister of Industry and Commerce. As we approach the final weeks of this session I'd like to ask him again whether he has made arrangements for the Economic Development Advisory Board to report to the Legislature through the Standing Committee on Economic Development?

MR. DEPUTY MINISTER: The Honourable Minister of Industry and Commerce.

HON. LEONARD S. EVANS (Minister of Industry and Commerce) (Brandon East): Yes, Mr. Speaker, I'm pleased to advise the members that I have now been notified by the Chairman that as of Wednesday next or any time thereafter the Chairman of the Board and perhaps some members of the Economic Development Advisory Board as well would be prepared to meet with members of the House before the Economic Development Committee of the Legislature, and of course this is something that we will be arranging with the House Leader.

MR. MCGILL: A supplementary question. Then probably at the same meeting he will arrange to have A. E. McKenzie Company represented and a review of the statement of that company?

MR. EVANS: Well this is something we'll discuss with the House Leader, Mr. Speaker.

MR. DEPUTY SPEAKER: Orders of the Day. The Honourable Minister of Finance.

ORDERS OF THE DAY - GOVERNMENT BILLS

HON. SAUL CHERNIACK, Q.C. (Minister of Finance) (St. Johns): We're ready to proceed with Orders of the Day.

I understand from the Honourable Member for Sturgeon Creek that he would want Bill 64 to stand for the day and therefore rather than calling . . .

MR. DEPUTY SPEAKER: The Honourable Member for Riel.

MR. DONALD W. CRAIK (Riel): . . . I've spoken since that - the Member for Sturgeon Creek. I intend to speak on that bill if it is called - if it is called.

MR. CHERNIACK: Well, Mr. Speaker, that's perfectly all right then. Call Bill 64. Or did I misunderstand the honourable member? --(Interjection)--Well that's what I said, Mr. Speaker.

BILL NO. 64

MR. DEPUTY SPEAKER: Bill No. 64. Proposed motion of the Honourable Minister of Finance and the proposed motion of the Amendment by the Honourable Member for La Verendrye. The Honourable Member for Riel.

MR. CRAIK: Mr. Speaker, I want to carry on with the debate because we do have a lot of important business to try and wind up before the end of the session, I'm sure as every member of the Legislature readily observes and admits; and this is an extremely important bill but there are other very important bills as well.

So I want to, Mr. Speaker, speak on it and add what contribution I may to the debate that has gone on so far without repeating too much of what has already been said.

I think that one of the most interesting comments was made this morning of course by the Minister of Mines and Natural Resources, who isn't present this afternoon but nevertheless I think that his comments should be dealt with as well. And, Mr. Speaker, on the matter of

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(MR. CRAIK cont'd) . . . . principle involved here, and it's a matter of principle that is reiterated quite frequently by the Minister of Mines and Natural Resources and I think by others in the House as well, and that is that systems which operate through Government and report through the democratic process are always open to a degree of scrutiny and examination that exceeds the sort of scrutiny and examination that they might go under in the private sector. And if I can interpret the Minister of Mines' remarks correctly, he would say that since the treasury branches are going to be treated by government and every year the Minister to whom that operation reports to is going to have to stand in front of this House and be cross-examined for its operation, that therefore the operation will come under a much greater degree of scrutiny and therefore its performance will be monitored much more closely than if it were another operation which came under the private sector operation. That is, Mr. Speaker, I think I could fairly extend that and say that the competitive process that operates with the banking system will not provide the sorts of input that could be achieved did the government operate its own treasury branches and operate essentially in the same money field as the banks.

Mr. Speaker, the fallacy of this argument as I see it is that the democratic process of responsible government certainly does expose the Minister in charge to scrutiny and cross-examination. There is no question about that, Mr. Speaker; and the question certainly arises as to whether there is though enough room at the top for all of those things that government and a Minister is responsible for to logically make their way into the Chamber for adequate scrutiny and examination. Mr. Speaker, we see regularly estimates presented to this House that can go for several years at a time and never get dealt with in detail. They get dealt with albeit at concurrence stage in a very general fashion but, Mr. Speaker, the controversial departments frequently do not get before a detailed examination in the estimates period and therefore don't get dealt with in sufficient depth.

So, Mr. Speaker, theoretically of course the Mines Minister is correct, that anything that falls under the aegis of Government responsibility for its operation and responsible government and the Minister reports for it is open each year to examination. But the giveaway, Mr. Speaker, was in another statement in the Mines Minister's speech this morning, and that is that he is now the most senior Minister of the Mines Minister's category in Canada. Meaning that in a period of five years all governments have turned over their senior officer in that portfolio. Well, Mr. Speaker, is it logical to think that one individual appointed as a Minister of a Department that has a life of presumably less than five years is going to adequately be able to operate that and be responsible for all the operations that government can get into before he moves on to another portfolio. Or moves out of Government or moves into Opposition. Mr. Speaker, it simply is not possible under the democratic system for a Minister to acquire the in-depth capabilities that it is possible for someone with a more permanent position to acquire over a longer period of time.

Now assuming that these systems, say it's the banking system, say it's any other system in the private sector, is operating to the extent that the people are generally satisfied with it. Is it necessary that they must now come under a Minister's care so that during that short tenure that he may have in this portfolio of three years or four years that that is going to bring such great good to it and get it into this Chamber for scrutiny and cross-examination, that these things must be done and are highly desirable. Well, Mr. Speaker, obviously the arguments that are put forward are so theoretical, Mr. Speaker, but at the same time so useless in terms of how human systems really operate that they shouldn't be allowed to go by without comment at this time. So we have, Mr. Speaker, here, the Government moving in and setting up treasury branches. Well, Mr. Speaker, what added dimension can a Minister in charge of treasury branches bring to the operation of a banking system in Manitoba that will be of benefit by having him brought up before this Legislative Chamber.

We had the Minister admit this morning as well that the co-operative movement, the credit union movement, came out as an outgrowth really of a void in the money system that wasn't being filled by the banks, at least the people didn't feel it was being filled by the banks, and therefore the credit unions moved in, Mr. Speaker, to fill that void. Mr. Speaker, the credit unions are now really referred to by that Minister as an institution, Mr. Speaker, just like the banks are an institution. Is he saying that there is a specific void, pinpointed void in the money business, a particular void that government can fill, a major void, one that is clearly identified that credit unions cannot fill with the necessary incentive being provided to

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(MR. CRAIK cont'd) . . . . them or persuasion being provided to them by government regulation, or the banks, they cannot fill that either?

Mr. Speaker, the legitimate argument presented by the Minister for the emergence of the credit union movement was that it filled a very certain natural void that was there but that the credit unions have apparently now become an institution and therefore once being identified as an "institution" they then fall into some sort of a categorization where they lose some of the usefulness and therefore government must fill the void.

Well, Mr. Speaker, I would think that people who have joined credit unions may well have been happy to see government move in several years ago when they sensed there was a void in the banking business which had to be filled, and to a certain extent I assume that that may have happened in Alberta where treasury branches started in advance of credit unions starting. And the treasury branches in Alberta moved in to satisfy two things: One, a void which was sensed in Alberta perhaps as it was sensed in Manitoba. But secondly, Mr. Speaker, to fulfill a political philosophy, and this is entirely different than Manitoba. At the time that the treasury branches of Alberta were started, the Social Credit Party came to power and was able to fulfill a very major platform in its offerings to the public of Alberta by setting up treasury branches; but in spite of that, Mr. Speaker, the credit unions and the banks carried on. In fact the credit unions emerged following that, took over a very large segment of the money market in terms of its offerings to the general public of Alberta and much larger than the treasury branches and the banking system of Alberta of course has gone on in much the same pattern as it has in Manitoba. So what really have the treasury branches in Alberta offered to the people of Alberta?

Well, Mr. Speaker, in the years that I have had to deal in Alberta I've seen treasury branches and I've made casual enquiries to try and determine what role they really perform, and they are basically in Alberta, in terms of the general public a sort of persona non grata as far as offering any contribution to the average person's concern. You ask a barber in the barbershop in Alberta, any other person that you deal with, not necessarily a person in business in Alberta, what is the role of these treasury branches that you see on the street corner, which very seldom have any number of people in them as you drive by, they say, well they were brought in during the Social Credit regime in the 1930's. At the time they had a certain monetary policy and we've had them ever since.

So, Mr. Speaker, if there is a real role for the treasury branches of Alberta to fulfill, it certainly is not obvious to the rank and file person who lives in the Province of Alberta, because there are not a great number use them and I would assume that if you examined a cross-section of the people that use the Alberta Treasury Branches, you'd probably find they were strong adherents to the Social Credit philosophy when it was brought into Alberta in the 1930's and have been there ever since.

So, Mr. Speaker, have we got a demonstrated need for a treasury branch system in Manitoba? Mr. Speaker, there's no way it can be justified on the history of Alberta despite the fact they have them; (a) it served a political philosophy at the time, (b) there was no universal credit union network at the time the Treasury Branches of Alberta were established. So to compare Alberta and Manitoba this time is to compare apples and oranges and there is no way of justifying a move in Manitoba based on the Alberta experience. As a matter of fact, based on the day-to-day performance in Alberta I would assume that it would probably be quite possible in Alberta to do away with the treasury branch system now that the credit unions have filled most of the gap for which they were originally intended.

Mr. Speaker, I understand from the comments made earlier by the treasury branches that one of the real reasons for bringing in treasury branches is to have that whip hand in the case of trying to get credit unions and banks to operate in marginal areas; Mr. Speaker, areas at least that are considered marginal from the point of view of economic operation of a banking branch. Mr. Speaker, it seems that this is hardly the justification for setting up a treasury branch system, simply for government to have that whip hand to be able to exercise when it's required. Surely there must be other means. There must be other means of, if you like, even coercing a certain amount of service that you might not normally expect from credit unions and banks by getting into the business yourself.

Mr. Speaker, I can see philosophically how a political party can assume a greater role of responsibility in an area such as natural resources where it is a depletable resource; I can

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(MR. CRAIK cont'd) . . . . see concern for government, regardless of any political stripe, having to exercise governmental authority to control something like that. But, Mr. Speaker, the banking system and the credit union system is basically a service business; the margins on which they operate do not vary drastically in terms of the interest rate and other things that are offered to the public. It is a service business which has to adjust to a market and which has adjusted to a market. Mr. Speaker, there is basically nothing here that is a resource based legislative operation.

