

## THE LEGISLATIVE ASSEMBLY OF MANITOBA

2:30 o'clock, Thursday, May 9, 1968

MR. CHAIRMAN: Before we proceed, we have several school children come to visit us this afternoon. We have one school, the Robert H. Smith School; 32 pupils from Grade 5. They are under the direction of their school teacher Miss McQuire. They are from the constituency of the Honourable Member, the Minister of Industry and Commerce.

We have another school from Arborg; Arborg Elementary School with 71 pupils of Grade 8 standing. Their teachers are Messrs. Lysack and Hess and Mrs. Johnson. They are from the constituency of the Honourable the Minister of Education.

And we have another school, Dugald Elementary School, with 37 students from Grade 8. Their teacher is Mr. Preston and they are from the constituency of the Honourable Member for Springfield.

We have another school, Butterworth School, 16 children in Grade 8. Their teacher is Mrs. Masniuk and they are from the constituencies of St. James and Assiniboia. On behalf of Mr. Speaker, boys and girls, and all the members of the Legislature, I welcome you here.

The Member for Turtle Mountain.

MR. DOW: Thank you, Mr. Chairman. In concluding my remarks in regards to the Minister's remarks on her estimates, I would go back again to the change in the system of assessment costs here two or three years ago, when all municipalities were being charged with a portion of its share of the total costs of assessment. I think here is something, that the assessment figure is just as much advantage to the provincial matters and particularly the school boards and so on, that I hardly think it's fair that they should pay the full total costs of assessment, and one concern that has come up quite recently that in my opinion has some merit to it, is the fact that we have our Court of Revisions through the councils in regards to assessment appeals, and if a taxpayer is not satisfied then he has very little opportunity to go any place except to the Equalization and Appeal Board. Personally I think that some consideration should be given by the department that appeals from Court of Revisions should go to the County Court where they can have a hearing in regards to the equitability of their land in regards to other people. This has caused some great concern amongst people. I know I've attended Court of Revisions where they have just pretty well had no place to go once it had been turned down either by the assessor or the council, and has disturbed many people in regards to it.

So, Mr. Chairman, I have very little more to add except my concern in the fact that we have a rising assessment in the rural area which in my opinion I think is causing a great deal of dissatisfaction by the taxpayers. I think arguments could be put up that these figures are not equitable throughout the province, and my suggestion would be that there should be a general revision in the formula of arriving at these assessments.

MR. CHAIRMAN: The Member for Inkster.

MR. GREEN: Mr. Chairman, at the outset I would like to first of all express my good wishes to the Minister of Municipal and Urban Affairs for the competent way in which she is handling her department. May I say, Mr. Chairman, that this particular Minister certainly places the opposition members at a great disadvantage because it is literally impossible to get angry with the Minister first of all, and I would suggest to the government that if they wish to subdue the opposition they should appoint Ministers as attractive and charming as the Minister for Municipal and Urban Affairs. --(Interjection) -- Well, it's certainly appropriate in this case.

Mr. Chairman, I would also indicate that the Minister is ably served by a department of experienced, competent and energetic civil servants, many of whom I've had the personal opportunity of working with, both as a member of this Assembly and as -- (Interjection) -- Are you having difficulty in hearing me? -- as a member of this Assembly and as a councillor of the Metropolitan Corporation of Greater Winnipeg and in my private law practice. I know personally her Deputy Minister, Mr. Chappell, and also Mr. McNairnay, who of course was a solicitor for the Metropolitan Corporation of Greater Winnipeg, and I wish to commend these and others who I have not named, for the outstanding service which they continue to give to the citizens of this province.

Mr. Chairman, I think that the Department of Municipal and Urban Affairs is characterized at the present time by one major serious and overriding problem, and that of course is

(MR. GREEN cont'd) . . . . the problem of municipal taxation. I find sometimes, Mr. Chairman, that it's difficult to make people appreciate just how overriding this problem is and just how it warps, relatively in any event, most of the other problems that municipal councils are confronted with. As a matter of fact, Mr. Chairman, I would suggest that if that particular problem were solved, then most of the other matters fall under the heading of municipal budgetary difficulty and probably would be much less serious than they are at the present time.

I've often heard the Minister, who seldom gets annoyed in the House, I have seen her on occasion rise to her feet in anger especially when the problem of the cost-price squeeze in agriculture is discussed, and so, Mr. Chairman, from her point of view - and I'm sure that she's rapidly coming to that conclusion - I would ask her to look at the problem of municipal taxation in exactly the perspective which she observes the problem of the cost-price squeeze in agriculture. It's certainly the root of all of the expressed municipal difficulties, in any event.

Now, Mr. Chairman, having said that, I would agree that I don't have, nor does this Party have all the answers. We have made suggestions from time to time. Our Party has advanced the proposition on numerous occasions, and it has been supported by various municipal commissions, that the costs of health, welfare and education should be wholly paid by the Provincial Government and therefore realized on a much broader tax base than is now open to municipal councils. Mr. Chairman, I don't know that that's the answer. I've often indicated that trying to make sure as to what taxation will do is like trying to hold mercury in one hand; if you catch part of it, it slips out in various different directions. And this may be the case with an income tax or other areas of provincial taxation.

But nevertheless, Mr. Chairman, this is the type of suggestion which I ask the Minister to consider, and I ask the Minister to consider other forms of taxation which have from time to time been presented by the New Democratic Party, and I know that the Honourable the Provincial Treasurer will have long engraved into the minds of the members of the government in particular, and I think in the minds of the House, his little couplet: "Try a little NDP." You know I don't use those initials otherwise, but the Minister used them, and I am suggesting that trying a little New Democratic Party position in some of these areas has resulted in some relief to the municipal taxpayer. This certainly was the case, for instance, when this government decided that they had to do something to relieve municipal taxation and tried the tax rebate, which was in effect picking up money from the broad provincial base and paying it to the municipal taxpayer, and if it didn't work, at least it was a move in an attempt to do something.

Now, Mr. Speaker, before I was interested in politics and before I got into the House, I remember that Donovan Swailes used to suggest an exemption, a basic exemption, on the first \$2,000 or \$3,000 of assessment, and I think that at the point that this was made it was probably referred to, as the Honourable Provincial Treasurer has done, as some New Democratic Party financial hallucination. Well, Mr. Chairman, apparently even good business governments come to realize that they should try a little NDP because the good, business-minded, conservative, the Provincial Government of Ontario, has now legislated in a manner very similar to what was suggested by Don Swailes so many years ago, and I read from a quotation from the Winnipeg Free Press - and I neglected, Mr. Chairman, and I apologize to the House, to take the date of it but I think it's approximately a month to five weeks ago, a headline: "Property Tax Cut Sought." And I'm going to read the whole article because it underlines the principle in a better way than I can put it.

"Legislation designed to reduce property taxes on every self-contained dwelling in Ontario was introduced in the Legislature Wednesday by Municipal Affairs Minister Darcy McKeough." So I put this as a recommendation from Darcy McKeough, not from the Honourable Member for St. John's, and not from myself. I remember Frank Underhill once, in addressing an intellectuals' conference, for want of a better name, said that the policy of the Conservative Government is, "Never do anything first." Well you don't even have to do this first. It's been done by the Province of Ontario.

"The Act adopts a recommendation of the Ontario committee on taxation that the province provide a basic shelter exemption to reduce the burden of municipal taxes. Mr. McKeough said that the government will spend \$150 million to reduce the taxes on an estimated 2,500,000 households this year." And it's more than an exemption, Mr. Chairman, because an exemption by itself won't work. If you exempt the bottom level from taxation it merely increases the mill rate and raises the tax to everybody else, so it has to be paid by another tax source and this is what they're doing.

(MR. GREEN cont'd)

I continue: "This constitutes the most massive transfer of funds by a new program to municipal taxpayers in Ontario's history," he said. Mr. McKeough said the legislation imposes a duty on landlords to pass on the full amount of tax credits to tenants. Tax credits will be deducted on municipal tax bills. Property owners who have already paid their taxes will receive a refund. Municipalities will administer the plan and be paid in full for tax credits and refunds by the Provincial Government." So it's not merely an exemption that they give, it's an exemption that they then receive so that they don't lose any taxation by virtue of doing it.

"The Minister said 48 percent of provincial government's revenues will be transferred to local authorities this year compared to 43 percent last year and 39 percent in 1966."

Now perhaps the Minister will answer me that the Manitoba figure is higher. That doesn't impress me if that is her answer. I suggest that basically if we see a problem - and I think that the problem is obvious, it's demonstrable - that people in the lower income groups and particularly people on fixed incomes living in relatively moderate dwellings, do not have an opportunity to pay the increased type of assessment that is being made necessary by the Premier's balanced budget. And I therefore suggest to you that this is a method that should be considered. I suggest to you that the methods that have been raised from time to time in this House with regard to the acceptance by the Provincial Government of particularly - I think the Member for Seven Oaks will deal with this more fully - of the basic costs of education as part of the provincial load, and of course welfare and taxation as well.

Now, Mr. Chairman, another area that I would like to deal with, and I won't deal with the very well-put and well-researched statement that the Minister put with regard to land use and assessment because this will be dealt with by other colleagues of mine who are more fully acquainted with the specific areas in question, but I do have one problem with assessment which I have never been able to catch hold of at any level of government, and that is, Mr. Chairman, the apparent inability or the disinclination of assessment departments to indicate to citizens just how improvements to their property can be made without raising their assessment.

I remember once, sitting on Metro Council, that we passed a motion to the effect that such a piece of literature be prepared, and we thought that having done that the assessment department then acts as an administration is supposed to act and they go ahead and publish the literature. But the assessment department is like no other area of administration. I confess a complete inability to find out who is really the level of government that can tell the assessment department what to do, and I'm coming to the conclusion that nobody can tell them what to do; that somehow they are directed from some other divine source which is not reachable, and as a result, Mr. Chairman, I doubt (and I think I'm probably correct) that the assessment department has yet done what the Metro Council asked to be done at that time. And since then, I've seen other municipal people who apparently think that there is also some political benefit in making this type of recommendation, also make it but without a great deal of success in getting this type of thing to happen.

And so, Mr. Chairman, I'd like to first of all indicate one of the basic reasons why I think this is important. The method that we use in taxing improvements is, in my mind, a contradiction to the extent that we tax people for improving their property and by a corollary we give tax relief to people who do not improve their property. To carry it a little further, we tax people for creating wealth whereas we give people tax relief on the basis that they do not create wealth. If one looks at the central core of Greater Winnipeg, one can more greatly appreciate the problem. It is more desirable taxwise to have a lot in central Winnipeg and use it for a parking lot because of the relatively lower taxation and the higher return from that type of facility, than to build an improvement on it thereby increasing communal wealth, because the tax results that emanate from this type of situation puts a person at a disadvantage, and I think it was the Director of Planning of Greater Winnipeg who said that if you took an air photo of the central core of Greater Winnipeg it looks like a bombed-out city, with the great number of empty lots. So somehow - and I'm not suggesting a plan here - there has to be something which makes it desirable and gives incentive to improvement of a property rather than keeping it and speculating on the fact that some day it will increase in value.

Now the point that I made earlier, Mr. Chairman, is merely an extension of this principle. Many people, either through ignorance not of their own making but through ignorance of our taxing system, feel that they can't decorate, they can't do certain things to their property for fear of this increasing their taxes, and I would hope that the Minister could tell me that I'm

(MR. GREEN cont'd) . . . . . wrong; could tell me that there is information available; that it is disseminated to people relatively easily; that there is literature on this subject; and that it is easily available to citizens in the various municipalities in Manitoba.

