

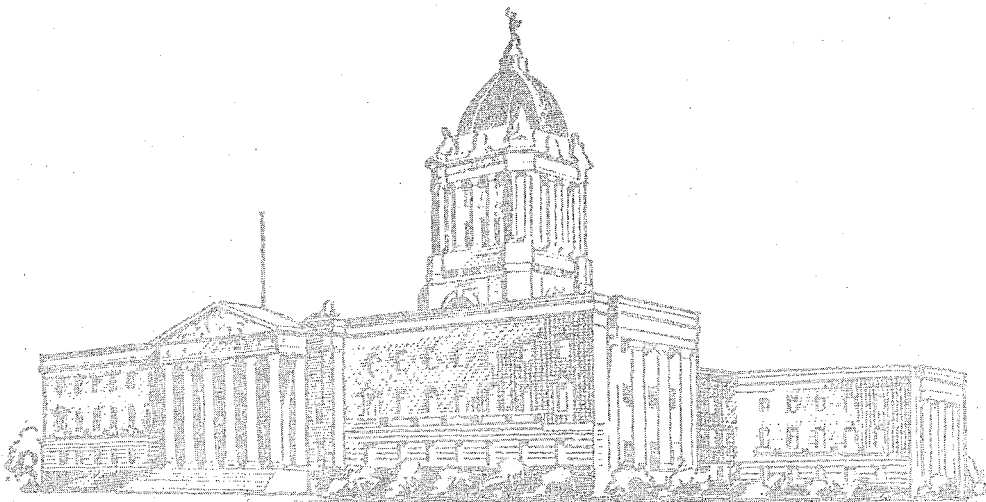


Legislative Assembly Of Manitoba

DEBATES and PROCEEDINGS

Speaker

The Honourable A. W. Harrison



Vol. VII No. 62 10:30 a.m. Thursday, April 12, 1962.

5th Session, 26th Legislature



THE LEGISLATIVE ASSEMBLY OF MANITOBA  
10:00 o'clock, Thursday, April 12, 1962

Opening Prayer by Mr. Speaker.

MR. SPEAKER: Presenting Petitions.

Reading and Receiving Petitions.

Presenting Reports by Standing and Special Committees.

Notice of Motion.

Introduction of Bills.

The Honourable Member for Kildonan.

MR. A. J. REID (Kildonan): I'm quite willing to introduce the bill, but it's not before me on the desk, so I don't know where it is --(Interjection)-- Thank you.

MR. REID introduced Bill No. 134, An Act to amend The East Kildonan Charter.

MR. SPEAKER: Orders of the Day.

MR. MORRIS GRAY (Inkster): Mr. Speaker, before the Orders of the Day, I would like to suggest -- respectfully suggest to the Premier of this province, a matter which I admit has nothing to do, officially at least, with the province. At the same time I personally feel, for record purposes, the Premier of this province should express an official opinion of this House in connection with the barbaric action and attitude of the head of the Cuban Government in his savage attitude to barter a deal for 1,000 human beings, who attempted to try and free the people of Cuba from the chains of slavery and dictatorial attitudes. History will record this as one of the most inhuman treatment of exchanging human beings for a couple of dollars. It is much worse than slavery. As I have said, it is not the business of this province, but I think the history of our people, believers in freedom and democracy and the future generations will welcome a statement of encouragement at this time from the head of this province.

HON. DUFF ROBLIN (Premier & Acting Provincial Treasurer)(Wolseley): Mr. Chairman, I think my honourable friend would expect me to respond to his suggestion. Of course I cannot officially state the views of this House unless the House gives me the permission to state them, but I can state my own views, and that is that I think most of us will agree with the sentiment -- I should say all of us -- will agree with the sentiment expressed by the Honourable Member for Inkster and I think it has been very well expressed by the communication sent by the Prime Minister of Canada to the head of the Cuban Government in respect of this matter, in which he protested the sentences which were given to those involved in this insurrection. I think he made it quite clear that the Canadian people regarded the whole thing with great repugnance.