Mr. Speaker, to perhaps make it more clear, I think that any government in this day and age particularly in the area of depletable resource, that we have seen in the last five years in Canada a very drastic change in the attitude towards our extractive resources. In that field I can see room for government to move in and to become aware and to try and pre-empt, Mr. Speaker, what is going to happen to that resource in terms of the future use by succeeding generations. But, Mr. Speaker, to move into something that is so service oriented as the banking business, with the diversity that we now have in the field, it's a little difficult really to rationalize why a government would want to pre-occupy itself with that sort of a business in this day and age.

Mr. Speaker, with those comments I would like to again register, which is clear by this time, that I don't think that the government has demonstrated that it is filling a very clear void that is now in a service business and until they do that there appears very little justification - no justification for support of this bill at this time.

MR. DEPUTY SPEAKER: The Honourable Member for Roblin.

MR. J. WALLY MCKENZIE (Roblin): Mr. Speaker, I would like to put a few comments on the record regarding this Bill. I have been in touch with the credit unions in my constituency and the Boards of Directors, they've been in touch with me by telephone and telegram, to try and get across to this government how they're stepping on the toes of the rural credit unions that are in my constituency and for me somehow to express their great concern that this treasury bill is before us today.

Mr. Speaker, let me first of all again express the regrets of the people from Roblin constituency with the historical leadership we get from this government, bringing in these gut tough bills in the dying days of a session, that deserve great scrutiny and the people in my constituency deserve the opportunity to be able to come to Law Amendments Committee and express their opinion on legislation of this nature. And unfortunately I don't see how it's going to be possible with the late seeding and we don't even know - I don't know how I'm going to tell my people that when Law Amendments Committee is going to be held on this bill, where they can come and express their . . . they may have 12 hours notice, they may have 24 hours notice, and for people to come in 250 miles, it's almost an impossibility. Why this bill couldn't have been brought in the early days of this session, Mr. Speaker, I do not know, but I'm sure the government have their own reasons. I do express great concern on behalf of the people that I represent who have asked me to express this concern to the government that this type of legislation is before us now; with the late seeding I don't see how these people are going to come in and be able to express themselves in the committee.

But, Mr. Speaker, I'm one that's been involved in the credit union movement for many years. I was on the Board of Directors of the CCF and when I became a member of the Legislature I left that position to assume my duties here, so I'm quite knowledgeable of the credit union movement. In fact, I was one of the three or four people that was involved in establishing credit unions in the village where I live, and that credit union today has grown by leaps and bounds and is considered to be one of the most successful ones, who have expanded their building structure twice and are expanding it again--to try and wonder why the government haven't went out and talked to the credit unions. My phone calls today and my phone calls last night and the voices that I'm getting from the people in my constituency are they are not aware that this bill is before us until we started to debate it. They had no pre-knowledge of the fact that this legislation was going to be before us at this time and they wonder why the government would--(Interjection)--well the Honourable Member for Radisson as usual takes off on a tangent and he's entitled to his own opinion in this debate and I hope he rises to his feet and expresses himself, but I'm expressing the concerns of the people of my constituency. At a future date I hope he rises and expresses the concerns of Radisson, because I'm sure he's got them the same as I have.

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(MR. McKENZIE cont'd)

But, Mr. Speaker, the credit union people are opposed to this type of legislation and the reasons are manifold. They are opposed because it's brought in at this late day in the session; they're opposed because they haven't been filled in on what is taking place, and it is a difficult thing for us to speak in the Legislature and with the help of the press and the radio and television to get the message out, especially - I live 250 miles from the city - to get the message out there actually what is taking place--and I think that the motion that was brought before the House yesterday is one that's legitimate and it's honest--to try and get across to the government the sincerity. Certainly we don't quarrel with the government's intent, we know through the Manifesto or the Guidelines what their intent is to do with the Co-ops and the Credit Unions. But I think, Mr. Speaker, that we have to express great concern and ask the government to be very cautious with this type of legislation without letting the people of this province come before committee and express themselves.

Mr. Speaker, I can see a lot of the little villages in this province today that have a credit union, which is their economic base where they do their business and you're talking about a stay option in rural Manitoba - at least the Minister of Agriculture raises it from time to time - and if you're going to try and compete with these credit unions in these smaller areas, with a treasury branch, I'm sure you know what's going to happen without me even raising the possibility, because the credit unions are the ones that's going to suffer. The treasury branches will immediately take over the insurance field, the autopac field, the licensing, the whole system will be transferred, of big government taking over the economic structure of our rural communities and it will be all done through the treasury branches.

Mr. Speaker, I don't know how we can get across to them the fact that you should have brought this bill in early. You should have discussed the matter with the credit unions; I should have somehow let my people in Roblin constituency know about this legislation three or four months ago instead of the in the dying days of the session where we're speaking on it in the morning, three sessions a day, and Law Amendments Committee is called within hours, just when the House agrees, and I think we're being very unfair to the man on the street; we're not giving him a chance to come here and express himself and ramming through this type of legislation which is going to impose a lot of hardship, especially on the small credit unions.

So, Mr. Speaker, with those few remarks I'll not follow the debates of the other members, I think we've covered most points, but I do express great concern on behalf of the people of Roblin constituency with the seeding now on their hands and most of the Boards of Directors are farm people, and they've got two choices - either come in here to Law Amendments Committee and express their concern or try and get their crop in. I'm sure you can recognize they'll likely stay home to get their crop in because that's where their livelihood is based. So it's going to be very difficult for them to come here and present their briefs to Law Amendments Committee on this legislation which is of great concern to the people that represent the credit union in my constituency. And let me assure you, Mr. Speaker, that that is over, I'd say half the people in Roblin constituency are members of credit unions, so again I appeal to the government and the Minister of Finance today to back off with this legislation which appears that's going to be hastily put through the House without proper debate and without proper scrutiny in the Committee of Law Amendments.

MR. DEPUTY SPEAKER: The Honourable Minister of Education.

HON. BEN HANUSCHAK (Minister of Education) (Burrows): Mr. Speaker, would the honourable member permit a question? I just want to make certain that I heard and understood the honourable member correctly. His concern is the timing of the bill but no quarrel with the intent? Is that correct? I believe that is what the honourable member said.

MR. DEPUTY SPEAKER: The Honourable Member for Roblin.

MR. McKENZIE: I'm sure, Mr. Speaker, that the Honourable Minister of Education will see yesterday where I voted on the six month hoist where I stand on the bill, but in the meantime, with the telegrams and the telephone calls that I'm getting from my constituency--and I'm one of the members of this House that represent the wishes of my people. I'm going to stand up and support what they want--they tell me now to oppose the bill with all the faculties and talents that I've got because they feel it's unfair to bring it in this late in the session. They are not going to have a chance to express themselves in committee and they are opposed to this type of legislation. --(Interjection)--No, the legislation as well.

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

MR. EVANS: Mr. Speaker, I would like to speak--(Interjection)--Well I notice, Mr. Speaker, that there is a number of members of the House that are rather concerned with the legislation before us and I would like to make a few brief, briefly as I can to make a few points with regard to the concept of treasury branches and to the philosophy and the intent of the bill before us. First of all, I'd like to assure the Honourable Member from Roblin that his particular credit union needn't be overly concerned because it seems to me that although the Government of Alberta has an extensive system of treasury branches the credit union movement in Alberta seems to be thriving and doing very well. What I'm suggesting, Mr. Speaker, is that the credit union movement and treasury branches can complement one another very nicely, as they have done in the Province of Alberta, and as a matter of fact, as occurs in the Province of Ontario.

The fact is, Mr. Speaker, we are not talking about a very innovative piece of legislation. It's rather innovative, true, for Manitoba, but the idea of a government, whether it be provincial or federal government, being involved in banking business or near banking business is not new in this world of ours. Not only with regard to the treasury branch system in Alberta, the savings institutions of Ontario, but right here in the Province of Manitoba the Liberal government of Premier T. C. Norris established a Manitoba savings office back in 1920. During the time in which it was operated the history reports are that the savings offices were very well managed; however they fell to the victim of certain political machinations in the so-called dirty thirties when certain political opponents organized a deliberate run on deposits. This is well reported in a story by Val Werier a year or so ago in the Winnipeg Tribune--(Interjection)--no, it's the Liberal Government, Liberal Government, the Liberal Premier, T. C. Norris, introduced in 1920 the Manitoba Savings Offices. And they made money, Mr. Speaker, for a period of 12 years, and the only reason they folded was because there was a run on the bank engineered by certain political opponents; and the Conservative Prime Minister of the day, Mr. Bennett, refused to come to the assistance of that particular Manitoba bank.

When the bank subsequently folded and was taken over by private interests the then Conservative Prime Minister of the day came rushing forth with all the power of the Federal Treasury Offices, all the financial strength of the Federal Government to support them, and this was nothing but plain, pure, political skullduggery on the part of certain political interests and a lack of faith on the part of the Prime Minister, the Conservative Prime Minister of the day, Prime Minister Bennett, in what was established in Manitoba and had been run successfully for a period of 12 years.

But, Mr. Speaker, I repeat, the idea of government somehow or other being involved in the credit business, because this is what we're talking about when we talk about the banking business or near banking, is not new. Not only is it not new with regard to the commercial operations which is what we're talking about with regard to treasury branches, but it's not new with regard to central banking. Central banking has spread across the world, and certainly if my friends across the way were concerned about government involvement in banking, they should be making lengthy speeches on the actions and policies of the Bank of Canada; because if there is any government control that is very fundamental of the banking system in Canada, it is certainly through the Bank of Canada--which incidentally was eventually set up by the Conservative government of the day. It was eventually set up by the Conservatives in the early part of the thirties and then eventually became a truly government bank under the Liberals in the latter part of the thirties. But you can look to Europe, you can look to Germany, France, many other countries, and you'll see where governments have been involved in the banking business both at the Central level where the basic control is levied and also in the Commercial business.

So what we're doing in Manitoba, or what is being suggested in this bill, Mr. Speaker, is nothing that is essentially innovative in the sense that it's innovative to this world of ours, to this society, to the western world so to speak. What we're doing is looking at the successful experience in Alberta, and indeed in the Province of Ontario, and we do note that; and I have the figures but I won't take the time of the House to quote them, where money has been made, where profits have been accruing to the Alberta treasury system, where they have been very competitive in terms of interest rates offered for loans, and where they have given service in areas of the province where service was not rendered by the banking system, or indeed by the credit unions today in Alberta.

