

THE LEGISLATIVE ASSEMBLY OF MANITOBA

8:00 o'clock, Friday, March 5th, 1965

MR. GUTTORMSON: Mr. Chairman, before we proceed with the estimates I think it might be fitting if the House recognize that Manitoba has regained the Dominion Curling Championship when Terry Braunstein, and his rink of Donny Duguid, Ron Braunstein and Ray Turnbull won this afternoon to end up with an 8-1 record. It's been almost 10 years since Manitoba has had the distinction of winning the Briar so I think it's fitting we should recognize this victory this afternoon. This brings the second Dominion Championship to Manitoba within a week.

MR. SMELLIE: Mr. Chairman, I think that Manitoba is very fortunate this year in that we have won not only the men's curling championship but also the ladies' curling championship and we still have a fighting chance to win the mixed, and we hope that at sometime in the not too distant future we may be able to recognize these winners in a suitable way.

MR. S. PETERS (Elmwood): Mr. Chairman, to keep the record straight, it was 9-1 their record was, not 8-1.

MR. CAMPBELL: Mr. Chairman, I'd like to add my word of congratulation to Terry Braunstein and his rink. I think it's an amazing performance that any rink has to go through in the Consols. Three out of the four of these young fellows, and they still are young fellows, represented Manitoba seven years ago and they literally took the curling world by the ears at that time, they made such a showing and came within an eyelash of winning then. I think it's just wonderful that so many of them have stuck together and carried on. They've done a great job and I'm sure all of us are very proud of them.

MR. McLEAN: Mr. Chairman, as a fellow citizen of the great Ab Gowanlock who has brought the Consol trophy to Manitoba on more than one occasion, I join with my colleagues in the House in these words of congratulation, and I think it might be appropriate, although he is not in his seat at the moment, to comment on something that was said by the Honourable the Member for St. John's last evening, when he was reporting on the score and he said two things that I think ought not to go unchallenged. He suggested that there might need to be a Commission for the regulation of curling and as an amateur member of the benevolent and protective order of curlers, I reject that completely and specifically. And also he talked about that there might be a "fix" in the game of curling. That is, Sir, quite an improper suggestion to make with regard to the finest game of all games.

MR. CHAIRMAN: Resolution No. 6, 5 (a) 1

MR. CAMPBELL: Mr. Chairman, if we are back in the business of the Legislature, I did want to carry on the discussion with the Honourable the Attorney-General just for a moment more with regard to the matter of paying money to the government or receiving it from them. I certainly have no trouble in accepting the distinction that my honourable friend made, but the point I wanted to make and just now I have looked at the section again, section 17 of The Legislature Act and my honourable friend, if he reads that carefully will notice that no person directly or indirectly, alone or with any other, by himself or by the interposition of any trustee or third party, holding or enjoying, undertaking or executing any contract or agreement and expressed or implied. My point is -- of course six cents is a very small amount, even if you get ten cents worth done -- my point is that the terms of the Act are so all inclusive that even little charges that are made some place could prove to be an embarrassment to members of the Legislature, and when my honourable friend has managed to get a billing rather than paying cash at the time that might be thought to be more of an agreement on his behalf than one of us who shelled out the shekels no matter how much it hurt, right at the time. This one is a very small matter but little charges like this could come along sometime and rise up to embarrass somebody.

MR. SHOEMAKER: Mr. Chairman, I would just like to make one last comment on this particular appropriation, and that is this, that I for one, do not complain about the indemnities that we are now getting, but I do complain about the fact that we have to pay for photostat material and so on. It's a matter of principle. I feel strongly that as members of this Assembly we don't have adequate stenographic assistance during and between sessions; I don't think that we have adequate office space, between sessions and I think that even though it's only six cents per photostatic copy, I object to it and I would hope that the directive that was issued in the past two or three months will be rescinded. It's not a matter of indemnity or anything, it's just a case of giving members of this assembly enough stenographic and research assistance for us to

(MR. SCHREYER cont'd.) do our job, that's all.

MR. CHAIRMAN: 1 passed, 2 passed, (b) 1 passed, 2 passed

MR. MOLGAT: Mr. Chairman, under (b), these are the libraries in the other departments of the government I take it. Strictly?

MR. CHAIRMAN: (c) 1 passed, 2 passed

MR. MOLGAT: Mr. Chairman under (c) is the Minister going to make any statement at all insofar as Libraries? I think there were some plans for changing the structure of the regional libraries. Is there anything further contemplated, or are we going to continue on the present basis?

MR. McLEAN: Mr. Chairman, no changes are contemplated, and as far as I am aware we will be continuing on the same basis as we have done up to this time, under the present Act.

MR. MOLGAT: Are there other areas now contemplating the establishment of regional libraries?

MR. McLEAN: The local government district of Mystery Lake which is Thompson, has a petition in that has been approved and they will be having their vote. The local government district of Pinawa also; and there is considerable interest being shown in the formation of a fairly substantial regional library in the area of Brandon. It has not progressed however, to the point where one can speak of it with any degree of assurance, but there have been a number of meetings held with interested parties and there is a possibility that something may come of that development. That is the most likely looking development at the present time.

MR. MOLGAT: These increases that the estimates provide for then are for the ones the Minister mentions now? The specific ones that are in process or has he -- because there is a change here of some \$40,000.00.

MR. McLEAN: There is an increase due to the fact that we had a number of regional libraries that were approved in October -- that is approved by their respective votes in October 1964, Gimli, Morden, Winkler, Swan River, Benito, Pilot Mound which voted to join the existing regional library of Lakeland, all of those were approved by the votes of their resident electors and are coming into operation this year, so that our estimates reflect two things -- one, the establishment grant which will be paid to those libraries during the coming fiscal year and also the amounts to which they will be entitled as and by way of operating grants on the basis on which these grants are paid. That is in large measure the, well in fact, that is the explanation for the increase in the grants.

MR. FRED GROVES (St. Vital): I wonder if the list is too long to have read onto the record the actual grant to each library under (c) 1. I might say that I am most interested in the grant for the St. Vital Library but I think it would be of interest to have them all, if it is not too long.

MR. McLEAN: Mr. Chairman, I can give the grants that were paid in 1964 to the libraries. I cannot give the exact figures for 1965-66 for the reason that we do not have the details of local levies for library purposes. However, these figures for 1964 will be of assistance, because the figures in the coming year will not be very much different and would be within a very short amount about the same. Boissevain and Morden -- I'm now giving the total grants paid during the fiscal year 1964-65. Boissevain and Morden \$5,080.00; Brandon \$6,415.70; Dauphin \$3,567.50; Flin Flon \$4,273.74; Fort Garry \$6,227.05; Glenwood-Souris \$4,720.00; Henderson, that's East Kildonan and that area, \$19,899.60; Joliet, which is the area of St. Pierre \$4,772.50; Lakeland, which is Killarney and that general area there, \$7,019.94; Russell and district \$6,450.00; St. Boniface \$9,502.19; St. James \$8,360.05; Ste. Rose \$4,480.00; St. Vital \$6,638.05; Southwestern, Melita and surrounding area \$4,630.00; Transcona \$5,690.00; Virden \$8,696.32; West Kildonan \$6,100.00; Winnipeg \$42,477.45. That's the grants paid in 1964.

MR. CHAIRMAN: (c) 2 passed, (d) 1 passed

MR. ARTHUR E. WRIGHT (Seven Oaks): Mr. Chairman, under item (d) Archives and Historical Research, I notice that there is no increase in either salaries or grants. I was just wondering whether the \$4,000 was used to purchase some new equipment I might be interested in.

MR. McLEAN: Yes. There are two items here, \$2,000 is in this item for a survey that has been arranged and will be conducted by Dr. K. Lamb the National Librarian and Archivist from Ottawa and his associates. This is a survey requested by the Manitoba Historical Society who were anxious to have a survey conducted to determine what might be considered the best location for the Manitoba archives. Generally speaking, I think that the people who are

(MR. McLEAN cont'd.) expert in this field think in terms of three possible locations; one in the Legislative Building, that is associated with the legislative library, a second possibility might be the University of Manitoba; a third possibility might be the museum, down in the Cultural Centre when it has been constructed or some part of that. It was suggested and I thought it was a worthwhile suggestion that a survey might be conducted by Dr. Lamb who is an expert in this field, to advise us where he thought the archives might best be located and that accounts for \$2,000 of the additional amount of money in that item.

Then there are additional items there for some acquisitions which we hope to make in the way of documents, and part of that, if not all of the additional amount will probably be used for purchase of -- and I'm not too certain that I pronounce the name correctly -- Rindesbacher pictures which are regarded very highly by people in the historical field. They are historical pictures of the early history of Manitoba. And I believe perhaps on pages 10 to 12, although that may refer to acquisitions of the report, may refer to acquisitions that are already there. But it's for additional acquisitions of an historical and archival nature.

MR. SCHREYER: Mr. Chairman, whatever this government is, one thing it is not, and that is it's not picayune or not too tight fisted and therefore I think that the Attorney-General would be interested in looking into the possibility of providing extra estimates next year for the hiring of one or two extra staff so that the library or at least a portion of the library might be kept open evenings or some evenings during the week.

Now just before we rose at 5:30, the Minister informed us that there was some sort of procedure by which students wishing certain documents, etcetera from the archives could phone in or make arrangements and they would be left in a locker or in a corral or something to that effect. But I'm not sure that they have any place in the building then to peruse or to go through or work with those documents in the evening. I am sure that the Minister is well aware that many people, precisely those people who are working in historical research, etcetera, or research of any kind, are people who are -- many of them hold regular jobs and regular hours, and often the only convenient time for them to follow up on research, etcetera is in the evenings. Well, to make a long story short, Mr. Chairman, I would hope that the Minister will look into this with the view of making for more utilization of the library in the next fiscal year.

MR. McLEAN: Mr. Chairman, I just want to say I appreciate the matter being brought up again, that I incorrectly informed the members of the Committee before supper, because I misread the note that was sent down to me. The arrangement that I spoke of is an arrangement that is carried out in the National Library in Ottawa and not here. So that we have no arrangements at the present time and I would be happy to take under consideration the suggestion which he has made.

MR. CAMPBELL: Mr. Chairman, I would like to ask the Minister if there is any additional information or report that he is able to give in addition to what appears in Mr. Bowsfield's portion of the library report regarding archives and historical research, because there are a good many of us in here who have felt through the years that we should be making some plan and program to recognize the storied past of Manitoba, and to document and some way preserve some of the early monuments that are in danger of being lost.

I think -- yes -- now someone has asked me to speak about Flee Island. I accept the unanimous request to discuss that interesting subject for 40 minutes or so, Mr. Chairman. But seriously one of the great events in the history of Manitoba was the coming of the first railway, and pretty nearly everyone in Manitoba is familiar with the great fight that developed as to where the Manitoba first terminus was going to be, whether Winnipeg or Selkirk, and we know that at one time a line actually ran from Selkirk or more correctly I think Stonewall, west of there. And I would think that someplace that old line should be marked. This is one of the historical events of great importance, and certainly as that line projected west, I think there are many many places that could be, without any great expenditure of money at all, suitably marked.

And one of those of course is Flee Island because to me at least it is interesting to recall that -- and I'm sure that this is so characteristic of many districts -- that where there was four different institutions of some importance that carried that name at one time: a little jumping off place on the original railway -- the first one to be through; a little corner store or crossroads store; a post office; and a school. Every one of the four of them is now gone. The district remains of course, but the four markers that carried the name, every one of them is gone. The new school program has swallowed up the school. The post office became

(MR. CAMPBELL cont'd.) a rural route of High Bluff some years ago. The store had fallen under the influence of competition years before that, and the railway jumping off place had of course disappeared when the line was moved down to the area that my honourable friend the Minister of Public Works hails from. Not only because there is one of the old battle grounds of early days out there, and not only because it's the railway, was a site on the railway, but because there are many areas like this. And I imagine that somewhere out here, perhaps in the constituency of the Honourable Minister of Agriculture and Conservation, that there's a site that could be marked where the railway started off in that town. As you know, Mr. Chairman, the fact that it was a long time before they decided where the bridge was going to be, and who was going to build the bridge, and that sort of thing that kept this matter up in the air. But I think through the length of Manitoba there are places that could be marked to future citizens. And Flee Island I'm sure is only one of many that could be mentioned in that regard.

There is a book that my honourable friend may be acquainted with, I'm sure the Honourable the Minister of Public Works is acquainted with it, called "The Tread of the Pioneers." It was written by a distinguished citizen of Portage la Prairie many years ago. A very good committee of whom few remain today, went to work and assembled a most complete history of the area in and around Portage la Prairie, and of the individual families who had been pioneers in that community. When they were assembling the material for the book they encouraged old-timers or members of the family of old-timers to write letters to the editor of this local book, and give authentic descriptions of pioneer life and their early days, and their recollections and reminiscences. And some of those are simply wonderful to read in these days. I think that's a good kind of project for any community to undertake by itself, but generally speaking, the community can't go very far in the way of erecting memorials or sites, or cairns, or something of this kind, and some of these districts I think should be most carefully scrutinized once again to see if we couldn't do something along that time.

MR. CHAIRMAN: (1) passed; (2) passed

MR. MOLGAT: Mr. Chairman, before we leave this matter of the Archives and Historical Research, I note that in '63 estimates, provision was made for three staff in the Department. For the past two years provisions have been for two, and yet the salary arrangements were increased last year from \$9,000 to \$13,000.00. What is the present staff? Is it two or three?

MR. McLEAN: Mr. Chairman, the present staff is two -- Mr. Bowsfield and an archival assistant. The archival assistant, Mr. Bennett, is absent on educational leave, will return on May 31 of this year, and I think there is a temporary replacement in his position. So that if I interpret correctly the notes that I have here, there are two persons on the staff there.

