

THE LEGISLATIVE ASSEMBLY OF MANITOBA  
9:30 o'clock, Monday, May 13, 1968

Opening Prayer by Mr. Speaker.

MR. SPEAKER: Presenting Petitions  
Reading and Receiving Petitions  
Presenting Reports by Standing and Special Committees  
Notices of Motion  
Introduction of Bills

MR. R. O. LISSAMAN (Brandon) introduced Bill No. 112, an Act to provide for the making of Grants to Brandon General Hospital.

MR. LEONARD A. BARKMAN (Carillon) introduced Bill No. 113, an Act respecting The Town of Steinbach.

MR. SPEAKER: Orders of the Day. The Honourable the Provincial Treasurer.

HON. GURNEY EVANS (Provincial Treasurer)(Fort Rouge): Mr. Speaker, I'd like to put an answer on the record for my honourable friend from Rhineland. It is not necessary for an automobile to be registered under the Highway Traffic Act before it is sold as a private transaction between two individuals. If that automobile subsequently is to be used on the highway, the purchaser must register it and at that time he must satisfy the Registrar that the sales tax has been paid or will be paid. Nevertheless, if the automobile transaction is between two private individuals and is not of a commercial nature and the automobile is not intended to be used upon the highway, neither is the sales tax payable nor is it necessary to register the vehicle. My honourable friend may wish to refer to the Revenue Tax Act (1967) Section 23, and also The Highway Traffic Act, 1966, specifically Sections 6, 7 and 15.

MR. RUSSELL PAULLEY (Leader of the New Democratic Party) (Radisson): Mr. Speaker, I'd like to direct a question to the Honourable the First Minister. My question to my honourable friend is: were any negotiations conducted between MMA or MMS and the government, or either of the organizations individually, in respect of the proposed colossal increases in premium rates for Medicare, medical services in Manitoba?

HON. WALTER WEIR (Premier) (Minnedosa): Mr. Speaker, many discussions were held with MMA and MMS over a period of some months.

MR. PAULLEY: My question to my honourable friend - apparently he was not listening, Mr. Speaker - my question was directed insofar as over the weekend was concerned.

MR. WEIR: No, Mr. Speaker.

MR. ELMAN GUTTORMSON (St. George): Mr. Speaker, I have a question I'd like to direct to the Minister of Welfare. I believe the executive of the Indian Brotherhood have met with the Minister with respect to assistance for their organization. Could the Minister indicate at this time what assistance will be forthcoming in order that they can operate?

HON. J. B. CARROLL (Minister of Welfare) (The Pas): No, Mr. Speaker.

MR. GUTTORMSON: Could he indicate when the decision will be made?

MR. CARROLL: No, Mr. Speaker.

MR. PAULLEY: Mr. Speaker, I'd like to direct a question to the Honourable the Minister of Industry and Commerce. I would like to ask my honourable friend what preparations have been made, if any, in respect of furthering the protest of the transfer of Air Canada to eastern Canada, whether the Honourable the Minister has made direct representations to Ottawa or to Air Canada, or what has he done since he last announced in the House that he was on the job.

HON. SIDNEY SPIVAK, Q.C. (Minister of Industry & Commerce) (River Heights): Mr. Speaker, I'll be making a statement on that shortly.

MR. PAULLEY: Can I be assured by my honourable friend that the statement will be made before the House rises?

MR. SPIVAK: Mr. Speaker, the statement will either be made this afternoon or tomorrow morning. Representation has already been made to Ottawa.

MR. PAULLEY: Mr. Speaker, I would like to direct a question to the Honourable the Leader of the House. Indications were given the other day that we would soon be receiving bills that have been introduced and that they were in the process of being printed. I wonder if my honourable friend can indicate when they may be on our desks.

HON. STERLING R. LYON, Q.C. (Attorney-General) (Fort Garry): Mr. Speaker, the bulk of the bills have been on our desks for some time. The remaining bills, according to

(MR. LYON cont'd) . . . . . advice that I have from the Legislative Counsel's office, will be with us very shortly.

MR. PAULLEY: I would also ask my honourable friend, as far as the conduct of the House is concerned, as to when he may be introducing the balance of the legislation proposed for consideration at this Session.

MR. LYON: Mr. Speaker, that matter was dealt with the other day.

MR. PAULLEY: . . . my honourable friend said the other day. It's so easy to forget what he said. I wonder if he would now deal with it again.

MR. LYON: I'll refer my honourable friend to the Hansard page rather than take the time of the House.

MR. PAULLEY: Could my honourable friend indicate to me what page he's referring to?

MR. LYON: I'll look it up and find out.

MR. SPEAKER: . . . in the morning but very interesting. The Honourable Leader of the New Democratic Party.

MR. PAULLEY: My honourable friend did indicate to me that he had a rough weekend by attempting to pry open his eyes a few moments ago.

MR. LYON: . . . my honourable friend the Leader of the NDP on his appearance.

MR. SPEAKER: Orders of the Day. The Honourable Member for Lakeside.

MR. DOUGLAS CAMPBELL (Lakeside): Mr. Speaker, there's an item that I think deserves mention before the Orders of the Day, and that is the march that was held last Saturday, and I thought that probably this would already have been brought up by some other member of the House, but it seems to me that it would be appropriate that this House should pay tribute to the many people, and I would say especially the young people, who took part in that march in order to raise money for a very good cause.

I belong to the generation that sometimes is accused of being a bit critical of some of the things that the young folks pay so much attention to these times, and I suppose all of the older folks look with a bit of wonder and probably forget that we were a bit the same, years ago. But I think on this occasion that the young people - and that's not to neglect the others as well - who took part in that exercise (and it really can emphasize the word "exercise") deserve a real tribute. I single out the young people mainly because I think that some have been inclined to think that not many would tackle an assignment of this kind, and I think it's a real tribute that they did so.

Most of the members are likely aware, Mr. Speaker, that one of our page boys entered that contest and went the route, 35 miles, and I think this is a great accomplishment. My enthusiasm for his accomplishment is somewhat dampened by the fact that it cost me a bit of money, but nearly every great accomplishment has its corresponding pain and so I have been forced to shell out some of my hard-earned shekels. I am informed - I'm not sure of this - that one of the members of the House also took part and went the route. I don't have the -- (Interjection) -- they tell me this is correct. No wonder he was a bit late arriving this morning, and I didn't notice whether he came in on crutches or not, but if the report is right then I certainly include him, along with our friend Patrick.

But it isn't necessary to single out any individuals really, Mr. Speaker, because the thousands and thousands and thousands - and there certainly were thousands and thousands and thousands - who turned out to take part in that exercise were really doing something that I think makes us proud of Manitobans, and especially young Manitobans, and it wasn't necessary that they finish in order to gain our plaudits. I think they all did a grand job and we're very proud of them.

MR. SPEAKER: Order, please. Order, please. If it would make the Honourable Member for Lakeside feel any better, I also contributed toward our page boy's effort, and I'd like to congratulate him too. The Honourable Member for Russell.

MR. RODNEY S. CLEMENT (Birtle-Russell): I'd like to direct a question to the Minister of Agriculture, Mr. Speaker. Within the last few days an advisor for PFRA has advised the farmers in the Assiniboine Valley south of the Assiniboine Dam, that the river is going to be shut off completely for approximately three weeks some time in July or August, in order to change the course of the river. This farmer phoned me, very upset, as to know whose responsibility it would be if 100 head of cattle got into his wheat crop that goes for a mile and a half on the other side of the river; and secondly, if cattle got into the Assiniboine River, when it has dried up, in the bog and got bogged down and several cattle were lost. Now I don't know

(MR. CLEMENT cont'd) . . . . whether this is to do with your department or not. My question is: would you have the answer to these, whose responsibility it is, and have you been advised by PFRA that this is so?

HON. HARRY J. ENNS (Minister of Agriculture and Conservation)(Rockwood-Iberville): Mr. Speaker, I'd be very happy to get the information, the precise date that this may take place, and also check out the area of responsibility. I understand that -- I am not fully appraised of the details, but that there is a period where to effect the diversion or to make the changeover complete, where the water will be shut off.

HON. GEORGE JOHNSON (Minister of Education) (Gimli): Mr. Speaker, before the Orders of the Day, I just wish to join with the Member for Lakeside in paying tribute to several thousands of young people who participated in the March for Millions march. As we approach Educational estimates, I think it was wonderful to hear the Member for Lakeside bring this matter to the House's attention, because yesterday four or five senior people said to me, "Well these young people can't be all that bad - we hear so much today - when they can participate in a march of that kind with such enthusiasm and dedication." We know, because in our household, along with another group of eleven-year-olds, the kids got up at 6:30 in the morning, got home at 1:10. Next morning I asked my youngster how she felt. She didn't feel a thing. And I thought my gosh, I've never been in that kind of shape in all my life. But I did think it's typical of the abilities of our young people and I'm pleased to note that the Member for Assiniboia made the 35 miles along with the youngsters.

MR. SPEAKER: Orders of the Day. The Honourable Member for Wellington.

MR. DUFF. ROBLIN (Wolseley): Mr. Speaker, I would like to join with the two gentlemen that have already made reference to the march, and I'm prompted to rise because I had the honour of being a director of the organization which is in charge of this particular activity. My purpose in rising is not only to express my sense of appreciation for the tremendous effort that was made by our young folks, but to tell the members of the House that this committee, the organization that is in charge, has a directorship which comprises men like myself plus a number of younger men and women, some of whom are of high school age. It might interest the House to know that it was basically the organizational effort put forward by the younger members of our committee that was responsible for this effort. I had the good sense to keep my mouth shut most of the time when I had an opportunity to attend meetings of this board, and to observe what these younger folk were doing, their capacity to organize and their enthusiasm and their drive; and also to help them with the selection of their project, which somewhat resembles the Little Colombo Plan of which something was heard some two years ago in this House, the effort that they are going to make to assist in the educational development of one of the islands of the Caribbean group. It certainly gives one every feeling of confidence in the future of our country to know that there are plenty of young folk like this around, who not only do the marching - which is very good in itself - but also are seized with the idealism and gifted with the ability to bring the whole thing off.

MR. PHILIP PETURSSON (Wellington): Mr. Speaker, I have a question which I wish to address I believe to the Honourable the Attorney-General. But first, testimonials are being paid to young people who took part in the march. I think I could put it on the record that I have a granddaughter who did 18.2 miles and a grandson who did 22 1/2, and both of them cost me money. They didn't make the total distance but nevertheless I feel they did pretty well. I pay tribute to our page boy here who also is going to cost me money. (I haven't paid him yet.)

But now the question I have has to do with trailer and tent lots at Falcon Lake. The permits, I believe, for the use of these were being issued over the weekend, or on Saturday or a day or two earlier. Is there a definite policy on the use of these lots either for trailers or for tents? Is there general discouragement of setting up tents on these lots as has been done in previous years? That is, people have used them for tenting and for trailer grounds. The reason for the question is that one woman who was applying for a lot, as she has applied for years back, was told that she could not this year set up a tent. They have always had a tent. Her permit was demanded back so that it could be stamped "No Tents Allowed." She refused to surrender her permit and still has it. Will she be able to stay there again this summer as she and her family have for years past?

MR. LYON: Mr. Speaker, I can't answer the particular question of my honourable friend but I will endeavour to get the answer for him. In general, though, there is -- in general response to his question, there is a fixed policy that has been established for some years with

(MR. LYON cont'd) . . . . respect to the trailer villages and the utilization for transient areas of the campgrounds by the public of Manitoba and by legitimate tourists, and I'll be happy to look into the question of tenting to see what is taking place there.

MR. PETURSSON: Another question, Mr. Speaker. A complaint was also made of the condition of the washrooms in that area. I was told that they are, and have been filthy. Are they properly looked after, or is the department satisfied with the way that they are taken care of?

MR. LYON: Oh, yes, there's a regular program for proper maintenance in all aspects of campground and park facilities. If my honourable friend will give me the name of the area that he is concerned with, I'll have a particular inquiry made into it.

MR. BEN HANUSCHAK (Burrows): Mr. Speaker, I wish to direct my question to the Honourable the Attorney-General. Could he inform the House whether he hopes to complete his investigation into the alleged violations of The Municipal Act in the Town of Carberry and report thereon before the close of this Session?

MR. LYON: Mr. Speaker, when the law officers of the Crown have completed their investigation, that will be reported to the Minister of Municipal Affairs.