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(MR. EVANS cont'd)

Essentially the banking system in Canada has been a very conservative system; far more conservative than the banking system we see south of the border in our good friends in the United States. There they have a completely different system of banking known as the unit system of banking where there is far more competition than we see in Canada. We have what we refer to as a branch banking system and historically I would submit, Mr. Speaker, that if anything this country, all parts of this country, has suffered through lack of credit rather than through an excess of credit; and if anything what this bill will do is to supplement the supply of credit available to Manitobans, both to individuals and to business as well. And no one can argue with the fact that what we do have in Canada is essentially a banking system dominated by five large banks, economists would refer to it as an oligopolistic situation. There are very many nice people involved, I know many of the presidents of Canadian banks, in fact I think I know some of the chairmen of the board. They're delightful people, I'm sure they're honest people, they're good people, very pleasant people, but at the same time, Mr. Speaker, at the same time the banking organizations which they head up do not engage in true economic competition. They engage in what is referred to as is service competition, more banking outlets, pretty girls, various other services, who make you wish to deal with them and so forth. But there is no price competition essentially and the fact is that the Federal Government did lift the ceiling, did lift its control on prime interest rates a few years back and this was to allow for free movement of interest rates, prime rates by the banks and to allow for some competition. But that competition did not really result because we find the banks are following one another very closely in maintaining this same prime rate right across the country. And so I submit, Mr. Speaker, we don't have true, real, vital competition - and my friends across the aisles, across the House here are forever talking about the glories and the values of competition and the need to have more competition rather than less competition. And surely what we are proposing here, Mr. Speaker, is legislation that's going to bring about more competition in Manitoba - more competition, fair competition in Manitoba. Well it has to be fair because people will have to make up their minds whether or not they wish to deal with these particular branches.

Mr. Speaker, the other fact of the matter is, and I know the banking institutions have criticized some of our estimates. The fact is that there has been an outflow of savings from Manitoba, and whether they agree with our estimate of an outflow, a net leakage of \$300 million or not, the fact of the matter is that there has been a net outflow of savings, and that this net outflow of savings is not good strictly from an economic development point of view. Now I know bankers will argue that it's harvesting time when there's a great flow of grain, that there's a great influx of credit, and indeed that is the case. But I'm thinking of the long term. I'm thinking of all industries, not just the grain industry, and I'm thinking particularly of small business people; thinking of individuals from time to time where there has been an outflow of their particular savings to other parts of Canada. And I suppose this may be - it is perhaps a natural phenomenon that we're facing, but today there is an ever increasing concentration of industry and this concentration is occurring essentially in central Canada - and I submit, Mr. Speaker, that in Manitoba we have to try harder if we want to maintain a decent standard of living for our people and if we want to give jobs to Manitobans. And I submit that this is another instrument, another vehicle, another technique that could be used to encourage economic development in the province. How? Through bringing about competition and thereby lowering interest rates on loans, and particularly for small businesses; secondly, by providing credit in parts of Manitoba where credit has been traditionally and historically in short supply; by providing more favourable credit terms to individuals and to those small and medium sized industries. I'm not so concerned about the multi national or the large national corporations because they have their own sources of finance over and above the banking system if they so choose to tap those sources.

I suggest, Mr. Speaker, that this piece of legislation should cause the banking system to become more responsive to the needs of our people. It will not undermine the credit unions but will supplement their activities; they have a role to play, we recognize this, the First Minister has indicated we have indeed passed legislation which would and has enabled the credit union movement to expand in Manitoba. And indeed who knows, maybe some day the credit union movement will have a bank in operation in Canada; they have made applications and who

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(MR. EVANS cont'd) . . . . knows, perhaps the provinces in Canada will play a part in this bank.

I'm suggesting, Mr. Speaker, that this piece of legislation is not based on some bit of philosophical ideology. You could argue the case very well for treasury banks based on what's happened in the western world, where we see a mixed economy; based on the fact that we do have historically and traditionally a shortage or have had a shortage of credit funds for our economy. And for these many reasons, as I've indicated, the increasing of competition, the stemming of the outflow of funds, the expansion of credit, the drive, the likely result that the existing banking system will become more sympathetic to local needs on that account; and the general improvement of credit services to our people - all these reasons, Mr. Speaker, are reasons enough for all of us to want to support the implementation of this legislation. Thank you.

MR. DEPUTY SPEAKER: The Honourable Leader of the Liberal Party.

MR. I. H. ASPER (Leader of the Liberal Party) (Wolseley): Mr. Speaker, I wonder if the Honourable Minister would answer a question. In view of the fact that the treasury branches would only do business within the province and therefore receive money from within the province, how does he justify his statement that the existence of treasury branches would increase the supply of money available for credit in Manitoba?

MR. EVANS: Because it is possible that depositors who may deposit in the existing banking system which, as I said allows a leakage to take place, may choose to deposit in the treasury system, treasury branch system.

MR. ASPER: Yes, Mr. Speaker, that was the point I was trying to have clarified. Is the Minister suggesting that the existing financial institutions, the banks - let's leave it at the banks - received deposits in Manitoba and lend out, inject back into the Manitoba economy less money than they take in in deposits and if so, does he have any objective data to support that statement?

MR. EVANS: I'm not sure whether I heard the entire statement, Mr. Speaker. I think the fact of the matter is that there is in existence comparable systems in Alberta and in Ontario and I believe, I haven't got figures with me, but I believe we can show that there would be less leakage, a smaller outflow of funds with an institution of this type of system. I haven't got figures with me, but we could make some estimates, but it would be based on a number of assumptions that one would have to enumerate.

MR. DEPUTY SPEAKER: The motion will stand in the name of the Honourable Member for Sturgeon Creek. The Honourable Attorney-General.

THIRD READINGS

MR. CHERNIACK: Mr. Speaker, I wonder if we could now move to third readings. If you'll call Bill 38.

BILL NOS. 38 AND 46

MR. DEPUTY SPEAKER: Bill No. 38, an Act to amend the City of Winnipeg Act (1). The Honourable Minister of Finance.

Bill Nos. 38 and 46 were each read a third time and passed.

BILL NO. 55

MR. CHERNIACK presented Bill No. 55, The Centennial Projects Tax Status Act for third reading.

MOTION presented.

MR. DEPUTY SPEAKER: The Honourable Member for Brandon West.

MR. MCGILL: Mr. Chairman, this is a bill on which in second reading on principle I expressed some strong reservations and I think that I should make some comments now in respect to the amended bill which is now before us. The reservations which I had in respect to this bill were based upon: (1) that some of the terms of the bill were in a sense unilateral action against the municipal government, and I think that now the bill has been amended in Committee of Law Amendments that this objection has been largely eliminated because the council of the City of Brandon have reviewed their position on this; have amended their attitude in respect to the taxable position of the Keystone Centre, and have submitted to the



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(MR. MCGILL cont'd) . . . . Government of Manitoba an amendment which they would propose to change their charter to accommodate this new situation. The Government of Manitoba accepted and sponsored this amendment so that now it can be said that the action here in respect to the taxability has been initiated by the City of Brandon, although that fact may not be apparent from the casual reading of the bill by any researchers of law that may come forward in years in the future in an attempt to trace this change in the legislation. So I think now that this has been done, my objection to this has been certainly removed. The bill no longer conflicts with the Letters Patent of Incorporation of the Keystone Centre in respect to the disposition of the property should the corporation be dissolved in the future, and I think this was one of the clauses in this Act that caused me and other people who have reviewed it a great deal of difficulty.

So in respect to the Keystone Centre, I think this Act now does what the council of the City of Brandon are prepared to accept as a proper treatment.

Now, Mr. Speaker, I still have some problems with this bill as a legal document. It seems to me that it includes changes in the bill which covers the Winnipeg Centennial Centre, which is already covered in our revised statutes under Chapter C40, and I would have much preferred to see these two minor changes incorporated in that Chapter C40 by amendment. Again this would have eliminated the difficulties of any future researchers in respect to that Act. This comment would also apply to the changes that are quite minor in nature that relate to the St. Boniface Cultural Centre. In my view they might well have been covered by an amendment to Chapter C45 of the revised statutes; and again made it much easier for students of law or whoever attempts to find out what is the total legal position of the St. Boniface Cultural Centre in the future, would certainly have made their task much easier.

But, Mr. Speaker, again the bill in its intent is certainly acceptable; in its form, in my view could have been much improved, but nevertheless it's one which we now can support.

Bill No. 55 was read a third time and passed.

BILL NO. 58

MR. CHERNIACK, on behalf of the Honourable Minister of Municipal Affairs, presented Bill No. 58, An Act to Amend The Municipal Act (2) for third reading.

MR. DEPUTY SPEAKER: The Honourable Member for Riel.

MOTION presented.

MR. CRAIK: Mr. Speaker, my comments are more by way of question, because at the time the bill was presented I asked the Minister of Municipal Affairs if consideration might not be given to some method whereby improvement taxes to property could fall under a new type of a system where improvement taxes could be paid off sooner than the ten year amortization period. The Minister is not here, but I know he was seriously considering it; not being on the Municipal Affairs Committee, I'm not aware of what may have happened. But if the Finance Minister has any knowledge of this I would appreciate a comment from him. But the general request was - and it's one that has gone back over the years - is that when improvements are put in on property, that is streets, sewers, water and so on, in a development area where a person already owns a home, he's usually given a period of say, 90 days, to make up his mind whether he wants to pay cash or amortize them over ten years. Now, if he can't pay cash, it means he's locked in for ten years and he can't get out of it. Mr. Speaker, the point I made at the time was that this used to be the same procedure with mortgages. When you took out a 25-year mortgage you were in most cases locked in for 25 years, but under the Central Mortgage and Housing changes that were made in the last few years, it's now possible for a person to pay off part at three years, part at four years in a chunk, and then all of it at five years if a person so desires.