MR. MOLGAT: The reason for my question, Mr. Chairman, was that last year there was an increase here from \$9,900 to \$13,500, and this year we are carrying on roughly on the same basis, and I wondered whether there had been an increase in staff last year, or what had been the reason for the increase, whether this was continuing.

MR. McLEAN: What was the question again? You're going back a year.

MR. MOLGAT: According to the estimates of last year when we increased the appropriations for salaries from \$9,900 to \$13,500 -- this year we are continuing the same rough figures and yet last year we -- according to the sheet that is provided for us insofar as salaries and the numbers employed in each department -- there was a decrease in staff. In other words in the '63 estimates, we were given the staff figures of three. Last year and this year we are given the figures of two. Nevertheless the salaries go up.

MR. McLEAN: I'm afraid I can't answer that. I'll be glad to get an explanation for it.

MR. MOLGAT: There's a substantial increase here in supplies, expenses, equipment and renewals. Presumably that is for either new equipment or the increased use of micro-filming or what?

MR. McLEAN: The Honourable the Member for Seven Oaks had inquired of that. Two thousand is for an Archive Survey and the balance will be for acquisitions to the Archives.

MR. CHAIRMAN: (d) 2 passed; (d) 3 passed.

MR. CAMPBELL: The Grant figure, Mr. Chairman. Was it mentioned?

MR. McLEAN: Are you asking?

MR. CAMPBELL: Yes. I'm asking if the grant figure has been given.

MR. McLEAN: The Manitoba Historical Society, \$3,000.00; Manitoba Library Association, \$75.00; Canadian Library Association, \$500.00; St. Boniface Historical Society, \$200.00.

MR. CHAIRMAN: (b) 3.

MR. MOLGAT: Mr. Chairman, is this the item then under which we are expected to discuss the St. Boniface Museum, the building there, or is this to come under some other item?

MR. McLEAN: It's not under this, I think it's under one of the -- I'm not too certain whether the Provincial Secretary or Industry and Commerce. You mean the Tache -- it is not here and I'm at a loss. It's one or the other department that's concerned with this.

MR. ROBLIN: I don't think there is any item in the estimates for it.

MR. MOLGAT: I was going to ask questions about it but in view of the fact that the Minister brings up the St. Boniface Historical Society here, I was wondering what the progress is on that building, and exactly where we stand so far as our participation in this, what the federal people are doing, and so on.

MR. ROBLIN: If my memory serves, Mr. Chairman, our participation was concluded a couple of years ago. We made two annual grants I think of \$20,000 a piece, if memory serves, and that concluded our participation in that project.

A MEMBER: Yes, I believe so.

MR. CHAIRMAN: (d) 3 passed. Resolution No. 6 passed. Resolution No. 7

MR. MOLGAT: Mr. Chairman, in Resolution No. 7, the figure indicated here is \$250,000, and yet the figures given to us by the government are substantially in excess of this. Now what are the provisions here?

MR. ROBLIN: It's a provision that's being made in this fiscal year. We expect to pay out this amount of money if all goes according to plan but no one knows for certain yet. However, whatever subsequent appropriations are required will be included in subsequent estimates.

MR. MOLGAT: The fact that this figure doesn't come up to the total that the government has committed does not indicate the government's feeling that this is not going to go ahead in that case? Is that right?

MR. ROBLIN: No, it's purely a matter of spreading the cost over the period.

MR. PAULLEY: In connection with the Pan-Am Games, Mr. Chairman, I asked a couple of questions this afternoon. I have another further one. It's my understanding that there's a deadline which has to be reached or anticipating being reached as to when a definite decision will be made as to when the Pan-Am Games Association for this area will say that they're going to proceed or they're not going to proceed. Is the First Minister or any member of government conversant with the situation as to a cut-off time and could they inform the committee?

MR. ROBLIN: I'm sorry I haven't got that information for my honourable friend. That part of the negotiations are being handled by the City of Winnipeg and we're sort of waiting for them to conclude them.

MR. PAULLEY: Well, Mr. Chairman, I notice that the Honourable Minister of Labour is in the Assembly at the present time. He was the gentleman that went down south -- Sao Paulo -- accompanied with the Mayor of the City of Winnipeg and has taken a very close look at the Pan-Am Games and joined in the invitation. I wonder if he could possibly inform his colleague, the First Minister, as to what the situation actually is.

MR. BAIZLEY: Well, Mr. Chairman, I believe that all honourable members are well aware of what the situation is at the present time. You know the City of Winnipeg is having trouble encouraging the Federal Government to provide a fair share of the money to enable them to put on the games. (Interjection) Well, I can't agree with my honourable friend because I think we are making a most generous contribution to the games. I can say this that if the City of Winnipeg does arrange the financing, and I feel quite confident that they will, we will be able to have as fine a games as has ever been held for this particular event. I say this after having been to Sao Paulo, of looking at 2500 athletes living some 10 or 12 miles away from the city in a facility with one telephone, a typical South American attitude apparently, when a time or a place was set for an event, that it might happen within reasonable limits of the time stated. A little different way than what we're accustomed to. So I would think that even though we feel that our facilities are possibly not as great, and maybe not as magnificent as what they had in Sao Paulo, that we will be able to have just as outstanding an event for the

(MR. BAZILEY cont'd). Pan-American Games as any city that would be eligible to hold them.

There are too many people in our community who say to a good many of us, well, where are we going to put 60,000 people? And I merely say to you honourable gentlemen that when these people talk this way they are relating population figures of Sao Paulo, if you will, a city of close to six million people, to the type of facilities that we have, so if we relate our facilities to a million people you can see that at least those facilities that we have are quite capable of handling the numbers of spectators that would want to view the event in those facilities that exist at the present time.

The other thing is that in Sao Paulo 50 percent of these people were allowed in to a good many of these events free of charge; the others paid a very nominal fee, so you can see that, with six million people to draw from, that it's not too hard to have exceptionally large crowds. The other thing that we must remember is that the Pan-American Games are an international sporting event. They would be telecast and broadcast and to all the other countries giving an image not only of the City of Winnipeg and our province, but of a Canadian way of life, and I suggest that if it was only for the benefit of the 2500 athletes that would appear here that it would be an international investment that would pay great dividends not only to us but to our neighbours in South America.

MR. PAULLEY: Mr. Chairman, I thank the Minister for the Cook's tour of Sao Paulo, a city of six million people and a number of athletes, but I'd still like to know from my honourable friend if and when there is a cut-off date when a decision must be made as to whether or not the Games are going to be held in the area of Greater Winnipeg.

I attempted this afternoon, if memory serves me correctly, Mr. Chairman, to try and find out from the government some information -- and boy oh boy, it's pretty hard to get any information from them -- about the situation in respect of Metro and a possible contribution from Metro. I asked what I thought was a relatively simple question. In the opinion of the government has Metro the authority or has it not, under present legislation, to make a contribution in respect to the Pan-Am Games? The answer that I got from across the way, "Well, we'll consider, we'll think about it." But if the information that we are receiving from time to time through the press, Culver Riley and Mayor Stephen Juba and others, that it isn't quite as simple or lackadaisical, I think is a proper adjective to use in respect to the government, as far as we are aware the decision has to be made soon. And I think one of the things in view of the fact that it seems an approach is going to be made, Mr. Chairman, to Metro, or becomes involved in it, have they the authority? Now I don't think, I don't think that Metro should be bothered or should have to be bothered with considering it if they haven't got the power and the authority; and if this government finds that they haven't then I would suggest that if they want Metro to take over this responsibility, as they got Metro to take over the provincial responsibility in respect of hospitals, that we should be getting some information from the government opposite as to how the situation stands.

I suggest Mr. Chairman, it's simply not good enough for the First Minister of this province to say, well we'll consider the matter when we have to face it. I say that a forward-looking government, a government of planners, which of course my honourable friends are not, would be able at this stage of the game to say whether or no Metro has the authority, and if they haven't and it appears to be desirous, then they should be prepared to stick out their necks and grant that authority.

MR. ROBLIN: Mr. Chairman, I'll do my best to answer my honourable friend because I think the matter deserves as much clarification as I can bring to it.

Let me deal with the Metro aspect of it first of all. I think whether or not they have authority depends on what they decide to do. I think if they decide to build a swimming pool they may say this is within our recreation -- that sort of thing -- within our recreational function, our parks function -- and they could provide a swimming pool perhaps within their authority. If they decide, on the other hand, that they were going to raise a levy to provide for the Pan-Am Games, then there might be some question as to whether it would be within their authority. So we are trying to get clarification of this when we find out what particular course of action Metro decides to adopt, and when we know what they are doing then we will be in a position to know better whether it is in their authority or not.

Now regarding the time limit, Mr. Culver Riley did write a letter to the three parties interested in this thing, the three governmental parties, and stipulate a time limit. When I replied to him I said that I hoped he wouldn't stick to that time limit as I felt sure that further

(MR. ROBLIN, contd') elbow room would be required in order to get this matter settled and I received no reply from him directly but I do know that he's abandoned that time limit. Now I can tell my honourable friend that he's coming in to see me tomorrow morning. I don't know what he wants but maybe I'll learn some more about how things are going as a result of that meeting. Whether I'll be in a position to say anything about the conversation I can't tell but we are trying to follow it closely and to keep the matter on the rails so far as we can. But I come back again to the fact that I think the main point now is that, can the City of Winnipeg make further representations to the Federal Government with respect to their share of the cost, and we'll see what arises from the negotiation.

MR. PAULLEY: There's another point too, Mr. Chairman. I want to inform the House, and of course in this I'm not speaking as the leader of a political party but rather as a representative of a constituency, and the constituency that I represent comprising the City of Transcona, part of the City of St. Boniface and part of the City of St. Vital, and all of the municipal councils concerned have gone on record as opposing any contribution by way of levy from Metro or any contribution from Metro that will result in a charge on these respective municipalities. Now I would suggest in all deference to my friend who talks of the possibilities of Metro and point as to whether or not they might be able to build a swimming pool and sort of skirt around the law and bring a levy or impose a levy for this to a greater degree than normally they would, for such things as swimming pool, on the area municipalities.

I think, Mr. Chairman, there is an obligation upon the First Minister, the Minister of Municipal Affairs or the Attorney-General or somebody, at this stage of the game to give assurances to the municipalities who have declared themselves as being opposed to any Metro contribution, among which municipalities, as I say Mr. Chairman, of the three that I have the honour to represent in this Assembly. I am glad to hear from the First Minister that he is going to meet Mr. Culver Riley tomorrow morning apparently in connection with the cut-off date or a date or -- meet him in connection with the Pan-Am Games. Anyway, I do however ask him to do a little bit more investigating in the matter so that these municipalities such as I represent are not continuously in a dither or up in the air as to what their particular situation may be. I appeal to my friend.

MR. ROBLIN: I see the point very clearly and I have much sympathy with the point my honourable friend is making. I merely ask the indulgence of the House, though, to remember that we are still in the midst of a three-way negotiation. And I feel it would probably not be wise for me to say any more -- well, for now. It wouldn't be wise for me to say any more about just how those negotiations are developing, but I can assure my honourable friend that the point he is making is one that I have clearly in front of me and it will not be overlooked in our talks.

MR. CHERNIACK: Mr. Chairman, I appreciate what the Honourable the First Minister has just said, and I don't know that we have a right to assume that the province is participating in the negotiations -- he stated it as a three-way or three-party negotiation. I'm not sure that the right parties are doing the negotiating, and I'm not sure just how they are shuffling around the taxpayer's dollar. I have great difficulty always understanding people saying, "Well, if the city pays, then the province will pay;" and "if the province pays, then the city will pay." It's still the same taxpayer and my impression is that the City of Winnipeg residents and ratepayers pay a substantial part of the revenue of the province. So while we're diddling around with how the same taxpayer is going to pay the money, I want to stress again what has been referred to by my leader, and that is that every cent paid through the municipalities is paid by the real property ratepayer. And last year we had -- oh for a number of years, we had a great deal of discussion in this House about the cost, the burden on the real property ratepayer. Last year this government came up with solutions that were going to take the burden off the real property ratepayer and put it elsewhere. Now we find that again the real property ratepayer is being told: "We will match everything over three-quarters of a million dollars." I think that's the proposition from the province, which says again -- no, it's over three-quarters -- it was suggested "up to". "We will give three-quarters of a million, or we will give more if the city raises more or the municipalities raise more." Well, this to me again is just either deliberately delaying this matter until this nebulous time limit runs out, which may not be honourable but it might be practical, or it means that you're flirting with this deadline in the expectation that the Federal Government will capitulate on the basis of being shamed into it. I feel, Mr. Chairman, that the mere suggestion to Metro that it should build

(MR. CHERNIACK cont'd) a swimming pool because it needs it -- and incidentally, since it needs a swimming pool, it should build one Olympic size and I think two or three other pools alongside of it, which the City or Metropolitan Winnipeg as such will not need for many years to come -- is not a moral proposal. If the Pan-Am Games are good

MR. ROBLIN: Please understand, I am not proposing that.

MR. CHERNIACK. I know. I didn't suggest that. I didn't even suggest that the government was proposing it, much less the Honourable First Minister, but it has been proposed and as such I think we have a right to comment on it. If it's the matter of paying for the Pan-Am Games then Metro, I think, doesn't have the right. As a matter of fact, I was going to help both my leader and the leader of the government in trying to understand how Metro could acquire the power, because I saw in the Metro Bill that is proposed, that was delivered today, a proposal to change wording from "incurring certain expenses which pertain to the interests of the Corporation," deleting those words and substituting words: "that in the opinion of the Council may be the interests or to the advantage of the Corporation, or the inhabitants of the Metropolitan area." That's a fine wording, but I must confess that I haven't yet found out exactly what section they are amending and I am afraid it may be more limited in terms of the nature of the expenditure, so I'm not sure that this is the method and I'm certainly not suggesting it is until I study it further. But I do think that the problem has to be faced and should be faced rapidly.