Now, Mr. Chairman, I'm not going to deal with one of the pressing problems that faces Greater Winnipeg, the problem which of course has been dealt with by resolution in this House, but I do wish to ask the Minister to indicate what her views are with regard to certain of the issues which were related to her last year and which certainly relate to this problem. The Minister of course has not suggested any solution to the problem that is created in Metro Winnipeg due to the fact that industrial revenues belong to the municipality concerned, whereas planning is an over-all Metro authority, this resulting in the case where a municipality will be confined to using their property in a dormitory fashion, which is good from a planning point of view and which I agree with, and yet has to impose an inordinately high tax rate on the residents of that municipality because it doesn't have industrial revenue which is being confined and used to the area in which the industrial premises are concerned. I think the Minister would agree that for economic reasons Greater Winnipeg is one whole in any event with regard to industrial taxation. It's not the municipality that the industry is in that makes that industry possible; it's Greater Winnipeg that makes that industry possible, and no municipality should suffer because it does not have a share of that industrial revenue. I believe that my colleague the Member for Seven Oaks dealt with this matter rather in detail last year, and I don't think that the Minister has given any answer to that question.

I also raise the question, Mr. Chairman, which I think is important from the planning point of view and also from the point of view of municipal revenue: Is the Minister considering the proposal which was put, that where a land use is changed and results in an increase in value to the property concerned, that that increase not belong to the owner of the property but belong to the community, since the owner of the property has done nothing to justify the increased value coming to him, he hasn't in any way changed the property, he hasn't in any way improved it; it's the communal change in use which has improved the value of the property, and therefore the communal wealth of the community should be increased rather than the particular property. The reason that I say that this has particular reference to planning is that it is now an advantage to developers to seek property which is not planned or zoned for their use, and buy it at a cheaper price, therefore giving them an advantage over any other developer, and then getting the zoning authorities to change the land use. I suggest that this is not good from the planning point of view and would be discouraged if a change in use did not result in a particular benefit to the person in whose interests it is to see that the law is changed. I think, Mr. Chairman, some thinking on this subject would result both in increased municipal finances and a better approach to municipal planning.

Mr. Chairman, I specifically exclude any mention on the subject of urban renewal. This subject will be dealt with by the Member for Seven Oaks, as will some of the other subjects that I've dealt with. I do ask the Minister to possibly deal with the subject of recreation. Now I know that we've hammered this out in the House during the last several weeks and finally we have a motion passed commending the municipalities for the work that they are doing in this area, and I think that that's good of the House to commend the municipalities for what they have done. I would hope that some day the House could commend itself for what it has done but I don't believe that it has the right to take that position yet, so having commended the municipalities, perhaps we should now take stock of what we ourselves are doing in this area, and perhaps even give the municipalities some justification for commending the Provincial Government itself.

I have one area, Mr. Chairman, that was raised in the Health estimates. I believe that it, too, is a matter of Municipal Affairs. We have a resolution on the Order Paper dealing with it, and that is with regard to municipal ambulance services. In the resolution I indicate that under our Civil Defence laws it would appear that we should be able to get federal and provincial participation in providing a publicly-owned ambulance service in each of the municipalities, or those that want them, of our province. I believe that the Metropolitan Corporation has from time to time approached the Provincial Government in this area and made recommendations with regard to the operation of a public ambulance service. I don't know that there has been any action forthcoming from the Provincial Government. I wonder whether this is in the Minister's field, and if so, what steps she intends to take with regard to this problem. Thank you, Mr. Chairman.

(MR. GORDON W. BEARD (Churchill): ... why, but I too would like to congratulate our Minister of Municipal Affairs, and I do feel that I respect her judgment in most cases, and I recognize the fact that one never really wins an argument with a woman so I have been indoctrinated in that for quite some number of years now and I don't really think we ever have a chance to get the last word in, so I respect the status of women - through necessity.

I must say on the offset that these remarks are not taken to condemn either the Minister of Municipal Affairs, the First Minister, or my Party, but I do say that my remarks at this time are directed toward the House as a whole, to Manitobans and to each of us who have some thought, some respect and some hope for the future of not only Manitoba, but of Northern Manitoba. I would like to first of all say that by and large northern and central Manitoba are administered through local government districts. Before I get into the views of this, I would like to point out too, Mr. Chairman, that I do not personally feel that I am qualified to fill a cabinet position because I do feel that in some respects the comments that I will have to make will possibly be considered as a plug for my personal campaign to better my own political prestige. This is not the case. I recognize that I have certain limitations, and I live with them each day and I know just too well what I can do and what I cannot do.

But surely, Mr. Chairman, as good farmers in the southeastern part of the province you must recognize that three quarters of this Province of Manitoba must deserve an individual approach, and separate in nature to that which is being used in southern Manitoba, because unless you are not aware of it I must point out that those things that have been used by the Department of Agriculture and other departments to bring along 20 percent of our province cannot be translated to the rest of the province which is divided, first of all, by Lake Winnipeg, and secondly, by climatic conditions and the resources that are available in that part of the area. So it is that I would like to point out to you that Northern Affairs is a must, not only in my mind but in many of the people that live in northern Manitoba. It has the largest growing town in Manitoba as a whole, and certainly all the towns are growing. We have heard from this Legislature for many hours during this session and sessions before, that southern Manitoba and rural Manitoba have a problem where they have shrinking populations in respect to the rural areas, and how are they going to overcome this. But how many hours did we spend on agriculture? How many hours did we spend on Industry and Commerce? But, Mr. Chairman, could you tell me how many hours we spend on northern development? Not very many. Not very many. How many hours did we spend on northern health during our Health estimates? Not very many. We didn't consider ambulance service in the north. Granted, I could have brought those things up but in some cases we feel that we must respect Opposition rights, I suppose, to more than equal time in estimates, but I think that the North at least deserves one kick at the cat, and I have chosen the Honourable Minister's portfolio to do this.

Northern Affairs should have, in my estimation, complete control of their own affairs. We need northern integration; we need northern incentives; and we need northern action. What have we heard from the other side of the House? Nothing. As the Leader of the NDP Party is concerned about nobody looking to him on the problems of Medicare, the problems of agriculture, then I share with him that concern, because really, how many people are interested in northern Manitoba today? Northern policy I think needs direction from a Minister that can give us an unbiased decision. It is difficult for a Minister to consider the problems of municipal development in respect to urban southern areas. In fact, the Minister - or the Member for Brokenhead I believe it was, suggested that municipal affairs and urban affairs should be broken. Possibly there is some consideration, some merit to this, and I submit to you that if you're considering those types of policy, then certainly if there is a priority it should be on the priority of what should be done in respect to the north.

I think that I will want to dwell mostly, of course, on the Jones Report in respect to Churchill, and I just draw to your attention that we have heard from the Liberal Party, we have heard from the NDP Party on their first remarks to the Minister, but they neglected to consider, in any degree I think, what should happen in respect to the north, particularly on this Northern Affairs and particularly on the disturbance in the House when it was said that news media reported what was supposed to be in this report before it was being tabled in the House. But it seems to me that this was a speech to embarrass government rather to look into the problems of the north and to truly get down to the affairs of Churchill. Certainly this has been the case for many, many years and it will go on, and it is my hope that this government, along with the government in Ottawa, will see fit to get along with some development before this

(MR. BEARD cont'd) . . . . report is allowed to gather dust.

I think that in doing it I will just quote from one of the editorials, I believe it was in the Free Press just recently, when they said: "Will they tell us . . ." - this is in respect to the Federal campaign - "Will they tell us in plain language and in projected costs what must be done to open up the north, bring in people to inhabit and exploit it, and whether we are at the end of our national development or at a new beginning, and this not in starry-eyed terms but in spelled-out programs, intentions and arrangements? Are there enough concrete intentions and plans for the future of the nation to create a surge of excitement in this nation? Too long the north has heard all Parties dream dreams of northern development, only to fade and die after the election. In fact, it seems today that when we bring in programs or when programs are suggested, they're not commended; there's criticism - not constructive criticism, but criticism that would drive out industry or lessen the enthusiasm of people to develop northern Manitoba or to help invest in northern Manitoba." Here we have areas in the South Pacific who are courting the fiscal dollars, or the investment dollars of the world to come in and invest in their areas, and here we are criticizing these same companies, trying through some way to say that we're selling our resources for nothing - we're giving them away. If I was a shareholder in Churchill Forest Industries, I wouldn't invest one nickel in that project after the criticism that they have received from this House in respect to what they have decided and asked to do. I think it's shameful - I think it's shameful that there must be this type of criticism when we attempt to bring in an industry.

Are we really interested in developing the north? You're not fighting over many seats in the north. Probably if the redistribution gave us about five or six more seats, I think parties as a whole would be more interested, Mr. Chairman, in getting up there and finding out what the problems are and in speaking more of it in this House. You hear of it once or twice a year and it fades and dies. I think that it's a problem that we've got to take another look at. Let these companies come in, let them invest, and then criticize if you wish, but why should you beat them over the head before they've even started? Certainly this is not the way that the North American continent was developed in the first place. The money wasn't here; somebody had to bring it in; people had to come in. We welcomed it one time and now we're trying to say we're selling our souls. Why should it be so much different today than it was many years ago? I say let's forget about this party politics in respect to industries in the north and let's get along and show a little more interest.

I think that during election time - and I presume that it will come now - we'll start to hear about the north, we'll start to hear about these programs. But I send a challenge out to the parties and remind them of this editorial asking them to set out, not only their programs but to set out the cost dollar to government services so that we can see what the future holds.

We've listened to the tax for many many weeks now, our rising costs, and I think myself that the rising cost today are baby rises in respect to what it's going to be in a few years to come unless we get along with development, with projects, and get some productivity into this province. I think probably we're living off the farmer, if you may look at it in many respects. We're living off them today and he's having a hard time keeping his own position without having to look after the rest of the province.

I think that the people in Metro Winnipeg are very narrow-minded indeed if they don't look further than the boundaries of metro to find where they are going to get these dollars to continue their expansion and their way of life. Whether you like it or not, you're living in a far more sophisticated area than three-quarters of the people of this province. Granted, you have your problems here, but I think it was the Member for St. John's said that this government didn't know anything about anything north of Portage and Main, and when I listened to the people in this House, I would extend it a little further. I don't think they know anything about Northern Manitoba north of the car barns. I don't think they do. I don't think they're particularly concerned. They can't be because they don't hear about it.

The Member for Ethelbert is sitting in the front seat as their farm expert -- or their northern expert. He hasn't given us anything. How about the Member for St. George? Is he the northern expert? He hasn't given us any assistance. He's given us -- beat us over the head.

MR. ELMAN GUTTORMSON (St. George): Who was it that advocated the road between Grand Rapids and the Ponton which would help Thompson, and you voted against it.

MR. BEARD: I didn't vote against it. -- (Interjection) -- I think you better go back and

(MR. BEARD cont'd) . . . . review it. I did not vote against the road from Gypsumville to Thompson.

MR. GUTTORMSON: . . . resolution and you said there were other priorities more important than that one.

MR. BEARD: Mr. Chairman, I think if the member wants to speak, he can go and get Hansard and bring it back, he'll have lots of opportunity to speak during either this estimate or Highways.

But he is showing his ignorance of northern Manitoba. He's worried about Gypsumville, he's worried about Grand Rapids but I can tell you that northern Manitoba doesn't either start or stop there. There's a lot of areas between there and the Northwest Territories. You better get along with a little of your study and maybe you too will be interested in what should be done in the North.