MR. GORDON E. JOHNSTON (Portage la Prairie): Mr. Speaker, I wish to direct a question to the Honourable Minister of Public Utilities. I believe about a week ago the cottage owners, and I'm speaking now of the Delta cottage owners but I would presume that this would apply to cottage owners all across the province who are served by the Manitoba Hydro, received their billing for the summer months for the use of electricity. I believe it is a \$25.00 flat rate and then there's an adjustment at the end of the season. This year I notice that there's a discount applied; that if one pays before, I believe it's June 1st, a discount will be received, but if you don't pay by that certain date the discount of about \$2.50 will be lost. So my question is: would he check with the Hydro authorities and see if this is not rather an unusual practice, to penalize one for the usage of a service before it's received?

HON. STEWART E. McLEAN, Q.C. (Provincial Secretary)(Dauphin): Yes, Mr. Speaker, I'll be glad to check the matter.

#### ORDERS OF THE DAY

MR. SPEAKER: Orders of the Day. Committee of the Whole House.

MR. EVANS: Mr. Speaker, I beg to move, seconded by the Honourable the Attorney-General, that Mr. Speaker do now leave the Chair and the House resolve itself into a Committee of the Whole to consider of the Supply to be granted to Her Majesty.

MR. SPEAKER presented the motion and after a voice vote declared the motion carried, and the House resolved itself into Committee of Supply with the Honourable Member for Arthur in the Chair.

#### COMMITTEE OF SUPPLY

MR. LYON: Mr. Chairman, perhaps before the business begins I could say a word to the Committee about our procedure. First of all, I would merely bring to the attention of members of the Committee that 69 hours and 10 minutes have elapsed in the total consideration of Supply out of the 80, and there are still a number of departments to be heard from - and I trust that honourable members, if they wish to get on to those departments, will keep that in mind, the 80-hour rule being one that is adhered to in this House. Number two, I would advise the members of the Committee that we would propose to be in Committee this morning and this afternoon and then to deal with second readings of bills tonight.

MR. CHAIRMAN: Committee proceed.

HON. THELMA FORBES (Minister of Urban Development & Municipal Affairs)(Cypress): Mr. Chairman, before we proceed, I think that I have to answer a few questions that have been put to us.

The Honourable Member for Gladstone; when he stands up in this House I always know that he either has a large number of clippings from which he is going to quote or else he has a prepared speech or brief that somebody has presented somewhere in this province and he is quoting from it, and I wondered where he got his information that he seemed to be giving to us in the House. So I asked for some actual figures on the City of Portage la Prairie and I note that, audited in 1963, the City of Portage la Prairie budgeted for \$9,000.00. They actually spent \$11,297.45. In other words, they were \$2,297.45 over what they budgeted.

(MRS. FORBES cont'd) . . . .

In 1964, they again budgeted for \$9,000.00 but apparently they completely forgot that they had to do the buildings that year, and they had done the land the year before, so they actually spent \$18,661.74, so that year they were \$9,661.74 over what they budgeted for.

In 1965, the budget was \$4,727.52 and they spent \$5,225.86; they were over \$498.34.

In 1966, they budgeted for \$5,550.00 and they actually spent \$7,845.99; they were again over \$2,295.99.

In 1967, they budgeted for \$8,500.00 and they spent less in 1967; they spent \$7,866.87, so they were under \$633.00. And this year they have again budgeted for \$8,000.00.

Now, the figures and what the honourable member is saying appear to be coming from a brief which was presented by the Secretary - Treasurer of the City of Portage la Prairie at a panel discussion to the Assessors Association. Now these figures have been examined and it was pointed out right at the time that to compare the salary paid to the assessor of the City of Portage la Prairie with the total cost of assessment service provided by the department, is not a fair and valid comparison. The assessor's salary is only part of the total cost of the assessment of the City of Portage la Prairie. When you add to this the cost of providing the assessor with an office, office equipment, clerical staff, and the cost of preparing an assessment roll each year - which, I just checked back for last year, was some \$750.00 - the total cost would be considerable higher, and we should keep in mind that the duties of the assessor for the City of Portage la Prairie are not identical to that of the provincial municipal assessor staff. The City Assessor is required only to maintain the assessment of the city from year to year - and we pointed that out on Friday last.

When a complete revaluation is carried out, and this is required periodically, every five or six years, this operation would be done by an assessment firm on a contract basis, and that's an extra cost. The last such revaluation was carried out in 1964 and it was by a Manitoba firm but, however, today there are no private assessment firms in Manitoba and so it would be necessary to bring someone in from the outside. The provincial municipal assessor, on the other hand, not only maintains the assessment from year to year but he carried out regular reassessments; he prepares the assessment roll each year; he provides all the necessary clerical staff, all of which is included in the annual cost to the municipalities.

I'd like to point out that the provincial municipal assessor is required, under Section 994 of The Municipal Act, to equalize the assessment in all the municipalities in the province, including the City of Portage la Prairie. Now this additional function requires him to make a careful examination of the assessment in the City of Portage la Prairie, in order to determine an equalization in a fair and equitable manner, the valuation and assessment of all property within that city.

Now the comparison which the Honourable Member for Gladstone makes, Mr. Chairman, is not a fair and not a valid comparison, but I do agree with the Honourable Member for Lakeside when he said that the municipal people are too astute in the management of municipal finances to allow such a situation, and this year when there has been much criticism directed against the assessment by various members in this Assembly, I really would have expected that when I asked my provincial municipal assessor if he had any inquiries, that he would have told me that he was flooded with inquiries from Members of this House because they were so concerned. But when I asked him, I found out that he did not have a single inquiry from any member in this House. If the Honourable Member for Turtle Mountain had taken the time to study the basis of assessment - and indeed the Leader of the Opposition - he would have found that farm land is in fact assessed on a basis of productivity, and he would have found that, as I said in my statement, that where productivity is the dominant factor in determining value, productivity is also the dominant factor in determining the assessment.

Now the Member for Brokenhead, he was not really satisfied with my answer on whether a committee would be set up, but I would again like to relieve his mind somewhat because this is a very important problem and one that has taken a great deal of time, but we are concerned with that farm assessment, land in close proximity to the Metropolitan Winnipeg area, and it is being examined thoroughly, and I think that, with a joint effort with the municipalities, we will be able to come to a solution here.

He also, the Honourable Member for Brokenhead, in his remarks on Friday, he mentioned that there was a piece of property which he was very concerned about, where the taxes were \$2,100.00 on 75 acres. I was very concerned when I heard that. I didn't take time to

(MRS. FORBES cont'd) . . . . reply to him, but if you have that information, I'd like you to identify that piece of property to me, please, and I will have an investigation of it.

MR. SAMUEL USKIW (Brokenhead): Mr. Speaker, just in that connection, I didn't receive all the information from some of the states which I made mention of with respect to different formulas in assessment on Friday morning, but Friday afternoon I did receive all the material from the State of New Jersey, and I don't know whether the Honourable Minister has the material from that state but if the Honourable Minister wishes, Mr. Chairman, I will be quite happy and prepared to loan this material to anyone who wishes to have a good look at what they are doing in the State of New Jersey. This deals with deferred taxes - and I'm not going to elaborate beyond that point. I wondered whether the Honourable Minister might elaborate more on what she means when she says that farm property is taxed on productivity, because I know that is one of the considerations, but in the area around urban centres it is more based on the market value, as I see it, and I'm wondering whether we might have some elaboration on that point.

MRS. FORBES: Actually, where location is the dominant factor, then location is the dominant factor in assessment too; where productivity is, productivity is the dominant factor that's used in assessment. I would be very pleased to have any of the material that the honourable member has that might be of a guide to us.

MR. SAUL MILLER (Seven Oaks): Mr. Chairman, just one question on the same point. I wonder, when the Minister said that with regard to the assessment in the outer zone around Metropolitan Winnipeg or around Brandon, that this problem might be resolved through joint studies with the municipalities, did she mean the municipalities in and around the areas or was she talking about the union of Manitoba municipalities, which is a far larger problem?

MRS. FORBES: In this particular case I was thinking of the municipalities in the additional zone.

MR. NELSON SHOEMAKER (Gladstone): Mr. Chairman, I would like to ask two or three questions in respect to the City of Portage la Prairie and its balanced assessment and its cost of preparing the assessment. Now the only way that you can compare anything is for my honourable friend to tell the House what a five-year cost would be, or what would the Province of Manitoba levy on the City of Portage la Prairie for conducting a five-year assessment on the city as compared to the five-year cost to the City of Portage la Prairie for an assessor that is hired by the City of Portage la Prairie.

And then, my honourable friend is correct in that I was quoting from a brief that was presented by the Secretary-Treasurer of the City of Portage la Prairie, and surely to goodness the Secretary-Treasurer of the City knows something of what he is talking about, but he has made the statement that the R. M. of Portage la Prairie pays \$20,946 to the province for their assessment of \$16 million and it cost the City of Portage la Prairie considerably less, and - let's get this straight too - in the City of Portage la Prairie my guess is there would be 10 times as many parcels of property to deal with than there would be in the rural areas; in a city, surely. However, I would like to find out what the comparison would be on a five-year basis. The Secretary-Treasurer of the City of Portage la Prairie says that it costs roughly \$62,000 to keep one provincial assessor in the field.

Now another question that I did not get the answer to was this - and surely my honourable friend will have assessed her own municipality, the R. M. of North Cypress. I understand that the assessment, the balanced assessment for the R. M. of North Cypress increased well over 50 percent last year, or the new figures coming out this year, as a result of the assessments done last year. Something in that neighbourhood. Now, will the province make a greater levy for the work done by virtue of the fact that the balanced assessment is up? What is the charge made by the province to the municipality for the assessing work? What's it based on? Balanced assessment? And if so, why?

Then there was one other question on a completely different subject. I asked on numerous occasions whether or not the chairman of the Boundaries Commission was hired on the basis that he would put in full time or whether or not he was allowed to do moonlighting on the side, and I still haven't got an answer to that one yet. Is he expected to put in eight hours a day working for the province, or two hours a day, or one hour a day, or what is the arrangement?

MR. CHAIRMAN: We're on Resolution 108 (c). (c) -- passed. . .

MR. GILDAS MOLGAT (Leader of the Opposition) (Ste. Rose): Mr. Chairman, I want to

(MR. MOLGAT cont'd) . . . . say a few words before we leave this matter on the assessment. The Minister said the assessment is on productivity. Well this is certainly not the information we get, for example from people living in the municipality of Springfield, where their main complaint has been that the purchases of property there, on the one side by the government, on the other side by largely people from the City of Winnipeg who have gone out there to buy some limited acreages, has very substantially increased the over-all assessments in the area, and I think that the Minister had representations made to her at that time on that very matter. Now does this not represent, in fact, that the assessments are tied to the sale values of property and not strictly to the productivity?

MR. CHAIRMAN (c) -- passed.

MR. MOLGAT: Mr. Chairman, it appears the Minister doesn't want to reply to that question. In my opinion, this is the best evidence of the fact that what she's telling us is not correct, and she can go and check with the people of Springfield and find out from them what they have to say, because they have had a number of meetings out in that area; they asked us to send some representatives out and we did; and this is the exact information we obtained from them. However, if the Minister doesn't want to comment on it, then I can only assume that the people of Springfield are correct and what we have been saying is correct, and the Minister has not been giving us the full facts.

I want to go on to another subject, Mr. Chairman, and I'm not sure if it comes under this item; if it comes under another one, then possibly the Minister can suggest to me when I should speak on it. That's the situation which has been discussed on previous occasions in this House, and that is the taxation on people who own cottage lots and summer properties in local government districts and within municipal boundaries. Now this is an area where earlier this year, when the Minister had a bill regarding the municipality of Lac du Bonnet, I enquired of her whether it had been the intention to remove some of these contentious areas from the boundaries of the municipality by mutual agreement. She told me then that the bill had nothing to do with this at all, but she would be making a comment later on during the course of the session. I may have missed it, but I don't think I have heard her comment on the subject, and I keep on receiving, Mr. Chairman, a large number of letters and telephone calls from people who feel that they are being unfairly taxed, that in fact they are being forced to pay for taxes on Crown land when they can't expect to get any of the services, and they have submitted to me some of the correspondence they have received from this Minister and previous Ministers, and I'm quoting now, for example, from a letter from this Minister, a letter of August 28th - and I take out the portion of the letter only which says as follows - it's a reply to solicitors for an individual who was complaining:

"This will mean that even though your client rents the land from the province and does not have the right of occupancy on a permanent year-round basis, the property is liable to assessment and taxation for school purposes if it is situated within the School District of the School Division." So the position that a number of these people take, Mr. Chairman, is that they are being forced to pay the taxes and yet, even if they wanted to stay there on a full-time basis and make use of the school services for example, they couldn't, because the permit that they have from the government is purely for summer use.