I note with interest the Honourable Minister of Labour's description of the great value that the Pan-Am Games has for Winnipeg. I'm not sure that he didn't really describe the value it would be for the 2,500 athletes, rather than for Manitobans, to see the Canadian way of life. I don't know that it's our job to subsidize that positive contribution to the athletes, but I question very much -- and I think it's time that we all started to question -- exactly what we expect from these Pan-Am Games, and where the province stands in that relation. As a resident of the City of Winnipeg, I have a right to ask my Mayor what he has in mind, but I'm not sure that what he has in mind is necessarily what this government has in mind. And I would like to know the extent to which this government has taken a part in the budgeting, and in the programming, and in the physical planning that this budget must have taken. It seems to me that if there is going to be a permanent arena -- and I use that word because I don't want to define any particular thing, but it could be a swimming pool; it could be a bicycle track, or whatever it is -- if it's going to be in some outlying part of the suburban area, this government should be interested in where it's going to be and what it will be, and what area it will serve. We've heard so much about the parks throughout the province that are being planned, the recreational areas. Is this government participating in the decision as to how the use of these Pan-Am facilities will fit in with the long range plans for these parks? If so, I haven't heard about it and I would hope that it were so, so that rather than just a budgetary item, as it appears to be here, and which I gather is completely guesswork as it's only arrived at by the arithmetic of dividing three into \$750,000, that we have some better idea of what this government is planning will be the best advantage for the use of this money.

MR. DESJARDINS: Mr. Chairman, I find myself in sympathy with nearly everything that was said by the Honourable Member for St. John's, and also by my MLA, the Member for Radisson. I think that very few members of this House have had more closer connection with sports than I have. In fact, the Minister of Mines and Natural Resources said that I was brought up on a hockey rink. Well maybe that's the case. I'm not ashamed of it at all; I think that sports is a wonderful thing. But I think that in anything we do, even if it's a wonderful thing, I think that we have to draw a line somewhere. We have to attach a certain value on a thing. That doesn't mean that you drop the Pan-American Games, but I think that you have to decide what value it has, and I think that it hasn't got the value that it is going to cost now. Something that I don't like at all is that it has been hinted and it seems that we're setting up the Federal Government to blame if this doesn't go through, and I think that this is most unfair. Unfortunately, too, the Minister has done just this, and I would say that it would be wrong to blame the Manitoba Government. This is not a question of blaming; it's certainly plain that one man pushed this and he has had this in mind for a long time -- more power to him. But he did a selling job. I think that he went half-cocked. He was warned two or three years ago that this would cost much more than he said that it would cost. Nobody paid attention, and then -- now we are faced with this man who brought this here, we think that this is going to be a catastrophe, that it is an awful thing, a black mark on the country, the province

(MR. DESJARDINS cont'd) and the city if we don't have this. Well, we haven't gone that far yet, and if this is going to be that costly I don't think that we should go ahead with this Game. We have to draw the line somewhere, as I said. I won't buy all this thing how much good it's going to do for us internationally. It's not international to start with. It's not completely international to start with. I don't think that there is that much prestige to the Game. Mind you, a city the size of Winnipeg or Greater Winnipeg, it's not bad if we can work it. But let's not exaggerate these things. This is not the Olympic Games. And this is not (Interjection) I don't care if hockey or ping-pong or basketball's included. This is not the same thing and it's not even -- the British Empire Games are away ahead of this. Now you might have quantity, but I don't think you will have that much quality. And let's not be afraid to tell the truth here. It is true that Winnipeg has never supported sports too well. Now this is the business of the citizen. They have entertaining dollars and maybe they decide to do something else with it. And I can't see where we should force it on the people of Winnipeg. There are so many things that we can do. Mind you, as I say, this is a good thing and you have to draw the line somewhere but I think that it's proven now that this is wrong.

Now, why should we be ready to set up the Federal Government? The Federal Government made a contribution. Maybe it's not fair compared to other things, to the Montreal Fair. I don't know and I say two wrongs doesn't make a right. I don't care about this. Now this is the same government -- and we approve you; I do anyway -- the same government that said to the the Federal Government, "Have some priorities." When it's every little place starts this thing, let's be honest with this priority when it doesn't concern us. Is this what we mean, that -- the First Minister and a few of the ministers said they were very disappointed in the Federal Government. There's an awful lot of things that they have to do, and I am not ready to blame the m. They had no commitments in this, and I certainly hope -- I, for one, hope they don't go more than what they have offered of a million dollars. I hope the province doesn't go any more; in fact, I think they have gone quite high enough; and I don't feel that Metro has a moral right, maybe a legal right, but a moral right to get into this. It was one man that proposed this. He didn't bother getting together with the other municipalities. They weren't asked to go. Nobody discussed this with them before; they had no commitment; and now they come back and we've got to save this man. I don't agree with this. I think it is most unfair and wrong, petty, to start to blame the Federal Government on this. The Federal Government is not responsible for this. They made no commitments that they didn't live up to. The same thing with the Provincial Government unless there is something I don't know. And I don't blame the Provincial Government nor the Federal Government. If Mr. Juba, who wanted this for the City of Winnipeg, if he underestimated things, well, that's his fault. If he went half-cocked, that's his fault.

I do feel sorry for some of our citizens who do not like, rightly so, to be associated with a failure. People like Mr. Culver Riley who has done so much for sports here, and Mr. Daly and lots of others. Now mind you I think it is unfortunate because I think there seems to be hundreds and hundreds of people's names on certain committees already. Now as I say let's look at the true value of this. Let's not exaggerate. Let's not force it on Winnipeg. Winnipeg has never showed much response to these things before and it's the money of our citizens. If this is the way they feel that's fine. If they want their entertainment somewhere else, that's their business. There is no reason that we have to blame somebody, to blame the Federal Government or blame Metro or try to get the suburban municipalities to bail out Winnipeg. I'm not saying this that we should try to necessarily -- be against it; try to hurt anybody. That's not the case at all. But we'll have to, like everything else, like we do in our home -- if our children want something, we'll say this is very good or we want to buy a car or a house or something we have to put a limit -- and I think this is what we should do because we will regret this if we overrate this thing. This is not that wonderful a thing.

MR. CAMPBELL: Mr. Chairman, I'm sure that I am not the only one in the committee who had the pleasure and profitable experience of seeing His Worship Mayor Juba on the TV at the dinner adjournment. I happened to see him, surely a good many others here have, and I think what he said there is something that is worth considering in this debate, because -- and I hoped that some others had seen that TV performance and that they would give their impression of it because it was not too easy, for me, to understand just what point Mayor Juba was making, but to the extent that I caught him right -- because he was asked this question, when, when does a final decision have to be made? -- to the extent that I caught the answer, he said that in April a kind of a binding payment has to be made. Now I hesitate to use this figure

(MR. CAMPBELL cont'd) because I may not have caught it right, but it seemed to me that he said \$2,500,00. Well after the sums that we have been hearing talked about in connection with the Pan-Am Games, I wasn't much impressed with the fact that \$2,500 had to be put up by a date in April. And then he went on to say -- I hope someone else heard him so that they will give their impressions of what was said -- then he went on to say, as I understood him, that for a period after that, but it seemed to be a fairly short period, that we could still withdraw and I would gather that the question of withdrawal is being rather seriously considered.

Now Mr. Chairman, I must disagree with my honourable friend the Member for St. Boniface, because I do not feel that His Worship the Mayor was in this thing alone. The Honourable the Minister of Labour accompanied him down there. The Honourable the Minister of Labour endorsed the invitation. Is that not correct? (Interjection) Well I didn't mean it in that connection. But when a Minister of this government endorses the invitation to come here, surely the province has a definite commitment. This is the thing that has, in my opinion, been lacking all the way through, that we have not had the co-ordination that should have been given. I'm not greatly enthused by the Games either, but I can understand the position of responsible citizens who start into a thing like that and hate to see it fail. I would think that the position is very shaky at the moment and I think that the government of this province simply cannot have one of its ministers sitting in at the conference and endorsing the invitation to come here and then take no active part in it.

As far as Metro is concerned I can see the difficult position that Metro has been put in and I think its a pity that this matter had to be left in such an unsettled state that Metro itself was forced into a 5-5 tie as far as the vote was concerned and the Chairman of Metro for the first time that I have ever seen it happen had to cast the deciding vote. This is not the basis on which to handle a proposition of this kind. Either a thing like this has got to be done in co-operation or it can't be done at all. I would gather that the situation at the moment is very definite and if these games are going to be saved -- now I'm not advocating them -- but if they are going to be saved, somebody has to take a positive position in the matter. I think this government has a definite responsibility, not just for money -- like my honourable friend, I think they have offered enough money -- but in the matter of co-operating and giving leadership and giving partnership in this arrangement. You just can't send a Minister of the Crown to endorse an invitation to come here and wash your hands of it like that and say we have no responsibility.

MR. ROBLIN: Mr. Chairman, who in the name of fate is taking that attitude? Certainly not us. You have to remember Mr. Chairman that the man who led the Canadian delegation was the Canadian Ambassador to Brazil. He was the man that extended the invitation in the name of Canada. Then the City of Winnipeg invited them to the City of Winnipeg and we as the province in which the city was situated, said that we endorsed the invitation. And the Minister went down with the full support of this House. Everyone here, as far as I know, agreed that he should go. We were urged for example, we were encouraged let's put it that way, by the Leader of the Opposition to co-operate with Winnipeg in this thing. And we are doing so.

Now the mere fact that the negotiations are not complete is no reason why we should have a panic session here tonight because I think, I'm confident enough to think the negotiations will ultimately yield a satisfactory solution and I think that it's just not very helpful at this particular moment when these negotiations are at a very critical stage that we as a government should be asked to go further in our statement of our position on this matter than we have already said. We are in touch with the people concerned and we are anxious to arrive at a three-way agreement which we can all settle down to and get this thing on the road.

I don't agree with those who think we should give up. I must admit that an argument can be made that the expenditure of this large sum of money on the Pan-American Games is not a first-class priority. I think I would have to agree with anyone who said that. But when compared with the total budgetary position of the province I think that the contribution we are making is one that we can justify. I think that as the situation has developed, the nation, the province and the city are morally obligated as far as I can see to do their very best to make sure that the invitation extended at Sao Paulo is honoured when the Games come here and that is the policy of the government. We want to do our very best to see that that invitation is honoured. And I want to assure members that we are accepting the remarks that are being made. I think basically they intend to be constructive. There may have been a couple of rough edges in the discussion so far, but I think basically it's intended to be constructive. We

(MR. ROBLIN cont'd) certainly are going to take them that way and as I say, I'm meeting with Mr. Culver Riley tomorrow and I do hope that before this April deadline, which I hear about from my honourable friend, arrives, that we'll have a solution that is as satisfactory as we can get under the circumstances. But we share the view of those who think that having extended an invitation we've at least got one-third of the responsibility to see that it is honoured and we are going to do our best to bring that about.

MR. PETERS: Mr. Chairman, I don't think this is a panic session. What I wanted to say is my MLA also sits in this House and I'm sorry that he's not in his seat now. But I think that he should have been up on his feet and telling this House that the major part of his constituency, the City of East Kildonan, is not prepared to donate anything towards the Pan-American Games. I live in the City of East Kildonan. I figured that my MLA would get up and make this statement. And he should have.

Some alderman in the City of Winnipeg has made the suggestion that everybody is charged \$2.00 per head to promote these games. Alderman Danzker I believe made this suggestion. I don't mind paying that \$2.00 per head Mr. Chairman; because there are five in my family, it would cost me \$10.00. Personally I would like to see these games here, but as I said in the Throne Speech debate, that the general public at large couldn't care less whether we have them or not. I would like to see them here because I think we would benefit greatly from them-- the facilities that would be left behind for us to enjoy after they have left. But, this \$2.00 per head Mr. Chairman that has been suggested by Alderman Danzker, there are many people that live in my constituency and in the City of East Kildonan, that are old age pensioners, that couldn't afford to pay that \$2.00 per head, and we can talk here as I said in the Throne Speech debate, Mr. Chairman, whether the Federal Government pays it, the Provincial Government pays it, or the Metro Corporation pays it, or the City of Winnipeg pays it, or which level of government pays it, the taxpayer eventually is going to pay it. And if the games are taken away from us, if we don't accept them, and they go to Toronto or Windsor, we are still eventually going to pay part of that cost. The same as on housing, something we didn't take advantage of for a long, long time. We were paying the cost for other cities. But I still say this is not a panic session. I think that this thing can be arranged. Personally, my own personal opinion is that we should have these games. I think we will benefit greatly by them. But let's not start blaming one fellow, or the next fellow or the next guy or this guy is trying to take credit or anything like that.

MR. HARRY P. SHEWMAN (Morris): Mr. Chairman, I just want to offer a word in connection with the Pan-American Games. We have a stampede association at Morris that is one of the larger ones in Canada today and is recognized as such. We have spent quite a bit of money in seating capacity and we have a seating capacity for around 10,000 people.

The Member from St. John's mentioned bicycles. We built a new half mile track at Morris where we could accommodate bicycle races, or anything of that kind, and I would like to just pass this on to the people for their information that we are quite willing to offer our services at Morris, a seating capacity of 10,000 people, if there is any way that we can handle any of these games at Morris.