Mr. Chairman, I don't want to dwell too long on this, I'd like to get along with the Jones Report. It's a long report and I hope to start my 40 minutes from now, Mr. Chairman. But, I would tell you that the Jones Report is on Churchill, the Jones Report is on Churchill only and I point out to members that there are dozens of other communities that could have a Jones Report and they would find that they are as bad off or worse, and it is amazing that when you look at this report the conclusions come in the first page. You don't have to look through any more of it. Those members who haven't bothered to read the report, I draw to their attention that (a) The conclusion: the physical, social and economic plight of the Town of Thompson is perhaps unparalleled anywhere in Manitoba or even throughout the nation. I might suggest that these Jones people didn't look any further than Churchill, or they'd have found others. They said climatic extremes are equivalent to the Arctic; 70 percent of the towns buildings are sub-standard and many are very seriously so. We are, to conclude, they say that it will continue to be, even in spite of this, an important research centre, a focus for federal programs relating to the north and a T-transport transfer point. It must be a communication centre, an urban centre of the existing arctic region, a surfacing area for the rest of the province - and that's a mighty lot to look at when you consider the hundred millions of dollars being put up for exploration alone in the eastern arctic. And this is going to be done and it's going to be done on a year round basis.

Mr. Chairman, I think that this will be one of the biggest boosts that the Town of Churchill will have in the future. But the town are not interested today in the future; they've been looking to the future for far too long. They want something that was announced for Red Lake on March 28th, 1968, a \$1.6 million local improvement project which will provide water and sewer services for more than 2,300 persons in that community. That's what they want today - starting today. The construction season is very short in Churchill, very short and if we don't get along with that then it will be another year before it passes by and the people of Churchill are going to be very discouraged. And I want to warn this Legislative Assembly, that they are going to expect something this year - not next year, not the year after. They've waited for a long time; they can't tell you what to do but they have been asking for years; they're trying to demand it and they're not being supported by the members of this House. Nor are they being supported by the people of Manitoba; nor are they being supported by the news media. For a long time they've been cut off from the rest of the province and the rest of the province has been satisfied to leave the status quo as it is. It's about time that the rest of this province woke up for a change and looked north, instead of talking about it, dreaming about it. These people that are not interested in moving north don't care, they just don't care. You try to excite them about the possibility - who'd want to live up there - but if this Legislative Assembly is going to get along with living within its budget, it has got to face up to the facts that there has to be money spent in the development of the north and Churchill certainly has waited long overdue.

Churchill was established many, many years ago; the largest town that hasn't got water and sewer facilities. Why shouldn't it have the same opportunity as other areas?

It says "after - going on to the report, it says "After examining, recent technical advances of our engineers concluded that a standard system comprising a lagoon and buried water and sewer lines is the most efficient and economical for Churchill. This is not startling. The people of Churchill told governments for many years that this could be done. They don't want to build an empire up there; all they want is water and sewer facilities first and let the rest come after. Nobody else wants to live up there; you have to have a community up there and you have to entice them with modern amenities and the things that are required.

(MR. BEARD cont'd)

The recommendations state that the Churchill liaison committee be strengthened immediately so to deal promptly and authoritatively with the critical issues which it faces. Specifically, the negotiations between the Federal and Provincial Governments concerning the incorporation of Fort Churchill into the local government district, programming the transfer of appropriate facilities from the Fort to the town and devising pragmatic solutions for problems that will not yield to standard programs and procedures. You've got to accept the fact that you can't do it the same as you do in other areas. You can't be afraid of setting precedents for other areas of the province; this is a new area. A new area that we're reaching into and we've got to revise our thoughts. By their actions the two governments manifest their faith and commitment to the future of Churchill so as to generate an equivalent commitment amongst the towns people. Governments are telling them all the time: Churchill's here to stay. Don't worry. But what are we doing to help them?

As we go on in this report we'll find that it indicates an 80 percent Federal responsibility, a 20 percent Provincial. I don't know what they'll arrive at but they won't arrive at anything unless they start talking now. By next year this will be outdated, we'll have to have another report. I think we've got to start and we've got to start with the first things first and of course that's modern amenities.

The liaison committee authorize the housing studies that we have outlined so that a comprehensive physical plan for the town can be completed and the first step in consolidation of the Fort and the Town can be taken. The committee ensured that no significant decisions affecting the residents should be made without seeking their prior advice; and this is right; this is right. And then until the Ministers of our Executive Council and the Ministers in Ottawa get together - up in Churchill - and talk it out with them as policy-makers and then hand it back to the bureaucrats and say "This is what you're going to do". Not ask the bureaucrats, not ask the consultant firms, because this is a policy-makers decision; it's not a decision for the bureaucrats. I think that in respect of this that you've got to consider that of course incorporation has to come, and I really see no reason why the town can't be incorporated. I can't see any reason why it can't be. If the two governments can get together, as they have now, they're providing services in the whole community in one way or another except that the water line bypasses the town itself. A ship can pull in there and be serviced - fully serviced. The Fort on the other side of the town is fully serviced. The Eskimo village in between is fully serviced, but the Town of Churchill lies there - as it has for many years - desperate and nothing being done about it.

It talks about federal paternalism. The military have had paternalism; they have moved out and public works have taken over; they're looking after the health for the community of Fort Churchill; they're looking after the physical responsibilities. They have their own entertainment areas. They segregate themselves from the community - not the community from the Fort. Then in between, as I say, we have Akudlik Village, long established as an Eskimo village where they spent some \$12 to 15,000 a house to build; they maintain it, they look after it. They've moved Dene Village a couple of times now, the Chippewyan Village, and there's talks about moving it again -- and they wonder why the Indian can't make up his mind. There's housing at the Fort for the haves, the have-nots who must make do elsewhere results in serious social cleavages between the two communities.

They speak of the lack of community leadership and the need for dedicated effective leadership if a viable community is ever to emerge in Churchill. Separation of the town from the Fort and the consequent lack of need to assume any civic responsibility by people living and working at the Fort has meant the Churchill community has been unable to look to its educational and economic elite for participation or leadership in community affairs.

It points out that CMHC has certain criteria that must be fulfilled in order to qualify for an NHA loan. It points out that this criteria must be changed if we are to get along with the development at Fort Churchill - or at Port Churchill. It points out that the individual applying for a loan, any loan, should not commit himself to more than 27 percent of his annual income for mortgage servicing. The maximum permissible loan is 18,000, so that the cost of a house in Churchill would be 21,000, a down payment of \$3,000 carrying monthly charges of \$155.00 and this does not include the property tax that is usual in it. This would require a minimum income of \$6,900 a year. This is not all a gift. I think you've got to consider that there are resources throughout the area. There are many deposits such as the iron ore north of



(MR. BEARD cont'd) . . . . Churchill are known to exist but at present time costs do not justify their exploration. This is because of the short season. And yet now we have, on the advice of experts, the fact that we have at least two different types of shipping assistance that will allow at least double, or as one commodore put it, a year round basis to ship in Churchill.

We have heard some time ago where the Prairie Economic Committee Commissioned a shipment to come in in January, the first time in its history. The Gibson people are ready to put up \$100,000 bond that they can break ice and use the northwest passage at any time during the year. The Admiral, the Navy that was investigating states that the minimum depth in the northwest passage is at least 60 feet which would carry any ship of any size. There is a way if we can get along with the facts of starting the development in the first place. In many respects Churchill, it says, is a typical northern community. Most of Canada's northern towns are resource based. That is they provide the base of operations from which the natural resources of their locale are exploited by private industry. In the case of Churchill of course the Government of Canada substitutes for the resource and its various agencies providing 80 percent of the employment in the area. I've already touched on that and I think that we would all recognize that an 80-20 percent would be reasonable. I point out that people do not want this water and sewer free; they are ready to pay their fair share the same as any other community. But they need the assurance that the grants in lieu of taxes will be carried on, be carried on. Just lately they have been notified that the cost of water will be going up. It's carried by tank car or trucked around. I think they pay a cent a gallon for it to bring it in and they pay a cent and a half to have it carted away.

If you look at the Churchill research range you'll find that it is one of the largest basic employment sectors in Churchill, one of the four in the world. They tell me that it sends up more rockets than any other area on the North American continent. Total wages and salaries paid by the range in 1966-67 amounted to \$2,298,738.00. That's a good wage in that area, with permanent employees averaging \$9,542 a year. They can get along with these things if we allow them and give them a helping hand. They have a monopoly, incidentally, on the rocket research because the aurora borealis is the best located in that area and certainly there's assurance that this will be carried on for many years.

The geophysical year of 1970 is coming up where there will be much activity in that area and this is leading up to it now. They cannot at this time set off the number of rockets that they are being asked to do. The colleges and universities from all over the world are up there working together, building rockets, some of them taking up to five years. Some of the rockets have five and six universities carrying on individual experiments for each rocket. And I might say that these rockets are for scientific investigation, they are for the good of humanity. -- (Interjection) -- Thank you, Mr. Chairman.

I think I should point out too that much of the cost of this range is picked up by the American Government and through the National Research Centre itself. Annual expenditures at Churchill in 1967 will run up to \$4,608,532 up 22 percent from last year. One half of this is paid by Canada and the other half by the United States. The 1966 budget of the range amounted to almost 20 percent of the total government expenditures including U.S. contributions on upper atmosphere and space programs in Canada. Outside of Ottawa, Montreal and Toronto, Churchill has the largest staff in Canada working on these programs. Certainly there is a future in this type of industry for this particular area. Research has played a large role in its direct research findings - not only in its findings but in experience and training, it is allowing Canadians in public service, universities and industries in this field. In fact there's a young fellow from the Town of Flin Flon who has grown up with the industry there and he helped design and build the technical machinery that sets off these rockets. Some of these rockets are the only rockets being sent off in the world out of this one area.

We have a large vocational centre for the Eskimo training to help integrate these people into a new society and yet we have the Federal Government saying that they're going to move the vocational school out of that area up into the Northwest Territories and it will cost them from 30 to 40 millions of dollars to establish the school itself. How ridiculous can it be when all this is already going on in Churchill. But it is a political move, there's no doubt about it. I think this is a waste of taxpayers' money when you consider that the facilities are there, they are able to go on with the integration of these people. What's the use of training an Eskimo up in Frobisher Bay or Baffin Island when he has nothing to do after he is finished. His integration goes further than training, it goes into the assistance of helping these people know what to do

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(MR. BEARD cont'd) . . . . with their training after they've had it. We have provided a half-way house at Churchill for the Eskimo people. Now we're talking about moving it back to Rankin Inlet. What could be so ridiculous?

But, Mr. Chairman, we could go on with these things. I don't want to take up too much of your time; we've gone half way through the report and where have we got? Not too far. We find that we're cut down on the harbour space; there's no allowance being given for the additional wheat that could be moved out of that area. There is no allowance being given for these new technical breakthroughs in shipping; there is no allowance given at Churchill for more grain storage when we are looking at the abandonment, the proposed abandonment of storage throughout the prairie provinces. Where is it going to go? Down East? Certainly it is. I think that this House should be fighting and should be helping the Hudson Bay Route Association. But what recognition do they get? Not very much, not very much from either the trade or the government.

Before I sit down I would like to bring to your attention, of course, to Mayor Juba's ad in the paper a while ago about a free port for Churchill and this is very important, this is very important. And yet what response did he get? None. It has been brought up before and there was no response. But this would allow, this would allow for the importing of goods and the exporting of goods and they would be held at Churchill, and there's no reason why they can't have facilities there; there's no reason why private grain companies cannot take over those facilities. They tell me the book value of the facilities at Churchill run around three to four millions of dollars for 500 million bushels of grain. And they tell me that to build these facilities would cost a minimum of \$1.00 a bushel. That's a good buy. If the Federal Government can't use it then I think that probably we should look at private enterprise and see if they are willing to go ahead with developing this type of storage. The Member for Rhineland was concerned about it and I think maybe he has a right to be concerned and I think that if private enterprise could be given some assurance and given the opportunity to purchase this type of facility that they would add on to it, and then we'd find that we'd have the various grains that were necessary to assure people that they would have the merchandise to ship out of there. But we need varied -- we can't depend on grain alone; we've got to have facilities that would allow for the shipping of potash, the shipping of pulp and paper, etc. I'm going to sit down before you tell me to, Mr. Chairman. Thank you very much.