Now the Minister may have some ideas now, because last year when I brought the subject up she told me that it was under study between her department and the Department of Tourism, and that she would be making some recommendations. I wonder if she could tell us now what it is that she recommends. The feeling of these people is that they are not being treated fairly, that they should not be called upon to pay taxes for services that they cannot, in any case, ever hope to use because of the regulations laid down by the Department, and that they should be treated simply as people who are in straight summer cottage locations the same way as they are on regular Crown lands in other areas of the province.

MRS. FORBES: Mr. Chairman, in reply to the last question, I think if the honourable member would really sort this out in his mind he would realize that if we made this provision for the users of summer cottages we would also have to make this same privilege for people who claim that they only use their property during the summer, and I'm thinking of - just off the top of my head, I'm thinking about motels in certain areas, who say, "We only have a business in the summer; we are closed up in the winter; we're gone; and we shouldn't have to pay the school taxes in that area." I'm thinking about many other businesses too; many people who farm land out in spots like that. Their land is absolutely dormant. They are getting no

(MRS. FORBES cont'd) . . . . use out of it in the wintertime, and therefore why should they have to pay taxes the year round? And I think that it would be almost impossible to take a list. The list would be very, very long if we tried to make this applicable to all who could make such a claim on it.

You know, Mr. Chairman, the Honourable Leader of the Opposition said that I didn't want to reply. I thought that there would be more questions coming, and indeed he had one more, so I was going to try to lump them together; but I am going to reply to what he said about taxation. I am going to give him all of this because I think that it should be in the record, and I think that the honourable members will find it very very useful if they would read Section 1010 of our Municipal Act, which says, "Lands apart from buildings shall be assessed at their value, and in determining value the assessor shall consider, among other things, the advantages of location, the quality of the soil, the annual rental value, which in its judgment the lands are reasonably worth for the purpose for which they may be used, and the value of any standing timber, and any other consideration as the provincial municipal assessor directs."

Now Mr. Chairman, this legislation directs the assessor to assess land at its value, and it spells out certain factors which he shall take in determining that value. This includes the factors of location, the quality of soil, and rental value. The reference to such other considerations as the provincial Municipal Assessor direct, implies that all other related factors shall be taken into consideration in determining value. Since property has been identified with various value concepts such as market value, loan value, security value, productive value and so on, there has been a tendency to regard the assessment of a property as being a specifically determined value of that property.

Current appraisal theory defines a long list of different types of values for property. Market value, loan value, security value, productive value and so on are all considered to be separate types of value for property, derived in different ways and serving different purposes. The so-called assessment value, or the tax base of a property, is similarly considered to constitute a specific type of value of a property. Although the term "value" is not determined in the statutes, in general economics the concept of value is confined to the concept of market value. While other connotations of the term "value" are used, they are carefully defined so as to avoid confusion with the paramount conception of market value. Thus, in economics, value means only one thing and that's market value. Moreover, a goods can then have only one value - its market value at the time in question. Since market value is determined objectively by the forces of the market at a particular point of time, there is only one value at that time. At different times, there would be different values giving rise to a chain or series of market values over a period of time. Market value is the only value which is determined objectively, and the other so-called values are then nothing more than abstractions from market values. That is, loan values, security values, productive values and so on, are nothing more than arbitrarily selected levels of market values, chosen to suit a specific purpose. The assessed value, or the tax base itself, must be securely anchored in the value scale.

There is only one measure that can be used to relate the value of agricultural, market garden, residential, commercial and industrial property, and that is, value in exchange. Apples, oranges and eggs cannot be compared directly. Their worth or their value can, however, be compared when the price of one unit of each is known. Similarly, various classes of real property can be compared only when the value of a unit of each type in the market is known. In the case of agricultural land, where productivity of the soil is the dominant factor in determining the value, the assessment can be directly related to productivity. There is a close relation between the value of agricultural land and productive capacity of the soil. Land which has a high productive capacity will generally command a higher price on the market than land which has a low productive capacity.

The system which is presently used in the assessment of agricultural land is one where the assessment is directly related to soil productivity. Soil productivity ratings, which reflect the comparative productivity, have been determined for the whole range of soil types established under the Manitoba Soil Survey. The per acre value for a series of selected soil types has been obtained from an analysis of sale values taken over a period of several years. The per acre values were correlated with the productivity ratings to indicate the relationship between value and productivity.

This system provides a basis whereby average land values for soil types can be determined directly from their productivity rating. The productivity ratings have been designed to



(MRS. FORBES cont'd) . . . . represent an average or typical condition for the soil type as a whole, and can therefore not be applied mechanically in determining assessment of individual parcels of land. Each parcel must be adjusted upward or downward as the variations for typical or average conditions occur in topography, degree of stoniness, degree of erosion, salinity, depth of soil and so on.

This system provides a method whereby assessment values grade with the quality or productive capacity of the soil. I want to emphasize here that, although the assessment of agricultural land is determined on a basis of productivity capacity of the soil, this is simply a method of estimating value. While the assessment of agricultural lands generally is related to the productive capacity of the soil, a different situation exists in those municipalities which are situated adjacent to the larger urban centres, particularly those rural municipalities adjacent to and surrounding the area municipalities comprising the Metropolitan Corporation of Greater Winnipeg, and I think these are some that the Honourable Leader of the Opposition is referring to.

Here we have a situation where property owners are engaged in agriculture and market gardening pursuits, but whose lands are so located in relation to the densely populated area of the Metropolitan Winnipeg area as to command a price in the land market substantially greater than comparable lands used for agricultural purposes in more remotely located areas. As a result of urban influence, land values are being established to a large degree on a basis of location, with productive capacity of the soil assuming only minor importance. There is a complete mixing of these two types of value factors and it's almost impossible to draw a real distinction between what are the values which have a real rural base, and what are the values which essentially have an urban base.

Since, by law, lands are required to be assessed at their value, and in determining such value the assessor is directed to consider, among other things, the advantages and the disadvantages of location, he must reflect in his assessment value of lands - the lands that are favourably located, adjacent to urban communities - those value increments which accrue to them solely by the reason of their advantage of location with respect to that community. Moreover, inasmuch as the assessor is required to value each parcel of land at an amount which bears a fair and just relationship to the amount at which other lands in a municipality are assessed, he must reflect in his assessment values for the various parcels of land, those differences in values that result from their differences in location.

It does not greatly matter whether the level of assessment value is set at 100 percent, 75, 50 or 20 percent of the market value, so long as all the properties within the taxing jurisdiction are assessed and valued at the same level. If equity between assessments is to be achieved, the same basis of valuation must be applied to all classes of property.

Now the Honourable Member mentioned the Rural Municipality of Springfield in particular, and these areas where location is a factor in the municipality, all that land in the immediate area, vicinity of Metro Winnipeg, is affected. Here you will find, as we said, productivity is not the dominant factor in determining value but location comes in to play, and insofar as the Rural Municipality of Springfield is concerned, the area in the category is approximately 10 percent of that whole area. In other words, it isn't the whole municipality that is affected. There are about ten sections bordering on Transcona and St. Boniface, and about another 25 sections where a definite suburban type of development has taken place, but the rest of the municipality is assessed on a basis of productivity, and this represents naturally about 90 percent of the municipality.

The Honourable Member for Gladstone asked me how they arrived at a rate, or a levy. They take the municipal equalized assessment, you multiply this by the total cost of the assessment program which is divided by the total equalized assessment of the municipalities participating in the program, and this gives you your factor. For this year, for 1968 the factor is approximately 1.2 mills.

In the case of where the Honourable Leader of the Opposition asked about cottages on Crown land and their assessment too, in the case of Crown land the Lessee is required by the Crown Land Act to pay a rental fee, and by the Municipal Act to pay all taxes respecting the interest, or estate in the leased land. Now this is a note that has been sent to me but I think that I would like him to remember, too, that there would be a great list of properties which we would have to take into consideration if we were going to allow them freedom from taxation the year round.

MR. EDWARD I. DOW (Turtle Mountain): Mr. Chairman, the Minister gave us a detailed statement on arriving at assessments, which comes to my conclusion that there has been a change in the formula which can be set up in arriving at the assessments. When you take a look at one or two individual municipalities that have been there since the municipal Assessment Department started in 1948 and '49, of which productivity was the basic scale, and all of a sudden you see - and I can give two examples with which I am well acquainted, that in 1966 the real property assessments of Morton municipality was \$2,900,000-odd, the equalized assessment was \$3,000,000-odd, but in 1968 the actual assessment becomes \$5,945,000 and the equalized assessment becomes \$6,000,000. Now surely, Mr. Chairman, the productivity of this municipality didn't double in a space of two years.

Now, if you wish to take another one in the same area, which will give you the same facts, is Winchester municipality. In 1966, the real property assessment was \$2,164,000 and the equalized assessment was \$2,168,000 but now in 1968 the real property assessment becomes \$4 million and the equalized assessment is \$4,013,000. Now surely, Mr. Chairman, that when we come to this factor that you say "productivity" is the basis of the whole assessment I would disagree with this. I would say that the assessment formula has changed to bring the rural lands up to an area - and which the Minister mentioned on Page 1804 of Hansard where she admits, she says, "I'm willing to say that while there has been an increase in the equalized assessment for rural municipalities in 1966, the increase is really no greater than the increase for urban areas. For instance in 1961 to '67 the total equalized assessment in the province increased 40.98 percent and for the same years rural Manitoba increased 40.44 percent." And this is where I claim is the difference in the formula. We've brought the areas up to equal farm lands with urban lands in the basis of the assessment, so I claim that the actual productivity of the land producing - surely we haven't doubled our production in two years in Manitoba. I mean the actual facts of production. And here again you can argue and say one farmer is good and one's bad and so you can't base it, but surely in the assessment that was started in 1948 and '49 of which they had very close samples of soil test and so on that the land hasn't appreciated that much in two years. I think that anybody that's acquainted with agricultural land knows that we can't get double the productivity. Now if we were right in 1948 to 1966 then we're certainly wrong from '66 to '68 and vice versa. There must have been a change in the formula to arrive at this double increase in the assessment of land in rural Manitoba.

MRS. FORBES: When was the assessment taken previous to 1966 in Winchester and the others?

MR. DOW: From memory I would say it was in the '50's sometime -- '50 to '55, somewhere in there. I'm not sure of the year.

MRS. FORBES: In other words, your municipality hadn't been reassessed since 1950 -- (Interjection) -- I think this is the picture across the country that land -- and what we are trying to do is have a reassessment every five years. But this is the answer to your question that reassessment had not taken place. In the rural areas they were not brought up whereas reassessment had continued in the urban areas and when we come to school expenses right down in your own area a good example was the Town of Melita which had -- their assessment had been brought up and it wasn't fair and equitable that the people in the town, the urban centre, should be carrying the cost of education where the land in the rural area had not been reassessed -- I don't know the exact date either -- but for many years, and when their assessment was brought up to the same as what urban centres were then this is the answer to your question why there was the difference.

MR. DOW: Mr. Chairman, it isn't the answer to my question. My question is that the productivity of farm land has not doubled and therefore there has to be change in the formula of assessment. This is what I'm trying to drive at. If there has been a change and we're bringing all the lands up to a cash sale value all right let's admit it, let's tell the people this. Because when you say that its productivity is the predominant factor this I disagree with.

MRS. FORBES: Would you sell your land today for the same price you sold it in 1955?

MR. DOW: Right -- here's another question. You're getting back to the fact of a cash sale value that you're assessing on. This is what I'm trying to make out. If this is what we're doing let's say so, let's not go along and say productivity is the predominant factor.

MRS. FORBES: Productivity, Sir, is the fact that your land increased in value in sale so isn't it a dominant factor there?

MR. DOW: No, no.

MRS. FORBES: Very definitely. Sure it is.