Now the particular reason for bringing it up at this time was that the municipalities and the city are headed into a period where they're going to be paying 10 percent for mortgages, or for financing of municipal projects, which means that the homeowner is locked in; if he can't pay cash at the moment he's locked in for ten years at 10 percent money, and that's going to make it very difficult, or more difficult, much more difficult even than in the past, for those people that can pay off after two years, physically could, but can't because the law doesn't allow them to do it. Now what I'm asking for, is it not possible to have a contingent arrangement for people who do have the cash after two years to pay off that high interest rate amortization on their services?

## BILL 58

(MR. CRAIK cont'd)

Now, Mr. Speaker, my special reason for asking it this year is that it has been done on mortgages on homes, why can't we get the flexibility into our systems to do it on service improvements to property? Because service improvements now, I would think, are probably running on the average home to an amount of \$3,000, \$4,000, Mr. Speaker, perhaps more if the lot is bigger, and if you amortize it at 10 percent over a ten-year period it more than doubles your cost for those services over that period of time. Now I raised it, Mr. Speaker, when the Minister of Municipal Affairs was here and I know he was responsive to it, and I wondered if the government had at this point given any further consideration.

MR. DEPUTY SPEAKER: The Honourable Minister of Finance.

MR. CHERNIACK: I can't speak on this, having introduced the bill, but I would like to ask a question, if I may, which will clarify for me the questions so I can inform the Minister of Municipal Affairs, for whom we will adjourn debate. Mr. Speaker, my question is whether the honourable member does not consider it to be a problem, if a homeowner cannot opt to pay cash and therefore opts for a longer term payment, and the municipality then borrows on the same long term, really on behalf of that homeowner, then if the homeowner would have the prepayment privilege, would not the general taxpayer through the municipality become liable for payment of that interest that the owner sought to save, because once the borrowing is made on his behalf it cannot be prepaid? That's the market. And if it can't be prepaid, then the homeowner prepaying it therefore puts the burden onto the general taxpayer, the general tax roll, because interest has to be paid. Does he not think that would be a problem?

MR. DEPUTY SPEAKER: The Honourable Member for Riel.

MR. CRAIK: It is a problem, Mr. Speaker. Yes, I recognize that, and that's always been the reason for the Municipal Affairs people insisting that it shouldn't be done. I say, though, it's basically a statistical problem and I'm sure that if they looked at it they could set up a contingency fund that would allow people who are caught, who would probably be, say, less than 10 percent of the people, who may fall into the category of paying it off, of setting up perhaps a special contingency fund that would allow those people, who by virtue of circumstances do not have the money today but may have it twelve months from now, to pay it off without paying 10 percent for their money over the full ten years. And I realize the municipality who borrows it does have a problem, the City has a problem; I'm simply asking for the sort of provision to be written in by the same thing that CMHC demands of a loaner of money for a mortgage, and I'm just really asking if this cannot be done, because a requirement of borrowing money now for a house, a mortgage, is that the supplier of the money must agree that you can pay off in five years if you are fortunate enough to be able to do so, and I'm simply saying can we not work out some mechanism to apply that basis to property improvements?

MR. DEPUTY SPEAKER (Mr. Walding): The Honourable Member for Winnipeg Centre.

MR. J. R. (BUD) BOYCE (Winnipeg Centre): Mr. Speaker, I beg to move, seconded by the Member for St. Matthews, that debate be adjourned.

MOTION presented and carried.

MR. DEPUTY SPEAKER: The Honourable First Minister.

HON. EDWARD SCHREYER (Premier) (Rossmere): Mr. Speaker, I'm wondering if there's a matter of procedure that you simply proceed now to call Bills 67 onward on second reading, and the Honourable the House Leader can simply indicate which bills need to be stood. The Opposition House Leader, the Opposition House Leader, Sir, can simply indicate the disposition.

MR. DEPUTY SPEAKER: Thank you. Adjourned Debates, second reading on the proposed motion of the Honourable Minister of Consumer and Corporate Affairs, Bill No. 69.

MR. WARNER H. JORGENSEN (Morris): Bills 67 and 69 both stand, Sir.

MR. DEPUTY SPEAKER: 67 and 69 both stand.

BILL NO. 73

MR. DEPUTY SPEAKER: Bill No. 73 - the Honourable Member for Sturgeon Creek.

MR. J. FRANK JOHNSTON (Sturgeon Creek): Thank you, Mr. Speaker. I would like to add a few words to my colleague's remarks on Bill 73. My colleague the Member from Fort Garry spoke on this bill. My remarks will be brief and bringing out the same point, Mr. Speaker, that the Member from Fort Garry did. The bill very definitely will have a substantial

## BILL 73

(MR. F. JOHNSTON cont'd) . . . . change to the towns under 5,000. As we presently have it, the bill or the Codes read at the present time - we use the National Building Code - on cities and towns above 5,000 people. This bill will very definitely allow a building standard to be placed in the smaller areas, which is going to be a very desirable situation, and we all know the problems that we had in one town especially, where the arena was not constructed in the right way and we had a problem that came up there.

Mr. Speaker, the other thing is, the other area of the bill, that is just a little bit confusing, and I think that in Law Amendments I would ask about this. It would seem that an inspector could go in and decide to close up a job or decide that the construction was not going according to codes and close up the job, and it's signed by the Minister; and if there's appeal, the appeal goes to the Minister and if the appeal then goes any further I believe, if I'm not mistaken, you trace it back, it would go back to the Minister again. Now I would probably be asking to get that cleared up because it seems that the Minister is going to be always approving his own decisions, and certainly that's not a desirable situation.

The other area of the bill is the Board, Mr. Chairman, and I know that it's a very dangerous thing to start naming organizations to be on boards, and so then you say, who would be left out? And I know this came up in Law Amendments regarding one of our other bills, as to who would you put on the board and who would be named to give the Minister advice. But this bill basically says that the Board is there to advise the Minister and do such things as the Minister refers to it. The only thing that I would suggest in this case, that this is a situation that will have effect on the building trades, and the building trades are certainly going to be concerned that the Board is made up with people who are understanding of those trades, and I think that the Minister should probably name to those boards somebody from the construction industry, somebody from the professions, engineering and architectural, and certainly somebody from the rural areas of Manitoba that has knowledge of rural construction in Manitoba.

There is one other area that I think the Minister should be very concerned about, is that I believe the City of Winnipeg at the present time has spent four years working on a code which is so close to the National Building Code it isn't even funny, but they have made some minor changes which would be good building practices in this area that wouldn't refer to others, and I believe that's in print at the present time. I know that the bill here states the Minister or the Board can accept any codes he prefers or wants to, or reject any codes he wants to, but I would say that the work of the City of Winnipeg has gone a long way and before it is over-ruled or decided that that will not be accepted, I think the Minister should take a close look at that. But just to say once more and hopefully not to repeat myself, Mr. Speaker, the main position on this bill is the makeup of that Board. The construction industry is going to abide by the codes that are laid down for them. They firmly believe their codes will be such that they can work with. They firmly believe that codes will upgrade the construction of buildings, but the people on the Board is the problem.

And, as I said, just one other - if you're going to have building codes in this province and you're going to have those codes for all towns, which this bill will do, I would like to suggest that your inspection staffs or your inspection procedures be changed. At the present time, I know of places where the health inspector is the plumbing inspector, and this is not a good situation. It got under his jurisdiction because it was a sanitary situation, the plumbing in the area, and believe me I think that it's time that we had maybe two or three inspection areas set up in this province maybe, and I'm not naming any certain towns but in the North and in Western Manitoba, and I certainly believe Winnipeg should have its inspection staff, as it has, and there should be some, maybe one other, because at the present time we have people deciding on these codes who are not very knowledgeable on them, and I think the fact that you're going to have a better code setup, certainly you've got to have a good inspection setup. Thank you, Mr. Speaker.

MR. DEPUTY SPEAKER: The Honourable Member for La Verendrye.

MR. BOB BANMAN (La Verendrye): I move, seconded by the Member from Charleswood, that debate be adjourned.

MOTION presented and carried.

MR. DEPUTY SPEAKER: The Honourable Member for Morris.

MR. JORGENSON: . . . the remainder of the bills due for second reading be allowed to stand.

## BILL 73

MR. DEPUTY SPEAKER: Agreed? (Agreed)

MR. SCHREYER: Mr. Speaker, I wonder if honourable members opposite could indicate inclination with respect to Bills 88 and 90, standing in the name of the Honourable Member for Morris and the Honourable Leader of the Opposition.

MR. DEPUTY SPEAKER: The Honourable Member for Morris.

MR. JORGENSEN: Stand as well, Mr. Speaker.

MR. DEPUTY SPEAKER: The Honourable the First Minister.

MR. SCHREYER: That being so, would you proceed then to Concurrence resolutions, please. That is to say, Mr. Speaker, Urban Affairs and subsequent to Urban Affairs.

CONCURRENCE - URBAN AFFAIRS

MR. DEPUTY SPEAKER: Resolved that there be granted to Her Majesty a sum not exceeding \$1,403,400 for Urban Affairs. The Honourable Member for Sturgeon Creek.

MR. F. JOHNSTON: I just want to make a few comments on Urban Affairs, Mr. Speaker, because it did not come up during the Estimates and I'm going to be very brief because we have had a lot of time on Urban Affairs. I think there's no question, we've had a lot of time on Urban Affairs in this House because we have had two Urban Affairs bills before it, and I just have some brief comment, and my comments are:

The first one is to the First Minister, who is the Minister of Urban Affairs, and I do not say this in any detrimental way and I think that I can possibly get a smile out of him when I say this, that there are times when the First Minister has the way of expressing the fact that we might not have a problem in the City of Winnipeg because our taxes are not higher than any other area, and that because we are staying even with everybody else, or a little bit lower, that that is not bad, and I must say that Winnipeg has done this at the present time but we have had a tremendous increase in Winnipeg in a short period of time.

Now, Mr. Speaker, I don't think that's quite the way we want it. I think we have to take a much closer look at the situation in our urban affairs in Manitoba. I think that we can do better than other areas are doing and I think that we can be a leader in this field. I know that we have some problems in the basis of the way the tax structure is, and I think that we are now coming to the point where we have to look at a situation where a city knows where it's going, a little further ahead than when the government decides to make its grants to that city, and I say I think the First Minister would possibly agree with me, that the presentations by the City for tax sharing etc. might not have been acceptable to the government, and I must say the presentation the City made last year, I believe, that worked them up to 25 percent, I must say I personally did not think that was the best situation that could have been presented to the government. But I do say this, that the tax sharing process, or a way of cities to know where they're going a little bit better than knowing when they're going to get their grants, is a better situation than we have now, and I would ask the Minister that possibly we could take a look at this between sessions and come up with some suggestions to the Legislature that will be helpful to urban people in Manitoba. Thank you.