MR. WRIGHT: Mr. Chairman, I've been very interested in this discussion and I think I should express the opinion of the constituency of Seven Oaks, mainly being West Kildonan, and I wish to say that the people there are most interested in things of a cultural nature, that while they have subscribed to the idea of contributing to the Arts Centre, they definitely, the Council has definitely said no to any levy for the Pan-Am Games. And I only have to remind you that in West Kildonan we have one of the most advanced educational systems where the schools are used practically every day of the week. This is costing the taxpayer a little money and I think I would have been remiss if I hadn't rose in my place here and stated the position of West Kildonan. While they are quite willing to subscribe, as I said before, to the other cultural things, they have said no to the idea of Metro imposing a levy on them.

MR. JAMES T. MILLS (Kildonan): I was out of the House when my name was taken in vain by the Member for Kildonan. (Interjection) Thank you. I was enjoying myself. But our council has gone on record of turning down the Pan-American Games and in all their wisdom I concur with them and apparently there have been several hours discussion on this over there and this is the conclusion they have reached.

MR. HILLHOUSE: Mr. Chairman, I wish to thank my MLA for expressing the position taken by his constituency in respect of this very important matter. But there's one thing that I would like to know, Mr. Chairman, and that is this: I think there's a great deal of confusion among the people of the Greater Winnipeg area as to what events are involved in the Pan-Am Games. Now it doesn't -- in my opinion it is not only track and field, not only swimming and other such types of sport but I also believe it includes yachting and soccer and baseball and other sports. But it does include yachting and I believe that the host city or the host province has to supply all these facilities.

Now, I have been told that the various types of yachting races involve a considerable expenditure and I've also been told that there's been very little salvage from these types of boats or yachts or yawls, or whatever they are, that are used in these events and I think that the people should be made thoroughly acquainted with all of the events that are involved in this particular game, or these games, and what the hosting province or hosting city has to do. I believe that they have to pay the expenses of all of the athletes from the South American countries to Winnipeg, or wherever the games are being held, and in addition to that they have also to be liable or responsible for their teams while they are here.

Now I believe in prestige, and I believe too that it perhaps would be a good thing for the City of Winnipeg or for the Province of Manitoba, to put on such Games but I think we have to take a very practical look at this thing and look at it from the standpoint of not only prestige but what benefit of a permanent nature are we going to receive after the Games are over? I can appreciate the fact that if we have an Olympic swimming pool, and by the way I would like to see that pool, if we have one, at the University of Manitoba, so that there'd be no petty jealousies among the suburban districts of Winnipeg as to having it in East Kildonan, or St. Vital, but I think it should be at the University of Manitoba. When the British Columbia, at least when Vancouver had the Empire Games there, they put their swimming pool in the campus of the University of British Columbia and it is a wonderful asset there.

I think too, that as far as our track is concerned, if the Games are going to be held in Winnipeg, I would like to see the track and the field sports established at the University of Manitoba. I think that's the proper place for them. But I do believe though, Mr. Chairman, that the people should be made acquainted with what is really involved in these games.
--(Interjection)-- I understand the yachting is to be held at Grand Beach but I don't know.

MR. ROBLIN: In response to my honourable friend from Selkirk, if any substantial number of members would like to hear --I play squash, they don't play at the Pan-American Games, otherwise I'd come home with the championship. But why don't we get Mr. Jim Daly to speak to the members of the House about this matter. If that would meet with interest I will, tomorrow when I see Mr. Riley, suggest that he and Mr. Daly should make arrangements to be here probably some morning or at lunch time and make a presentation to members of the House about the Pan-American Games so that there can be a fuller appreciation of exactly what is involved.

I believe that after you would hear their presentation your minds will be relieved a good deal about the advisability of an investment of this sort and perhaps a little enthusiasm might even be created for the Pan-American Games, so I would be quite happy tomorrow to suggest to Mr. Riley that we make such arrangement and that we could have a very thorough discussion of the matter with people who are informed about the details so that we can form a judgment on the whole thing, and I take it from the expression on the faces of members of the House that they would agree that this might be a useful thing to do.

MR. PETERS: Then could we hold this item over 'til after we meet with these people?

MR. ROBLIN: I'd like to pass it now because the government is committed to making a contribution here to the Pan-American Games but I do think it would be helpful to have Mr. Daly explain it to you.

MR. MOLGAT: Mr. Chairman, I think that the suggestion that the Member for Elmwood just made is a reasonable one. The First Minister says the government is committed, but the House I think has a very good reason to find out fully what is involved here before the House gives approval to this and I think the suggestion that the item should stand in view of the First Minister's suggestion that we would get the Pan-Am Games committee to make a presentation to us, is absolutely fitting.

MR. PAULLEY: Mr. Chairman, I think possibly the First Minister has an admirable suggestion that he's offering the members of this House but I would suggest possibly it should go a little further. I stated earlier that in the three councils of the constituency that I represent

(MR. PAULLEY, cont'd)..... have said no. The First Minister has appealed in general to us to have a little togetherness insofar as the approach to the Pan-Am Games are concerned. Now I don't know what type of an approach, if any approach, has been made directly to the municipalities as to the possible value of having the games here or otherwise, and I think that possibly the First Minister might take under consideration that, instead of having Mr. Daly and Mr. Riley here to discuss it with just we members who are actually only one-third of the triarchy of the Games itself, that it might be well that further clarification or consideration would be forthcoming from the municipalities who at this time have said no. I think I agree with my friend that there should be a togetherness if there's going to be anything and if it's eventually decided that the Games are going to be here, and this is a firm decision, then I suggest there is an onus on all of us to do our utmost to see that the Games are successful. But I just make the suggestion to my friend that if he is talking to Mr. Culver Riley, or will be talking to him tomorrow morning, that he consider the possibility of a little expanding. We've got room in the committee rooms for possibly the reeves and mayors of the surrounding municipalities to also hear the full story if they haven't indeed already heard it and it's my suspicion, Mr. Chairman, from what I have gathered from news reports, that they have not heard everything there is to be heard.

MR. MOLGAT: I wonder if the First Minister, and maybe I'm asking here something that's repetitious, but there seems to be a great deal of confusion at this stage as to exactly where anyone stands in this matter. Could the First Minister outline to the House exactly what the commitments are insofar as the government? Is it correct that it's three-quarters of a million outright grant; then, 50-50 sharing beyond that to what amount?

MR. ROBLIN: The present arrangement is that the flat grant is \$750,000 and if municipalities raise themselves more than \$750,000 we would match whatever they raise over and above that. There has been no ceiling placed on that. But my own view is that the senior governments are going to have to do some more thinking about this problem because I share the concern of those who are worried about the impact of costs on the local taxpayers and I have rather the feeling that it's going to be necessary for the two senior governments to do some more thinking about this matter themselves so that we may get a more acceptable financial formula than the one that we've gotten so far, but I don't want to go beyond that at the present time because these are matters which are going to have to be discussed pretty closely for the next few days and I think we should just leave the matter where it stands at the present time and see what happens with those negotiations.

MR. MOLGAT: Now, are there any other commitments insofar as the province is concerned? For example there was some talk about the Pine Ridge Park development being used for some of the facilities. Now are we committed there insofar as the provisions of facilities? Are we committed in any other locality so far as the provision of facilities by the provincial government?

MR. ROBLIN: We are not committed. The Pan-American Games committee under Mr. Riley have done some thinking about where they want these things and they have been doing some thinking about where they want these things and they have been doing some discussion of that but that is domestic to them at the present time. Any commitments as to where items will be located will follow upon completion of the cost-sharing arrangements.

MR. MOLGAT: I take it then that insofar as the province is concerned, that there are absolutely no commitments to provide other facilities elsewhere through any of the departments, be it Parks Branch or the Department of Agriculture or the department that takes care of recreation and so on.

MR. ROBLIN: There are no commitments, but I believe that officials of the Parks Branch for example have had talks with Mr. Daly about the possibilities in the park system. I think it only common sense that after we settle the financial arrangements here that we locate these various facilities in the places where they'll do the most permanent good. Those points however are not settled or not committed at the present time. They are still in, you might call the speculative stage so there's nothing that could be announced of a concrete nature in that respect.

MR. MOLGAT: What I'm concerned about obviously, Mr. Chairman, is to find out exactly where the province stands insofar as the whole affair. We are being asked here to vote an item of a quarter of a million dollars. Now if there are other understandings then I think that the House should be fully acquainted with them now because obviously they are part and parcel of the total figure. If we now note a quarter of a million dollars then the balance of it is

(MR. MOLGAT, cont'd).going to follow through and I think we should know before we vote the quarter million, what the total bill is going to be. Are we going to be involed insofar as, for example, the Pine Ridge Park with the provision of some special facilities, say such as a stadium? And if this is so, then I think it's essential that the House be now acquainted of these conversations and partial commitments, because they are part and parcel of the whole affair. I don't think that we can look upon this vote of a quarter million dollars as just being a quarter million, because we vote this one is, then all the rest follows through, and we have to know the final bill.

MR. ROBLIN: Well of course Mr. Chairman, I think it's obvious that what the government is trying to do is to establish the total cash value of whatever its contribution might be. If we put up a stadium for example, in any particular locality, if we actually construct it ourselves, if it's in our park it becomes part of that total cash contribution. At the present time, we're just simply dealing with amounts of money. Now the idea is to keep our contribution, whether in cash or in kind, within the overall ceilings of money as far as we are concerned. So that there's no question of our putting in Seven --three-quarters of a million dollars, and then coming along and saying, and in addition to that we're going to put up another half a million dollars in some facility. The whole thing is to be included in the financial ceiling that's set. But as I say, these matters are still-- the question of the financial ceiling is certainly not a matter about which I can say any more at the present time.

MR. MOLGAT: I hope I've got the --yes. In other words, if there are some facilities to be provided by the provincial government, for example at Pine Ridge Park, these will be included in the present \$750,000 that we are asked to appropriate, and anything additional. Now what is the situation insofar as the University of Manitoba? I saw the other day that there was some suggestion that the University of Manitoba might participate and assist in the final decision by making some changes in its own decisions with regard, I think in particular to a swimming pool. Now, is this part and parcel of the provincial government share, or is this a separate share provided by the University of Manitoba from its own sources?

MR. ROBLIN: I'm not aware that any arrangements have been made. I think that all that has happened is that a few people have been offering ideas as to what could be done. But if for example, it did happen that something was to be done at the university that would undoubtedly be part of the province's share because the university gets all its capital funds from us. So that it would be part of our contribution, whatever it is. But what we are trying to do is to establish the cash value of our contribution, and we might put up part of that in kind if it was decided to build a stadium some place, or a swimming pool. But the ideas that are floating around so far, to the best of my information, are just in effect casual suggestions, and not to be taken as concrete.

MR. MOLGAT: The figures that I saw the other day, I think were something in the order of \$200,000 insofar as the university is concerned. Now I'm speaking from news reports, but the university is proceeding with the development of the swimming pool, and if they were to make it to Olympic size, that --I think it was half a million they were spending on their pool-- it would cost an extra 200 thousand to bring it up to what would be required, and that possibly in the long run in any case this is what they would have to do. Now if they were to proceed and do this, put in the extra \$200 thousand, this 200 thousand would be part and parcel of the \$750,000 that the province is giving.

MR. ROBLIN: I suspect that would be the case, because they'd be coming to us for the money. So it would have to be done in that way.

MR. MOLGAT: Mr. Chairman, I think one of the matters that's really been concerning the area municipalities, as I gather from my conversations with some of their people, is the question of the possible deficit. And this is probably where most of them are, I think, reluctant to commit themselves. They feel that if they knew that they were able to come forward and say, "Fine, we'll put up a dollar per person, and then that's the end of the commitment," that it would allay a lot of the fears of the area municipalities who presently seem to show a lack of enthusiasm for the Games. What they seem to be afraid of, and I can certainly appreciate their feelings because they have responsibilities to their ratepayers; their fears I understand it is that if they agree to a participation in this, then that they are going to become part and parcel of it and, should a deficit occur, that they will be called upon to cover the deficit.

I think it is essential, before this whole matter can be settled and a final decision made, that this question of a potential deficit, which obviously means the budget, be cleared up

(MR. MOLGAT, cont'd).....completely, because I don't think that you will find that the area municipalities--a number of them have already expressed their views-- I don't think that you will find too much support from them, as long as there's that open end agreement, or what they fear may be an open end agreement, which will bring them in for a figure that they can't tie down.

So this brings us back then to the basic problem, as I see it, in the Pan-Am Games, and that's the budget. Now, what participation has there been insofar as the Province of Manitoba in the development of that budget? Is the government satisfied that the budget is right? Has the government participated in the development of the budget? Are we satisfied that if we vote this \$250,000 figure, and the other 500,000 that's to come later, that this will cover the final cost, or will we be called upon here, provincially as well, to take care of an open end agreement? Has the government a control over the budget?