MR. SPEAKER: Orders of the Day.

MR. J. P. TANCHAK (Emerson): Mr. Speaker, before the Orders of the Day, I'd like to direct a question to the First Minister. Now before I do it I'll have to read a short paragraph here, otherwise it will not be understandable. It appeared in the Tribune April 6th, and here's the paragraph. "The \$4 million lumber mill in Sprague, Manitoba that produces wall boarding from hitherto useless poplar stands, is an excellent example of savings bonds capital creating an industry in the province. The public co-operated with the government, he said, to the extent of providing the capital for the mill." This was a quotation made by the Premier himself at a meeting of the Labour Co-operative Committee. Now I wonder -- this is the question: why does the First Minister give information from a public platform which he refuses to give to the members of this House?

MR. ROBLIN: Mr. Chairman, I'm afraid the report that my honourable friend has read is very considerably garbled. I said nothing on that particular occasion that has not been said in this House with respect to the operation at Sprague. I, too, read the report and in that respect and in other particulars it represented, I think, a very free translation of what I actually said on that occasion. I did not say what the report indicates.

MR. TANCHAK: It's a report in the paper and according to what the Minister says --

MR. SPEAKER: Order! Order!

MR. TANCHAK: There's another question that I'm leading up to -- a subsequent question. I do accept the Premier's words. A subsequent question. How much did the potato industry in Carberry cost?

MR. ROBLIN: Mr. Chairman, I have no idea.

MR. SPEAKER: Orders of the Day. Adjourned debate on the proposed motion --

MR. ROBLIN: . . . . . that we proceed right to the Committee of Supply, and I would therefore move, seconded by the Honourable Acting Minister of Municipal Affairs that Mr. Speaker do now leave the Chair and the House resolve itself into a committee to consider of the supply to be granted to Her Majesty.

Mr. Speaker presented the motion and after a voice vote declared the motion carried and the House resolved itself into a Committee to consider of the supply to be granted to Her Majesty with the Honourable Member for St. Matthews in the Chair.

MR. CHAIRMAN: Department 12, Resolution 70. 1. Administration. Municipal Affairs.

HON. J. THOMPSON, Q.C. (Acting Minister of Municipal Affairs)(Virden): I would like to make a few comments on the activities of the Department of Municipal Affairs during the past year. It will be my intention to refer to one or two or three of the accomplishments in the department from the standpoint of administration and then to refer to the financial standing of the Municipal Corporations of Manitoba. During the year the assessment of the province continued. New assessments were completed in 10 municipalities; assessment was well advanced in six other municipalities and there now remain nine municipalities in Manitoba which have yet to be assessed under the provincial assessment plan.

We have proceeded to decentralize the assessment staff in Manitoba. We are setting up new assessment districts outside the Winnipeg area. It is anticipated that this coming summer at least three and perhaps four new assessment districts will be established in the rural parts of this province, so that our assessment staff will have a better opportunity to serve the area where they reside. There will be more flexibility in the use of the field staff and it is expected that a greater service will be rendered to the municipalities of the province by this decentralization of the assessment branch. The electronically produced assessment tax rolls are now provided annually to all municipalities in Manitoba. That was an introduction of a year or so ago and that plan is working for the benefit of all the municipalities in the province. There are only three areas which are not yet served by the electronically produced assessment tax rolls provision. They are Lynn Lake, Snow Lake and Mystery Lake. Lynn Lake will soon have this service and as soon as the physical assessments are completed in Mystery Lake and Snow Lake, they also will be served by the electronically produced assessment tax rolls.

During the past year, two new local government districts have been established, bringing the total of local government districts in the province to 14. The new ones are Pinawa where the Atomic Energy of Canada are establishing a plant and a townsite, and we have set up the new local government districts there; and the local government district of Grand Rapids is the second new district which has recently been set up and it has been established out of the existing local government district of Grahamdale, and its purpose is to serve the influx of population in the settlement of Grand Rapids which has resulted from the large Hydro Electric development in that area. Another feature which is different from former years in the field of local government districts is that the winter works program of the federal government has now been applied to the local government districts in this province. This winter was the first winter in which that has occurred. A number of projects have been advanced in local government districts; a number have been approved, and I believe that there will be a worthwhile benefit to local government districts in Manitoba as a result of the application of the winter works program.