MR. DEPUTY SPEAKER: The Honourable Member for Morris.

MR. JORGENSEN: Thank you, Mr. Speaker. If one thing has been proven about sitting on a Saturday afternoon, Sir, it is that the lines of communication between the House Leaders and the members of the party are somewhat blurred.

Sir, I rise to speak on this occasion, not for the purpose of dealing with urban affairs per se, but rather to deal with one of those matters that comes under the direction of the Minister responsible for Urban Affairs, and I'm referring to the Emergency Measures Organization. My comments will deal with the--and I would like to assure members of the House that I hope they will be hopefully brief, but I do wish to reiterate a comment that I made earlier in the session and one that I feel should be mentioned again in the light of what has transpired during the recent flood.

I think first of all one has got to assume that the Emergency Measures Organization should have that role that has been traditionally ascribed to them transferred. I think that when one speaks of the Emergency Measures Organization one has a tendency of thinking of fall-out shelters and the like, and for that reason that group had very great difficulty in getting some enthusiasm generated for the role that they can play in this province because of the unlikelihood of the need for fall-out shelters in the present state of world détente. Sir, there is no doubt,

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(MR. JORGENSEN cont'd) . . . . however, that the local problems that EMO are occasionally faced with are recurring at intervals that requires that organization having some strengthening as well as some improvement in the role that they have assumed as a focal point for flood-fighting and whatever disasters that befall this province.

There have been occasions when a couple of tornadoes have hit the province of Manitoba and I have personally been involved in at least five different floods now since 1948 and have some awareness of the need for preparation for floods, because a successful flood-fighting program is to a large extent dependent upon the preparations that are taken prior to the time that the waters do rise. And, unlike disasters such as tornadoes and fires, a flood can be forecast with some reasonable degree of accuracy; at least there is time to do some preparing as the waters begin to rise. And I suggested to the Premier earlier in the session - and this brings me to the point of my remarks - that while the experience of this most recent flood is still fresh in the minds of those who were involved in fighting it, and I'm thinking of the Emergency Measures Organization as the central organization responsible for co-ordinating the efforts of those who were involved in flood-fighting; the army, who although my experience would lead me to say that I don't speak very highly for their sandbagging capabilities, they certainly have provided a very useful and important and vital role in any flood-fighting efforts. But the towns and the municipalities do definitely have a responsibility in preparations for flood-fighting with experience that they've gained, particularly those who have been in the path of floods in the past few years. Their experience is invaluable and should be communicated at the earliest possible opportunity to the Emergency Measures Organization so that when the next disaster or next occasion does rise where there is necessity for bringing in emergency measures, that they have some idea of the problems that they dealt with, because we have a tendency to forget from year to year just what the routines are and what are the best methods of preparing for these disasters.

Also, Sir, and I want at this time to make particular reference to the Mennonite Central Relief Committee, because if there is any organization that has demonstrated its role in flood-fighting, and in any disaster for that matter, it is the organization that is voluntarily subscribed to, voluntarily supported by the people of the Mennonite faith. Sir, it is somewhat of a comfort to those who live in the path of floods and other disasters that within an hour's notice you can depend upon a large numbers of volunteer workers moving into those areas and assisting in those tasks that are necessary to prevent damage to homes and to livestock and to even human beings. The Central Relief Committee, in all of the floods that I have been involved in, 1948, 1950, 1969 and again this year, have been a vital part of all the flood-fighting efforts, and indeed, Sir, have contributed insofar as the individual homeowner is concerned, the greatest amount of help and the greatest amount of good in preserving homes and livestock and human beings.

I would like to think that the Emergency Measures Organization is designed and constructed in such a way that it acts as the central co-ordinating agency to assist and not to impede the activities of the Central Relief Committee. Unfortunately, that kind of co-ordination in my view does not at the present time exist. I would like to think that EMO could be available to assist in the logistics that are necessary to keep an army of workers, who are engaged in flood-fighting, fed, clothed and supplied with those things that are necessary to carry on those operations, and the Emergency Measures Organization has not always been as helpful or as useful or as spontaneous as they could be in ensuring that the logistics are provided. And I say this without harsh criticism. I say this simply because I don't think that the attention and the need for perhaps a stronger role for the Emergency Measures Organization has been recognized by the people of this province, and I think perhaps there is going to be a greater recognition after this year because not only were the traditional areas of flooding affected this year, but many areas that never thought or never imagined that they would be bothered with floods.

And so, Sir, I would like to see that this meeting be called as early as possible. I know that in the Municipality of Morris the reeve of the municipality has kept a diary of events as they occurred throughout the time that the first inclination was given by the Flood Forecasting Committee that there would be higher water along the Red River, and made an account of the activities of the municipality. And one of the problems that they faced was the somewhat hazy delineation of responsibility that existed between the municipal role as opposed to the role of

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(MR. JORGENSEN cont'd) . . . . the Emergency Measures Organization. The greatest problem was in the question of providing for sandbags, and according to the instructions that went out the Emergency Measures Organization indicated that it was the council's responsibility to take action to protect their people. Now that's a pretty general statement and they need not have . . . that to the responsibilities. They were also informed that it was their responsibilities to order sandbags for what they thought they might need. Well, Sir, that's easier said than done, because it's difficult to assess what the needs will be unless there are some accurate prognostications of how high the levels will be.

Now we regard ourselves in the Red River Valley as somewhat--or had regarded ourselves in the Red River Valley as somewhat sophisticated when it came to flood-fighting, and all we thought we really required was a knowledge of the approximate levels of floods and we would then be in a position to know what areas had to be evacuated, what steps had to be taken to protect certain buildings, and the like. This year, however, it didn't work out that way because of the peculiar nature of the flooding and the circumstances which led up to the flooding. For example, although the Flood Forecasting Committee were reasonably accurate in their prediction of water levels along the Red River, particularly as they applied to Morris and the area around Morris, they found that those levels that were predicted for Morris were assumed to be the same levels that would exist at Rosenort, which was only seven miles away, and at Brunkhild which was somewhat further. The fact was, though, that although the flood levels in the Morris district were reasonably accurately predicted, the water levels at Rosenort, seven miles to northwest, were something of the nature of the 1950 levels rather than 1948, and in listening to the reports that were coming out from the radio stations and the newspapers, when 1966 or 1948 flood levels were predicted, they assumed that that applied to their areas as well and they prepared for floods along those lines. They soon discovered, and thanks to the quick action on the part of the Central Relief Committee, sufficient manpower was available to stem the rising waters and prevent damage to a lot of buildings that would have otherwise been flooded.

Also I noticed, Sir, that the newspapers and the radio had a tendency to be reporting somewhat along the dramatic side - of course, that sells more newspapers, I realize that - and I think that there should be, and I say this to the First Minister in the hope that next time we go through this drill, that there should be official flood forecasts put out by Emergency Measures Organization and it should be preceded with the statement that this is an official flood forecast, or an official flood report, and after the flood report, the report should conclude with, "This has been an official flood report." In that way, people can take the normal reports of the reporters that do the reporting for the newspapers and the radios with the grain of salt that they should be taken with, and deal with the facts as those who are in authority and those who are responsible for flood-fighting see them.

But even then, Sir, I listened to some of the official reports, and even they were terribly misleading. I recall on one occasion Lee Sage, who I think announces for the government News Service, saying that although the waters on the Red River will be along the lines of the 1948 or 1966 flood levels, north of Morris they will be 1950 levels. Well now, everybody living north of Morris, immediately north of the bridge, began to get concerned and worried, because in their language north of Morris meant Turnbull Drive, and indeed the flood levels at Turnbull Drive were of the 1950 levels. But it caused no end of concern to the people living along the stretches of the Red River from Morris northward, when indeed the waters never reached those levels at all until they arrived near Turnbull Drive.

Also, Sir, there is the problem of insuring that - and I think this is important as well - that during the course of the proceedings of the flood, that it might be well to call in opposition parties for briefings from time to time to make sure that unnecessary and harmful questions are not asked. Now such an occasion occurred during this last flood when a question was asked, and I don't want to identify the member and I'm sure that he asked that question in all sincerity in the hope that he was eliciting information that would be helpful, but he had no idea of the panic that it caused in the Town of Morris. A simple question as, is it true that the nursing care home in the Town of Morris is going to be evacuated? I knew, at the time, the concern that would be felt if that report reached Morris, and I went to the Minister of Health and asked him to make sure that there was a clarification to the effect that that evacuation was taking place as a precautionary measure because of the difficulty in removing patients from a

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(MR. JORGENSEN cont'd) . . . . nursing care home in the event that the roads were cut and an emergency arose where it would be necessary for those people to be evacuated to hospital. One does not know the difficulty in moving that kind of a patient under conditions that are created by flood. But it was that very question, innocent as it might have been, that created the impression in the minds of a good many people that the situation was going to be far more serious than it actually was, and I was fortunate in being able to get on a television show late that night on which this matter was discussed, and I ran across many people the following day in town who said, "Well, thanks to that report from you, at least we had a good night's sleep, where we were terribly concerned before. "

Now I am not attempting to create the impression that there should be a stifling of information or a stifling of questions, but I think far better that a briefing session be held on a regular basis so all parties are aware of what the circumstances are and what measures are being taken to overcome any problems that might be arising from time to time; so that questions of that nature, which if misinterpreted or misunderstood by those people who hear them cannot lead to some form of panic or some problems that would not have to arise.