MR. PAULLEY: Mr. Chairman, I just rise to think that either I'm under a misapprehension or the Leader of the Opposition is under a misapprehension insofar as the viewpoints of the municipalities are concerned at the present time. He mentions that there appears to be a fear on the part of the area municipalities because it's an open end agreement and they may be hooked for additional amounts at some later time. It's my understanding that this is not the case at all. That when we are actually talking about the deficit of the Pan-Am Games, we're talking of the deficit in terms of having to build facilities in order to have the Pan-Am Games here, which may or may not be of value to the present population count within the area. For instance, it's my understanding that what might be required would be a stadium that would hold some 30 or 40 thousand people when we can't get many more than 15,000 or 16,000 people out to watch our colleague with the Blue Bombers. This is the deficit end of it and I don't think, according to the information that I have obtained from my area municipalities, that they are worried about the open end part of the arrangement at all; it's rather --the deficit that is spoken of to date is the cost of capital construction and the like, over and above what would normally be built over the period of time in the general area. So I say Mr. Chairman, I think that as far as the municipalities I represent, they don't have the same idea of deficit as that suggested by the Leader of the Opposition. It may be Mr. Chairman, that he has spoken to some and I don't dispute his approach at all on this, it may be well that he has spoken to some who express this feeling. I merely rise to say that the opinions as expressed to me, is not that. As a matter of fact in my City of Transcona, who is one of those municipalities that have turned this down as I mentioned, I think we would accept with some reluctance, the Olympic closed in swimming pool if it was going to be built in the City of Transcona. I say with some reluctance, Mr. Chairman, advisedly because we would be then held responsible for the maintenance of it in the years to come and in this way, we might have an open deficit to absorb over the years. But I think there is a difference though and certainly Mr. Chairman there is a difference between the conception of the Leader of the Opposition and mine, so far as deficit is concerned, and my information is, respecting municipalities, they're not worried about any additional charges being levied after the Games are over to make up any loss of revenue.

MR. HILLHOUSE: Well that's just the point Mr. Chairman. Supposing there is a deficit after the Games are over, who is going to be responsible for that deficit? That's the point. As far as the municipalities are concerned, they know that on the capital expenditure, they would be asked to put up so much money, period. Their obligation would end right there. But what the municipalities are afraid of, I think, they're more afraid of the manner in which Metro is going to approach this problem. Now they're more afraid that Metro is going to use its jurisdiction under its parks, to invest money in this project, without putting it up to the Legislature to decide.

MR. GRAY: Mr. Chairman, I kept quiet all the time because I was afraid to be named as a poor sport, and maybe I am. But I cannot see the wisdom of arguing for hours and days and weeks, about something which we all have doubts about its success. They are going in and spending millions of dollars. We are trying to get a guarantee of the losses --of the deficit-- at a time that money is so much needed here and the world over. We have all the sports we want right here, and we are not supporting it. We have the football games we are not supporting fully except for the play-offs. And there we are just worrying about how to give away three-quarters of a million dollars here, a million dollars from any other part, and a million dollars from any other part. Let's drop it. Drop it, definitely. And if anybody wants to see the Olympics, let him go to any other city from here and that that could afford. I don't think

(MR. GRAY, cont'd). that Winnipeg's financial situation at the present time in all its ventures, can afford to plan something on a three or four million dollar deficit, at a time of so much stress, so much starvation, so much hardship in the world today.

MR. J. P. TANCHAK, (Emerson): Mr. Chairman, I think the last speaker prompted me to get up. Since so many MLAs have expressed their opinion, I think I'm more or less a free agent and if I express my frank opinion, I would not be committing my municipality because it doesn't enter into the financial aspect of it, and I don't think I would be committing my party because as an MLA for Emerson constituency I'm going to speak on behalf of myself at the present time. --(Interjection)-- No, I haven't got anybody committed, and maybe after I am through, after we have criticised some of the wasteful extravagance of this government, I might say there he goes; but this is a different thing and any money spent on Pan-American Games, in my opinion, would not be wasted. As a former teacher, I can see great long-range advantages and benefits which could be derived from the Pan-Am Games. Our young people, whether they participate directly or indirectly in the Pan-Am Games, even if they just simply view them, in my opinion would gain a lot from them. It would stimulate their interest in sports and in athletics in all its aspects, and I think that's one thing that we as members here should take into consideration. Now there's something else that I think should be considered. We say there would be a deficit of so many million dollars; we do not know how many, how much, how great the deficit will be, but why don't we consider the benefits, the long-range benefits of the physical assets that the Pan-Am Games would leave in the province of Manitoba, which assets could be used not only by our children but I hope kept in good shape and good maintenance that even our grandchildren would be able to use, so I, for one --and I'm not speaking for my party as I said before-- would like to see these Pan-Am Games here in the province of Manitoba because I believe that there is a lot of benefit even though it would cost a lot of money, and money spent in this way I do not think will be money wasted.

I am not going to commit myself to any donations. I'm a poor member of the Legislature like the professor here, my honourable friend, and like the rest of my colleagues I'm not committing myself. Anything I could contribute would be a very, very small amount but I would like to urge the members to think about this and not to go off and criticise it too much. I would like the members to give it a chance, consider it very carefully, because in my opinion it is something worthwhile. There is only one thing I do not like, but some politics enters into it, and that is that some officials like to point fingers at others and say "I'm doing all my best", but he or she isn't doing as well as they should. Let's forget about politics in this issue. I think this is something that is going to benefit the province of Manitoba very highly, and I do appreciate the suggestion of the Premier when he proposes that the MLAs get a briefing from a man who is more knowledgeable in this aspect. I appreciate that very much and am looking forward to this briefing.

MR. L. A. BARKMAN, (Carillon): It seems like we're playing the game of fruit basket upset and I guess it's my turn now, but I have come to one conclusion tonight. The initial planning somewhere down the line must have been quite poorly arranged, and as far as I'm concerned, the next time we undertake a project like this I hope there will be a little more planning gone into it, and one thing that puzzles me, if all these Greater Winnipeg MLAs are asking themselves are they for or not for it, surely you can assume from there where most of the rural MLAs stand, and if the MLAs don't, where the people stand.

MR. BEARD: I believe in rising at this time I can say that I'll probably be the most neutral member, but I do feel, as the Member from St. John's, that many of the people of Manitoba will be called on for taxes to cover the Pan-American Games and if we are going to get practical on this at all, I would wonder if we shouldn't pay a little more attention to the Red River Exhibition. It is probably as neutral an organization that is involved in this as any we could find and it is certainly one that has appeared to me in the past to try to contribute toward the agricultural and toward the urban areas of Manitoba, and if we are going to become involved rurally and are going to expect the rural parts of Manitoba to contribute toward Pan-American Games, I would wonder if we couldn't get a little more practical and see what part of this program could have an everlasting bearing in contributing toward the Red River Exhibition program in the future. I know for a fact that some of the officials of this organization are looking endlessly on the dollars that are going to be spent on this type of program, and I would hope that perhaps they could fall heir to some of this building program so that it would be utilized and we would be sure that it could be utilized for many years to come in a very

(MR. BEARD, cont'd). practical way, which would possibly add to our agricultural efforts in the future.

MR. GUTTORMSON: The point I intended to raise and was brought up was that of the deficit, and the Member for Selkirk raised it awhile ago. I have read a great deal where Games put on in other areas have experienced serious deficits. I understand the one in Chicago, they still don't know what the deficit really was, it was so high. Now the Committee that is working on the Pan-Am Games now has asked for a specific amount of money. The amount of money they have requested might be sufficient to carry the games without any deficit, I don't know; but for the sake of argument, if the deficit goes beyond this amount, who is responsible for this amount? Could the Premier clear this up for us?

MR. ROBLIN: I think this is a matter that we could well discuss when we see Mr. Daly.

MR. MOLGAT: Mr. Chairman, this comes back to my question insofar as the budget, because I think this is really the basic thing that we have to determine here. The Member for St. Vital, when speaking here the other day, said, and I quote from Hansard: "The Mayor," speaking of the Mayor of Winnipeg, "all along from the time that he first got this idea of bringing the Pan-American Games to this area in 1967, has played his cards too close to his chest. He tried to take the credit for this himself, has not consulted as he should obviously with the Federal Government, nor has he consulted as he should with the area municipalities and the cities who he is now calling upon to bail him out of the financial troubles that he is in over these Games." Well, you know it's fair game I suppose, Mr. Chairman --we'd all like to have someone else pay for it, and if we can pin the Federal Government, well I suppose that there's a definite feeling on the part of Manitobans that this is a wise thing to do, but here we are; at this stage I think we're all in it -- the Federal Government, the Provincial Government, the municipalities, the people of this area, and well I think that the Federal Government has come along a long way. They've increased their amount a very substantial amount--their original commitment by a very substantial amount-- and I don't think there will be anything to gain at this stage in trying to pin so and so or so and so. We're here together and either we solve this thing altogether or the thing will flop.

Now the Member for St. Vital was speaking about the area municipalities of Winnipeg and the Federal Government but not at all about the Provincial Government. Now this comes back to my question about the budget. What consultation has there been with the Provincial Government and has the Provincial Government approved of the budget? Are we completely satisfied provincially that the budget is sound and we participated in its production, and are we sure that this is it?

MR. ROBLIN: Well no one can be sure that this is it, because in the realm of public finance one understands the problems there, but when the first budget was presented it was looked over by the treasury officials and certain reservations were entered as to the practicality of the budget at that particular time. We were then greatly pleased when the Mayor announced that the budget would be --I think the Mayor announced it; I think this was the sequence of events--the budget would be re-worked under the direction of Mr. Culver Riley and a very thorough study be made of the budget and a completely new assessment of the situation made, and it was on the basis of that, of course, that the new figures were arrived at. The Treasury has been apprised of the background and basis on which those figures developed and have gone over them with the budgeters of Mr. Culver Riley's committee, and as far as we can ascertain they seem to us to be realistic and sound figures and it's on that basis that we've accepted them as being as reasonably an accurate estimate of the cost figures that we can obtain at this particular time. My own feeling is that the figures are on the very conservative side. I would be rather hopeful that the Games could be ultimately run for something less than the figure that was shown but Mr. Riley is sticking to his guns that this is what is required, because he wants to be assured that he has an adequate ceiling, so that I would take the position that the figures that have been developed are good figures. They are probably conservative figures and I think can be reasonably relied upon as a basis for negotiations. Now when we meet with Mr. Daly I would think that members would be at liberty to ask him anything they want about the basis of the financing and satisfy themselves as to the accuracy of the situation.

MR. MOLGAT: the figures to which the First Minister refers, are the public figures that have been announced, something in excess of \$3 million --are those the ones?

MR. ROBLIN: That's the one.

MR. MOLGAT: Now, I believe that the Federal Government had officials of theirs participating in the development of this budget. Is this correct?

MR. ROBLIN: This I can't speak from personal knowledge but my understanding is that they went over the budget in exactly the same way as we did and that they also have declared that as far as they can ascertain it's a realistic budget.

MR. GUTTORMSON: Mr. Chairman, I fail to understand the First Minister's remarks when he said that we should wait and see what Mr. Daly says. Surely he isn't in a position to speak for any of the governments. I mean he's the chairman; he's organizing and doing his utmost to make this thing go, but from the financial standpoint he isn't going to dictate whether the province or the city or Metro or the Federal Government picks up the deficit if there is one.

MR. ROBLIN: My honourable friend misunderstands me. The question was, how good are these figures; and the answer that I give is, that we think that they are accurate but the members can have the opportunity of asking the people who are responsible directly for preparing them, Messrs. Riley and Daly.

MR. GUTTORMSON: Mr. Chairman, I'm sure they are going to give us those figures as accurate as they think they can be, but they can be in error, and my question is, if they happen to be wrong who picks up the deficit? I don't say they are wrong, but for the sake of argument if they happen to miscalculate somewhere or have misfortune with the weather, or whatever it might be, and there is a deficit, who will be responsible for it?

MR. ROBLIN: That question can't be answered yet, because we are still negotiating these things.

MR. MOLGAT: Mr. Chairman, the First Minister agreed that his understanding was, as mine, that the Federal Government had some of their officials participate in the production of the budget. Were there provincial government officials, as well, involved in the development of the budget?

MR. ROBLIN: I don't think I could answer that question directly. I know that the Provincial Treasury Board was given the figures and went over them all with the Winnipeg Enterprises --whatever the name of this committee is that went over them-- but whether they were actually involved in the original development of the figures or not I can't say. I think not. I think that they were in a consultative position after Mr. Riley's budget had been prepared.

MR. CHERNIACK: Mr. Chairman, may I ask a question just at this stage. When we speak of this budget and of the review that the province has given to it, has the province also given time to studying what I might call the residual benefit --that is what would be left over when the Games are behind us in terms of the physical assets? Not only the value of the assets but rather the value of the useful assets, that is, assets that could be of benefit to the people in the areas where they are placed. I think it would give a false picture if we said that we had a, let's say an Olympic swimming pool in an area where it's of no real need for the community that it would serve. Has there been any study made along those lines on a provincial basis?

MR. ROBLIN: It's very difficult to arrive at any conclusion on that score. I quite agree with the point my honourable friend makes that the mere physical value of putting a velodrome in place for example, --(Interjection) --a bicycle track-- in place really may be misleading if one says well we've got one of these things and it's worth half a million dollars, therefore we've got a half a million dollar asset. Well, so you have, but if nobody cares to ride bicycles it has a somewhat different appearance, so that I myself stay out of that end of the argument. I leave that to Mr. Daly and Mr. Riley to give the picture on that because I think we, as far in practical terms, we have to deal with the actual cost of doing these things whether they're worth anything or whether they're not worth anything when the Games are over.

MR. CHERNIACK: to be able to judge what they're worth on the basis of what the deficit really means in terms of the province.

MR. ROBLIN: That's too speculative for me.