MR. GILDAS MOLGAT (Leader of the Opposition) (Ste. Rose): Mr. Chairman, I welcome the Honourable Member for Churchill to the ranks of the opposition. He has spoken in a very fine manner and I think has castigated his government in a way that can really only be done by one who sits on that side because obviously for the things which he said, he presumably as a government member left many others unsaid.

I would like to hear what his speeches are in the government caucus, because the statements he was making, Mr. Chairman, are the clearest condemnation of inaction of his government and I'm delighted to see him coming forward and speaking in that way, because this is what we have been trying to get the government to do for many years, Mr. Chairman.

I'd like to read to the House some statements from a newspaper clipping. The headline was "Churchill men may sue government". "A group of Churchill businessmen is planning to sue the provincial government over its failure to decide whether their town should be moved." One of them was interviewed and he said "Both the Federal and Provincial Governments have been stalling on the matter. We believe we have legitimate grounds for a complaint", he said. "The government keeps putting us off. There's been a definite lack of action. Provincial government officials could not be reached for comment. In the past however, they have maintained a wall of secrecy over the Churchill development. All they have been willing to say in the past is that studies are going on. The story referred to the first study that was made by Eric Thrift, then Head of Winnipeg's Metropolitan Planning Commission. The Government has refused to make the report public but it is understood that it makes strong recommendations for improvements in the townsite. After the Thrift Report, Central Mortgage and Housing Corporation began a study of ways of improving the situation - including the suggestion the townsite should be moved. Provincial officials in the past have accused the Federal Government of stalling on improvement plans, they want Ottawa to pay a large share of the costs of the improvements because of the heavy concentration of Federal personnel. Ottawa, they say, responded to provincial pleas by demanding more and more studies. The province itself is conducting studies; as a result new construction is frozen and new studies have started. Now,

(MR. MOLGAT cont'd) . . . . two years later the governments are still studying and the people of Churchill are still waiting." Mr. Chairman, the date line on that news report is the 13th of June, 1961, and is exactly the same story on the 9th - or is it the 10th of May today? - 1968. Eight years later we're watching and waiting. We're waiting for the Provincial Government to decide what it's going to do and for the Federal Government to decide what it's going to do.

Other headlines: "Relocation is set for North Town". The 29th of June, 1961, Industry and Commerce Minister, Gurney Evans announced Wednesday that the Town of Churchill, 600 miles north of Winnipeg will be moved to a new site.

October, 1962: "Churchill hears of townsite plan". August, 1962: Tribune editorial - "Stalling on Churchill". Mr. Chairman, that has been the history of the Churchill situation and I completely agree with the Member for Churchill when he says to his government "Let's get moving. Why not proceed with the incorporation of Churchill".

Mr. Chairman, one of my first actions when I was chosen the Leader of this Party was to take a tour of the north, and this first story on the 13th of June, 1961 is the one that I brought back from my visit to Churchill, because I was appalled at what I saw in that townsite. The facts are very simple in Churchill, that if it wasn't for the fact that it's frozen for the largest part of the year, it would be impossible to live in that area. The sanitary conditions are such that no humans could exist on that townsite. And that's not a new situation, that's existed over the years and this government has known about it, Mr. Chairman, and to proceed with more studies and more delay isn't going to solve the situation.

Last summer when I came back from another tour of Churchill I asked the government to proceed with incorporation of the Town of Churchill because the people up there are simply fed up with waiting, and if you'd been through what they have been through, Mr. Chairman, anyone would be as well; and to proceed with more studies and more delay isn't going to solve the situation. They are prepared to take action themselves, but there's a constant holding back.

Mr. Chairman, it seems to me that this is harming not just the Town of Churchill but the whole of northern development. It's for this reason that in the past we have advocated on this side of the House measures that would lead to opening up the north, and I'm surprised to see the Member for Churchill criticizing us for what he seems to say is lack of concern of the north. Now if he's speaking of his own side of the House that's up to him to make the judgment, but on this side, Mr. Chairman, we've brought up the Churchill situation on many occasions. In fact at one time the then Premier of the province actually was going to have the RCMP investigate me because I had obtained a copy of the report which apparently was not supposed to be in my hands, and I was going to be interviewed and followed by the RCMP to find out where I obtained that report. This goes back now over five or six years. This is why we have proposed for example road development in the north. In this regard we've supported the proposition that there should be Roads to Resources or a similar type of program. That's why last year I personally amended one of the resolutions in this House calling for a highway to Churchill. I know it can't be done overnight but I think that this is the only solution in the long run to give these people access for one thing as one means of improvement. If you tied this in with a development program for the north I think it's logical, because you're not going to develop northern Manitoba today simply by airports or by railway. Road access is essential. We have to link the northern developments. We have to take more action, in my opinion, to make use of the Port of Churchill. I've spoken already during the course of this session on that subject and I'm not going to repeat it now, but I think the Province of Saskatchewan has shown more initiative than the Province of Manitoba in getting Churchill more traffic and more volume.

So, Mr. Chairman, I agree with a good deal of what the member said. We simply can't keep on stalling this problem, it's been stalled long enough. The people of Churchill have a right to know what's going to happen and a right to determine for themselves what they want done. I know what the Minister is going to say: "we have to deal with Ottawa." But, Mr. Chairman, surely since 1961 and before that - when it came to light in my knowledge was 1961, but had been going on before that. Surely in that time this government has had time to get something done, time to deal with Ottawa and to tell us now in 1968 that we must await decisions from Ottawa is totally unrealistic. The first action obviously must come from the province. That Port is part of Manitoba. The first responsibility is Manitoba's. It's up to Manitoba to lead the way and to wait for eight or nine or ten years is not the solution that the people of Churchill expect and certainly not what Manitobans need. The Member is absolutely right, in my opinion, when he says that you simply can't wait another year, because the people at

(MR. MOLGAT cont'd) . . . . Churchill are totally fed up. If action isn't taken this year I think that the harm that will be done to the whole of the northern development will be very great indeed. So I urge the government not to give us the story that they have to get more negotiations with Ottawa, to go ahead and do the things that Manitoba can do, and if it's incorporation that the people up there want let's proceed with that step. Let's take the other steps that we can but let's do whatever Manitoba can at this time and not pass the buck to someone else.

MR. PAULLEY: It's always interesting to listen to debates in this House when the debate takes place between two political parties who over the years have had the opportunity both provincially and federally to do something in regard to the Port of Churchill. I've heard the Honourable Member for Churchill, both present and past, bitterly complain because of the situation in Churchill. I heard the complaints directed toward the Federal Government of John Diefenbaker; now we hear them directed toward the present administration, Lester B. Pearson, now followed by, I believe his name is Trudeau, but the situation in regards to Churchill hasn't changed under either one of the governments. I've had the opportunity as I'm sure other members of the House of making a few trips over the past number of years into Churchill. I believe the first time that I went to Churchill was in 1955 or '56. We had a Liberal administration here in Manitoba, and if memory serves me correctly at that particular time we had a Liberal administration at Ottawa, and other than the passing of a few years and further deterioration of the facilities at Churchill, the situation basically remains the same today.

And I suggest, Mr. Chairman, that the reason it remains that way is because of the ineptness of both Liberal and Conservative, because they do not seem concerned for people and this is the basic condemnation directed toward both Liberal and Conservative. The situation there, as the Honourable Leader of the Liberal Party in this House just said, is still there, it's not new, but nothing has been done about it. In the Murray Jones report that we have at the present time, it's a re-emphasis sizing out situation there that has prevailed over the years, but I'm glad to know that we have a more concise documentation now I think than we've ever had before.

I recall the predecessor of the present member for Churchill, John Ingebrigtsen on a number of occasions raised in this House the problems of Churchill and he was crying in the wilderness, because while he did give the benefits of his experiences as a resident of the Port of Churchill to this House, that little or nothing has been done either by the federal authority or the provincial authority. I appreciate it makes pretty good debating, doesn't it, Mr. Chairman, for Conservatives on that side of the House to blame a Liberal administration down at Ottawa for the situation and then in turn the representatives of the Liberals here in Manitoba throw the ball back into the court of the Conservatives in Manitoba, but in the meantime a very important segment of Manitoba is continuously suffering. I'm sure that the Honourable Member for Churchill must be supremely disappointed that he has to stand in this House in the year 1968 and re-emphasize the complaints that were before this House in 1956 and before.

The other day I drew to the attention of this House that insofar as the Federal Harbours Board and commission is concerned they don't even really list the Port of Churchill as a harbour. They send out literature dealing with the harbours of Canada and the distances between those harbours and the rest of the countries of the world -- not a word about the Port of Churchill, not one word do we have of the Port of Churchill.

I pointed out the other day when we had some preliminary discussions on Churchill that the Government of Saskatchewan under the present Leader of my Federal Party, Tommy Douglas, insisted that government agencies and in particular the Liquor Commission of Saskatchewan were to use the Port of Churchill as much as they could for the importation of material required by the Province of Saskatchewan. The Port of Churchill has been in use for many years. I've never seen or heard of a similar directive from either a Liberal or a Conservative Government provincially that they should do the same. I say a plague on both your houses on behalf of the people of Churchill.

When I had my last opportunity of being up in Churchill, and I hope to go up again in two or three weeks, but the last opportunity I had of being in Churchill was during the deferred election in 1966 when the present member was re-elected. In talking the situation over with the people in the Town of Churchill, they were ashamed, too, of the inaptitude and the lack of concern exhibited by the present administration, even to the degree, if I recall correctly, of rejecting numerical support for the member who was eventually successful in the election. I'm

(MR. PAULLEY cont'd) . . . . convinced, I'm convinced that over these years, Mr. Chairman, something could have been done. I'm also convinced that the will to do something was not there then and I doubt whether the will is there today, because the lack of action.

I wonder, Mr. Chairman, how long we are going to sit on the report of the Murray V. Jones and Associates that we received the other day. We've had reports of a similar nature respecting Churchill before. I want to suggest to my honourable friend, the Leader of the Liberal Party in this House the incorporation of Churchill into a town is not going to solve the problem. Jones in his reports I think quite properly points out if that is done it might give further excuses for inaction to both the Federal and Provincial Governments because they could very well then turn around and say, "you're a town, it's your responsibility as a town." I say that the first requisite would be, is for the Federal and/or the Provincial Governments to bring more of the amenities of life into the Port of Churchill and then bring about incorporation. The situation was caused not by the growth of a town but rather because of the desire of previous Federal governments to have a port, aided and abetted and fully supported by the Government of Manitoba which prides itself, which prides itself on having and being an inland province with an ocean seaport.

Recall, Mr. Chairman - I recall anyway going to school, when I was going to school, how my teacher would emphasize with pride what we were and what we had here in the Province of Manitoba. Here we were right in the heart of Canada with access to the ocean-going sea-ways of the world. Little did we know then as kids, children, going to school what the situation was. But boy-oh-boy, Mr. Chairman, it's coming home to roost now. When we were dealing with the estimates of the Attorney-General I pointed out, insofar as Churchill, what I consider grave impositions on the citizens of Churchill, particularly our Indian and our Metis, that here they haven't got any provision even for legal advice or aid when they're hauled before the courts or the magistrate at Churchill. My honourable friend the Attorney-General in his capacity says no, that's perfectly true; but what is being done about it? Nothing. Why isn't anything being done about it, Mr. Chairman?