Sir, all I suggest is that the role of EMO obviously has to be strengthened somewhat, even since the flood went down; the holiday weekend disaster that befell the City of Winnipeg perhaps in terms of personal loss is far greater than the flood over the entire province, and it seems to me that there was an opportunity for the Emergency Measures Organization to come to grips with that situation - and rather than the government having to pay high school students to become involved, and I commend the Minister for doing this very thing, but it seems to me that if the people of this province can't respond to a disaster of this nature without being paid for it, then there's something wrong with our sense of values. It seems to me that the attitude of the Central Relief Committee is a far better attitude, because all of that work is done on a voluntary basis; and it seems to me that if there was a central organization that could gather together volunteers to assist in times of that nature, that the bonds between those who experience problems and those who are in a position to help would be strengthened a great deal in this province. And I think it would be far more helpful if Emergency Measures could simply say, we would like so many volunteers to move into an area; we will organize it, we will insure that the logistics are provided, if there are pumps, is there waders, or clothing or food, whatever's necessary, we'll make sure that you people are fed and looked after while you are engaged in flood fighting. It seems to me that if that role can be developed, we are going to be in a far better position to take care of the emergencies that arise from time to time and in a far better position to minimize the losses that could take place and indeed have taken place in the past.

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MR. DEPUTY SPEAKER (Mr. Jenkins): The Honourable Member for Fort Rouge.

MR. LLOYD AXWORTHY (Fort Rouge): Thank you Mr. Speaker. I too, like the Member from Sturgeon Creek, would not want this opportunity to debate Concurrence to pass by without reviving some of the issues that have been raised over the past 3 or 4 months concerning the issues and problems facing the city - as well as to try to talk about what I think is a major difficulty that we presently have, and that is convincing the provincial government that the city is its responsibility, one of its primary responsibilities and that it deserves much more careful attention, management, and certainly application of energy and time than is presently the case. Let me preface this, Mr. Speaker, by saying first that one of the interesting developments that has occurred in this country over the past I would say seven or eight years is that we are finally in Canada beginning to recognize that much of what we do in the way of determining our future is going to rest upon what we do in our cities, because that is where 80 percent of us will be living, that's where a majority of our economic and cultural and commercial activity will take place; and that we can no longer treat cities as placid backwaters where certain limited services and picking up of garbage and turning on of lights and the supply of water could be undertaken in a fairly non emotional, non political, non controversial way, but what is beginning to occur is that the major definition of how we want to organize our lives is increasingly being fought out in city streets; and that many of the major issues that confront modern people are being determined on the level of urban problems. And I would only suggest that while I've had some admonishment from the Member from Lakeside in the past that perhaps we're spending too much time on the City and not enough time on his own particular concern with hog marketing boards, I would say that it may be that we should take a look at the proper balance of priorities and see that the issue of what to do about a city; and in this case, primarily the City of Winnipeg is something that this Legislature must address itself to - and while I apologize to members for having in many cases become repetitive about the problems, I think it is only through repetition that perhaps the case can be made.

I would like to begin first, Mr. Speaker, by expressing my dismay at the relatively ad hoc and whimsical nature by which the Provincial Government has approached the problem of its own urban responsibility, and that is best demonstrated in the way it has passed around the portfolio of Minister of Urban Affairs as if it was some ugly foundling orphan to be operated and looked after only by those ministers who at the time had nothing better to do; or if there is a particularly hot issue coming up, a fireman will rush in to pick up that portfolio and handle it and then pass it back on to somebody else, because the fact of the matter is that you cannot have decent respectable responsible concern about urban problems when you have an exchange of portfolios every three or four months. And I think the first place where we start in getting the province to pay attention to the City is having established a full-time Urban Affairs Minister, and I would suggest to the First Minister that he has on his right or left shoulder certainly many members who would probably be more than happy to accept such a challenge and take up the responsibility of becoming a full time Urban Affairs Minister and be given the responsibility of planning a program that has some assurance of being carried out over time; so that we know that it isn't going to be done in a form of, kind of interrupted fashion, and that in three or four months' time he'll be assigned some other responsibility. And I would only like to repeat to the First Minister, a certain lesson I learned when I was working on the federal level of government, where up to 1967-68 they approached a problem with the same degree of inattention and tended to have a part-time Minister responsible for Housing and Urban Affairs who'd normally carry another portfolio of heavy burden, and therefore was simply not able to put the time to work. And I would think that in this case particularly, where the First Minister himself has charge of that responsibility, with all his other responsibilities and tasks and jobs he must perform, we can I think assume that while he may be well intentioned, that the time that can be devoted to thinking about and being concerned with and becoming involved in planning and developing programs and policies related to the City of Winnipeg is pretty meager indeed; and if it isn't meager indeed and if he is spending a lot of time, then we have to ask the question, what is he doing, that he mustn't be spending much time as Premier or as Minister responsible for Hydro, Minister responsible for inner government relations and all the rest of it.

Now I would think that probably the portfolio that gets cheated on is the Urban Affairs portfolio, so I would suggest very strongly in debating this department; the first thing we need is a full time Minister or Urban Affairs. And beyond that, I think a department which has



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(MR. AXWORTHY cont'd). . .slightly different orientation rather than simply a watchdog department, I would like to see a Department of Urban Affairs which has a very strong capacity for developing policy and program - one that isn't simply there to administer the transference of funds, but one which has a certain component of people that are able to develop ideas and programs which are directly related and responsible by the Provincial Government. Because my reading of the constitution of this country, Mr. Speaker, leads me to believe that the level of government which is in a critical centre of resolving the urban management problem is the Provincial Government, and they're the ones who have been least responsible and least active in this area; that constitutionally they have the responsibility for property and civil rights; and constitutionally they have the responsibility for municipalities, but in most cases they tend to try to pass those responsibilities on and basically to pass the buck. And we must recognize that the Federal Government has limitations other than in the transference of funds, that it doesn't have constitutional powers to intervene in many of these areas - and I would suggest that one of the reasons why the problems the Federal Government has had to face is that it has had to fill a vacuum simply because the provinces were not doing so, and I think one reason you can't do so is if you don't have the instruments or the horses to allow you to do so. And therefore I think that not only do you need a full-time Minister, but you need a stronger department, one that has the capacity to develop policy, to develop practices and to work out relations.

And I in fact, get a little annoyed when we keep hearing from the First Minister and others of his cohorts saying, well you've got a City of Winnipeg, let them make decisions. But the fact of the matter is that if you begin looking at those areas in which they are saying, let's pass the buck onto somebody else, they are deliberately and consciously avoiding responsibilities where they have direct operative control in many respects. And let's look at one key area, where the Minister and I have exchanged some remarks, and that's in the area of urban transportation - and I've heard the Minister say on many occasions, well it's up to the City to develop its plans and proposals. And yet the fact of the matter is that on major public works and capital works on urban transportation the province pays 50 percent of the cost, and if any level of government is paying 50 percent of the cost it would appear to me that it has some responsibility for setting certain criteria as to how that money is going to be spent; and yet everytime the question has been asked as to what kind of criteria has the government applied to its urban transportation system, the buck has been passed once again. And that is a particular problem of distortion, Mr. Speaker, because it has created a problem of confusion in the urban transportation field in the City of Winnipeg; that we are right in the midst, I believe, of trying to change the tone and temper and attitude toward urban transportation. We are trying to move away from the dominance of the automobile into something which is trying to provide a mixture of systems, and that means a very close cooperation and the mixture and partnership in developing plans so that the municipalities, the City of Winnipeg knows very clearly what the province expects and what they want them to do and how far they're prepared to go and to what degree that can be related in terms of federal systems; and in my mind, in many cases the province is the key partner in that arrangement and must be setting forth certain standards.

We've seen the confusion perhaps being expressed in the confusion that has resulted in two problems that are apparent in my own area - one is the Osborne Street Bridge, where there really has been a sort of a tremendous sort of confusion as to who's responsible. One set of bridge proposals are presented and the province comes back and sets up a new set of criteria upon which it will support; the City is now preparing another set - and no one is really too sure. And the only people who really aren't being consulted in all this are in many cases the residents of the area, who have their own concerns; and many of them have spoken to me, we've talked to them about it, but when we begin to ask questions as to what kind of avenue can they use, they say, well go to City Council. You talk to the City Councillors and they say it's the province who are setting those conditions; and you talk to the Minister of Public Works and the Minister of Highways, he says, I'm sorry it's the City who's responsible. So you can't - you know, it's the old shell game again as to who is really responsible for making these kinds of decisions. And I think that that is an error of omission which is having very severe repercussions in developing a proper transportation system in the City of Winnipeg.

I think another area where there is very strong need for a lot of thought and a lot of application is in the field of revenue sharing and inter-governmental finance. The Federal Government through its tri level meetings is attempting to set up a task force - that's going to

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(MR. AXWORTHY cont'd). . .take a full-time Minister from this province working on the variety of plans and proposals - how to re-organize and change the property tax, how to begin providing for some growth revenue, how to begin providing for a proper allocation of functions between cities and provinces and then relating the capacity to pay to each of those. It's not something that can be done in a part-time way or in an off-hand way, or done sort of in-between engagements in other matters; it takes just really hard serious work, because it's one of the most important issues that we have to face.

Another area which is equally important is in the whole field of land use and planning and development - and we had some combat with the First Minister when we were debating the City of Winnipeg bills, about how the present structure of the City of Winnipeg tended to confuse and again over complicate the procedures. And he denied it with great vehemence, and then two days later admitted in a newspaper article in his press conference outside the House, yes, that maybe that really was the case. Again I think it shows the lack of application, because they don't have someone there who is working at the job full-time; and again that is an area of concern that's going to take a lot of work, a lot of effort, and can't be done in a part-time way.

Now I would use by contrast, Mr. Speaker, the example where this government to its credit spends a lot of time in approach and commits a fair amount of resources to the development of policy in northern Manitoba; set up a full-time Minister of Northern Affairs; it has brought in a new Act a bill of some 45 pages setting out things. If you look at the estimates, you'll find the amount of money that goes into a variety of research projects related to the north and new kinds of developments and compare it to what's happening in the City of Winnipeg, it would really seem that we're being short changed; and while I wouldn't deny at all the requirement to do that in the north, I would say that we deserve the same kind of fair deal in the City. It is as important a part of the province and needs the same kind of concerned application of a full-time Minister, and the kinds of financial resources that are committed to doing this kind of research and investigation and policy analysis that's required, so the province isn't simply sort of skinning off the seat of its pants and making ad hoc responses but is thinking the problems through, developing that kind of analysis that's required, providing the kind of full-time negotiation with the other levels of government that is essential if programs are able to work out. Because the one important element of the urban problem is that it is not confined to any one jurisdiction; it crosses governmental jurisdiction, and as a result it needs someone who is very much involved in the process the consistent, continuous process of communication, information with other levels of government to make sure that there is sort of proper planning and proper development and proper anticipation of future needs - and that can't happen under the present organization that we have.