MR. SHOEMAKER: Mr. Chairman, let's get back to North Cypress and South Cypress. When was it last assessed? I know that my honourable friend is familiar with that territory and I guess that she will be quite aware that the assessment, the equalized assessment in North Cypress, just two years ago, two years ago was \$3,635,000 and today it's \$5,808,000 which is roughly 50 percent increase in equalized assessment. South Cypress in 1966 was \$1,860,000 and today is \$2,804,000 - again a good whopping 50 percent increase. Now it's fine and dandy to argue, Mr. Chairman, that equalized assessment really doesn't make too much difference so long as your property and my property are assessed on the same basis in relation to the sale value. But, here is the point that my honourable friend overlooks. We will take a farm, a quarter section of land - and it has to be a pretty good one - take a half section, take whatever you like. But take an assessment in North Cypress or South Cypress that was assessed at \$5,000 two years ago with a nine mill for Foundation Program would produce \$45.00. Correct? And today you've got a 50 percent increase in the assessment, so today that same parcel of land would be assessed at \$7,500 at a mill rate of 13.1. And what is the Foundation levy? It's gone from \$45.00 to \$98.25 because there is a two edge sword here. There's a 50 percent increase in the assessment and a 44 percent increase in the Foundation Program which has resulted in slightly over 100 percent, slightly over 100 percent in the levy made for the Foundation Program. These are the kind of complaints that I'm receiving from my constituents, that two things have happened or three things have happened. Not only has there been an increase in the assessment; there has been an increase in the Foundation levy which has resulted in a double increase dollarwise so far as the Foundation Program is concerned.

I think my honourable friend said that the Deputy Minister had not received any complaints about the assessment. Well I don't think by and large that taxpayers levy their complaints at the Deputy Minister anyway. By and large the people in my constituency come to me and tell me about their problems and then I report it, not to the Deputy Minister, I report it to the Ministers. Surely my honourable friend has received the odd complaint from certain people in North or South Cypress as a result of having to pay over double the amount required for the Foundation Program.

MR. CHAIRMAN: (b) -- passed.

MR. BARKMAN: Mr. Chairman, I would just like to add this. I think the important point that we're trying to make or if it exists, and I think the Minister possibly could let us know if these are the facts. I was just checking on the Municipality of Hanover. In 1966 their assessment was roughly \$4,300,000, in 1968 it's \$6,800,000. Now the point is not necessarily that we're trying to tell this government or trying to tell your department which of the two it is. But I think the point is this: if the emphasis is on market value - and I don't say that this is so wrong - the emphasis I believe should then be that it is based on market value and not on productivity, because surely the two are far enough apart that we could discern as to what really the Assessment Branch is doing in this department. Surely at our Court of Revisions and what have you we cannot just tell the people it is productivity when it is basically market value.

MRS. FORBES: Well Mr. Chairman, I still think that I have to say to the honourable members and to the Honourable Member for Turtle Mountain, too, that can he really claim that productivity hasn't changed since 1950. Can he really claim this? Because I can't. I see it all around me. It certainly has changed. If you can say this how can you really say that there should be an increase in -- or really recognize the fact that there is an increase in rural land sales? Surely it's because of an increase in productivity as well as anything else that has made people want to get into this business of farming, and he knows that as well as I do. Surely a farmer can't pay higher prices for land if he's not going to grow anymore than he did back in the Fifties. And we can even go back before that.

I think that you have to admit that productivity doesn't double just like that but the only change in the formula that has been used - and the Honourable Member from Turtle Mountain gave as an example Morden in 1966 the actual was around \$2,900,000 and the equalized about \$3,000,000. In 1968 it was \$5,945,000 actual to about \$6,000,000 equalized. But the only change in the formula is that previously productivity was related to the land values that were in effect prior to 1947 and those values were generally based on an entirely different economic

(MRS. FORBES cont'd) . . . . situation from what we have today. The present assessment is based on values which are more current, values which he knows that were realistic in the Thirties weren't realistic in the Fifties and they're not realistic in 1968. Even if productivity had not doubled this does not mean that the value has not changed. Land which has a productivity rating the same today has increased in value and it's simply not realistic for the members to say that since productivity has not changed that the value remains the same because this isn't true.

I would like to read to the honourable members the Report of the Manitoba Royal Commission on Local Government Organization out in 1964 on Recommendation 29 Unified Assessment Service. "The Assessment Branch of the Department of Municipal Affairs should be charged with the responsibility for assessment of real property for taxation in all municipalities extending its present service as soon as possible to the following six municipalities which still have their own assessment staff: The Cities of Brandon and Portage and the Towns of Dauphin, Flin Flon, Selkirk, The Pas and eventually to the Metropolitan area municipalities, after a suitable period for adjustment and transfer of the Assessment Department of the Metropolitan Corporation of Greater Winnipeg." Recommendation No. 29 says the cost, the entire cost of this assessment service by the province should be charged to and paid by the municipalities concerned. And Recommendation 30: "Interval of Assessment. The mandatory period of seven years for reassessment is too long. We recommend complete reassessment at intervals ranging from a maximum of five years down to one year depending on the rate of change of property values in different communities. For example, all property in Metropolitan Winnipeg should be reviewed every three years. An annual review should be made on land in areas of rapidly rising values." And Recommendation 31: "The staff at the Provincial Assessment Branch should be increased as may be necessary to give effect to these recommendations."

MR. SHOEMAKER: That's the Michener Commission Report is it?

MRS. FORBES: Yes.

MR. SHOEMAKER: Fisher? Who am I going to believe? That's the Michener isn't it? Yes. Well -- (Interjection) -- yes. Well Michener made a lot of other recommendations and I don't know to what extent that this government intends to implement the recommendations of the Michener Commission. In a propaganda sheet that went out about the same time, on May 22, 1964, headed: "Realty Tax Here to Stay for Local Financing" and there's several quotes from the Report that my honourable friend just read from. Here is one of them: "Real property tax was defined by the Commission as a fair price for services rendered and should be paid by all owners in proportion to the value of their property. When the municipal tax rate exceeds two percent of the actual market value of the property "such taxes tend to become burdensome and should be subject to some form of restraint exercised preferably by those who pay." Well here's what Michener is saying too. "Beware when municipal taxes exceed two percent of the value of your property." And who should exercise or get up on their hind legs and say they don't like it? The taxpayer. That's what Michener is saying here.

Now does my honourable friend instruct the assessors to take heed and caution from this warning of Michener's? About that time there was scads of propaganda sheets coming out quoting Michener. Gosh I've got a dozen of them here. One of them was Michener as I understand it recommended assessing and levying taxes on farm buildings, did he not? I hope my honourable friend is not a disciple of Michener's to the extent that she will adopt that recommendation of Michener's; surely she won't, Mr. Chairman. But it's so very difficult to accept two or three percent of Michener's recommendations and say to H. . . with all the other 98 percent. So I think that we should be fairly careful when we're talking about Michener's recommendations. Incidentally I -- what is the -- I understand that the department keeps up-to-date figures on the relationship of the assessment to actual sales made in every municipality, city or town, so that these factors will be readily available for the use of the assessors. I wonder in the Town of Neepawa or the Town of Dauphin say for instance today, what is the relationship of the assessment placed by the municipal assessors to actual cash value of commercial properties based on sales last year or the year before -- take any specific year.

MR. DOW: Mr. Chairman, I would like -- to get to the point where the public know what the assessors are doing, possibly the Minister might refer to Page 124 of the Michener Report about half way down in the page where Michener says "that farm land must be valued according to the highest and best use of the soil and the assessor if he is to be consistent in observing this rule must value the land on the basis of the maximum potential productivity of the soil

(MR. DOW cont'd) . . . . without regard of its actual use." Then he goes on: "For example, if prime wheat land is to be used for pasture, it still must be valued according to the highest potential use. Extending this principle to the land occupied by milk factories, the assessor must make his valuation on the basis of the soil or pasture land without regard to the value of the milk which is being produced on it."

Now if our assessment today is based on this statement that - on productivity for its potential use, surely somewhere along the line the assessor should be able to tell the farmer what is the best use for this land instead of just saying it's X dollars and up the figure, because somewhere -- if this is the whole claim, that our assessment is now based on productivity and based on what Michener says, if this is the formula they're following, then what they're saying, that the wheat land should be used for something else is better to produce better and more economical and more return of agricultural products. This is the part I would like to see cleared up. In my contention, the assessment is not now based on productivity; it's based on sale value predominantly, but if they go back to the fact that this is what it is, then let's tell the people what is the best potential use of this land because they must have some knowledge to do this or they couldn't assess it.

MRS. FORBES: The Department of Agriculture has a soils branch and we have agricultural representatives all through the area trying to give this type of service to the farmers. We don't want a repetition here. We would have to have more assessors in the field every day if they have to sit down with the farmer and tell him what he should do with his land. I think this is getting a little bit ridiculous if this is what we expect of an assessor when he comes around.

However, I'd like to say to the Honourable Member for Gladstone that if he really is sincere about all the things that he's asking here, there's one place where he should go and that's to his municipal office and find out some of these answers to some of these questions and I'm sure that they can give them to him.

MR. CHAIRMAN: (b) -- passed;

MR. JACOB M. FROESE (Rhineland): Mr. Chairman, I have been listening to the discussion here this morning for a while and I didn't get my answer the other day on the one question that I put concerning the formula that is being used during the interval between assessments and I'm still waiting from the Minister to hear on that.

The points raised by both the Member for Gladstone and the Member for Turtle Mountain on the matter of productivity being a factor in assessment, I think that's a very small factor, if it is used at all, because just recently, a year or so ago, we had increases in assessment in the two municipalities in my area of more than double and there were a number of properties that were assessed three times the value that it had before and certainly we didn't have any productivity increase of that type at all. Our wheat prices are less, not more, and certainly where's the revenue supposed to be, or the productivity to be? How can it be a factor when you have prices go down. Certainly the increased yields depend so much on the weather, on the climate and so on, that you cannot just base it on that.

The two members pointed out that we had increases both in assessment and also in the mill rates and we all know that this is the case, in certain municipalities anyway; and as far as the increase in assessment in the unitary divisions now, this is right across the board that voted themselves in. This is something that the local people have no control over now. This has gone by the board, this is lost forever. This is completely a matter for the Provincial Finance Board to determine, they set the rates. In my opinion these rates will just increase annually the way things are going so that certainly the people in these municipalities have no hope of seeing lower taxes under that aspect.

Then it also appears to me that we just - when the mill rates are going too high all they have is another assessment, up the assessment and lower the mill rate. This has been the practice now for many years in my opinion. If the sale value is the predominant factor in increasing assessment, then, Mr. Chairman, I feel that assessments will have to be made more often, because we then have to assess our properties according to valuation and this will fluctuate with the times. I pointed out the other day if money is scarce and the cost of interest is high you cannot sell properties; properties don't move, and therefore this lowers the price. We have had lowering of prices already so I feel that if that is the basis on which the assessment is made, then the assessments in these municipalities should be lowered and very soon, and that we're paying more than our share under the general levy for school taxes in these areas where

(MR. FROESE cont'd) . . . . you have the high assessment. Certainly as I pointed out the crops have not increased by three times the amount that we had five years ago or three years ago and this is what it seems to indicate that if you base it on productivity this would have to be the case. I still feel -- (Interjection) -- could I have the floor, Mr. Chairman?

I still want to hear from the Minister on the matter of the formula that is being applied in between assessments. It has taken years and years between different assessments, when assessments were made in different localities and what formula do they apply so that we will not have these large disparities, because if you increase the assessment in an area more than double and then wait for 10 years before you apply an increase in assessment in another area, you can see the large disparity that you have in the amount of taxes that people will pay from area to another. I think this is the area we should be working in and know what we are doing. I certainly want to know from the Minister just what are we doing in this case and what formula is being used if any.

MRS. FORBES: Mr. Chairman, we did have to use a formula, as the honourable member well knows, and off the top of my head I'm not going to give it to him in case I make a mistake but I will supply him with that formula, the amount that was used last year. But he is quite right that when assessments don't take place over many years to bring them all up a formula was applied, but it is our hope that we will be able, as I said many times, to try and have a reassessment every five years.

Now when he says that land down in his area has increased in value, this is certainly true because you can go back - and I know his part of the country very well - there were times when that part of the country wouldn't even support families there but by the use of fertilizers and different use of land I think the honourable member will say, not all over the municipality but in many parts of it, where they are growing row crops and using fertilizer, that land - and he knows that it is costing anyone who wants to go in there I think in the neighbourhood of \$300.00 and more per acre and I do know that land down in there right now is renting, if they rent it out is at quite a price too. I hear it's at \$30.00, \$32.00 - as high as \$32.00 an acre. But this is this year. This is the point we are trying to put across, that actually this is 1968 and these are the values that are based on it.