MR. DESJARDINS: Mr. Chairman, the thing that bothers me is we're asked to pass on, to approve a fairly large amount. I've said this before and I'd like to make it clear now. I'm all in favour of these Games as long as we draw the line somewhere and it's very difficult to vote on this question now if we don't know at least as an approximate, a good idea of what it's

(MR. DESJARDINS, cont'd). going to cost us and then if we're going to be responsible for another amount later on. And I don't think that, in all the respect that I have for these gentlemen Mr. Daly and Mr. Culver Riley, I think that this is our responsibility and I don't want to next year or two years from now, if I'm against this to say was that you approved it. I want to be fair about this. I like the principle, I endorse it, but to a reasonable amount. I don't say that I would give a carte blanche to Mr. Daly or to anybody else. This is my only concern. I'm not against the Games at all but I'm not one to say well it doesn't matter how much we have to bail out, it's for the honour of Canada and I don't believe in that thing. And I want to make this clear. I would like to see this being a success but I am not ready to endorse any amount.

MR. SMERCHANSKI: Mr. Chairman, I was absent in the earlier parts of this discussion but for my part and for the constituency I represent--(Interjection)-- If you don't know it you can look it up. There is a dire need in a lot of the places of Winnipeg where we're working hard to get swimming pools and the like and I do think that this government certainly could give some serious consideration to a consideration on the basis of physical fitness and I think a good percentage of this can be analyzed in terms of what is its effect on Manitoba in terms of publicity, also in terms of the tourist attraction, because we are spending a great deal of money on advertising our tourist trade. I also think that even from the standpoint of trade and commerce, and I think that we should look upon this as a program possibly that you can underline and consider as a crash program for physical fitness as well.

Now I know that most of the members in this Chamber have been asked at one time or another to contribute to the community development of some type of either a swim pool or playground or something where the youth of the community can be properly entertained and direct their energy into useful physical fitness programs. And I think that the indirect benefits of a situation like the Pan-American Games are truly difficult to assess and I think that there is nobody in this province that can analyze this situation better than the provincial government and I think that they are also the only body that can come forward with a proper analysis of just the proper impact of the Pan-American Games on Winnipeg and the Province of Manitoba.

Now surely the City of Winnipeg, or the Metropolitan government, are somewhat embarrassed as to the extent of the financial aid and yet you cannot deny the fact that there is an inherent benefit to the average resident and business enterprise in Winnipeg, Greater Winnipeg, and for that matter in the Province of Manitoba. Now, I am quite certain that there's nobody in this Chamber that would deny the fact that we do need more swimming pools in the City of Winnipeg and I would ask you to consider just how difficult it is to raise money today in any of these projects to get proper swimming pools in the City of Winnipeg. I'm using this only as an example, Mr. Chairman, but some may say, well we don't need swimming pools; some may say, we have sufficient pools, but I think that the Pan-American Games are going to contribute to additional sports facilities in the City of Winnipeg and believe me we will never have them unless something comes along like the Pan-American Games where we have to extend ourselves and I think that, because of these indirect benefits that truly we cannot properly assess or we cannot properly assess in dollars and cents, the main thing is that help is required at the present time and I daresay that our Dominion Government will give more aid but I do think that in this instance it has to be the province that has to lead the way.

MR. PETERS: What's the matter with the Liberals in Ottawa?

MR. SMERCHANSKI: They might give too. I fully appreciate the fact that there are comments as to the amount --(Interjections)-- Do you wish to make the speech, Mr. Peters? Mr. Chairman, I feel that there are many indirect benefits that will re-occur to the city in having the Pan-American Games here and when you consider the additional money that is required to put this project over the top I think that we should look quite strongly at what it will do to our youth in the City of Winnipeg and what it will do to our business growth in the city, and I don't think there's anybody in this House can truly assess the indirect advantages of the increase in business that will re-occur because of this, whether it's the motels, the restaurants, the caterers. This of course we can never put a figure on but by the same token, this phase of it, plus the phase that it is of a physical benefit to the youth of Manitoba, I would strongly recommend for very serious consideration that all the help be given to the Pan-American budget in order that we may have the Pan-American Games in Winnipeg and in the Province of Manitoba. And if you, Mr. Chairman, make allowance from the standpoint of the publicity that the Province of Manitoba will receive from the standpoint of the tourist

(MR. SMERCHANSKI, cont'd).....attraction, that the Province of Manitoba will receive, from the standpoint of the benefit that we give the youth in our province and the impact on their physical training, because whether we want to admit this or not, we have got in our estimates that are before us, certain amounts of money that are allowed for the physical fitness and in the training of our youth of Manitoba. Our Dominion Government acknowledges this as a field that has to be attended to and I think that if you analyze this Mr. Chairman, I think that the indirect benefits to all of us in the province will quite frankly exceed the amount of actual dollars and cents that we are asked to contribute on the present day assessment of what we're lacking in able to make the Pan-American Games a reality for Winnipeg and the Province of Manitoba.

Thank you.

MR. DESJARDINS: Mr. Speaker, my colleague scared me. He brought in another point. I think he mentioned the City of Winnipeg about 15 times never Greater Winnipeg and this is just the case. I think that now we are trying to justify something. We've got the Pan-American and then we're talking about what will be left after and that could be dangerous. First of all, I think you've got to do one thing right. If you're thinking of building stadiums or a swimming pool, and so on, you'll find it's very difficult. --(Interjection)-- Well, you should have talked about St. Boniface a little while ago. I think that this will be difficult and this is one of the things that we should consider. What will be left after and where will it be? Some people say, well this should be all in a central place, if a man and his wife want to go to the games, the man wants to see the swimming and the wife something else, they don't want to have to travel all over the place. Now if something is left, so much the better but if it's all left to the City of Winnipeg, as was mentioned by my honourable friend, I think that this is another point that Metro will have to take into consideration. I think that we have to be honest and fair about this. I think that if this is something that we're going to build, swimming pools, this is going to be left, certain things that can be used after, not white elephants that'll never be used again. I think that this is another thing that will make this a little more difficult because then we'll be trying to organize the Pan-Am Games and we'll be trying to satisfy everybody and we'll probably end up by satisfying no one and adding more trouble to this Pan-Am.

MR. CHAIRMAN: Resolution No. 7 passed.

MR. MOLGAT: Mr. Chairman, I want to come back to the budget. I realize that some members may think that we're spending a lot of time on this but while the figure is a quarter of a million dollars on this, the final figure is going to be a big one and I think it's essential now that there be a thorough discussion in this House and I think that the discussion that will be held here will have a lot to do on what the area municipalities are going to do. Now the budget, I presume, is broken down between capital and operating. The capital part should be easy to tie down. That's the provision of the physical assets. Could the First Minister tell us now what exactly is the capital portion of the budget?

MR. ROBLIN: Mr. Chairman, I cannot, I do not have the budget with me but I do think this is the reason why we should have the meeting with Mr. Daly because then we can go into all these matters and members can satisfy themselves as to the facts.

MR. MOLGAT: Mr. Chairman, if the First Minister cannot give us the capital portion at this time, I think it's essential that the item be left to stand. I want to go then to the other aspects of it and that's the revenue sections, and I have heard some doubts expressed about the amount of revenue that is likely to accrue to the Games themselves insofar as covering up for their expenditures, and then of course the very general aspect of it, and what is to accrue to the province of Manitoba in total. The Member for St. Vital, when speaking the other day for example, said that in his opinion there does not seem to be any general interest in these games amongst the general public of this area. Now what studies have been undertaken by the government, and I would suppose this would come particularly under the Department of Industry and Commerce in the Tourists Department. What studies have been undertaken to see exactly what this would mean insofar as the over-all benefits? What will this bring in from outside of the province of Manitoba? What was the experience, for example, in Chicago when they were held there? Has a study been undertaken by the Government in this regard?

MR. ROBLIN: A study has been undertaken, but it's been undertaken by Messrs. Daly and Company and again these questions can be asked when we see him. I have no objection to leaving the matter open if members would like to have it stand. I've got no objection to that.

MR. MOLGAT: Mr. Chairman, it seems to me very, very important at this stage that the Province of Manitoba undertake, I think, the co-ordination of the whole affair. I greatly fear that unless this is done it could end up in just a series of negotiations between various municipalities and with Metro and that the thing may not be resolved. The Leader of the NDP said that he didn't agree that the area municipalities were concerned about the open end possibilities of the contract. I think what's happened in the course of negotiations here on the Pan-Am is that at the outset as I understand it, most of the area municipalities -- and I think the Minister of Labour I think shares my view on this from his contacts-- that there was a definite interest on the part of the area municipalities, but the initial budget being very much lower than what is now presented to us, once the new budget came along, there was fear developing in the area municipalities as to the accuracy of the budget and what this could eventually mean, and I think a number of them, rather than get involved at all, have simply taken the position, "We won't get in this thing the least little bit. We're going to say 'No' to every part of it. We're going to say 'No' to anything, then we can't be tagged with anything in the future, and regardless of what happens, whether the province goes ahead and puts more money into it or whether Metro does, at least we as an area municipality will not have been part and parcel of this, and we can disclaim any responsibility for it". I'm not saying that in any way critical of them. I appreciate their problems, but I think it's a fear on their part as to exactly what this could mean in the final analysis, and rather than get involved they have said, "We won't be part of it at all. Just leave us out. Leave somebody else take it. This is why I say that the essentials at this stage are to me, that the Province of Manitoba must say, "This budget is accurate. We have faith in this budget. We support the budget; we think --we're convinced it can be done within those terms," and then for the Province to co-ordinate from there on the efforts of the City of Winnipeg, the area municipalities, Metropolitan government wherever it fits in, to arrive at a clear figure so that the people involved know exactly where they stand and I think that you will find then a different attitude on the part of any of the area municipalities.

MR. PAULLEY: Mr. Chairman, I think the suggestion that we should leave this resolution stand is a good one. I still don't agree with the contention of the Leader of the Opposition as to the fears of the municipalities as expressed by him, and while I am one in this House who enjoys needling the government of Manitoba, one who enjoys chastising them for their omissions, and one who will continue to do so, I am intrigued, however, insofar as the Pan-Am Games are concerned with the togetherness of three levels of government, or as it may appear at the present time, with the casting vote of Dick Bonnycastle, a four-party agreement; and chastise as we may provincial authorities or Stephen Juba or indeed Mr. Bonnycastle, the other party is also --namely the Federal Government --is also a part of this whole agreement.

Now then, the First Minister has suggested that maybe we can have some further explanations from Mr. Culver Riley and Jim Daly insofar as the games are concerned. Let's have that. Let's have that. Let's call in the area municipalities. Let's call in Mr. Bonnycastle to find out what led him to cast his vote on the 5-5 proposition to permit, as far as the basis is concerned, Metro participation in the games; and then let's get together on the whole proposition, because while I can appreciate the fact that it's our duty here to look after dollars and cents for the provincial treasury, and our duty too to represent our municipalities, and indeed also our duty to look after expenditures at the federal level as well --because we are all, as my colleague from Elmwood mentioned, we are all going to have to pay the bill no matter who it comes out of in general-- so I think, Mr. Chairman, that it would be advisable for the committee now to allow this matter to stand. In the meantime I'm sure that the First Minister and the Minister of Labour have heard some valuable suggestions from this side of the House that will form a basis for further investigation, that they will be in a position to consider if not answer the questions raised by this side of the House, and then we might have a firm basis on which to further consider the Pan-Am Games.

MR. CHAIRMAN: Resolution No. 8 1 (a).

MR. GRAY: Mr. Chairman, in connection with Resolution No. 8 the Treasury. While we are fighting and sometimes unnecessary criticism from one party to the other they're all human and it's our duty to protect a human being. I refer to the appointment of a Treasurer. I don't think that we can afford --maybe the Liberals can, I don't know-- that we can afford to have a person who is in public life doing a job-- whether we like it or not, he is doing a job anyway, a father of young children-- to give up so much energy and time on two high

(MR. GRAY, cont'd). important positions, the Premier of the Province and other things that go with it, and the Treasurer. So for his own sake and for the sake of others who would come, we cannot allow here to have a person work himself to a frazzle and not have any help. I don't think that any Minister should hold two portfolios, no matter who it is. If he wants to do a good job one is more than enough, and one is more than he could handle. And finally my question is, would the Premier honestly and sincerely tell us why he is holding onto the Treasury when there are so many good men, even among his own backbenchers, that could take up that position.

MR. ROBLIN: I thought for a moment my honourable friend was going to volunteer to relieve me of some of these responsibilities.

MR. MOLGAT: Mr. Chairman, is it the intention of the Treasurer, the Provincial Treasurer in this case, to make a statement on entry into this department, or not.

MR. ROBLIN: I will not make a statement, Mr. Chairman, but I'll try and answer any questions that there are.

MR. PAULLEY: Mr. Chairman, I have a few questions I would like to ask. I notice that there's a different format or rather than maybe saying a different format, there's an additional section. In the estimates of last year there were seven items and now there are nine items dealing with the question of the Treasury. The name has been changed in Item 1. Previously it was called Administration, now it's called Financial Administration Branch, and then Item 2 in the estimates that we have before us there is an item named Economy Branch, and of course the government has laid itself open as to whether or not it is conducting the affairs of Manitoba on the basis of economy. Thirdly, there is a section in the new estimates called Organization and Methods Branch. I'd like to know whether this particular section, particularly the Methods Branch, is a department that is set up to devise methods of extracting more monies out of the pockets of the taxpayer of the Province of Manitoba. Then we have a Taxation Branch as we did before, Data Processing Service Branch, Insurance Branch and so on. I wonder if the Minister might briefly give us a rundown as to the various jobs that these departments have, and incidentally Mr. Chairman, if I may at the offset say that there seems to me to be some difference in name in the --we were provided the other day with a staff count for the various departments, and in the Treasury Department the word Central Electronics is used whereas in the estimates that we have before us the term used is Data Processing Service Branch. Now I wonder if the Provincial Treasurer may give us a breakdown and give us the reasons for the change in the format of the estimates for the Treasury Department.