Now Mr. Chairman, I would like to refer to the general financial picture of the municipalities of Manitoba. I believe it would be my duty in this post to bring to your attention the present financial status and the general condition of the administration of our municipal governments in this province. Last autumn as has been the custom for many years, we issued the report -- the statistical information -- on the affairs of the municipalities to all members of this House and to all municipalities in Manitoba. I could say now, at this time, and many of you have had the opportunity -- all of you have had the opportunity of examining this report which was distributed, and through the eyes of an auditor, at least, it would appear that our municipalities, generally speaking in Manitoba, are in a sound financial condition, with very few exceptions -- and I couldn't even name them at the moment -- but with very few exceptions,

(Mr. Thompson, cont'd.) . . . if any, the financial affairs of the municipalities of Manitoba are in good condition. There has been a substantial increase in assessment in the municipalities of the province. That is the assessed value of the properties, the taxable wealth of all the municipalities, has increased. The total figure has risen substantially over the year previous. This of course reflects the economic and industrial expansion and higher values. It is true that part of this increase in assessed value is the result of reassessments of the province and in every case they have been increased; but this substantiates simply the increase in value of properties in the province, because the relationship of assessed value to actual value is close -- if the actual value increases the assessed value must increase. As you know at the present under the existing law of the province we assess land at 100 percent of its value and buildings at two-thirds of their value. Many provinces assess buildings also at 100 percent of their actual value the same as land, but in Manitoba we have followed the policy, and still do, of assessing buildings at two-thirds of their actual value. And so we find an increase in the assessed valuations of property in Manitoba which are subject to taxation to the total of \$1,143,000,000 as at the end of 1960. This was an increase of 71.4 million over the previous year. At the end of 1961 the figure is \$1,163,000,000.00. That figure represents the total assessed value of all taxable property in the Province of Manitoba within our municipal corporation.

Now the tax imposition has likewise increased. Taxes have increased in the municipalities and in 1960 the total tax imposition was 66.3 million dollars. I recall that in looking over the report of the Provincial Municipal Committee of 1952 it was said that the situation of the municipalities is grave and necessitates immediate action toward a reallocation of duties, functions and responsibilities between the three levels of government. That was a submission of the Urban Association of Manitoba at that time, and the Committee stated that in 1952 municipal tax levies reached a new high in Manitoba and a further increase in 1953 seems inevitable. They said that in '52 municipal tax levies reached a new high in Manitoba. Mr. Chairman, they have reached a new high every year since that time. Every year there has been a substantial increase in municipal taxation and even in the year following the adoption by the former government of this Provincial Municipal Committee's report, even in '53 there was a substantial increase in municipal taxation, although they had had the impact of additional provincial contributions to municipal government. There was a substantial increase over '52 and '54; there was a substantial increase over '53; and the same trend has continued throughout the years and it continues at the present time. While the total tax imposition in 1960 was 66.3 million dollars in all our cities and suburbs and rural municipalities, towns and villages of Manitoba, in 1961, the year just closed, the total tax imposition was 74.9 million dollars.