Now I know that there was one other question I didn't answer over here when the Honourable Member for Turtle Mountain read from Page 124. When Michener is talking about taxes at two percent of the value he is talking about two percent of market value there and not assessment value, because as you well know, the assessment is 50 percent.

MR. MOLGAT: Mr. Chairman, I want to come back because I believe in view of the fact that we had this brief discussion earlier that we should finish it on this item - the question of the cottage owners, particularly in the Lea River-Pinawa area. The Minister said this morning that they are in the same position as a lot of other people and I recognize that there are a lot of people who do pay school taxes who don't make use of schools, I know this. But in this particular case is it not true that the department specifically gives purely a summer rental to these people, that they are not allowed to use the property on a full-time basis in any case, so whether they wanted the use of the schools or not, it's really the government that decides that they can't and so they are on a different basis. But in any case, Mr. Speaker, I'd like to know from the Minister what exactly has been done insofar as a study on this matter. Gathering from her reply this morning I assume that she says nothing can be done.

Now last year when I brought the same matter up, the Minister at that time, and I'm quoting from the news reports of the time, "Municipal Affairs Minister Thelma Forbes said the issue was being studied by her department and the Tourism department." That was 1967, Mr. Chairman. Now I have in my files here letters that have been sent to me by various people who are concerned about this. I have one here for example, February 26, 1964, by the then Minister of Municipal Affairs, the Honourable Mr. Smellie; so the matter has been before the government for a long time. Presumably the government has been giving it some thought. Last year the Minister specifically said it was being studied by her department and the Tourism Department. Could she report to us at this time exactly what has been accomplished by that study, or was this just a statement made to shelve the matter and push it further along with no desire to take any action?

MRS. FORBES: No, Mr. Chairman, we did look into this matter. I talked it over with my staff and we did a considerable study on this part and we have not changed our policy. I think I mentioned to you that in the case of all Crown land under lease, the lessee is required

(MRS. FORBES cont'd.) . . . . by The Crown Land Act to pay a rental fee and under The Municipal Act to pay all taxes respecting the right of interest or estate in the leased land and a policy we have not changed.

MR. MOLGAT: I wonder, Mr. Chairman, if the Minister would be prepared to give us copies of the report made by this committee that was studying it, to her.

MRS. FORBES: No, Mr. Speaker, I have not a copy of the report. I said I talked it over with my departmental staff; with no committee.

MR. MOLGAT: Mr. Chairman, last year the Minister said it was being studied by her department and the Tourism department. Now I gather this is a joint study. Has this gone on or was this statement last year not correct?

MRS. FORBES: The Department of Tourism will be able to answer for themselves. I only know what my own department officials have told me.

MR. MOLGAT: Last year the Minister said it was a joint study, Mr. Chairman. Was it or was it not a joint study? No answer?

MR. FROESE: Mr. Chairman, I think I should correct the Minister in connection with the rental charges. Out in my area I think half the amount that she quoted would be more correct - not \$32.00 - but I think the average figures used is around \$15.00 to \$17.00 an acre for renting land. But I still maintain that the assessment in our part of the country is too high compared to other areas in the province. Productivity is not that much higher in our area and just because of land sales having been high at one time - and they definitely are on the downward trend because of the high cost of money and the shortage of money, long-term capital available, that you have a lowering of prices. Therefore I feel that the assessment should come down and that we in our area should not be penalized more than any other area in the province.

Then, too, because of the increase in assessments, the general levy is applied and that much more money goes to the Provincial Government against the grants that the schools earn, therefore, they get that much less in grants from the government. So I feel, Madam Minister, that we should have a reassessment in the not too distant future that would take this thing in account.

MR. CHAIRMAN: (c)--passed; (d)--passed; (e)--passed; Resolution 108--passed; Resolution 109 (a)--passed; (b)--passed.

MR. CAMPBELL: Mr. Chairmen, with regard to Resolution 109, I'm interested in the operations of this Board. I think I shall have a recommendation before I finish that perhaps their powers should be in some degree extended. But before I deal with that matter, Mr. Chairman, I would like to ask the Minister if she would give us the names and the salaries of the part-time members of the Board, and as I read the Act it says that "The Members, except the Chairman, shall devote such portion of their time to their duties under this Act as is directed by order of the Lieutenant-Governor-in-Council." I'd like to know, Mr. Chairman, what direction has been given to the part-time members of the Board as to the time they shall devote to their duties under this Act. The Chairman of this Board, I know very well, Mr. Chairman, I consider him to be one of the outstanding civil servants of the province. He has a long and excellent record in my opinion. I am also acquainted with some of the part-time members of the board. The fact that they're close political associates of the government in office doesn't, I suppose, necessarily limit their qualifications in other regards but to me it puts them in a position that I think it would be better to avoid. However, I have no particular criticism to offer of them at the moment. But as I understand the duties of this Board, which after all has a most capable chairman and certainly some part-time members with experience in the municipal field so that they should be able to give good assistance to that outstanding chairman, it seems to me that the duties are rather largely in the financial field; not completely, of course, but mainly oriented that way, and I don't hold that against them in any manner.

I was wondering, however, if it might not be a good idea in view of the situation that we face municipally in this province, if they were given some wider area of authority, if they were given the authority to act where individual municipalities or Metro because of duplication or overlapping or for some reason seem to leave a "no man's area" in which nobody is prepared to act. I have spoken, Mr. Chairman, in this House on more than one occasion about duplication. I still consider it to be one of the greatest enemies of successful and economic governmental administration. Duplication is costly and it can be inefficient as well because of the fact that overlapping or the ease with which individual problems can be evaded in the

(MR. CAMPBELL cont'd.) . . . . sort of a no man's land between the two authority seem to be easy to invent even if they do not actually exist. I want to mention a particular case, in a particular municipality, where I'm sure you, Mr. Chairman, and the Honourable Minister, would hardly believe that this situation exists and yet - and I think likely the Minister has not as yet heard of it - but here is a case and the difficulty is that the residents of this area have been, because of this overlapping, between the authority of Metro and the authority of a local council, have been unable or unwilling to deal with this problem that should have been dealt with absolutely on the day that it was first mentioned. And here is the problem:

In a strictly residential area, Mr. Chairman, raw sewage which is under the terms of Metro regulations, must be taken out of septic tanks in areas under control of Metro that are allowed to use them, is being brought into this residential area and dumped into a manhole from trucks that carry this raw sewage. And for the immediately local residents this is a most unfair situation. Now it's true that it's being dumped into a manhole which then finds its way to one of the pumping stations. The fact that it is going into the river as raw sewage is bad enough -- and I'll probably have something more to say about that when the Pollution Bill comes before us for second reading -- that's bad enough, but the other problem is that for the local residents - and this is a strictly residential community a good residential community - for the local residents, you can imagine what has happened because the Metro authorities require that the septic tanks be pumped out, I believe it's once a year at least, pumped into these huge trucks and the trucks pull up into this residential area and dump that raw sewage from whence it goes directly to the river.

Now these pumping stations were built, I'm not competent to discuss the mechanical structure of them, but they were built as part of the flood protection program of Greater Winnipeg; they were built in connection with the dike construction that went on immediately after the famous 1950 flood. Their function is to take care of the high water situation when it gets to a certain height that they come into effect and are available to pump flood water that has leaked into the sewers and is getting in very heavily back over the dikes and into the river again. There were several of them constructed in the Greater Winnipeg area as part of that program and the authorities at that time were interested enough in seeing to it that where any of them had to be erected in residential areas that they constructed buildings that even though they are for that purpose, they still rather fit into the community look in that they are built almost like residences. And here we have one of these in a residential community but because of the fact that the municipality and/or Metro tell the local residents there that they have no place else, or no place as convenient, to dump this raw sewage, in the summer - time is the time that they dump it most usually, and those local residents have had to put up for a full summer or the most of last summer, with six, eight and even more trucks a day, pulling in and dumping this raw sewage right almost in their midst.

Now, of course, the people have gone to the local council, the local council say it's Metro's doing. They have gone to Metro, Metro -- well I can't quote exactly what Metro said -- but I assume that they said that the local council can deal with the problem in some way. But it hasn't been dealt with and one of the residents -- and I shall not discuss this case, for the simple reason that it has been taken to this Board, this Board that we're speaking of, but I won't discuss the case, because as I read that Act, perhaps it is a Court where cases before it shouldn't be discussed while they are still under consideration -- but the only basis on which the residents could appeal to this board was on the basis of assessment. One of the families did that because they put their case before this Board on the basis that the assessment should be lowered because of the devaluation of the properties in the area because of this being done, they would like to have asked this Board to stop it being done, that's what they really want; and that, Mr. Chairman, is what should be done. But this isn't the only case where there is possibility of evasion by one or another municipality as between their authority and one another or as between their authority and the Metropolitan Corporation. So I suggest to the Honourable Minister that it might be worthwhile to give this Board -- which I believe is a capable board, with good municipal experience -- to give them authority to deal with cases of this kind where there seems to be if not an actual no man's land in jurisdiction, at least a no man's land in getting the authorities to act.

I suggest this to the Minister and I'd be prepared to discuss it in greater detail at some time, but I wanted to bring it up in the Committee here, Mr. Chairman, because I think it's time that the people of greater Winnipeg knew that this problem that Metro has met of septic



(MR. CAMPBELL cont'd.) . . . . tanks in saying that they must be pumped out once a year, has impinged itself upon a little community, residential community, by having all these trucks -- maybe they don't all come there but many of them swarm in there during the hottest days in summertime and create a nuisance that certainly should be abated.

I wanted the committee to know, Mr. Chairman, that this condition has existed and up to date nobody has been able to deal with it. So my suggestion is that the Honourable the Minister might look at giving this Board authority to deal with administrative matters of that kind in other ways than just dealing with their assessments so that this type of thing could be resolved.

MRS. FORBES: I thank the Honourable Member for his suggestion and we will give it consideration. At the same time, I'd be very pleased to discuss this particular situation with him, as he suggested, some other time.

In answer to your other question, the members of the Board, Mr. Bailey receives \$6,600, Mr. Fletcher \$3,000, Mr. Argue \$3,000 and Mr. McCarthy \$5,000.00.

MR. CHAIRMAN: (b) passed. Resolution 109 passed. (Resolutions 110, 111, 112, 113, 114 were passed.) Resolution 115 (a) --

MR. SHOEMAKER: Mr. Chairman, I never did get an answer yet to my question in respect to the chairman. Was he or was he not hired as a full-time employee? Is he going to be allowed to do moonlighting? How many hours a day is he expected to work, etc. etc.

MRS. FORBES: Mr. Chairman, I resent the fact that the Honourable Member claims that the Chairman of the Boundaries Commission is moonlighting. The Chairman of the Boundaries Commission is a very honourable man. He follows a law practice and he has no moonlighting attached to his name and I think that this should not be said in this chamber. It's not suitable to discuss a member in our employ in that manner. The Honourable Member of the Boundaries Commission, the Chairman, gives 100 percent of his time when required by the Boundaries Commission. He's very faithful to us and a very good chairman as I mentioned before.

MR. SHOEMAKER: Well, Mr. Chairman, to define moonlighting, it is one who is receiving pay from two or three or four different jobs, but in consideration -- as a matter of fact I guess it could be said that most of the members in this House are moonlighting to the extent that we are . . .

MRS. FORBES: Well maybe you are, but I'm not.

MR. SHOEMAKER: You're not? Well my honourable friend has accused most of us over here as suitcase farmers and as such we're moonlighting if we are getting paid to do three or four jobs. The point is though this - I understand the chairman's salary is \$1,000 a month or \$12,000 a year and in consideration of that, then he should be expected to devote 100 percent of his time to the duties at hand.

MRS. FORBES: He shouldn't?

MR. SHOEMAKER: He shouldn't? Well it's a fair salary for a part-time job. Now how much time does he devote to his other duties? He's with a law firm and if he's spending three quarters of his time with the law firm, or seven-eighths of it, what portion of it is he spending on the Boundaries Commission? I thought there was an Order for Return on the Order Paper, I don't know whether it's there now, asking the number of meetings held by the Commission. Has that Order for Return been returned yet?

MRS. FORBES: No. I haven't tabled it yet.