MR. LYON: . . . . . the probation officer at Churchill who looks after these matters in addition to which there is a community development officer. There is no private lawyer resident in Churchill, there never has been, for criminals or for anyone else.

MR. PAULLEY: Let me assure my honourable friend I'm not endeavouring to shed any eloquent tears. What I am trying to do is to impress upon this House the necessity of action in many fields insofar as Churchill is concerned and my honourable friend is not really giving to the House any information insofar as probation officers are concerned or community development officers are concerned. He did say in reply to me when I raised the question about legal aid, that there wasn't any in Churchill, and I can document this I am sure by Hansard, and this is the point that I was raising.

MR. LYON: On that point, Mr. Chairman, just so my honourable friend will have the record straight. If there is an indictable offense to be heard in Churchill the Law Society under its arrangement will appoint a lawyer and have that person present in Churchill but there is no resident lawyer in Churchill.

MR. PAULLEY: Again, Mr. Chairman, my honourable friend the Attorney-General is emphasizing what I'm attempting to draw to the attention of this house, is the lack of concern of government. My honourable friend now in order to put the record straight for the provision of aid, legal aid, says that if the individual concerned is being charged under an indictable offense, the Law Society is prepared to stand by and help them out on request.

MR. LYON: The lawyer is paid by the Crown.

MR. PAULLEY: I don't give a continental who the lawyer is paid by, but it is not - the citizens in the general area are not being provided with adequate defence for misdemeanors indictable or otherwise in the Port of Churchill because in the eyes of government even this field is a forgotten field. My honourable friend, my honourable friend can play on words as much as he likes, and frankly, Mr. Chairman, when I see my honourable friend getting up to air his brains so often, I know that I must be scoring points that irk my honourable friend, but nonetheless so true. So I say, I say to my honourable friend, I say to my honourable friend that as Commissioner of Northern Affairs, or whatever his title is, he's let the north down completely, not only in the field of human endeavour as we are considering it with the Port of Churchill with the amenities of life, but in the other areas of human endeavour, such as legal aid as well. Commission of Northern Affairs? He told us here a year or so ago that

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(MR. PAULLEY cont'd) ..... the basic job that they had done was build a bridge over a creek at Brochet or fix an electric stove or put a new switch in an electric stove in the north, Commissioner of Northern Affairs! Good Lord! And yet, as Commissioner of Northern Affairs he's allowed the situation in the Port of Churchill and many other areas in the north to continue in the manner revealed by Murray V. Jones. So I say, Mr. Chairman, it is interesting for me to listen to the ploy of "you did or you didn't" between respective governments.

There was a time, you know, Mr. Chairman, insofar as treatment at Churchill was concerned, that we had a Conservative administration in this House and a Conservative administration in the other House at Ottawa, and the situation was not approved upon at all. Similarly, we've had the same situation with the Liberal administration in Manitoba and a Liberal administration in Ottawa, and no basic improvement at all, and when it is suggested that something must be done immediately, as suggested by my honourable friend the Leader of the Liberal Party, I agree. But if we're going to wait, if the people of Churchill are going to have to wait for improvement of that situation until there is resolving of this political difference between the Provincial Government of Manitoba and the Federal administration, they're in for a long, long continuation of the sorry plight that the town is in at the present time.

So I suggest to the -- I don't know, I don't think it's much use talking to the Minister, or the Commissioner of Northern Affairs, because I don't think he's any basic concept of the north at all. I think it's just another title for his door. So possibly, Mr. Chairman - and I see that the honourable gentleman has left us as he has left the north - so possibly Mr. Chairman, we will get a little further with helping the people of the north if we give the responsibility of being the Commissioner of Northern Affairs to the Minister of Urban Development. Maybe she might have a little more influence. Maybe she possesses a little broader approach to the requirements of Churchill.

And again I say, Mr. Chairman, let's stop the horseplay. Let's take into consideration the situation prevailing at Churchill and let's take under advisement the requirements of people first; and if the Minister of Municipal Affairs can do this, and start on this, it will go a long way to solving the problems at Churchill. I think this is necessary and I say to the Minister, I say to this Conservative Government that we have here, temporarily at least, in Manitoba: Don't await any action from the government, whoever it may be, that is elected as a result of June 25th, but really be determined to do something on behalf of the people of Churchill. Lip service is no longer any good, and at the Port itself, which is likely to deteriorate, and today when we have transient populations like we do, I fear that, outside of some of the people who are referred to in the Jones Report as just staying there because there's no place else for them to go, that we will not have the personnel to carry on the occupations required in the Port of Churchill.

Mr. Chairman, it's time to stop talking; it's time to start acting; and I trust and hope that government here and government at Ottawa will get on to it and get with it, and help the people of the Town of Churchill who need help so badly.

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MR. ELMAN GUTTORMSON (St. George): Mr. Chairman, I'd like to begin my remarks by congratulating the Member for Churchill for at long last taking an interest in what's happening up north and the needs of the north. What has he been doing for six years since he was elected? Why didn't you bring up some of these matters earlier? You've been here for six years; you could very well have brought these matters much earlier than you have now. I just wonder if your conscience is bothering you that you haven't done it earlier.

You singled out the Member for Ethelbert Plains and myself for not speaking more on the north. I haven't, and I don't think the Member for Ethelbert Plains has ever professed to be an expert on the north, but I think it's fair to say that we have both tried to bring matters of importance to the north to the attention of this House. I can bring the matter of the road that we proposed from Grand Rapids to Ponton. This is not in my constituency but it will help my area; it will help the whole of Manitoba. But where was the support from the Member for Churchill who lives in the Town of Thompson when I brought this resolution in? He wasn't on the scene to give us any support. As a matter of fact we brought the resolution in and it was amended so badly that it meant nothing; yet he supported it.

What about the time that the Leader of the Liberal Party brought in a resolution urging lower Hydro rates for Manitoba which would benefit the north? Where did he vote on that issue? He voted against it and he has the gall to stand up and after all these years to tell us why didn't we do it when, and propose these issues? We have been trying. We don't occupy the front benches; we don't have the authority to do a lot of the things that are required to do. Why don't you single out the members of your group for not speaking more about the north? What about the Minister of Welfare who represents the constituency of The Pas? What about the Member for Flin Flon? What about the Member for Rupertsland - who all represent northern Manitoba? Can you tell us when they've advocated the things that have to be done for northern Manitoba?

I challenge you to do it, and you know very well you can't; and for you to tell us that we're not interested in the north, there have been resolutions introduced from this side of the House continuously over the years. The Leader read you reports of resolutions and proposals that have been made for many, many years. What about when the members on this side proposed the resolution to abolish the heat tax which was most discriminatory to the people of northern Manitoba? Where did you vote? You voted against my resolution. You've got a lot of nerve to stand in this House and condemn the members of this House after your conduct in the last six years; to stand in this House and say the Member for St. George should say more; the Member for Ethelbert Plains should say more. What about the other 55 members in this House? And you represent the area, and if any member should know, you should. You live up there. We have made an effort on this side, but for six years you've sat silent and now you've got the gall to tell us. Your conscience is bothering you. The people up north are getting fed up with your representation and now you're "Johnny-come-lately" to start advocating things for your constituency.

I recall very vividly when they had the nominating convention for Churchill, when Bud Simpson was nominated for the present election, and people from my area, along with some from your area, advocated the road to Thompson, and I can tell you the reports, that they brought to me were certainly not very favourable. You certainly didn't support them as far as they were concerned. We had a delegation from Thompson come to this Legislature to meet with the Cabinet. I recall speaking on their behalf. What did you do? You sat silent. I remember that the cavalcade went to Thompson this winter to propose a road for northern Manitoba which would benefit Thompson more than any other area - and it would benefit the whole of Manitoba. I travelled on it. I was interested and I wanted to assist in whatever way I could. How many trips have you made across the tundra there to promote this road? I suggest not any; but for you to stand up in this House and condemn everybody else after sitting silent for six years, Mr. Chairman, I think that your remarks would be better left unsaid.

MR. BEARD: Mr. Chairman, I can't let that go. I think the Member for St. George should get his ears reamed out or else one plugged, because he hasn't been with me or he's been out on the phone. These statements he makes are irresponsible, they're wrong. I have supported northern Manitoba ever since I came in. If he will want to go back and look through Hansard, he will see where I have supported those things which I felt were right for northern Manitoba. He hasn't got a God-given right on roads. I've supported roads to the north. I supported all the roads to the north. That is more than the Member for St. George did. Oh, no - you look and see. All you're interested in is one road that would help you politically and that

(MR. BEARD cont'd.) . . . . was the road from Gypsumville to Thompson.

You weren't concerned about others. You weren't concerned about the Lynn Lake road because you weren't concerned about running there. You didn't care about the road. You didn't care about the road to Churchill. You weren't interested. You weren't -- (Interjection) -- never mind "he" - I'm talking between Mr. Chairman to the Member for St. George. (I've got enough to do with St. George without looking after St. Boniface at the same time.) So don't let the Member for St. George get up and say that I sat here for six years and was not concerned, because if he hasn't got anything more to do than sit there, then he'd better get some Hansards out and do a little research; do a little research. And I don't have to ride over that road to know that it's necessary. I don't have to ride over that road to know it's necessary, nor do I have to get up in front of a bunch of people that are representing Thompson and the other areas in 250 or 254, and sound off and say that this is a good thing. The reason I was there was to support it. Just because a bunch of politicians didn't get up and say "Me too" doesn't mean that we don't support it. We were there for the . . . and we were there to listen to those people; they weren't there to listen to us. They made their representations to the Premier, to the Minister of Highways, and it was up to them. I was there. Certainly. And I've always supported the things for the north, and don't let the Member for St. George decide that he can get up and say that I have not supported those things for northern Manitoba.

MR. GUTTORMSON: Mr. Chairman, he didn't answer my question. I never said, to begin with, I never said I was the only one. You were the one who initiated this accusation against the members on this side. You were the one that said it, not us. You started this thing and I think you were just brought into line, that's all. But you didn't mention how you voted on the heat tax. You didn't mention how you voted when we tried to equalize hydro rates in northern Manitoba, and the sales tax. Tell us how you voted on those things.

MR. BEARD: This will take a little while, Mr. Chairman, but I think that you would appreciate the fact that northern Manitoba has a position in the debates in this House. Certainly I supported the heat tax and I told you why I supported it at that time. I said that I supported it; if we were to get progress in northern Manitoba then we would pay our fair share - if we got those things that were necessary.

MR. LYON: . . . but perhaps both sides of the House are getting a little far afield from the salary of the Minister of Urban Development and Municipal Affairs, which I believe is the subject under discussion.

MRS. FORBES: (15 seconds lost due to recording trouble) . . . in this House, and I think they should be, because certainly we have nothing to be proud of when we go to Churchill. I have had the opportunity of being there on two occasions only and I'm not proud of what is there, and I think it is time that we stopped this throwing back and forth across the House who is responsible for what, but just the same I don't blame the people from taking the time to say to the other person that it just isn't all one-sided. And I don't know, maybe some of those who sit on the backbench may be permitted to say a few of these things, but I really had to swallow, when the Leader of the Opposition got up and he read from a news release dated June 13, 1961, and he blames this government for doing nothing, that the same situation was there.