Now even with this tremendous and continuing increase in municipal taxation, I should bring to your attention that tax collections have been excellent. In 1960, 101.49% of the taxes imposed were collected. Of course part of these as the statement which was distributed will indicate, are arrears of taxes -- the payment of arrears of taxes -- part are the income from sales of land recovered through tax sale procedure; but of the total revenue asked for by the municipalities of Manitoba in the year 1960, 101.49% came into the treasuries of the municipalities. This is the highest figure with one exception in the last decade of tax collections compared to tax impositions. In 1958, the taxes collected compared to the taxes imposed was 103.23 percent. In 1960, it was 101.49. Now as honourable members will realize, we have not the complete picture for 1961. The statistical information which was given to you sets out the picture for the year 1960 and a comparative statement for the year -- for the decade previous. But we do have in addition to the assessment of 1961, we do have the percentage of tax collections as at October 31st, 1961. I have said that the tax collections were very good in 1960 -- they were 101.49% of the total imposed. As at October 31st, 1961 the percentage of collections in 1960 was 88.87% -- that is as at October the 31st. As at the same date in 1961, the percentage of taxes collected to those imposed was 88.62 percent. So that the difference in tax collections as at that date, October 31st, in the two years was only the difference between 88.62% and 88.87 percent. The immediate cash position of the municipalities is considered good; this is considered a reliable barometer of the position of municipalities if their cash position is good. It is a very strict test of their ability to carry out the duties of their administration; it compares the actual money in the Bank at any given time or at the end of the year

(Mr. Thompson, cont'd.) . . . usually in these statements. At the end of the year compared to their total liabilities even though they may have thousands invested and so on, it is not considered in this figure. We find that 97 municipalities operated on a cash basis in 1960 and the aggregate cash position showed improvement in suburban municipalities. Generally the cash position was considered as I have mentioned through the eyes of an auditor was considered good throughout the province.

Now the debenture indebtedness of municipalities increased by 8.1 million in the year under review, but 7.76 million dollars of this sum were associated with local improvements, with sewer and water, with paving, swimming pools, libraries and the construction of incinerators and so on. And \$575,000 occurred in rural municipalities where the increase was for the provision of extending or installing sewer and water facilities. So that the debenture indebtedness has increased by 8.1 million, but it has increased because of the new services which have been demanded by the people of various municipalities and on which they have expressed their opinion by a vote.

Now this, Mr. Chairman, gives you a very brief review of the situation regarding our municipal governments in this province. The state of the municipalities appears to be good as far as administration is concerned and as far as their financial position is concerned. I would not want to leave the impression however, Mr. Chairman, that the answer to this problem of municipal taxation is contained in the financial statements which we have reviewed. The welfare of the municipal taxpayer is our constant concern. The record which I have referred to has been made possible by the money of the municipal taxpayer, and I want to tell this Committee that the impact of taxation on the municipal taxpayer of the province is the subject of our constant concern and scrutiny.

The increase in municipal taxation of course is not confined to this province; it exists all over Canada and certainly all over this continent. People are demanding new services and services demand expenditures; and expenditures demand revenue and revenue demands taxation. In the rural areas people are asking for more roads and better roads and streets paved and schools and water and sewer services which have been needed for years in the rural parts of this province. And in the large urban areas, in the area in which we meet for example, we find continuous growth and expansion and the enormous demand for services which this growth has created. I know it is hard for the small homeowner to realize that even though his property, I am sure, in this area has increased, his property valuation, rentals have increased, it is worth more because of this tremendous urban expansion, but at the same time it has its responsibilities and it has its burden in higher taxation. It is the best of times, it is the worst of times, as far as the municipal taxpayer is concerned in a area where there is a tremendous population, industrial, commercial growth.

I want to emphasize to the Committee that we are not complacent in this matter of municipal taxation. It is a problem which merits the constant attention of all of us. I can say that the municipal representatives, the mayors and reeves and councillors of this province have performed an excellent job in the discharge of their duties, and they have come through with their administration in good condition. I'm sure we can be unanimous in that view.

The provincial government has made greatly increased grants to support -- and, of course, in this particular comment, we may not be unanimous -- the provincial government has made greatly increased grants which has supported the activities of our municipal governments. Under the Treasury our unconditional grants are increasing substantially this year, and in the other departments of Welfare, Public Works, and certainly Education, there have been tremendous grants, many millions of dollars expended to support the work of the municipal governments of Manitoba.

I want to say as I have indicated that we are not complacent in this matter of municipal taxation; that the consideration of the affairs of our municipalities will be a continuing process, and that it will be our objective, our constant objective, to assist to the fullest extent possible the taxpayers of Manitoba.