MR. SHOEMAKER: It hasn't been tabled yet? Well then this would give us some information I suppose and we'll look forward to receiving that information before the House rises. But I think it would be interesting to members of the House to know to what extent the Chairman does contribute to the Boundaries Commission. And then the Manager, or Mr. Kushner, his official title, I understand that he gets a small stipend of \$18,000 a year for a part-time job. Does he devote 100 percent of his time to his responsibilities in this regard?

MRS. FORBES: Mr. Kushner is the legal counsel and secretary and he devotes 100 percent of his time. Mr. Smellie -- and I think that you will recognize the chairmen of other commissions receives somewhere in the neighborhood of \$17 or \$18,000 -- where Mr. Smellie receives \$12,000 which is a much lesser stipend than Chairmen of other committees, and when required, he gives 100 percent of his time, when required with the Boundaries Commission. The balance of the time, of course, he is not working for the Boundaries Commission.

MR. SHOEMAKER: When then the answer of course is that he is only a part-time

(MR. SHOEMAKER cont'd.) . . . . employee. -- (Interjection) -- well let's face it, he's not working in the same capacity as a deputy minister, certainly not working in that capacity. Otherwise he would have an office in the building and would be devoting 100 percent of his time to it. I understand now that he was hired as a part-time employee and only puts in part time.

MR. GORDON E. JOHNSTON (Portage la Prairie): Mr. Chairman, some days ago when I was speaking about this matter I stated that I was going to move a motion with regard to Resolution 115, I'm rather surprised that the Minister, it appeared to me, let it slip that she hadn't tabled the Order for Return yet with respect to . . .

MRS. FORBES: I have the Order for Return. At the session this afternoon I'll have it ready to table for you.

MR. JOHNSTON: I thank the Minister very much for that information. It certainly would have been helpful to have it during the debate on her estimates, but I'm quite happy to hear that it's coming out this afternoon. I think it's been made fairly clear by the Honourable Member from Gladstone that both he and the Minister have established publicly that the chairman's job is part-time but I thought we were given to understand that it was a full-time job when the appointment was first made and after two years it's surprising to find out that it is officially a part-time job.

Now the school boundaries work that has been assigned to the Boundaries Commission does not seem to have been a productive piece of business by the Boundaries Commission. They have spent some time in the Interlake area and made certain recommendations that have not found favour by and large with the residents of that area. Now we are given to understand that the Boundaries Commissions' report in this regard is only to be considered as a suggestion to the Cabinet and for that statement I have the news report that I quoted last week where Premier Walter Weir and Education Minister George Johnson declined invitations to explain the Boundaries Commission's case at the meeting, this is the Teulon meeting, stating that as the Commission's report is still only a suggestion, it is inadvisable for them to take sides. So, Mr. Chairman, if last year this Commission spent \$227,914 to have a report considered only a suggestion, then I suggest that this is a ridiculous situation where money is being thrown away, where there is no value being received and something should be done about it.

It's been suggested before, and I reiterate it again, that the Department of Education have the expert people who are knowledgeable and know the situation and have the information available in the department to say or to recommend where the schools, the vocational schools should be located in Manitoba and to appoint a group of people who were untrained in this, who know nothing about it and then have to go to the Department of Education for information so they can make recommendations, is bordering on the ridiculous.

As far as the boundaries of municipalities go, it's been fairly obvious that every time the Boundaries Commission have encountered any local opposition that they shy off. We have the problem at Brandon where the Brandon versus Cornwallis Municipality has been festering for some years, and the Boundaries Commission with respect to municipal boundaries is certainly not attacking that problem. Their absence has been quite noticeable in the Winnipeg area, so noticeable, in fact, that many municipalities are entering into discussions with one another with respect to amalgamation on a piecemeal basis. So, despite what the Minister has told us and the government have told us in the past, in my opinion the Boundaries Commission's main purpose so far, the main purpose so far has been to provide a financial haven for certain friends of the government and for a number of defeated candidates, and I don't think the people of Manitoba will stand for this any longer.

So Mr. Chairman, I'd like to make the following motion: I move, seconded by the Honourable Member for Emerson,

Whereas on the one hand the Manitoba Government two years ago established the very costly Boundaries Commission; and

Whereas this very costly Commission is operating on a part-time basis only, with a part-time Chairman on a full-time salary; and

Whereas the Boundaries Commission has either been unwilling or unable to really get to work on the priority items it was charged with by the 1966 Act; and

Whereas the establishment of vocational school regions was in the first priority of the Boundaries Commission; and

Whereas, on the other hand, one of the Cabinet Ministers, the Honourable Stewart

(MR. JOHNSTON cont'd.) . . . . McLean, Minister of Public Utilities, is quoted as saying at Dauphin in July, 1967, "Let's be quite clear. The decision of vocational schools will be made by the Cabinet of Manitoba as they have been in the past and will be made in the future;" and

Whereas the statement of the Minister of Public Utilities quoted above clearly indicates that the government still makes the decisions and not the Boundaries Commission;

Therefore Be It Resolved that: 1. The Commission is ineffective and disruptive. 2. And in any case it is of little purpose and should be disbanded.

Be It Further Resolved that Resolution No. 115, Appropriation No. 8, Local Boundaries Commission \$141,020 be deleted.

MR. CHAIRMAN: The Committee will come to order. First let me read again from Beauchesne, Page 203, Citation 242 Section 2: "The only motion allowed when a resolution is under consideration in Committee of Supply is that the amount be reduced, or that the Chairman leave the Chair." Now, having read this, some time ago in Committee the Member for Lakeside raised the question of whether the Chairman should have the right or the advisability to refer to Beauchesne. In the light of the remarks of the Member for Lakeside, and having considered the citation that I have just read from Beauchesne, and having considered actually what we are in Committee of Supply for, that is, to consider specific amounts of money set out by resolution, I therefore rule this motion is out of order.

MR. GUTTORMSON: Mr. Chairman, surely the members of the House are entitled to move that an item be deleted.

MR. CHAIRMAN: I am quite prepared to accept that portion of the motion, that is, the last "Resolved" - "Therefore Be It Resolved that No. 115, Appropriation 8, Local Boundaries Commission \$141,020 be deleted." And if the honourable member wishes to present the resolution with Nos. 1 and 2 of this motion deleted, I am quite prepared to . . .

. . . . Continued on next page

**MR. CAMPBELL:** Mr. Chairman, before you put the motion, I would like to make a correction in your quotation of what position I took in the Committee. I was not questioning either your right or the advisability of checking with Beausnesne. Certainly I had no such intention. My point was that Beausnesne does not operate, either in the House or the Committee, if we have a rule dealing with the matter, and this was the point that I was making on that occasion.

**MR. CHAIRMAN:** ... I appreciate the remarks of the Honourable Member for Lakeside, but unfortunately there is no direct reference to the position of the Chairman as far as our own rules are concerned. Therefore, I find myself in the position that I have to use what I consider to be common sense, and to take some consideration and some direction from Beausnesne. So, in the present form as I have said, I rule the motion out of order.

**MR. JOHNSTON:** Mr. Chairman, I take it then that I moved the simple resolution that Appropriation 115 be deleted. Would that be satisfactory? I so move.

**MR. CHAIRMAN:** All those in favour of the motion please ...

**MR. PAULLEY:** Mr. Chairman, I've been relatively silent during the considerations of the Department of Municipal Affairs and Urban Development. Members of this group have taken a part in the deliberations and made it such that it was necessary for me to take part in the deliberations. However, I feel that the matter raised by the Honourable Member for Portage is of such importance that it's necessary to make some comment in respect of the Boundaries Commission and also the motion that we have before us, of the deletion of the item which of course means the abolishing of the Commission. And I think, Mr. Chairman, it would be well for us to consider the various reasons outlined by the Member for Portage la Prairie as to why he has suggested the deletion of the item.

For a long period of time in Manitoba there has been dissatisfaction with the composition of many of the municipalities. I can recall going back to the red-covered document of 1952-53, which was a joint commission or committee of government and municipal men, that there was a considerable amount of consideration given to the question of boundaries in the Province of Manitoba. And if I recall correctly at that time, one of the recommendations, I think unanimously accepted, was that we should try and establish within the province more economic units of administration, but there was a recognition at that particular time that this would be a time-consuming process and that there were many aspects of community and municipal living in Manitoba that had to be considered and changes made before we could really get together and bring about changes in our municipal boundaries, among which was the - at that particular time possibly even more so than today - the question of communication between municipalities.

There was a recommendation, if I recall correctly, of possibility with some of the less economic units banding themselves together for the provision of machinery for road building, and also the question of possibility of joint utilization of clerical services between towns located in the areas and the rural portions of the area in order to bring about more economic units. Well that's - let's see - about 16 years or so ago, and we're still in many respects groping along similar paths today. And I agree with the Honourable the Member for Portage la Prairie that in some respects all of those things that we felt were desirable, and that what we felt that the Boundaries Commission could achieve has not been done as yet. I am just as impatient as many others, I'm sure, in this Committee, impatient to see the job done of a reorganization of municipal boundaries and school district boundaries in Manitoba. But I don't think the solution is the abandoning of the Commission or the dismissing of the Boundaries Commission.

We had a vote a couple of years ago on Manitoba establishing larger areas of school administration, and as a result of that there were disappointments and disagreements as to the location of schools which created additional problems. And one of the directives, of course, to the Boundaries Commission was to try and look into this matter in an impartial basis if at all possible. And while the Honourable Member for Portage la Prairie does raise the objection that some defeated candidates of the Conservative Party serve on the Commission - and the Chairman of whom, of course, is one - I doubt very much, Mr. Chairman, in all fairness, if one in this House can really be fair, that in all fairness if we could say that if we were on that side of the House we would pick somebody from this side of the House or a defeated candidate from our particular party or somebody else to do the job for us. I wonder whether or not we would be any different. We may change the personnel but it would have been certainly somebody connected with the Party, I'm sure, providing of course that they were qualified. And it could well be that the Honourable the Minister of Public Utilities in his weekly news column in

(MR. PAULLEY cont'd.)... the great thriving Town of Dauphin did make the statement through the media of the press or radio, I don't know which it was, that in the final analysis Cabinet will make the decisions as to the locations of vocational schools. He may have said it. I think I saw the article and - well, let's chastise him if he suggested Cabinet directives or directives of the Minister of Public Utilities to the Commission. I wonder how many of the rest of us have suggested to the Chairman, off of the record without putting it in our local newspapers, that a certain school should be located in our particular area. I'm not going to make a confession.

Of course it's a little bit different. I agree that when a Minister of the Crown makes these statements, possibly, but not withstanding all of that, let's chastise the Minister if he went beyond due bounds in making those statements; but let us not get rid of the Boundaries Commission. Look at what happened up in the Interlake area insofar as the reorganization of the school areas and districts there. The Boundaries Commission made a recommendation which created quite a controversy. My honourable friend from Gladstone says, "Hear, Hear." Far better, far better for the people in the Interlake area, or anywhere else in my opinion, to hear something from the likes of the Boundaries Commission that gives them an opportunity of making themselves heard in the area. And I would suggest, Mr. Chairman, that because of the fact that the Boundaries Commission may have indicated a review of their recommendations or a reconsideration of the boundaries and the location of the schools in the area, it is not a sign of weakness. To me, basically it's a sign of strength that here we have a commission that is prepared to have representations made to them and can do the job.

So I say that there is a purpose and a place. \$141,000 is a lot of money but, providing the end that is achieved is worthwhile, then I suggest that we should continue an expenditure of money in order to do it. The establishment of vocational school regions is a first priority, and I understand, or I believe we have been given due notice by the Minister of Education that if and when we get into his estimates he will make some announcement as to the initial, suggested location of the vocational schools.

We heard the other day from the Honourable the Minister of Urban Development and Municipal Affairs that approximately in July of this year the Commission will be able to take under consideration the situation prevailing in the Greater Winnipeg area. And while it is true, Mr. Chairman, that we have a bill before us, or in the process of coming before us, for the amalgamation of St. James and Assiniboia, while it is true that parts of Rosser amalgamated with the City of Winnipeg, while it is true that the Town of Brooklands amalgamated with St. James on their own initiative, because this is happening and because it's happened doesn't of necessity mean that we should abolish the Commission. It might be that the Commission will eventually recommend a total amalgamation of the Greater Winnipeg area, which has been suggested in many quarters. What harm would it be if in the process there were amalgamations of economic units prior to that period? I see none at all.