MR. ROBLIN: Perhaps I could deal with them one at a time as we come to them with respect to detail. Broadly speaking, it merely is a rearrangement of the activities of the branch under a functional description. It was formerly called --the first three items I think were all together under Administration. They have simply been broken up into the actual way in which the Department is now organized. The Financial Administration Branch that is listed here, is responsible for all general departmental administration, personnel, pay, cheque distribution, cheque reconciliation, the issue and registration of bonds and debentures, the payment of interest on securities, the custody of securities, safe-keeping, and all that kind of thing. It's under the direction of the Assistant Deputy Provincial Treasurer, Mr. McFee. That's what that particular branch does. The terminology used in the staff count is a little out-of-date. This is the correct terminology here and it was just arranged this way for this particular Estimates and the other chaps haven't caught up with us yet. This is the more accurate description.

MR. PAULLEY: May I ask the Honourable the Provincial Treasurer then, under Financial Administration Branch, whether it is the intention of the government to float another loan as they have in the last few years, which is open to participation by the residents of Manitoba?

MR. ROBLIN: It's quite probable. No firm decision has been made yet. We're not in need of money at the present time. But it is probable.

MR. PAULLEY: I can well imagine Mr. Chairman that they will soon be in need of money if they continue the way that they're going. I wonder though in connection with this . .

MR. ROBLIN: Don't encourage me.

MR. PAULLEY: I wonder Mr. Chairman, on this question, whether the Minister has available at this particular time, the figures showing the amount of bonds that have been redeemed prior to -- I don't think any of the issues have reached maturity as yet, but I wonder

(MR. PAULLEY, cont'd). . . . if the Minister might have the information as to the number of bonds that have been cashed in, the total amount, I guess the number of bonds might not be possible.

MR. ROBLIN: I've got it some place here. Yes. As of January 31 of this year, there were originally outstanding, I'll just deal in round figures, \$92 million worth of saving bonds, and \$23 million roughly, have been redeemed. That's of the whole four series, lumped together, that have been issued so far.

MR. PAULLEY: All prior to maturity.

MR. ROBLIN: Yes, these are people who cashed them in. This of course is a normal procedure with this type of savings bond. I have enquired as to whether this is about the standard experience with the Federal Government and apparently it is.

MR. MOLGAT: Mr. Chairman, I thank the Minister for the information on this. I was going to ask the same thing to compare it to my figures for last year. I think the people of Manitoba will be very happy to see in the Department now, a specific department in charge of economy. I think this will be some pleasure to them, but they may be a little alarmed as to the trends of this government, Mr. Chairman, when they look at the figures and they note that in the whole of the Treasury Department, of all the branches --with the exception of the Insurance Branch, and I presume this varies according to what assets we're covering-- but of all the branches listed here or the nine sections, everyone of them shows an increase with the exception of the economy branch. And that one shows a decrease. Now if this is an indication of the interest that the government indicates in economy, that all the other branches go up, but the economy branch goes down, then the relief that the taxpayers may show in the establishment of the branch may be somewhat deterred. --(Interjection)-- Well, the economy branch, according to me, goes down from last year - \$88,000, this year it drops to \$84,000 but every other branch goes up. So it can only indicate the department or the government is less interested in economy.

MR. SCHREYER: Mr. Chairman, are we in Resolution 8 or 9?

MR. CHAIRMAN: Resolution 8.

MR. SCHREYER: Mr. Chairman, before 5:30 the Provincial Treasurer indicated that expenses of ministers or the treasurer and his staff going down to the Dominion-Provincial Fiscal Conference would be shown somewhere under Item One. I am not interested in the expenses or anything but I would ask him, is there, I believe it was in 1960 or '61 that the Interprovincial Premiers Conference idea got started, and I would ask him is there a continuing secretariat, and if so, does the Province of Manitoba, have to pay anything towards this?

MR. ROBLIN: There is no continuing secretariat.

MR. CHAIRMAN: Item 1(a) passed.

MR. PAULLEY: just one point on that. On dealing with the Minister's salary. I believe there was a Commission on Banking and Finance called the Porter Commission, was it not? I understand that this was actually a federal, although I believe representations were made before it by the various provinces including the Province of Manitoba. I wonder if the Honourable the Provincial Treasurer might indicate to us how this stands at the present time. Again, Mr. Chairman, I must confess that I think it belongs to the federal level but I wonder if the Minister.

MR. ROBLIN: The Royal Commission is a Federal Royal Commission. It was presided over by His Lordship Mr. Dana Porter. It's reported to the Federal Government and nothing more has been heard.

MR. PAULLEY: When did it report?

MR. ROBLIN: About a year ago.

MR. MOLGAT: Were there any discussion at the meetings of the Treasurers or the Finance Ministers of the various provinces when they met as to this Commission and any indications as to what might be done?

MR. ROBLIN: As I recall, there were no discussion of any substance. Somebody may have mentioned it for all I know, but I took part in no discussions with respect to it. It's really not a matter that comes within the federal-provincial jurisdiction. It has to do mainly with banking, which is the jurisdiction of the Federal Government. So it doesn't come under our --we have a rather remote interest in it.

MR. MOLGAT: But is there not another Commission as well that is studying taxation?

MR. ROBLIN: Oh yes, you're talking about the Carter Commission.

MR. MOLGAT: That's the one

MR. ROBLIN: The Carter Royal Commission on Taxation. That's another one. That Commission has not reported yet.

MR. MOLGAT: Are there any indications when it might report?

MR. ROBLIN: You will have to ask the Federal Government that question.

MR. SCHREYER: Mr. Chairman just as a matter of interest. When a Federal Royal Commission holds hearings here in Manitoba, I believe they usually use one of the rooms in this building. Do they receive that accommodation gratis, or is there some sort of payment made?

MR. ROBLIN: Yes, we always offer those facilities free of charge.

MR. CHAIRMAN: 1 (a) passed

MR. MOLGAT: No, while we're on the general subject, I'd like to ask the First Minister what our position is right now insofar as the issues in the United States? In October one of the press releases at that time indicated there was a twenty-five million Hydro issue in New York. How much do we now have in American issues?

MR. ROBLIN: I think probably my honourable friend could give me an Order for Return on that, because I'd like to be precise.

MR. MOLGAT: Referring to this specific news release, Mr. Chairman, I wonder if the First Minister could advise the House as to the way the figures are worked out. I'm reading now from the news release. It is dated October 2, 1964, and it states that, "Premier Duff Roblin, Provincial Treasurer, reported in his capacity as fiscal agent for the Manitoba Hydro, a sale of twenty-five million in hydro debentures had been concluded in New York. The issue is of 25-year debentures, due October 1, '89, callable at par after ten years. The debentures bear a 4 1/2% coupon and are priced to yield 4.75% to the investor." This is in American terms?

MR. ROBLIN: Yes, that's in American terms.

MR. MOLGAT: The release then goes on to say and I skip the part where it says who negotiated it -- "The Provincial Treasurer stated that the issue was sold on the most favourable terms of an Canadian government issue in New York in recent years. Allowing for a 7 1/2% premium on U. S. exchange, the adjusted interest rate becomes about 4.25% as against the current Canadian price of over 5.50." I'd just like to have the calculation. If this is priced to yield 4.75 in U. S. terms to the American investor, how do we get the figure of 4.25 adjusted interest rate. In other words, how is the interest rate lower when we have to pay a premium?

MR. ROBLIN: That is quite simple, because we bring home \$108.69 instead of \$100.00, although we paid -- the interest rate of 4.75 or whatever it is, is based on \$100.00 American. But we don't get \$100.00 American, we get \$108.00 Canadian. And when you apply the American rate to the fact that we get more than \$100.00, you get the lower interest rate.

MR. MOLGAT: Yes, but then by the same token, when we repay, we have to repay in American funds, so, for every dollar Canadian that we get, then we have to pay back, at the present rate, something in the order of \$108.00.

MR. ROBLIN: That's right, but if we had borrowed the money in Canada, instead of paying 4.75%, instead of paying whatever it is there, we would have been paying the Canadian rate which is about one point higher.

MR. PAULLEY: I bet Mr. Chairman if the States take us over, as suggested by Thatcher in Saskatchewan, we won't have to worry too much about any differential in rates.

MR. CAMPBELL: Well one sure thing at least Thatcher took over Saskatchewan.

MR. PAULLEY: Not to its advantage Mr. Chairman.

MR. MOLGAT: Mr. Chairman, the 25 million that was issued then is 25 million in Canadian terms?

MR. ROBLIN: No, that's in American terms. We bring home more than that.

MR. CHERNIACK: . . . I'd like to leave that question and come to the other question of just how the Honourable the Provincial Treasurer has worked out his method of paying the school tax rebate to taxpayers? I have heard a good deal about the amount which would be repaid and that is half of the school portion of the tax, up to a maximum of \$50.00. I am not yet clear on how you will decide on the tax bill, insofar as different certificates of title are concerned, or those people who have an interest which may not be shown on the certificate of title? Will it be based on the tax rolls, the assessment rolls; will it be based on the land titles registrations. Just how?

MR. ROBLIN: Based on the tax roll. The name on the tax roll or the parties listed on the tax roll are the people to whom the refund is made.

MR. CHERNIACK: Well now, that means that if you have several parties, the refund will be made to all those who appear on the tax roll. Now what provision is there made that prevents a person from asking for a split in the tax roll?

MR. ROBLIN: What does my honourable friend mean by that?

MR. CHERNIACK: Well, a person who owns let us say ten lots in a row, may currently have one tax bill for the ten lots. He might also apply to the municipality and ask for ten bills.

MR. ROBLIN: Well, whatever the assessors regulations are is the rule that governs the way in which the tax roll is made out.

MR. CHERNIACK: I'm not sure that there are any special rules for an assessor. An assessor is. . . . I see the Honourable the Minister of Municipal Affairs is nodding his head, so apparently there are rules and possibly we could get them clarified so we would understand, and since the Minister has volunteered to answer that I might ask him to spell out more clearly to me just what reference he was making last week about Steep Rock and Pine Falls as being particular situations which were being looked into in some way. I didn't understand it. Could he clarify that?

MR. SMELLIE: When the assessor puts a parcel on the tax roll, it's a parcel that's used for one purpose. For example, you might have 10 lots in one parcel that's used for an apartment block. You can't divide this up by lots because you can't divide up the property in its present use. Therefore the whole of that property would have to be on the Assessment Roll as one parcel. If you have a building with a party wall arrangement or something, and the party wall comes on a lot line, or you can make out a legal description so that you could separate the two parts of the property, then it is possible to split that property on the tax roll and have two separate parcels for tax roll purposes. I don't know whether I've made this perfectly clear to my honourable friend or not. In most properties you will have a dwelling, for example, on one lot or on two lots. If you have 25 foot lots and you have it used as one property with 50 foot frontage, that will be one parcel on the tax roll. If it's vacant property and you have 10 lots in one title, it may appear on the tax roll as one property now, as one parcel. There's nothing to stop the owner of that property from splitting it up into 10 different parcels if he wishes to do so on the tax roll, but it really won't be to his advantage because the school tax on vacant property doesn't very often amount to sufficient that it would be to his advantage to break it up into more than, say, one or two parcels out of the 10 lots.

When you come to the Steep Rock property that my honourable friend from St. George was talking about the other day, this is a mining property where all of the residential property is owned by the mine and they have allowed their employees to build houses on this property but they have never transferred title to the land to the employees. They did make a survey of the property some time ago but they never registered the survey in the Land Titles Office. We've been in correspondence with the company, Canada Cement, and have told them that we can't separate these properties on the tax roll unless there's some way of describing them and the only way they could possibly be described is if the plan of survey, plan of subdivision, was registered in the Land Titles Office so that there is a legal description that could be used for the separation of the properties, and I haven't heard from them since this information was sent to them but my understanding is that they were considering registering the plan of subdivision and offering title to their employees to surface rights at least in that area so that they can have their individual tax notices for the properties of the employees.

In Pine Falls you get a different situation where there are no school taxes charged so there wouldn't be any school rebates anyway.

MR. CHERNIACK: the taxes of Steep Rock, who paid the taxes in 1964 in Steep Rock?

MR. SMELLIE: Canada Cement.

MR. CHERNIACK: Well then, why should there be any desire to split the land up into subdivisions?

MR. SMELLIE: Canada Cement, I understand, were collecting amounts from their employees for the payment of taxes depending on the assessment of the individual properties. They made the division in the past. There was no division in the Assessment Roll of the municipality.

MR. CHERNIACK: Surely that's not a matter for this province to investigate as to what the arrangements are between landlord and tenant? I currently have an arrangement in my office where my rent is subject to the tax roll and if the taxes go up next year my rent goes up --the same amount. Does that then mean that the government is prepared to investigate the internal arrangements and give me the benefit of the rebate rather than my landlord?

MR. SMELLIE: No. Where you have residential properties, where individuals own the properties, that is, they own the houses, the company recognizes the right of the individual to own his house, but they have never transferred title to the land so that he is not the registered owner of the property though he may be the beneficial owner of the house that sits on the property. They asked us how they would have to go about it to give recognition to this ownership so that the people who were actually paying the taxes on properties which they owned could receive benefit of school tax rebate, and we told them there wasn't any way unless they were prepared to register a plan of subdivision and convey title to these people, and if Canada Cement is prepared to do this, then those people become the real owners as well as the registered owners of the property, then they can enjoy school tax rebate the same as any other registered owner of property who's shown on the Assessment Roll.

MR. CHERNIACK: Then I assume that what the Honourable Minister really means is that the Canada Cement has been invited to give or sell the land to the owners of the buildings, because surely the negotiations or discussions did not involve a normal ownership of the land, but a real ownership. Is that correct?