Well really, Mr. Leader of the Opposition, did that grow up over night? Did it really? Now listen, it was there when you people -- and I have the floor for a minute. Just sit down. Yes, but I'm saying why do you always point it out? Just don't bother about telling us that because you tell us that when you first came into this House, when you were first elected, you were appalled about all this situation that was up there, and you were here long before I was, Sir, and I know that you must really have a few twinges of conscience just as I do, because I'm not proud of what has been accomplished for Churchill either. But let's not pat one another on the back or stab them there either. I think that "we just simply must do something about it" is right. But it makes me rather shudder when he advocates incorporation of the Town of Churchill as though that was the end-all and the be-all, as the Honourable Leader of the New Democratic Party pointed out. That is not the end-all or the be-all, and at the same time if he thinks that incorporation is the end-all, well then you're either ignorant of what incorporation means or else you just completely intend to ignore it, because Churchill has not got an adequate tax base. I don't have to go back on that. If you had even taken the trouble to read the Jones Report they point this out. It's very, very evident in there.

I have reams of material on hand on reports on Churchill, reams of it, and your government did too, and I don't think that either one of us need to be proud of what has been done, and



(MRS. FORBES cont'd.) . . . . I will say that. But at the same time I do say that we had a joint report made just recently on Churchill, and we sincerely hope that every person has read it and studied it; we sincerely hope that the Federal people have too; and I think that if you have read it, you will realize that it's going to be a joint effort of the federal and the provincial, and I do think that we must note mostly in this that Churchill is a little different from the other northern communities, because most of the other northern communities have some industry there but in the case of Churchill it is really -- this report points out that it's contingent on the Federal Government as federal agencies provide 80 percent of the employment in Churchill; and we do need their assistance and we do hope that we will get it.

Now I know that the report hasn't been out very long, but it has been out sufficiently long that we would like to hear what the Federal people have to say about it. They have been quiet on it so far, and as a result we have sent through the offices of our Premier a telegram to them, and I'll read that telegram to the honourable members.

"Dear Mr. Prime Minister: The firm of Murray V. Jones and Associates was engaged in 1967 jointly by CMHC on behalf of the Government of Canada, the Manitoba Housing and Renewal Corporation on behalf of the Government of Manitoba, and the Local Government District of Churchill, to prepare a plan of development for Churchill which would recommend solutions to the long-standing physical, economic and social problems in the Churchill area. The report of the consultants was received on April 16th and copies were forwarded immediately to CMHC and the federal Department of Public Works and was tabled in the Legislature on April 19, 1968. The report clearly identifies the problem facing Churchill, solutions to which require the urgent attention of both the Government of Canada and the Government of Manitoba. I therefore propose, for your consideration, that immediate consultations take place between senior officials of your government and those of the Government of Manitoba regarding the recommendations made in the report with a view to agreeing on the steps to be taken to provide adequate solutions to the long-standing problems at Churchill." And this was signed by the Premier of this province.

Now, we have not received an answer to this as yet but I would tell the members of this Assembly that we will pursue this, and we must sit down and meet at this level, and with the people of Churchill, and I serve notice on you in this Assembly that you will be asked at the next session of this Legislature - because it will take a little time - but you will be asked to approve sums of money to do something about the problem at Churchill, and as Minister of Municipal Affairs I can see that that is before you.

A MEMBER: Sit and wait. Sit and wait.

MRS. FORBES: No sit and wait about it.

I'd like to now deal with some of the other questions that have been raised and I'll go counter-clockwise here. First of all, I would like to reply to some of the things mentioned by the Honourable Member for Inkster in his remarks. In his remarks he pointed out that the policy of his government would probably be to take the hospital and welfare education cost off the municipal tax base. It's a fine idea probably, but we must remember that the removal of these from a municipal tax base would certainly relieve the tax base of certain charges, but however, the problem is that there are not so many tax dollars available and the problem is one of arriving at a fair sharing of the tax dollar between the various levels of government and the various demands that are made on that tax dollar.

I was interested, too, to note that he mentions the program that is in Ontario at the present time, and of course he knows that it's one of rebate, but it's rebate that involves large payments of provincial monies to accomplish this and I'm not so sure that we can compare the province of Ontario, really, and our province when we come to a question of having large sums of money, but it is rather interesting, too, to note that the Tribune under date of March 7th published - the subject here is headed "The Suburban Scene" where it says, "The 68-mill rate in all Metro suburbs," and they run down the list of some 13 municipalities within the Metro area and they give us the amount of taxes on a house that is assessed at \$5,000 - and this amount, Mr. Chairman, varies from \$208.75 in Assiniboia right down to Winnipeg where it is \$322.00.

It's rather interesting that I have in my hand a copy of the Globe and Mail of May 8th, and they run down a list of the taxes in Metropolitan Toronto, and they start out of course with Toronto Forest Hill and so on, down to Scarborough. They list ten in their Metropolitan area, and it's interesting to note what their total tax was in 1968; and where Metropolitan Winnipeg

(MRS. FORBES cont'd.) . . . . . was from \$208.00 to \$322.00 on a \$5,000 assessment, Metropolitan Toronto is from \$465.00 well, that is the top one; they don't have theirs listed in the same way - but we could, in looking down the list I find that everyone is in the \$400.00 mark. The lowest is \$401.50 and the highest is \$472.05, so this is the tax on a \$5,000 assessment in Metropolitan Toronto as compared with the tax on the Metropolitan area of Greater Winnipeg, and we have a copy of the legislation from Ontario at the present time. It's well worth studying and I thank the Member for bringing it to our attention because we will take a look at it too.

Now he has also brought up the question of the distribution of industrial revenue. Metro, I am sure he knows, does have the authority to take part of the industrial revenue in the Metro area now, under the provisions of our Metro Act. If greater portions are to be transferred to Metro, then it would also involve transfer of responsibilities of the municipalities with the industrial tax base, and the honourable member I know suggests that a larger portion of the revenue should be made available to Metro but I must assure the honourable member - and I know that he was a former member of the Metro Council - that this is a matter of opinion, and I'm quite sure that when he was on Council that he was aware and is still aware that many municipalities do not agree that a greater share should be transferred. So in fact I'm sure he's aware that many municipalities feel that Metro should even have a lesser share. It is a complex problem, and I hope that we may be able to find some answers and I'm very hopeful that when the Boundaries Commission has completed its study of Metropolitan Winnipeg that some of these will come to light.

The question, of course, of assessment on taxation is a real one and I appreciate the comments of any of the members on this because the more ideas we can get, certainly it will help us to realize what there is an give us an attempt to sort them out and see how the problem can be solved, because it is a real problem for all provinces. However, each province, including Manitoba, has had it for a long, long time and we shouldn't have to live with it always but we should be ever cognizant of it and make every attempt that we possibly can to come up with a solution. Every solution that we seem to come up with, I'm sure you will realize seems to be a temporary one and it occurs, and occurs over and over again, and probably we'll never see the end of it, but it will be a recurring feature as the years go along. But again I do want to tell you that this question is always under consideration by the department and indeed by the government.

I think that I should say to the members that the mayors and reeves met with us and we have undertaken that when the session is over, that we will meet at the earliest possible time with all three levels of government, the school board and the municipal people and the province, in an attempt to pool our ideas and with joint thinking see if we cannot come up with something that is acceptable, at least more acceptable than we find the situation today.

Now I do note, too, that he mentioned to me that he thought it would be a good idea if the Assessment Branch prepared a booklet as a guide for people to tell them what they could do with their homes so that it would not affect their taxes. I would like to read into the record, and I don't really think I should take the time to do it, but I did have prepared for me by our assessor a step by step process which they take to make land assessments, and I think that it would be a good idea if I made this available to all members so that they might see the step by step work that the assessor does in trying to make an assessment which is fair and equitable to everyone.

Re municipal ambulance services. I think that probably this is not one that my department will concern itself so far as the ambulance itself was concerned - I'll leave that to the Department of Health; but I do know that when it comes to paying for some of these that it would certainly be within the Department of Municipal Affairs.

With regard to recreation, I certainly want to tell you that the number of hours that people work today are shorter and shorter, and I for one do feel that recreation is the responsibility of municipal people just as all services such as water and sewer, street lights and so on are their responsibility too, and I think we have to move in this direction because I really feel that recreation is something we haven't probably given enough attention to, but we will have to give more attention to as the years go along.

Now when I come to the comments made by my honourable friend the Member for Turtle Mountain, I'm quite willing to say that while there has been an increase in the equalized assessment for rural municipalities in 1966, this increase is really no greater than the increase for the urban area. For instance, in 1961 to 1967, the total equalized assessment of the province

(MRS. FORBES cont'd.) . . . . . increased 40.98 percent, and for the same years rural Manitoba increased 40.44 percent. And again, I would be quite willing to furnish for the honourable member for his use, the equalized assessment from the years 1950 to 1968 for all the rural municipalities, which I feel that he would find quite interesting and that he would consider worthwhile following.

Now, the increase in the percentage increase from 1961 to 1966 is certainly on the lips of everybody, but if we take a real look at that, and look at what happened for our school purposes, in the rurals of our province they increased 28 percent; in the suburban 52; in the villages 51; in the towns 54; in the cities 54; and this increase certainly reflects the continuing pressure for educational purposes on both the rural and the urban sections of this province.

Now it is something that we are faced with. Everybody wants better education facilities for their boys and girls of their area, and this percentage of an increase is going to increase so long as we have people who have these wishes.

The debt charges have increased in the rural parts by 18 percent; in the suburban by 100 percent; in the villages by 253; in the towns by 39 percent; and in the cities by 6 percent. And these debt charges, as you know, are largely attributed to the need for services in our growing urban centres, and it is the prerogative, of course, of any citizen in any of these areas to request sewer and water installations in their community, and the increase in this municipal debt has certainly resulted from capital investments which are requested by and voted on by the local people of the local area. For municipal purposes, our rurals have increased 9 percent; our suburbans 6; our villages 38; our towns 31; and our cities 54-1/2 percent; which gives you an idea of the ratio in these various sections, and this increase in taxation for municipal purposes has not greatly exceeded the increase in our taxable assessments.

The honourable member, in making his remarks here on assessment, also brings me to the suggestion that I should give him a copy of the process through which the assessors work in the rural areas, just as I offered to do so for those in the urban, and I'll be most happy to supply him and the honourable members with this, so that you might be prepared to get up in front of a crowd of people who are concerned with this - and they are - but you would have a chance to explain it to them step by step as the assessor sees it.

Now he does also mention the fact that when the local person goes before the Court of Revision that -- I gathered from his remarks that he seems to think that this is the end of it all, or the only other place that he can go to - as he said, the Equalization Appeal Board. I think you mean that the appeal from there could be made to our municipal board. I think that they get a good hearing. They have the rural men who sit on our councils attempt to be as fair as they possibly can in our courts of revision, and it's just in late years, because of this increased assessment of course, that more appeals have been heard and I think more municipal men are attempting to learn what they can do and to be of good useful service to all of the people in their area and any of these appeals can be sent to the municipal board where the individual does get a fair and just hearing.

I think that probably I have attempted to answer the questions that are before me to date. If I have not answered any, I did so inadvertently.

. . . . . continued on next page

MR. JOHNSTON: Mr. Chairman, I thank the Minister for her remarks to date but I have a few points I would like to bring up. One is the Minister attended a meeting of urban Officials last year I believe and there was a resolution brought forward at that time that the provincial government be asked to pay municipal taxes on all their buildings and land in the municipalities in which the buildings and land were contained. I believe at that time there was mention made of Dauphin, Brandon, Winnipeg, Portage la Prairie, The Pas, and the people who spoke to this resolution presented a very good case in that at this time in municipal taxes every dollar counts and for these communities that have a high percentage of government buildings they feel that the time has come for the province to start paying a fair share of taxes on these buildings. I believe the Minister spoke - now I could be corrected here - but I believe the Minister spoke and said that she was sympathetic to this resolution and she would take the matter back to cabinet for a decision. I was hoping that the Minister would announce her decision on this matter during her remarks and perhaps she could give us her point of view on what hope do these communities have for the future. For example, Portage la Prairie of which I'm better acquainted than the others, this would mean a difference in the mill rate of 6 mills. In Portage la Prairie it would mean \$105,000 extra on the tax roll, if the province were to pay their full share of the taxes as does the Federal Government pay for their buildings.