So I say, Mr. Chairman, I appreciate very much the sentiments of my honourable friend the Member for Portage la Prairie, but I feel that I cannot agree with the disbandment of the Boundaries Commission. We might snipe and carp all we like at the personnel of the Commission. It could be, it could be that in many people's opinion there should be changes insofar as that personnel is concerned. But when I consider the estimates of the Province of Manitoba as we are doing at the present time, I am not primarily concerned with personnel, but whether or not the job that they are supposed to be doing is worthwhile.

And I think that if after all is said and done that we can go steps further along the way to the reorganization of our municipalities and our towns and cities, on more economic units and a firmer base at the community level, the expenditure of \$141,000 is worthwhile, and my inclination is to reject and vote against the motion proposed by the Member from Portage la Prairie.

MR. CHAIRMAN: Are you ready for the question?

MR. FROESE: Mr. Chairman, I more or less expected something to develop on this item because of the happenings that took place a year ago, and I for one have not changed my mind or my views on the matter of the Boundaries Commission since then. I think we have evidence, because of the presentation of an interim report or provisional plan for the education system of the Interlake region, Province of Manitoba, and while this plan only deals with the Interlake area it still nevertheless indicates their thinking on the matter. And this whole report mainly has to deal with the matter of centralization. That's about the title you could give

(MR. FROESE cont'd.)... this. It's just centralization right through.

However, I would like to hear from the Minister because of the various meetings that have been held in the Interlake area. No doubt, complaints must have come to the department, and what were these complaints? And have they recommended any changes on the report since, privately? Because from press reports, apparently, there were some areas where the chairman of the Commission indicated that changes would have to be made, so I would like to hear from the Minister just on what part changes will be forthcoming or where we can expect changes.

Then, too, what part of this report has been accepted, if any? Because we would like to know, as members, because this report would entail the expenditures of a large amount of money, because there's a number of recommendations here for the building of new schools; additional classrooms to be provided in many instances. At the same time, they are recommending the closure of a number of schools and changes from where certain high schools are to be used for elementary purposes, so that this will involve capital expenditure, no doubt, and not only capital, also operational, because transportation — if you centralize and transport pupils from larger areas to a given point, the transportation costs no doubt will be up, and I would like to know from the Minister how many of these schools that are being recommended to be built, will be built in this area; and during what time how many of them will be built this year or next year.

The matter of the personnel and the salaries have already been dealt with by other members. I don't think I need comment on that part of all. But we have heard through press reports that there have been strong objections in the Interlake area in connection with certain things that the Boundaries Commission recommended, and could we hear from the Minister exactly the points that the people in this area objected to in this report? Because I think we, as members, should have the right to know these matters and these points so that we can analyze them and satisfy ourselves in our minds as to what these people really want.

The Honourable the Leader of the New Democratic Party, who just spoke a few moments ago, more or less spoke against the resolution and said that they would vote against it. He mentioned that the municipal people were in favour of larger units — and here I would take exception, because at the committee hearings that were held two years ago, (I think it was two years ago) when we held hearings at different points in the province, the municipal people voiced their opinions quite strongly, and while they did not have any exception if other areas wanted to enlarge, but their own unit they didn't want to have tampered with. Their own unit was supposed to stay the way it was. They didn't mind if others wanted to change but they were certainly very strong on the point that they did not want to see any changes in their area.

So I don't think this is such an easy matter, and if the Boundaries Commission should recommend wholesale changes that you would see large objections, too, by even the municipal people of this province.

Then, too, I would like to raise this other point, which I have done so on a previous occasion, and that is that the government and the Commission, at least the government, disenfranchised and denied the people of the Interlake area a vote on the establishment of this whole system, and I feel that this is very wrong. And it won't stay that way when the people are not given a chance to vote and to approve of any changes. This is evidently what the Leader of the New Democratic Party supports. He supports the endorsement of depriving the people of a vote and maintains that this is considered to be strength on the part of the Commission. Well Mr. Chairman, my views are completely opposed to that. I would not accept it. The other day, their group all supported the legislation which denied the people of that area a vote, and I did not accept that. I will never accept it, to make democracy less stronger or weaker.

I find also that there is no provision, no recommendation in this report, that the vote should be restored in any way to the people of this area. Therefore, I take it that the people on the Commission, of this Boundaries Commission, support that idea on principle, otherwise we would see some recommendation in the report that the vote should be restored to the people in that given area.

Then there is always the point raised that by enlarging you have a more economic unit. Well, Mr. Chairman, all our units, be it municipal, governmental, metro, I feel they are all over-taxed already, and how do you want to establish new units that will not have to deal with the debt that has already been incurred? There is no way out. The debts have to be paid, and the way we are operating now, these enormous costs will provide greater taxes regardless of what type of units we propose, and it's not a matter of having a larger base and that this

(MR. FROESE cont'd.)... will take care of it. We only have the same taxpayer in Manitoba regardless of what kind of unit we set up, and therefore that is not an answer in my opinion.

So, I will definitely support the motion that is before us. I have actually no use for a commission of this type which will just increase the size or the boundaries of various units and not bring in recommendations pertaining to the real heart or the crux of the matter that is bothering us. At the same time, I would like to hear from the Minister on the points that are raised.

MRS. FORBES: Mr. Chairman, regarding the report on the Interlake, the Honourable Minister of Education will deal with this when his estimates are before the House, but I would like to suggest to the Honourable Member for Portage la Prairie that when he presented this motion I think he should have looked over the legislation governing the appointment of the Boundaries Commission and he'll find that they were asked, first, to provide a preliminary plan and report; to hold public hearings subsequent to coming up with a plan; and to give a final plan and report. And nowhere, nowhere in the Act will he find where any plans or suggestions by the Boundaries Commission must be adopted by the local authorities or by the government. They are to be presented to us for consideration, and I think he knows very well that any change in local authorities, or almost any change, must come by legislation to this Assembly here, and if we choose in this Assembly, we may implement the recommendations of the Boundaries Commission when we deem it advisable, or indeed when we deem it desirable, and I think that we as Members in this Assembly must face the fact as representatives, that if we are going to allow any change or any plan in any field, we must provide people with research material, and certainly the Boundaries Commission has spent a great deal of time and effort on research, and the benefit of that research must be given to the people of this province.

I believe their research material and their knowledge can be of guidance in planning in a systematic and knowledgeable way through the application of known facts that they gather through research, and we as government, I think, are obligated to provide such information for the people, and it's incumbent upon us to see that that material is presented to the people for their guidance in various fields of activity, so that they can have an opportunity to discuss it, study it. The vehicle we chose to use was the Boundaries Commission and I think that they have, up to this period of time, presented the material that they have, and the one particular case which the Honourable Member from Rhineland referred to in the school area, which was the first priority the Boundaries Commission had, certainly it is not all acceptable; people are opposed to change. But I think by discussion and bringing the facts to them, that people will get the right slant on what is best for their area, and I believe that the Boundaries Commission is doing this type of work. So Mr. Chairman, I certainly cannot support the motion of the Honourable Member for Portage la Prairie.

MR. SHOEMAKER: Mr. Chairman, I recognize the fact that it was only the Resolved part of the proposed resolution of the Honourable Member for Portage la Prairie that was entertained by yourself as chairman, but it was the preamble that prompted the resolution, and what we have said on this side of the House pretty consistently, both at the last session and at this session, was just this: that it was fine and dandy to pretend that the Boundaries Commission was out doing a lot of research work on the one hand, and calling a lot of meetings to bring forth a certain recommendation in respect to the changes in school boundaries and the location of technical and vocational schools, 'it wasn't quite in order, on the other hand, to have certain Ministers of the Crown going out and saying something else.

Now, I would like to know whether or not the Boundaries Commission made a thorough study of the whole Dauphin area in respect to the need for a technical and vocational school there, because newspaper reports, particularly in the Dauphin area, do not bear out the fact that the Boundaries Commission did make a study in depth of this whole question in the Dauphin area, and I have yet to find a newspaper article that will support the fact that the Boundaries Commission made the same kind of a study of the Dauphin area that it made of the Interlake. Now if it did, the newspapers didn't play it up, and none of the articles appearing in the Dauphin papers, either the one of July 19th last, July 14th last and November 1st last. The whole three stories report that the Minister of Public Utilities and the MLA for the Dauphin constituency informed the people of the area that a school would be built in Dauphin, not because...

MR. McLEAN:... let the Honourable Member for Gladstone-Neepawa not transpose the dates. What was said in July was a matter of a statement that at that time I was not making any reference to a school being established in Dauphin. That matter was not dealt with until

(MR. McLEAN cont'd.)... some time quite a bit later. In the July meeting I was answering a question, which I did, and I'm quite prepared to stand behind that answer.

MR. SHOEMAKER: Very well. This still doesn't answer my charge, if you want to call it that, that the Boundaries Commission did not make a study in depth in the Dauphin area to the same extent that they did in the Interlake.

MR. McLEAN: Mr. Chairman, let it be put right on the record that the honourable member doesn't know what he's talking about.

MR. SHOEMAKER: Well did it? Well, is my honourable friend, then, telling me that the Boundaries Commission did make a real study of the situation in the whole Dauphin area to the same extent that they did in the Interlake?

MR. McLEAN: Well, they made the requisite study. I'm not so certain whether I or anyone else could compare — if you wanted to know the number of hours devoted in both cases, or the number of people involved, they made a study as they were required to do by their terms of reference.

MR. SHOEMAKER: Well, every member of this House received quite a substantial report of the Interlake — a substantial report, which indicated that a real study went on in the Interlake in respect to the location of schools in that area. Now the Dauphin Town Council in a letter to my honourable friend — and I don't have a copy of the letter that the Mayor of Dauphin sent to their MLA, but according to the press report he charged that "the town had been bypassed and that they were impatient with waiting on civil servants to make decisions on the location of technical and vocational schools."

I'm reading from the Dauphin Herald of July 19th: "Mr. McLean referred specifically to a statement prepared by the Mayor and read at the July 5th meeting of Council, then forwarded to the area board, Chamber of Commerce, Rural Municipality, along with the resolution recommending a joint presentation to the Manitoba Government on a vocational school for Dauphin. In answering charges that Dauphin was being bypassed in government plans for educational services, implied by reference to a Manitoba Business Journal listing of a possible school construction as a technical-vocational school at Neepawa, new schools at Roblin and Gilbert Plains but nothing for Dauphin, Mr. McLean noted, "The rumour of a technical-vocational school decision for Neepawa has been denied by the Minister of Education at least 10 times since it was mentioned in the Legislative Assembly during the last session. The decision to be made on the location of such schools has yet to be announced. The new schools proposed for Roblin and Gilbert Plains are 'regular' projects undertaken by those school divisions just as the Barker School is being built in the Dauphin-Ochre area.'

"Council was reminded of the recent announcements of the Public Schools Finance Board, that the whole cost of the Barker School is to be paid by the government even though the construction was started in 1966. Mr. McLean went on to explain to the Council that his efforts to obtain new educational developments for Dauphin were aimed at a regional technical centre, a more extensive setup than a vocational school, as such centres would include not only vocational courses for high school students, but also facilities for adult education and for adult re-training courses. The program for these newest type of schools announced some months ago by the Minister of Education, would establish a total of 10 regional technical centres in Manitoba with three locations to be decided and announced in August."

Were they announced in August? Were three definite locations made by the Boundaries Commission — that's the important thing — and announced in August? Well, that's what it says here; and then goes on to quote that famous statement that has been read into the records now 10 times, about my honourable friend saying let's be crystal clear about this one; the decision to make — "let's be quite clear; the decisions on vocational schools will be made by the Cabinet of Manitoba, as they have been in the past and will be in the future."

Now, this is what prompted the whole resolution that is before us: If it is a fact that the Cabinet is going to make the decisions on all the location of the schools, as they have in the past, are now, and will be in the future — that covers quite a long time and sets a policy for the future as well — and if it is a fact that a comprehensive report or study has not been made by the Boundaries Commission of the whole Dauphin and northern area to the same extent that it has been in the Interlake, if it has not, then it's quite evident that the Cabinet do intend to make these decisions after all, and this is the whole basis for our argument.

I could go on and read another one, from November 1st. The decision was supposed to be made in August according to this report. Headlines, Dauphin Herald, November 1:



(MR. SHOEMAKER cont'd.)... "Dauphin assured of new regional vocational centre." Who made the announcement? Not my honourable friend. No. Mr. Roblin. Mr. Roblin made it.