So, Mr. Speaker, I would simply like to say that I don't believe that the present arrangement and organization of the Department of Urban Affairs in this province is sufficient for the task, it simply isn't good enough. And the consequence of that sort of limited application and limited organization and part-time approach is that we end up getting part-time answers, limited answers and ad hoc answers to the problems that are shared by the City; and I believe it's only when we sort of begin getting a proper structure with proper leadership and proper direction from the provincial level can we gain some assurance that we are going to be able to address in this Legislature and on the provincial level the kind of answers and solutions which the problems of the City properly require.

MR. DEPUTY SPEAKER: The Honourable First Minister.

MR. SCHREYER: Mr. Speaker, I would try to follow the examples of at least two of the three previous speakers and be relatively brief. I would like to take note of the two comments made by the Honourable the Member for Sturgeon Creek wherein he stated, Mr. Speaker, that there is some need to attempt to improve upon the way in which the Province and the City go about developing plans, formulating plans upon which the grants in aid, that are provided by the Province to the City, are paid. As I understood the gist of the Honourable Member for Sturgeon Creek's remarks, it was that he acknowledges that provincial support, financial support, is increased, but he was somewhat concerned as to whether there is an adequate carrying out of the decision-making, consideration of long term plans preliminary towards the striking or establishing of the levels of grants and aid.

I accept that as being a valid enough observation, that given the large amount of public moneys being transferred from one government to the other, and given the fact that this is

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(MR. SCHREYER cont'd). . .escalating substantially, that there is always need for more long term planning to ensure that we are not just following short term expedient courses of action.

I thank the Honourable Member for Sturgeon Creek for acknowledging that insofar as comparison is concerned, that there is a pretty favourable comparability of taxation levels on residents of the City of Winnipeg as compared with residents of cities of comparable size across the country. We acknowledge, too, that the cost of living in our city, and the cost of land and housing in particular, has increased in the past 12 months in a way that is most disturbing to us and in a way which certainly makes it unacceptable for us to countenance into the future, and I am not in a position, nor would it be appropriate today to attempt to outline the kind of approaches we have in mind of a remedial nature, but certainly the citizens of the city can rest content, as in any other urban center where there is a fierce pressure on land cost, can rest content that we will be attempting all reasonable measures, including using the instrumentality of the province, to bring more land into the public domain for future housing, and including the servicing thereof, and including the construction of housing thereon, not all of which necessarily will be public housing, some of which can be housing for private purchase, hopefully much of it relating to the Assisted Home Ownership Program.

One point that has not been mentioned in much of the discussion on urban affairs in our province is that of debt load. It should be a matter of considerable interest to members of this Assembly, particularly those representing urban constituencies in the City of Winnipeg, that on a per capita basis, which is a valid basis, the per capita debt load of the City of Winnipeg is significantly lower than that of other Canadian cities, most other Canadian cities, and certainly substantially lower than that of cities of half a million size or larger. So that provides at least one bit of comfort and that is that in the event that the City faces undeniable capital construction requirements for essential services of a capital nature, there is scope, there is more scope open to the City of Winnipeg fathers than to the city fathers of most Canadian cities with respect to incurring capital debt for the construction of these desired and essential services. I don't want that comment, however, Mr. Speaker, to be interpreted as meaning that the Province will be backing away from its willingness to provide capital cost assistance and it is significant to note, Sir, that under the Special Municipal Loan Fund, which really more properly should be entitled Special Municipal Forgivable Loan Fund, which was established a year ago, that the City has an entitlement in that one program alone of approximately eight and one-quarter million dollars and they are already well under way with the utilization of about three-quarters of that, and I have no doubt but that by the end of this calendar year they will have firm plans as to the effective and right priority utilization of the remainder.

I will come back to the Honourable the Member for Morris' comments, but I would like to turn now to comments made by the Honourable the Member for Fort Rouge, and he makes the point, as self-admitted by him was made on previous occasions, that he does not feel that this administration is showing enough devotion of time and attention towards urban affairs, and I have no illusions, Mr. Speaker, that I'll be able to persuade him otherwise. I just point out to him that it is under The Executive Government Organization Act, it is in 1970 that we established an urban ministry, and it was a very deliberate choice, Sir, let that be clear, that this be a ministry and not a full-blown department; nevertheless it is a very deliberately designated channel of communication, a Ministry of Urban Affairs, the Minister and a few key officials to provide support and liaison for coordination's sake with the City of Winnipeg, and I believe that for the most part it has worked well. I have received no complaints from anyone, from the Mayor's office or from anyone in senior aldermanic position - and I guess by "senior", Mr. Speaker, I mean those aldermen who occupy the committee chairmanship positions. I'm not aware of any specific recommendations or suggestions from any of them or from any of the senior commissioners, that this particular arrangement, this interface or liaison between the Ministry of Urban Affairs and the City, is unsatisfactory. Measured against some ideal, measured against some hopeless ideal, I have no doubt but that it is lacking, but measured in terms of the world of reality and the kind of prioritizing that has to unavoidably be undertaken in the world of reality in terms of competition for the budget dollar, I believe that we have taken, for this day and age, and up to this day and age, we have taken such reasonable administrative steps as were necessary to improve coordination and liaison with the City to provide for systematic and regular meetings, to provide for systematic interface at the administrative level, to provide for a single desk channelling or conduit of affairs involving both the city and

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(MR. SCHREYER cont'd). . . several of the departments of government, while at the same time, Mr. Speaker, avoiding as much as possible proliferation of unnecessary bureaucracy.

Now, honourable members can't have it both ways. There are those who express a concern for proliferating bureaucracy and, Mr. Speaker, I believe that that is one of the problems facing government in our time, and it's not getting better, it's getting worse. The least we can do is attempt to avoid proliferating bureaucracy just wherever and whenever possible. We believe that one of the places we can avoid it is by avoiding the establishment of a full-blown Department of Urban Affairs as distinguished from a ministry. The reason I say that, Sir, is because the analogy with Northern affairs that the Member for Fort Rouge makes is just not a good analogy. In Northern Manitoba, unlike the City of Winnipeg, there was not the local government administrative capacity or capability. There was no local government administrative infrastructure, or planning infrastructure. Therefore, to the extent that we felt certain programs and certain things should be done, we had to build and create and expand the provincial administrative apparatus. But I think it would be foolish in the extreme to attempt to build up a provincial departmental urban planning and administrative mechanism to parallel one that is, I believe, among the most sophisticated in our country.

Now I don't know if there are those who poor-mouth the City of Winnipeg, whether there are those who think that there is a certain homeliness about the City of Winnipeg, or lack of sophistication. I happen to believe, and I believe it genuinely, Sir, the City of Winnipeg is not only a city of 560,000 population, I believe it is also a city which is among the more sophisticated of our country and our continent. I believe, Sir, that it has, among some of its elected urban councillors and among its board of commissioners and its mayor, some of the most able and most sophisticated - and I repeat the term again - urban representatives, administrators and planners. Therefore, why in the world would we feel that we should be under some sense of obligation to develop and build a bureaucracy competing and parallel thereto? And yet I sense that that is exactly where we would end up if we were to follow the urgings of those who say that we have avoided responsibility for planning of urban transit or planning of arterial traffic carrying systems, streets and bridges, urban traffic methodology, etc. I regard that as a nonsensical, non-productive, bureaucratic-inducing piece of advice.

Well, Sir, the moment of truth comes when one has to consider this alternative, that we know that the Federal Government has adopted certain programs and they have created certain new departments, and with those new departments, just as certainly as day follows night or night follows day, comes the building of an administrative bureaucracy, and I don't know whether it's ironic - I don't think that I'm being inconsistent when I say that I decry and deplore some of the bureaucratic build-up that has occurred because at least some of it is unnecessary. The Federal Government must apparently feel that it has to parallel provincial administrative capability in certain fields of provincial jurisdiction. I don't know why they think so, but apparently they do. I think it's sad. But if that is sad, for a federal government to parallel a provincial capability or vice versa where it's avoidable, it is not only sad, it is stupid, Sir, for a province to build a separate urban planning and administrative capability fully-fledged, full-blown, and paralleling that of the existing capacity of one of its own cities. At least we owe the taxpayer the pledge and the determination to avoid, with all of our best efforts, to avoid building a bureaucracy wherever it can be avoided.

Of course, the other extreme is to avoid bringing in programs at all, because inevitably with each program there is a certain administrative requirement and that means in turn hiring more staff. So if I were to be asked, Sir, among the new programs and desires, desires for more coordination of programming, inter-governmental coordination, where do you feel there is the best hope for minimizing bureaucratic expansion and administrative costs, I would say without hesitation it is by avoiding by government of duplication of administrative capacity as between one level of government and the other, just wherever that can be. And certainly that can, that is open to us to avoid, insofar as relation between the Province and the City are concerned.

Now, if the City of Winnipeg were to want, for whatever reason, the Province to assume much more responsibility for urban transit or urban public transit or major thoroughfare planning design construction, it is not as though the Province is trying to avoid responsibility. I'm confident the Province would be willing - not anxious but willing - to accept responsibility for such matters if the City wanted us to, if it were on the clear understanding that if we do then

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(MR. SCHREYER cont'd). . .the City need not. But what we will not stand for is the mindless suggestion that both levels of government have to hire expertise from the four corners of our country, and beyond, in order to second-guess each other.--(Interjection)--Well it's implicit in every second sentence you uttered. I hear some mutterings from my honourable friend. I tell him that is is implicit in every second paragraph he utters. If we are getting advice that the Province should hire more planners in order to build up a better second-guessing capability then I'm afraid that that's a piece of advice that we will turn aside just as quickly as we hear it. We have attempted, and I feel with some success, in providing for one-desk coordinated communication with the City and we have been meeting fairly regularly, whomsoever of my colleagues were Ministers of Urban Affairs at the time, and usually we have met as a committee of Cabinet involving usually three Ministers or four, so it really didn't make any difference insofar as continuity is concerned as to which of the three or four of my colleagues were Minister at the time. But I don't mind having a real head-on disagreement here with any honourable member who suggests that we should have, that we should be developing a separate full-blown department, because that would be requiring the expenditures of public funds that can better be used for concrete works, concrete realizations, elsewhere in the public needs of this province and this city.