That is the one point. The other point I would like to talk about is the Boundaries Commission. I have here a clipping out of the Brandon Sun, Monday, May 6th, and the heading of the clipping is "Fifty attend Tory meet". This was the annual meeting of the Virden Progressive Conservative Association which was held in Miniota. I would just like to quote some remarks that were attributed to the Honourable Minister of Agriculture and the Acting Minister of Highways when he addressed the meeting, and this is what he was supposed to have said:

A MEMBER: Read it all.

MR. JOHNSTON: Well, it's two full columns and it may not shed any more light than the quotation. Perhaps I could mention though that the Honourable Member for Virden was there and it says so in the article. But I quote: "Government was facing hard choices in all fields and support programs in agriculture tended to become sidetracked. Mr. Enns was not satisfied the programs were doing what they should, nor helping the people they were intended to help. One of the biggest concerns was inflated land prices of individual farms; relating taxation to productivity was not easy but the government was giving this attention." So perhaps if the Minister could tell us what attention this problem is receiving. Is there going to be some change made in the method of assessing? Now as I continue: "We must sort out our priorities and keep within the framework of what our population can afford, gains, improvements and a better way of life were developing in the province. The new premier had to find solutions to such problems as Medicare, Boundary Commission disputes and the urban metro issues."

Mr. Chairman, I refer to a clipping out of the Free Press of March 15th and it's about one of those, oh, interested meetings that go on in the Interlake region with respect to the Boundaries Commission's report which they had made about the Interlake region, and of course the report dealt largely with schools, but there were 1200 angry citizens there, and I quote from the report. This is at Teulon on March 15th so the meeting must have been March 14th. "Twelve hundred angry citizens blasted the Boundaries Commission proposed Interlake educational reforms. Taking the brunt of the blast was Reeve Sigurdur Wopnford of the Rural Municipality of Byford and the Interlake's only representative on the 14 member Boundaries Commission. Premier Walter Weir and Education Minister George Johnson declined invitations to explain the Boundaries Commission's case at the meeting, stating that as the Commission report is still only a suggestion, it is inadvisable for them to appear to take sides."

Now, Mr. Chairman, it appears to me that from meetings and actions such as this - and I could recall to the Committee what the Honourable Member for Dauphin, who is the Minister of Utilities, and Public Works had to say to his Council with respect to a Boundaries Commission activity, and he said in effect that "Pay no attention to the Boundaries Commission. When it comes to the location of these schools we will decide, the Cabinet will decide." Was this not reported in the newspapers? - I believe it was in the Dauphin paper. So having said this, Mr. Chairman, I really wonder what purpose the Boundaries Commission is serving. It appears to me that they are an impediment put between the government and the people. In other words, it has made it more difficult for the people to communicate with the government by setting this block in their way.

I believe the new First Minister's main plank when he ran for the leadership of his party

(MR. JOHNSTON cont'd.)... was that there should be more communication between government and people and I think he did say from the people to the government. Now as far as I see the Boundaries Commission is a roadblock thrown in the way of this communication system and from the past two years' activities of the Boundaries Commission and all I could gather from the Minister's report this morning - and I will have to read Hansard to be sure I was correct - but really about the only thing they have accomplished is that they have had referred to them four requests from municipalities or towns for an expansion of their boundaries and they recommended three of these requests and turned down one of them. Now as far as I can gather, this is the only concrete piece of work the Boundaries Commission has accomplished. Perhaps they have done more. I may have missed the Minister's remarks but I cannot recall hearing where they have accomplished anything in the nature of their work.

When I look at the estimates for this year, I find the Boundaries Commission appropriation is \$141,020.00. Last year it was \$227,914.00. This is almost \$369,000 for two years. And what are the results for \$369,000? Mind you, they still have seven months to go in this year, but really I don't think they have done any constructive work. They have stirred up controversy. They have got between the people and the Cabinet. It's been very convenient I suppose for some of the members in the Interlake area and for certain Cabinet Ministers to have them as a buffer, but I don't think they are doing the people or the Province of Manitoba any good. I can tell the Minister right now that when we come to that item I'm going to move that it be struck out and taken out of the estimates for this year.

MR. SHOEMAKER: Mr. Chairman, several times during the last two months I asked on Orders of the Day, this one question: whether or not it was the intention of the government to continue to hire the Chairman of the Boundaries Commission on a full-time basis and whether or not in fact he was doing or devoting 100 percent of his time to the duties as Chairman of the Board and I understood my honourable friend to say that that question would be supplied to the House during the Estimates. Now of course, Mr. Chairman, I realize that the Boundaries Commission on the estimates does not - local government boundaries is right near the bottom of the estimates, so I suppose there will be ample opportunity to discuss it further at that time.

The Honourable Member for Portage la Prairie has inferred that the commission was not doing very much valuable work and a lot of the work that they have done has not been acceptable to the people. I would like to hear what my honourable friend the Member for Fisher, is it not, has to say about this, because as I understand it, it was principally the people of his constituency that were so concerned about the recommendations of the Boundaries Commission. Now the Chairman of the Board, Mr. Smellie, said that the education plan for the Interlake was misunderstood and he said that if we - and he's talking about himself I guess, because he's the chairman - if we could have reworded it so that the local people could understand what we were talking about, we would have had a much better chance of getting it implemented in some areas, he told a commission hearing here on Tuesday, and there's quite an interesting story here and it's headed "Selkirk". Now the inference of this statement made by the Commissioner, well there's two, twofold - one, that he was incapable of framing the recommendations in words that the local people could comprehend, or, the people were so dumb out there, they couldn't understand what was good for them. Now it's one or the other, because this is in exact quotes that "he was unable to frame the recommendations in language they could comprehend." Well, then, if that is so, maybe we should have a new chairman, because surely to goodness this should not be a problem.

In talking about communications, and my honourable friend the Member for Portage did infer that the commission could easily be a roadblock in this whole area of communication, the Honourable the First Minister did say that so far as priorities were concerned, the greatest challenge facing Manitobans today was what do you think Mr. Chairman? - not taxes or anything like that or increase in hospital premiums, that's not the greatest challenge facing Manitobans today, not the cost-price squeeze, none of those things - communications. The First Minister said on February 28th at Hartney: "The greatest challenge facing Manitobans today is to develop proper communication between the community and the government" the premier said. That's the greatest challenge and my honourable friend the Member for Churchill finds that to be so I guess, because he does find it difficult to communicate with the government. Either that or (b) if he has got close to them, as he appears to at the moment, they are lending a deaf ear.

Mr. Chairman, in this same article it does say - and my honourable friend the Member for Churchill should listen to this one because the whole theme of the message that the First

(MR. SHOEMAKER cont'd.) . . . Minister was trying to convey at Hartney was that if they did elect Mr. Rose that he could communicate with the government but if they elected Mr. Dow he would be unable to communicate.

This I hope will communicate and that my honourable friends across the way will be able to comprehend what I'm saying. Last year I moved a resolution in respect to - not to firing the commission completely but to take from out of their jurisdiction or authority, the location of vocational schools in the area, and that debate lasted for nearly the entire length of the session last year, so surely my honourable friends can remember that one, because I said at the time, I said a year ago, that - I think I have the resolution right here - I simply asked the government to determine the location of these schools, based on need only, based on need only, and I did say that any intelligent group of people could put a map of Manitoba up on the wall and pick out the likely locations for ten vocational schools in the province because the government of the day on hundreds of occasions, I guess, promised that we would have ten vocational schools. And the government then said, what? We want to keep it completely out of politics, this is the whole purpose of giving this to the Boundaries Commission. Keep it out of politics that's what they said, which sounded pretty good, sounded like a fair argument. But as my honourable friend the Member for Portage said, what did, what did the Member for Dauphin say? He certainly exploded that theory. The Dauphin Council became pretty provoked with their member up there and there were two or three issues of the Dauphin Herald that had front page stories charging that the Member for Dauphin, the Minister of Public Utilities, had completely by-passed the town - that's the words they used - and it so angered the Member for Dauphin that he went up and attended a Council meeting in Dauphin.

I think I've told this story once before in the House but there's some of the fellows opposite there that I think are still quite interested, because the Minister of Public Utilities and the Member for Dauphin said - and I'm quoting; this is a quote: "In direct answer to the Mayor's statement that we can no longer sit and wait for a decision by civil servants located at Winnipeg, Mr. McLean emphatically stated, 'let's be quite clear, the decision on vocational schools will be made by the Cabinet of Manitoba as they have been in the past and will be made in the future.' " Now, that's the past, present and future policy of the government as regards vocational schools and yet a year ago that's not what they said. A year ago they said let's keep this completely out of politics. My honourable friend put it right back in politics at Dauphin on July 19th last, and probably that's why he has decided not to run up in the Dauphin area, I don't know. But these are the kind of things that rather provoke me.

Now I have come across a very interesting Hansard, Mr. Chairman, and I don't suppose that you will recall that on April 4, 1966, the two resolutions, one dealing with the Commissioner of Northern Affairs and the other dealing with the setting up of the Boundaries Commission, were both done in one short hour in the House here; that is, in Committee of the Whole; they were both done at the same time. And I don't know but what you were the Chairman at that time as you are at the present time. It doesn't say. But the one on Page 1486, Committee of the Whole House, Mr. Smellie moved; he said, "Mr. Chairman, His Honour the Lieutenant-Governor having been informed of the subject matter of the proposed resolutions, recommends them to the House." Well, we've heard that thousands of times. And then Mr. Smellie reads the resolution proposing the setting up of the Commissioner of Northern Affairs, and gosh, he only spoke about a minute on a very important subject like that until members of the Opposition took after him to inquire as to the extent and the cost of the setting up of this Commissioner of Northern Affairs, and then he went on to describe the size of it. To give the House some idea as to what this Commissioner of Northern Affairs was going to do. The Honourable the Leader of the New Democratic Party said he thought it would be limited to fixing -- or up-to-date it has fixed one electric switch, I think, and put a flank on a culvert some place.

A MEMBER: A bridge over a creek.

MR. SHOEMAKER: A bridge over a creek, and fixed an electric switch. Well this Commission was set up two years ago, and on Page 1488 - and he's answering the Honourable Member the Leader of the New Democratic Party then - and he said "He also indicated . . ." now this is Mr. Smellie talking in reply to the Leader of the New Democratic Party. He said, "He also indicated that he thought the Commissioner of Northern Affairs would be a liaison between municipalities and the government. This is not the situation. The Commissioner of Northern Affairs would have responsibility in those areas where there are no municipalities or where there are no other forms of organized government. We have in the north, in the area

(MR. SHOEMAKER cont'd.) . . . that will be covered by the proposed Commissioner of Northern Affairs, some 80 to 90 communities varying in size from a dozen to 15 inhabitants to 80 or 100." And he says that he envisages that there will be a director, a director in each community with a sizeable staff. So there's 80 or 90 communities, each which would have a director, and under the director there'd be a sizeable staff.