MR. McLEAN: Thank you for accuracy on one point at least.

MR. SHOEMAKER: I said not my honourable friend; I said the Premier, "at a luncheon tendered here by Honourable Stewart McLean, Q.C., Provincial Secretary and MLA for Dauphin." The statement made by the Premier earlier in the morning and further explanations with respect to Dauphin's role in the new program, were conveyed to 40 representatives of the high school boards and municipal council in this region." No mention at all of the Boundaries Commission; none whatever. He said the Premier of the province decided, together with my honourable friend - together with my honourable friend - that this would be a logical...

MR. McLEAN: Mr. Chairman, I'm so deeply indebted to the Honourable Member for Gladstone-Neepawa for this wonderful publicity that he's giving me, but it's only my sense of fairness, both to him and other members of the House, that I must point out that there's a distinction between making a statement or an announcement and making a decision. The then-Premier of the Province made the statement. He didn't make the decision; the decision was made by the Executive Council of Manitoba; and if he will take the time to look at the legislation that deals with the appointment of the Boundaries Commission, he will note that nowhere and at no time has anyone ever said that the Boundaries Commission was going to make any decisions. The Boundaries Commission was to make recommendations, and obviously in all cases the Executive Council makes the decisions. That's the job of the Executive Council. Surely you've been here long enough to know that elementary fact. So that all this -- as I say, I'm so grateful for this continuous publicity. It does more for me than I deserve, but it's not accurate, Mr. Chairman, and I think the honourable member ought to take that into account. He has some responsibility, I presume, even to his own members if nobody else.

MR. SHOEMAKER: Would my honourable friend be prepared to table in this House the report made by the Boundaries Commission to the Cabinet for the whole Dauphin area? Now this is the only way we'll settle that, and I want the maps; I want the same kind of a report from the Dauphin area that was tabled for Interlake, and the date on which it was tabled; all of the recommendations, and then we will know what we're talking about. There's a lot of words flying back and forth here, and let's have that recommendation and report and let's have it for the rest of the province as well, because he has said here that they've denied 10 times about the one for Neepawa. Not he, but he said "it was denied" so let's have the recommendations. And incidentally, Mr. Chairman, incidentally, when it got to be known some weeks ago that the people of the Interlake District were not entirely satisfied with the recommendations of the Boundaries Commission, who went out there eventually and told the people that, well, if this is the way they felt, why they would drop the recommendations? Didn't somebody do that?

MR. JOHNSON: No, not to my knowledge.

MR. SHOEMAKER: Well, I'm certain, Mr. Chairman, that I can find a newspaper report at which Mr. Smellie said, Mr. Smellie said at, I think it was Teulon - I'm not certain of this - that if this is the way the people felt about the recommendations of the boundary, well, it would be suspended, or words to this effect. The Premier didn't go out, apparently, and say, "Well, this is what they recommended, but we will not recommend it." Now I can't take the time to find that now but I'm certain that this is so. So you have the Premier of the province and the Member for Dauphin going up to Dauphin and saying one thing, if it proves to be favourable and to the liking of the people, on the one hand, and the Boundaries Commission on the other hand making certain recommendations if they're not favourable.

I don't want to take up the time of the House, but I'm certain that the Chairman made that statement to a large gathering in the Interlake, that if they wouldn't accept the recommendations of the boundary, well then, let's call it off for the time being. "Mr. Smellie said education plan for Interlake misunderstood." I've read that one before, in which he said he was unable to frame -- " ' If we could have re-worded it ' " - that's the recommendations for the Interlake - " '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." And this is headed "Selkirk" so apparently the Chairman made this statement at Selkirk.

MR. JOHNSON: Mr. Chairman, I think I should enter the debate at this time. I would hope that if we should reach the educational estimates during this week that I could elaborate

(MR. JOHNSON cont'd.)... for the honourable members at some length on the vocational picture in the province. And may I first of all say that I quite appreciate that on the one hand, there can be some reason for some misunderstanding in the benches opposite with respect to vocational education because things have changed somewhat since we last rose from this House, and I think the light of thinking and the changes that have occurred, that if I can possibly get the picture before the members, it would help them in this entire matter.

May I first of all state that my colleague the Member for Dauphin pointed out that under the local Boundaries Commission Act the Boundaries Commission must go out and hold hearings presenting provisional plans or recommendations following hearings in any area of the province or with respect to the reorganization for vocational education throughout the province. In that Act it says they then must report to the government. The Act says the government can accept or reject; could maybe send them back for new hearings. They may come back with an altered plan and then be sent out again for further hearings; or once the government accepts their recommendation, however, it becomes binding. This was put in there purposely because of some previous difficulties over the finality of a change in boundary or a reorganization within an area.

Now the Boundaries Commission, when they got into their work, they found that this was an all-encompassing type of study that took a lot of time and a great deal of research. As members know, we had a large committee of experts study our vocational problem in Manitoba, which we have agonized over for some time, and we have agonized because in our province we have the population distribution that makes it much more difficult than all our other provinces in Canada to bring about the grouping of students required for the best kind of vocational facilities and programs in the province. And following our rising last year, when we rose last year, the Boundaries Commission were charged with spotting vocational centres and we had visualized the residential type of facility; as we said at one point, from up to 10 to 12 of these could be spotted around the province.

As the Boundaries Commission got into their work and recognized the numbers of students in high schools in the various divisions, such as Turtle River, such as Duck Mountain, such as Evergreen, in the rural areas, we find in many cases there were less than 600 students. The minimum requirement according to the federal criteria, which we reviewed with the federal people, was a minimum of 600 rising to 750 in three years for a composite type of school, and at least 400 in the pure vocational, which meant 400 children taking a 40-50 percent program; that the regional residential type of facility would so depopulate the existing high schools as to make this unfeasible, in their opinion, and in concert with us in the department, we said, "Well, there's real urgency in getting on with the development on vocational facilities; we've been agonizing over this for some time," and our department sat down with the local government Boundaries Commission and came to the conclusion that it was advisable to look at this whole matter in the light of our most recent experience.

And that was this, that in general terms - and I'm trying to articulate a big problem in a few minutes - in general terms that, as you develop vocational high school educational facilities, you then change over a period of time gradually the character of our post-secondary institutions like M.I.T., and into a more post-secondary - oriented type of institution. It then seemed logical that in the three areas in Manitoba, they recommended to us that in these three broad areas of the Metropolitan south-west area of the province, the western part of the province, and the more northerly part, that where you had the greatest concentration of pupils, which you have at these three broad centres, that we should - and we already have established in these three broad centres post-secondary vocational technical facilities, The Pas, Brandon and M.I.T. - that these should be the three broad areas that should eventually become the community colleges type of facility, and that therefore this made excellent sense to us in the light of our knowledge in the department. They recommended that we proceed with the development of facilities in the Dauphin area, Brandon, and Metropolitan area of Winnipeg, and with that, on the latter part of October, after clearing this with the federal officials in some detail, because they have to pay 75 percent of the cost of these facilities, and explaining to them our reorientation of our problem because of geography and in the light of experience, we then published a White Paper which was distributed very widely, and it outlined the broad approach that we would like to see taken. It outlined the federal criteria with respect, and the ideal set of conditions with respect to composite schools and regional schools. It anticipated that where you have regional pure vocational schools at two or three centres in the province,

(MR. JOHNSON cont'd.)... that these centres, the children could come from the smaller high schools to these centres for a vocational type of education.

We made preliminary surveys in the department. My department reported an interest of the division surrounding Dauphin, that this would be a logical place for them, and in the western part of the province we've been contemplating the Brandon area. It was also apparent that within the Interlake area, the Commission at the same time reported that, in concert with the FRED and Manpower people, it was desirable if possible to have a vocational type of facility in the more northerly part of the Interlake, and they picked Ashern. As a result of that decision, we said, "Fine we can proceed there but only insofar as the Commission get out on its priority basis and hold hearings with the provisional plan," and it was that decision with respect to Ashern that no doubt led to the type of reorganization of introducing, within their Provisional Plan - as they have - the concept of such a school in the more northerly part of the Interlake.

Now this may prove to be unacceptable to the people in its present form, and it may have to be modified. I have not as yet heard back from the Commission as a result of these hearings, where we all recognize the difficulties which they have encountered. However, within that Interlake area and in order to get on with our ARDA-FRED they also suggested the Selkirk area would lend itself ideally to a composite type of facility for vocational education because it had about 1,000 students in one school.

So when I introduce my estimates I will elaborate on this further but I just want to share with the Committee at this time the broad general development since we last met, the outline of which is in the White Paper which is sort of an ideal objective, but the variations which might come in. And of course in the middle of all this, as I will discuss with you during my estimates and I have prepared some material for distribution to try and assist honourable members, we found as we began to have our discussions with the trustees and people in these areas and set up a task force to outline the desirability of vocational education and the kind of facility that were possible within divisions or by divisions grouping together and what have you, we were delayed last December by the sudden announcement of a ceiling which the federal authorities placed on the amount of money available for vocational education in view of the tight money supply. We agonized over this for a few months but have since had assurances that we have the sufficient funds available to us to proceed on the basic plan which I will outline at the time of my estimates.

But I think it's as clear as that. The honourable member made reference to a statement made by the Chairman of the Commission reported in the press on the result of the Interlake hearings. Another member made reference to the fact that the Minister of Education wouldn't go up and explain things in Teulon. I did phone the mayor at the time that he advised me he was having a large gathering. I told him that the House was sitting. The Premier and I -- I didn't think we should be there at these provisional hearings because I didn't want to in any way anticipate the results of the Commission. Certainly we're willing to answer questions at any time and he agreed with me on the telephone that we should not come, that it would be quite understandable if we weren't there at this particular stage while they heard from the Commission some of the reasons for the recommendations which they came to. And those general recommendations -- the involvement of my department has been that of advising on the criteria and the size of desirable vocational facilities or the most desirable and optimum pupils counts to get the kind of schools that will lend themselves to vocational training. This is their provisional plan; I would rather not comment on it until I get their final recommendations as to possibly not agreeing with all of it or in its entirety. I think it was, as I read it, an overall plan; obviously it would be something paced over a period of time. But when they report back and give us recommendations then we can examine those recommendations and they may be unaltered or whatever method comes through. So I just thought this might assist honourable members in putting this whole problem of vocational education in perspective and I will try and answer detailed questions during my estimates when they come up.

MR. SHOEMAKER: I wonder then if my honourable friend the Minister of Education or the Minister of Public Utilities would provide the House with the recommendations of the Boundaries Commission in respect to the Dauphin area. Because the House felt that it would be helpful to all members to have the comprehensive report of the Boundaries Commission in respect to the Interlake, I think that it's only fair to ask my honourable friend to provide the House with the Boundaries Commission's recommendations in respect to the Dauphin area. The Minister

(MR. SHOEMAKER cont'd.) . . . of Education could table that on his estimates rather than take up the time of the House now in light of the hour of the day.

MR. CHAIRMAN put the question and after a voice vote declared the motion lost.

MR. JOHNSTON: Ayes and Nays, Mr. Chairman.

MR. CHAIRMAN: Call in the members.

A STANDING COUNTED VOTE was taken, the results being as follows: Yeas, 12; Nays, 37.

MR. CHAIRMAN: I declare the motion lost.

MR. CHAIRMAN: (a) -- passed.

MR. FROESE: Mr. Chairman, do I understand it then correctly that the Minister does not take responsibility for the Commission? -- because I posed a number of questions and she just defers them to the Minister of Education. How do I know whether the questions asked will be answered by the Minister of Education? I think the Minister of this Department where we are voting, the money definitely has a responsibility to answer some of the questions because we'll be spending the money under this item once this is approved and I for one want to know more on the questions that I put before I am prepared to have this item passed.

MR. LYON: Mr. Chairman, before we rise I took it that it was perhaps the desire of the House to have a question period this afternoon in which separate sitting this afternoon honourable members I hope would agree that there would be no necessity for another Order Paper. I move Committee rise.

MR. CHAIRMAN: Call in the Speaker. Mr. Speaker, the Committee of Supply has adopted a certain resolution, directed me to report progress and ask leave to sit again.

#### IN SESSION

MR. DOUGLAS J. WATT (Arthur): Mr. Speaker, I beg to move, seconded by the Honourable Member for Springfield, the report of the Committee be received.

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

MR. LYON: Mr. Speaker, I beg to move, seconded by the Honourable 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 2:30 Monday afternoon.