MR. SMELLIE: That's right. Canada Cement asked us what they would have to do in order to have these people shown on the tax roll, and we told them you would have to make them the owners of the property. They said, well how do we do that? We said, well you can't really do that unless you have a plan of subdivision because you can't describe the individual pieces of property either for the tax roll purposes without a plan of subdivision.

MR. CHERNIACK: Well then, it is clear that what the government has advised is given some legal advice which is fairly good advice, I think, and probably not too expensive in terms of taxation, although it probably is expensive in terms of rebates that you are planning to give them, and that, then, is clear. Has the government given advice to other interested parties on how they can so arrange their land holdings to benefit by these rebates?

MR. HILLHOUSE: I'd like the Minister to explain this situation at Transcona where these people are just simply the lessees of the properties. Now has any arrangement been made whereby these people are going to receive the benefit of this school tax rebate?

MR. SMELLIE: A leasehold interest is registerable in the Land Titles Office; a title issues for it. The property is accurately described. The leasehold title can be the basis for an assessment and if on the assessment roll those people are shown as the assessed owners of the property, then they are going to get a statement in demand for taxes which will contain the application for school tax rebate and they will be treated in the same way as any other assessed owner of property.

MR. HILLHOUSE: these people up at, where is it, Steep Rock? Are they the lessees of the property or are they the owners of the property?

MR. SMELLIE: The people up at Steep Rock have an arrangement with their employer. The employer is the only assessed owner shown on the tax roll. All of the property is shown in several parcels, I think four or five, something like this. The only tax bills that are sent out are sent to the company, and the assessors have not been able to describe individual pieces of property smaller than the properties described in the Certificate of Title, so that you may have one property with eight or 10 houses on one piece of property, but it's all in one parcel on the Assessment Roll, so that Canada Cement, then, get a tax statement for that one parcel with eight or 10 houses, and they divide up the taxes between the eight or ten owners of houses on that parcel of land. They collect the taxes from the individual owners and pay it to the municipality, so that at the present time the only assessed owner there is Canada Cement.

MR. HILLHOUSE: Canada Cement is going to get the benefit of this tax rebate?

MR. SMELLIE: Only if Canada Cement subdivides the property and conveys title to the people who own the houses.

MR. HILLHOUSE: Yes, but you've already said that all they had to do was make an arrangement with the Land Titles Office where the land would be subdivided so that you could properly set up in the assessment roll the subdivisions in question so that they'd be entitled to a rebate in respect of each of these parcels.

MR. SMELLIE: But if they don't convey title to the owners of the houses Canada Cement will still be shown as the real owner.

MR. HILLHOUSE: advantage in Canada Cement subdividing?

MR. SMELLIE: There is no advantage in them subdividing unless they wish to transfer the properties to the individual owners.

MR. CHERNIACK: correct is it, Mr. Chairman, the honourable member has already explained that if you owned 10 parcels with 10 houses you would have a right to ask for the titles to be split and then the tax rolls would be split and then the owner would get 10 rebates. He said in a case of vacant land it's not worth it because it doesn't amount to much. Obviously he hasn't dealt very much with land in some of the River Heights and Tuxedo area-- I haven't either, except as a lawyer, but I have at least seen the truth of what I say rather than what he says, but what he has described about the situation for the Canada Cement and the gratuitous advice which apparently Canada Cement received, was that they would be better off to file the subdivision and forget about this fine idea about giving land away to the owners of the buildings, but rather keep the titles and get the tax benefit for each parcel of land, and that I think is consistent with what the Honourable Minister described to us.

MR. SMELLIE: This is quite correct but of course the question asked by Canada Cement was, how did the people who were the beneficial owners of the property get the school tax rebate as they were actually paying the taxes, although they didn't pay it to the municipality, they paid it to Canada Cement.

MR. CHERNIACK: Could the Honourable Minister tell me just how it is that the people in an apartment block who actually pay the rent, although they don't pay it to the municipality, they pay it to the owner, how could they possibly get the benefit of this tax rebate which the Minister was so helpful in showing the Canada Cement to accomplish?

MR. SMELLIE: Under our present law there is no way in which they can, and until our law is changed when we have some form of condominium where an individual can own an apartment, as is done in some jurisdictions, it will be impossible under our present system, and a system of condominium is in effect now, I understand, in parts of the United States and even in some places in this country. This is a rather broad subject and if my honourable friend wishes to enter into a debate on the subject of condominium perhaps we should take some opportunity when we have more than 15 minutes.

MR. HILLHOUSE: But I think the point is well taken, Mr. Chairman, that you made a definite arrangement with Canada Cement. The Honourable Member for St. John's is saying in effect, why can't you make that arrangement with the tenants of the block.

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MR. SCHREYER: Mr. Chairman, the matter of condominiums or co-op housing or whatever, and the intricate legal problem that the Member for St. John's raises and the Member from Selkirk and the Minister of Municipal Affairs, is I think just one aspect of a much wider problem that inheres in the Tax Relief Policy. I tried to raise this during the last special session and it seems to me that the First Minister was taking notes, although I don't have the -- shall I say the conceit -- to think that the Premier was taking notes on what I was saying. However, the problem is this -- as I understand it in my own area, it is certainly widespread -- a widespread fact if you like, that one farmer can have 240 acres held in one parcel or two, one can have it in three or four and the tax on those parcels is substantial enough to make a difference. It's not as though it's a vacant lot proposition. So the result is that farmer A with 240 acres will be receiving a rebate that is substantially more than farmer B who has the same number of acres, probably the same production and so on, and I think this is really inherently inequitable. I realize that it's quite a problem. My question is has the Minister really looked into this and has he even the smallest inkling of a solution or an out from that situation?

MR. SMELLIE: Generally speaking, throughout the Province of Manitoba on farm lands, there are few areas where there is any parcel larger than 160 acres on the assessment roll. Generally speaking, farm lands are assessed by each quarter section. In some of the municipalities where we have river lots there is a difference because in some of those areas, for reasons that I'm not too clear about, but in some cases there were parcels there placed on the assessment rolls and tax rolls of larger than 160 acres.

In most of these cases arrangements will be made so that they will be, the parcels will be split at the next court of revision so that they are not larger than 160 acres because all the land should be treated on the same basis. There is not a great deal of this but there is an area in St. Francis Xavier and a few other of the municipalities in the Winnipeg area where this does apply.

If you take farm lands generally throughout the Province of Manitoba, there are very few areas where the assessment on a quarter section and the rate of taxation that applies in that municipality for school purposes will be sufficiently high that it would be to the advantage of the farmer to split the title into a smaller parcel than a quarter section for school tax rebate purposes. There are some, and we have looked into the question of this, there are some where the values of land are high or where you have a very high school tax rate, where it may be to an individual's advantage to split titles; but these are very small in number and really the difference to the provincial treasury is not going to be great, so that we didn't really consider this to be a problem of any magnitude and it certainly wasn't worth upsetting the whole system for.

MR. SCHREYER: Mr. Chairman, perhaps there's no point in pursuing it now but we will certainly find out within a year how equitable or inequitable this works out, except I want to say to the Minister that I think the problem is a little more pervasive than he lets on. Certainly it is in the Municipality of Brokenhead and St. Clements and East St. Paul and therefore I would think many other municipalities.

MR. PAULLEY: Mr. Chairman, I'm interested as the Minister knows in the question of the leasehold arrangements in the City of Transcona; and also I believe this is now extended into the Rural Municipality of Assiniboia. Now last year the Minister indicated to me after request that he would take this matter under advisement with his deputy -- this was after the special session, of course -- but it seems to me from hearing the Minister today that he hasn't arrived at any solution or hasn't even arrived at any suggestion whether those who are leasing property on a long-term basis in the City of Transcona and building homes to the value of fifteen or twenty thousand dollars will be entitled to receive a tax rebate.

Now I've had correspondence with the owner of the property, and he has informed me that he has informed the people concerned that on the tax rebates he will give them back to the people concerned -- and I appreciate this very much on behalf of the developer. But am I correct in presuming, however, that for the purpose of a tax rebate, the tax rebate will be based on land value as registered in the Land Titles Office which will not include the value of the building, because in effect it's not a complete parcel of land and therefore the tax rebate would be based on the land value and not on the value of the building on the land because is there not a possibility under this leasehold arrangement that there's no registration of the building on the land?

MR. SMELLIE: Well, of course, the school tax is based on the assessment of the

(MR. SMELLIE cont'd). property and it has nothing really to do with the values that were expressed in the transactions in the Land Titles Office. Nothing whatsoever to do with them. You couldn't go by values in the Land Titles Office because for example many transfers in a Land Titles Office would be registered before there is any building or any other improvement on the property and the value may be very low. But these are all based, of course, on the assessment of the individual property. Where you have a housing development such as my honourable friend is talking about, the assessment is done by individual houses and the property appertinent to those houses and they will show on the tax roll as one parcel. And the school tax is based on the assessment of that one parcel, that is, the land with the house on it.

MR. PAULLEY: But the point is though as I understand it, Mr. Chairman, is that insofar as the tax bill is concerned, it's in the name of the owner of the land and not the purchaser of the property and as I understood the answer from the Honourable the Minister last year when I raised this question, he admitted or said to me or indicated to me, that this was so and that the person who had the lease arrangement insofar as the land is concerned, would have to come to some arrangement with the land developer in order to get the tax rebate.

MR. SMELLIE: There's no problem, Mr. Chairman, because if the person, in this case, the lessee, who is responsible for the payment of taxes, wishes to have the property assessed in his own name, he may appear at a Court of Revision and apply to the municipality to have it assessed in his own name and it will be so assessed in his name. It may be that under certain cases like this the municipality may then send tax notices to both the holder of the property, the lessee in this case, and the lessor; but he can have it assessed in his name if he wishes. This happens in many cases, such as agreements for sale or leasehold interests where the beneficial owner of the property requests the property can be assessed in his name and he will then get a tax statement direct.

MR. CHERNIACK: Does that mean that any lessee who can describe the land or the parcel which he has leased, can go to an assessor and say, "I want that bill in my name". Is that what the Honourable Minister said?

MR. SMELLIE: No, this is a different proposition. Here you have a proposition where you have the beneficial owner of the biggest part of the value of the property, the house, which sits on the land, who as the holder of a long term lease, he is the beneficial owner of the property.

MR. CHERNIACK: Well who decides what is a long term and what is the major value?

MR. SMELLIE: Well who decides who is the beneficial owner?

MR. CHERNIACK: Yes, who decides that?

MR. SMELLIE: Well if the municipality think he's the beneficial owner at the Court of Revision they may put his name on the tax roll.

MR. CHERNIACK: Well then the government is going to be guided by whatever any particular Court of Revision or municipality judges to be the beneficial advantage or the greater beneficial owner.

MR. GUTTORMSON: Mr. Chairman, I'd like to bring back the matter of Steep Rock which I raised the other day. I don't see why the government can't pay these people the rebate. Prior to 1961 and prior to that, the Administrator always sent the residents of Steep Rock a tax bill and the people paid the tax direct to the Administrator. They have the different lots on the property so what is to stop them from paying the people the rebate?

MR. SMELLIE: It is impossible to make a legal description of the individual properties. How they did it before I have no idea, but since the provincial municipal assessor took over the assessment of these properties he says there is no way at present by which you could describe individual properties.

MR. GUTTORMSON: Mr. Chairman, the Minister just sent individual tax bills to all the residents, so they must have had some way of doing it. They were all assessed separately and taxes on that assessment.

These people I think are entitled to the rebate. They are living on -- all divided in lots, and they are taxed separately, they are assessed that way. The only reason the last few years that the tax bill was sent to the plant, as I understand it there was one or two persons got in arrears in their taxes and there was an attempt to sell their property when it was discovered it was owned by Canada Cement, and this is what prompted the bill to go direct to Canada Cement and then Canada Cement assessed the residents on the basis of the '63 assessment.

MR. SMELLIE: Well perhaps my honourable friend would furnish the assessor with a legal description for the individual properties and we'll try to accommodate them.

MR. MOLGAT: Do I take it then from what the Minister says that any individual who wants to subdivide his land and have it set up separately on the tax roll, that this will be acceptable to the department?

MR. SMELLIE: Well there has been no change in the law regarding a subdivision of property. If a person had a right to subdivide his property before, he still has that right.

MR. MOLGAT: Mr. Chairman, I've had some complaints for example from certain areas that were taken over last year, by the change that was passed here in the Metropolitan boundaries, where certain areas that previously had been specifically river lots that the Minister was mentioning, where they had been in separate parcels and separately indicated on the rolls, when it was taken over, and under the Metropolitan assessment they were bulked. These individuals can now ask to have these separated and have them set up separately on the tax rolls and receive rebates for each parcel? Is this definite?

MR. SMELLIE: If the parcels can be legally described in separate parcels I see no objection. Certainly if they cannot now be described that way, there is nothing to stop the owner from transferring a part of his property to his wife or someone else. If he transfers title to someone else certainly they are going to be in two separate entries on the roll.

MR. CHERNIACK: Might I ask a final question, Mr. Chairman?

MR. ROBLIN: We'd better move the Committee rise. It's 11:00 o'clock. We'll continue the discussion on Monday.

MR. CHAIRMAN: Call in the Speaker.

MR. COWAN: Madam Speaker, I move, seconded by the Honourable Member for Swan River, that the Report of the Committee be received.

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

MR. ROBLIN: Madam Speaker, I beg to move, seconded by the Honourable Minister of Industry and Commerce, that the House do now adjourn.

MADAM SPEAKER presented the motion and upon a voice vote declared the motion carried and adjourned till 2:30 Monday afternoon.