Well, the question then arises: what are the number of employees now engaged in this whole field of the Commissioner of Northern Affairs? I should ask my honourable friend the Commissioner, who has now moved over to our side of the House, I guess, to report but it does raise an interesting question. Then later on, we moved the setting up of the Local Government Boundaries Commission, on two pages over. We did that all in an hour - set up two of those commissions - and Mr. Smellie, very brief again, in just one short paragraph: "This proposed legislation, " - I'm talking about the Boundaries Commission now. "This proposed legislation will establish that Commission and will give them the following priorities: first of all, school administrative units; secondly, the area of Metropolitan Winnipeg; and thirdly, the remainder of the Province of Manitoba." 1966. Over two years ago. That's what he said. That was the first three things that they were immediately going to tackle.

They asked him questions about the size of the Commission. "The Commission to be established will be a fairly large one," he says, "and they'll probably be conducting inquiries in two or three different areas in the province at the same time in order to speed up their work." I'm quoting now on Page 1492, when Mr. Pauley is asking him about the length that they expect that they might be working, and Mr. Smellie says: "Mr. Chairman, hopefully, the Commission would be appointed as soon as could possibly be done after the legislation has received the approval of the House, and work would start this summer. When they would finish their work," he said, "Well, I couldn't estimate as to how long this might take. It is a tremendous undertaking and I wouldn't think it is something that could be done in a matter of two or three months. It's certainly something that would take longer than that." Longer than two or three months he says. "But I haven't any real idea as to how long it will take."

Well, the inference there is that it could take longer than two or three months, but hopefully they would get started and how much longer than two or three months he doesn't say. Newspaper stories then go on to say that the work of the Commission might last as long as till 1976. Now the question is then, Mr. Chairman: how long does the Minister envisage that this Commission might be actively engaged? Now long? Will it be two or three months or will it be several years?

Now, Mr. Chairman, in the field of taxation it strikes me that there are two or three measures that might be introduced that would add to the coffers of some of the rural municipalities, and I am referring now to buried pipe lines. I understand that according to The Municipal Act, that the municipalities can levy against, well, all the various companies that have pipe lines from coast to coast, a set sum per mile, and I am not quite familiar with this but I know my honourable friend will be, but I think it's something like \$2200.00 a mile for six-inch pipe and then it increases so much for every inch thereafter and so on, but the figure was set in 1951, I do believe; and in the interval since 1951, 17 years later, I don't think there has been provision to increase that assessment, and if so, I mean in consideration of the fact that land values have tripled in many cases since that time, isn't it time that we took a look at this one? And I think the same thing can be said about railways. I do believe that the railways have an understanding, or probably it's written right into The Municipal Act, as to the amount that they can be assessed per mile of trackage both within urban areas and in rural areas, and I question whether or not that figure has been increased since 1951 or whenever the regulation was put on the statute books governing that particular aspect. And so in certain municipalities where they do have a lot of buried pipe and a lot of railway track, it could mean considerable more revenue if we were to increase the assessment in relation to the increase in land values in the 17 years or so since that time.

Now there is a resolution, I know, Mr. Chairman, on the Order Paper - I don't know whether we'll ever get to it now that we are faced with the guillotine motion - that has to do with this whole field of assessing farm lands, and I am sure that you are particularly interested in this, Mr. Chairman, being a farmer, but I believe that the time has come when we do have to have a whole new look at the relationship between the assessed value and what that land will produce; that it should be related to productivity. I know the Minister of Agriculture is concerned, as he expressed on various occasions.

(MR. SHOEMAKER cont'd.) . . .

Now the first time that this relationship between productivity and assessment came to my attention was down in Mississippi, and I met a Winnipegger down there working with some chemical company and he came into a restaurant where I had breakfast and he said, "Who owns that Manitoba car out in front?" and I said, "Well, me and the mortgage company jointly own it." I thought I had done something that I shouldn't have done, so he told me he was down there working on a chemical that would completely prevent cotton boll weevil, and I said, "What is this land worth? What's the land worth right here in the rich delta area?" Because we were right up against the Mississippi River.

He said, "My friend, land is worth the same the world over, I don't care whether it's in China, in Canada, in United States or Australia, or where it is." And I said, "Well, that's interesting. What's that?" He said, "It's worth exactly what it will produce in two years, in two crops."

So I said, "What's this land worth?" "Well," he said, "this rich delta land here will produce five bales of cotton to the acre; cotton today" -- and this relates to today's value, "cotton today is worth \$30.00 a bale," so I said, "Then the land is worth \$300.00, or what it will produce in two years."

He said, "That's right, and that's what it's selling at. Go over to Georgia," he said, "where it's producing one bale, it's worth \$60.00."

Now that's about what it's worth in Manitoba, what it will grow in two years. But the problem that we have encountered in the last few years is that in areas, well, take my own as a striking example if you like, where you have two or three Hutterite colonies who are prepared to pay more than the land is worth in order to obtain it, because they're not looking for an immediate return like a lot of we people are, then you have inflated land values. But surely, surely this should not affect the assessed value. The assessment of land should be related to what it will produce and if it is, then there should be no quarrel with that, and our assessors -- and I don't know how many we have at the moment but I would like to know that as well -- are hired as experts or we wouldn't hire them, so assuming that they are experts, then surely they can come up with a formula, obtaining all the information they need from the agronomists in the Department of Agriculture, come up with a formula that we can use to assess farm lands. Surely it can be done. And with that computer that my honourable friend has over there that can come up with an answer before you can say Jack Robinson, we could supply the answers to the municipal men overnight.

Now Mr. Chairman, I have 10 minutes left before the closing hour. I don't know whether the 10 minutes is entitled to myself or not, but I will give -- no, I think perhaps I have said all that you people want to listen to at the present time, so I will sit down and have my honourable friend answer some of the questions that have been put to her today.

HON. THELMA FORBES (Minister of Urban Development and Municipal Affairs)  
(Cypress): Mr. Chairman, I would be glad to attempt to answer a few of them if I may at this time.

The Honourable Member for Portage la Prairie asked me the question about a promise that I had made to some of the municipal men regarding grants in lieu of taxes. This is a problem which the municipal men, Mr. Chairman, brought to me and I agreed to have a look at it. I don't just recall the meeting that he was talking about but that doesn't matter because there were meetings with all who were concerned. If it wasn't somewhere else it certainly was in my office and I did give the undertaking that I would look into the problem.

Now as you know, Mr. Chairman, grants in lieu of tax are paid under the authority of section 984 (a) of The Municipal Act where the property owned by the province upon which grants in lieu are paid amounts to less than five percent of the total municipal taxable assessment, the full grant is paid. Now there are five municipalities in the province in which provincially owned properties upon which grants are paid represent an amount greater than the five percent of the total municipal assessment. And these, Sir, are the city of Brandon, the city of Portage la Prairie, the town of Selkirk, the town of The Pas, and the rural municipality of Fort Garry. Prior to last year, when the public schools act, section 508, I think it is, of The Public Schools Act came into being the grants in lieu of taxes paid to municipalities was received by the municipality as other revenue and it was used for municipal purposes. This was the situation then. Where full grants in lieu were paid, there appears to be no problem with the above amendment to the public schools act as the municipalities receive the full



(MRS. FORBES cont'd.)... municipal share of the grant as they would if the properties were taxable. But the problem arises in those five municipalities because the amount of the grant paid ranges from a low of 12.44 percent to a high of 54.15 percent of what the normal tax imposition would be.

When the grant is divided between the schools - for school and for municipal purposes, the share available to the municipality is rather reduced, and if we look at the case of Brandon, the grant paid was \$143,811, the schools get \$61,951 and for municipal purposes there are \$80,859. Portage la Prairie, the grant paid is \$79,627 and allocated for school purposes is \$37,926 and for municipal \$41,701. For Selkirk the grant paid is \$43,339; \$27,175 of that is for school purposes and \$16,164 for municipal purposes. In The Pas the grant paid is \$23,166 and for school purposes there is \$9,055, for municipal \$14,110.00. And for Fort Garry the grant paid is \$145,574; for school purposes \$55,967 and for municipal purposes \$89,607.00. Now I read these out to you to show what the grants are to those municipalities and I have to say to myself this is a grant that would not - taxes would not be paid if these buildings were not in the municipality and we often hear of all the municipalities who clamour to try and have some government building there.

In looking at it I think that probably it is time we did look at it to see whether we should retain that five percent upper limit or what other plan we might take, but at the same time, I think we have to say to the municipalities you should prepare for us - and we haven't come to this point yet, because from the time I got to this point I have not had time to sit down with the municipalities and I don't intend to do until we get the session over again - and we must sit down with them and say to them - give us a detailed account of what your increases in costs to the municipalities are because of the fact that a government building is there and let us assess what it is costing in extra dollars to the municipality because the building is there. I suppose at the same time it would be only fair to ask the municipality if they could give us an idea of the amount in dollars and cents probably of the advantages to the municipality because the government buildings are there. And so it is open yet, Mr. Chairman. We haven't dealt with it in all its aspects. I gave an undertaking to do so and I will be doing so at the first opportunity, as soon as this session rises.

I also note here and I don't think that I have time to go over all the things that were asked about the Boundaries Commission but I do know that the question has been posed to me, are we going to keep the Chairman of the Boundaries Commission and my answer to that is certainly. We respect the very capable manner in which the Chairman of the Boundaries Commission is carrying out his duties and I think that no greater tribute could be paid to the chairman of any committee than the tribute that is paid to the Chairman of the Boundaries Commission by the people who serve on it, because each and every one of them commends him for his efficient and capable manner and they certainly say that he gives leadership and that he has conducted every meeting in a fashion that they approve of and feel so confident in themselves because the chairman is there too.

Now I notice that in your remarks here you said that the Boundaries Commission was really an impediment. The Boundaries Commission does provide an effective vehicle for public participation in the reorganization of the various units of local government. Certainly proposals of the Commission must be discussed publicly before a final report can be given; and surely, surely, Mr. Chairman, this is a method for communication between the people and the government rather than an impediment and I certainly don't appreciate that comment. I do want to say that people are opposed to change no matter where they live and certainly recommendations that come from the Boundaries Commission are going to suggest change and these oppositions and their voicing of it certainly has to come before either the government or some other body and we chose to have the Boundaries Commission to be this vehicle that would hear these inquiries and they certainly are doing just that. Now at one time we thought that they would be able to work in two or three areas at one time but it would require quite a large staff and really a very large research staff and for that reason they have decided to stick strictly to the priorities that are set out in the Act.

You asked me how long it would take the Boundaries Commission to complete their work. Well this depends on many things and this particularly depends on the liaison with the local elected people and the task that is before them. As I suggested today we hope that they will be in the metro area by mid-summer and we certainly hope that after that they will be able to take on their third priority. I don't think that we can estimate just how long they'll be, but if they

(MRS. FORBES cont'd.)... do the good work and produce the reports I think this is what we want rather than to tie them down to any length or period of time. I think it's 5:30 now, Mr. Chairman, so I'll ....

MR. CHAIRMAN: Committee rise and report. Call in the Speaker. Mr. Speaker, the Committee of Supply has adopted certain resolutions, directed me to report progress ...

MR. SPEAKER: Moved by the Honourable Member for Arthur, seconded by the Honourable Member for Springfield the report of the committee be received.

Mr. Speaker put the question and after a voice vote declared the motion carried.

MR. LYON: ... I should mention to the Honourable Members that there will be a new session beginning of course at 8 o'clock tonight and the Clerk informs me that we will be operating on the same order paper which I believe we can find intelligible. The order of business tonight will be second reading of bills.

I move, seconded by the Honourable the Provincial Treasurer that the House do now adjourn.

MR. SPEAKER presented the motion and after a voice vote declared the motion carried and the House adjourned until 8 o'clock tonight.