The Osborne Street Bridge has been used as an example. Well, I don't think that there is any issue vis-a-vis the Osborne Street Bridge insofar as urban affairs are concerned. It is a matter of building because the old one needs replacement before too long, of building an urban arterial traffic bridge facility. We are prepared under our capital assistance formula to cost-share in that bridge. We recognize that the City has sophisticated enough expertise in that respect and we are not about to hire outside persons in order to second-guess the City's decision-making in that respect. We have looked at it ourselves to the extent that our existing expertise in the Departments of Highways and Urban Affairs is capable in intelligent terms and in general professional terms. We have done this; we have expressed our view to the City, and we have confirmed our willingness to participate and we leave it at that. There are those, of course, who may not agree with the City's decision so then they come to the Province. If they don't agree with the Province's position they would run to the City. Well that, of course, is part of life, Mr. Speaker. But we do not intend to allow government to be used for the expenditure of funds for the purpose of one second guessing the other, particularly when it is a municipality that already has the higher administrative professional expertise. It is different in the case of the northland; it is different in the case of a small municipality which is not spending public moneys on professional services to the required extent on a given project, and the province will provide that expertise or gear-up in order to obtain that expertise so as to be in a position to give advice. I think that's about as explicit and clear as it's possible to be. Coordination, systematic and regular interface and dialogue and policy discussion, yes; duplication of administrative effort and capacity, no.

Now I would like to conclude, Mr. Speaker, by referring to some of the observations of the Honourable Member for Morris. I have no particular disagreements to voice with his observations and analysis of the 1974 flood period, and the extent to which the forecasting and the Emergency Measures Organization carried out their respective functions. Perhaps I read too much into the honourable member's comments, in that I sense that he was suggesting that at least in some ways the flood forecasting was not as accurate as it might have been - and maybe I am reading too much into his comments. It is my impression, even in the aftermath, even looking retrospectively at it, that the flood forecasting was really quite accurate, and that the perhaps one occasion of misjudgment was with respect to gauging the impact on already swollen streams of a weekend of rain back around the 20th or 21st of April, which was perhaps slightly over-estimated, which caused revision downward just a couple of days or three later. But all in all, I believe that the forecasting expertise that we have here is really quite sophisticated and it's based, too, on perhaps more experience than most provinces have acquired in terms of spring flood forecasting. This is after all the drainage area, drainage basin for a large part of the continent.

I feel that one of the areas that the Member for Morris is quite correct, when he refers to that hazy delineation of relative roles of municipality and province insofar as the period of time just preliminary to the anticipated date of peaking or cresting or commencement of flood stages. The honourable member will appreciate that we still operate on the basis of the

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(MR. SCHREYER cont'd). . .Manitoba Flood Fight Plan 1966 - only slightly revised - and, generally speaking, it's a pretty good flood fight plan, but it has always bothered me - as obviously it is bothering the Honourable Member for Morris - that there must be some way that we can tighten up or clarify, leave less hazy, the role of the local government or municipality in the spring of the year in the possible face of flooding in the general locale. Yet in expressing that desire, I express some degree of hope we can bring about some greater clarification. I must make it clear that we would not want to depart from an arrangement which required some, not only judgment on the part of local municipal officials, but also some significant degree of financial participation. And so it is with that in mind that we have indeed requested of municipalities that in the aftermath of the 1974 flood damage and circumstances leading up to flooding, that they ponder this in their mind; that we would like to meet with them sometimes during the calendar 1974 to exchange ideas and views as to what, if anything, can be improved upon in the flood flight plan. So we have not only then asked the municipalities to think about and to eventually give us any specific concrete views, but we have also circulated with EMO and with the Water Resources Division the request that they do a post mortem if you like, or at least a post hoc analysis of events and actions taken and to report as soon as conveniently possible - to report as to what, if any, steps can be taken, what aspects of the flood fight plan can be changed in order for us to have improvements upon past practice in the eventuality of future flood situations.

I certainly find value in the suggestion that perhaps arrangements can be made for systematic briefing of members of this House, and particularly those who represent areas that are anticipating impending flood damage; and as part and parcel of this idea of systematic briefing, there is a suggestion that we should ask the cooperation of the news media to desist from "on the hour every hour, on the spot flash 30 second" appraisals, which are then aired and broadcast and which, as the Member for Morris said, sometimes tend to aggravate the concern, sometimes far unnecessarily so, of local residents. But the Member for Morris has been around long - I was going to say, too long to say, but I didn't want to give him the wrong impression - he has been around certainly a good length of time, and he knows that in our society to ask the media to do something really is dependent upon what the media feels like doing. It's something like a Holstein cow, you push the cow to the north, it will press back to the south, the opposite direction. I think for this idea to work would require --(Interjection)-- well it applies to any cow, I say to my urban colleagues. But all cows except sacred cows behave in that fashion. But I believe it is certainly a suggestion worth exploring that the owners and directors of the various media, and the electronic media in particular, be asked to perhaps meet in circumstances such as a major flood or anticipated major flood to attempt to practise the self discipline of avoiding broadcasting the casually marshalled together news report and to restrain itself to the dissemination of official reports as the Member for Morris suggested. Certainly that can be explored.

MR. DEPUTY SPEAKER: The Honourable Member for Morris.

MR. JORGENSEN: Mr. Speaker, I wonder, I just want to clarify that point, if the First Minister will permit me to ask a question. My suggestion was not to impose any restraints on the news media whatsoever, I recognize the futility of attempting to do that, but my suggestion was at periodic intervals to have newcasts preceded by an announcement that "This an official flood forecast"; and then following the announcement that that same wording be used, "This has been an official flood forecast", as distinguished from the normal forecast that the news media are prone to make on their own.

MR. DEPUTY SPEAKER: The Honourable First Minister.

MR. SCHREYER: Well, Mr. Speaker, I understood the honourable member largely correctly, and that is a very very specific suggestion that has been noted and which we will attempt to implement. I don't see why it would pose any difficulty whatsoever in carrying that out, the clear designation of a report as being an official one. And I think though, part and parcel of it, goes the other suggestion made by my honourable friend, that at least the cooperation of the media be solicited with a view to the desisting as much as possible from airing of casually or impromptu marshalled together reports which sometimes they are prone to do.

And finally I take note of course, of the very positive words of commendation which the Member for Morris expressed vis-a-vis the efforts made by the Mennonite Central Flood Relief Committee. I certainly concur with the honourable member that they have done very helpful

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(MR. SCHREYER cont'd). . . and useful work in terms of helping those that have suffered property damage and residential and dwelling damage in terms of clean-up, etc., and one can only hope and trust that the activities of the Mennonite Central Flood Relief Committee will continue. Where I see some dilemma is that the honourable member is suggesting that EMO should be used as a means of bringing about flood clean-up and rehabilitation work in the aftermath of flooding, strictly EMO and not any other agency of the Crown being involved, such as the Student Employment Office. It seems to me, Sir, that. . .

MR. DEPUTY SPEAKER: The Honourable Member for Morris.

MR. JORGENSON: I think the First Minister misunderstood what I said. My suggestion was that EMO be the focal point and the coordinating body for those who may be engaged and only want to participate in either floodfighting or assisting in the aftermath to provide the logistics, so that they can be properly equipped and fed during the course of those clean-up operations.

MR. SCHREYER: Well, Mr. Speaker, with that elaboration, then I don't believe that there is any significant difference of view as to the continued usefulness of EMO in the post flooding period. Strictly speaking, EMO is a pre disaster and sort of current flood stage responding mechanism; it is not, strictly speaking - my understanding of EMO's purposes and reason to exist, that it be involved in any sort of closely detailed and continuing way in the aftermath of the emergency in terms of clean-up and rehabilitation, though it continues to exist as a co-ordinating mechanism - and in that respect, that it be used as a coordinating mechanism for information and providing logistic back-up support for any other agency or effort of the Crown, or even for that matter of a private volunteer organization makes eminent good sense; and in that connection I certainly agree with the Member for Morris that EMO could be made relevant, even in a post hoc or post emergency situation.

Mr. Speaker, I have made notes, as I said, of the suggestions and they will be taken under consideration when we meet with Water Resources and EMO and municipalities sometime in the near future.

MR. DEPUTY SPEAKER: Resolutions 118 to 120, separately and collectively--pass. Resolved that there be granted to Her Majesty a sum not exceeding \$42,438,500 for Manitoba Property Tax Credit Plan.

Resolutions 121 to 123, separately and collectively--pass. Resolved that there be granted to Her Majesty a sum not exceeding \$13,500,000 for General Salary Increases.

Resolution 124--pass. . .

MR. JORGENSON: . . . disposition of the government at this time to adjourn.

MR. DEPUTY SPEAKER: The Minister of Finance.

MR. CHERNIACK: Well, Mr. Speaker, we had not intended to deal with the Mines and Municipal Affairs, but it did occur to me we could possibly spend the next half hour or so on on supplementary supply, which is also on the concurrence list. I think that you have that resolution, Sir.

MR. DEPUTY SPEAKER: Resolved that there be granted to Her Majesty a--I have one Resolutions 1 to 11 here, have they been passed?

MR. SCHREYER: Mr. Speaker, while you're searching for that - the Minister of Finance is referring to all resolutions other than Mines and Resources, Environment and Municipal Affairs. I believe that it's . . .

MR. CHERNIACK: It's the only one left.

MR. SCHREYER: Two. Supplementary Supply.

MR. DEPUTY SPEAKER: Resolutions 1 to 11. Resolved that there be granted to Her Majesty a sum not exceeding \$50,798,500 for Supplementary Supply. Resolutions, 1 to 11, separately and collectively--pass. I believe that completes Concurrences.

The Honourable First Minister.

MR. SCHREYER: Well, Mr. Speaker, we are at the stage where there is really no point in sitting longer. We have dealt with the Order Paper, Concurrences, to the extent that it's reasonable to proceed. Mines and Resources, Municipal Affairs will be laid over for consideration another day. So unless I see some point being raised, I would propose that we could adjourn.

MR. DEPUTY SPEAKER: Have we a motion or should I just call 5:00 o'clock.

MOTION presented and carried and the House adjourned until 10:00 o'clock, Monday morning.