MR. EDMOND PREFONTAINE (Carillon): Mr. Chairman, my first word will be to say that I believe that this department will possibly establish today a record as far as quickness of passing of the estimates. I thank the Minister for his words in opening the estimates with respect to the department. I would like to say to him that I appreciate the fact that this year we

(Mr. Prefontaine, cont'd.) . . . have received the statistical information in due time. On the 24th of October, I believe, I received my statistics. I had complained last year because of the fact that we had been handed this information just on the evening when we were called upon to discuss these figures, and I would like to thank the Minister for that courtesy to the members of the House.

I would like to thank him also for having possibly followed some advice I might have given last year of giving an assistant to the Deputy Minister, who according to my estimation was overloaded with work, and I wish Mr. Peden in his new capacity success.

Now with respect to the financial information they are giving us, I realize that the Minister is -- although he painted quite a bright picture of the financial situation, he is worried. He says he's not complacent and he says the impact of taxation is of constant concern to himself and to the government. Well, he should be concerned because the rate of increase in the taxes imposed is a cause for great worry, Mr. Chairman. The Minister has told us that the taxes imposed have increased year by year since 1951. I agree that they have increased, but when I total the increase for the eight years that preceded the advent of the new government, the rate of increase was \$2.5 million a year. They were increasing by 2-1/2 million dollars. But for the two years that we have the records here, since this administration took over, there has been a \$10 million increase in two years -- from \$56 million in '58 to \$66 million in '60. That's an average of \$5 million a year. This is alarming -- double the rate of increase that we had previously. And further the Minister has given us a figure here which we hadn't gotten before, that for 1961 it is estimated that the total taxes imposed have reached 74 million point nine, nearly \$75 million, or an increase of some 9 millions in one year alone -- the year 1961. This is to me an astronomical increase, very indicative of the trend that is going on, and a figure that should give the Minister cause for great alarm.

That might be related to the increase in assessment. Well we have these figures also. The equalized assessments have increased in the eight years preceding this government by \$50 million a year. And for these two other years, 1959 and '60, the increase has been just around \$60 million. Of course in '57-'58 when the new assessment came in, there were increases up to very much greater figures than that. But in these last two years the increase in equalized assessment has been practically the same as in the eight years previous. And when you take into consideration that the taxes imposed have doubled in the first two years of the administration, and jumped by \$9 million in 1961 when the full impact of the policies of this government were put into effect, it is to my mind very alarming, and it should give cause for worry.

The Honourable the Minister of Education told us that he was worried about the situation and I feel that something will have to be done. We have not completed the estimates of the Treasury Department. I do not know whether there's an increase in the unconditional grants. I hope there is because there should be some relief, and I ask the Minister to see that there is some relief given to the municipal taxpayers.

Mr. Chairman, I note that the staff in the department has increased from 62 in 1958 to around 90 in 1962, according to figures that we were given. This is quite an increase. The Municipal Board has been included, but on the other hand, the Equalization Board was there previous, and it's not there any more. It seems to me quite an increase. There might be good reason. I would like to ask the Minister to look into this situation.

I have analyzed the report of the Municipal Board. One thing struck me, and I would like to ask the Minister to look into it -- it is surprising that when we analyze the appeals against assessment, we find that out of about 100 appeals by individuals against the Provincial Municipal Assessor, in practically all cases the individual has lost out -- his appeal has been denied. On the other hand, when a city, or a large municipality appeals against the equalized assessment, made by the same person, the Provincial Municipal Assessor, in the case of a city in 100% of the appeals the city has won some reduction. In certain cases quite a reduction. So one is led to believe that whereas in one case the Municipal Assessor is always right; in another case it seems to me that he is always wrong. I would like to ask the Minister to look into this situation.

All in all I believe this department is doing a good job and I'm very happy to see the Minister in good health, looking well, and I wish him well in this department. We're very

(Mr. Prefontaine, cont'd.) . . . . happy that he has taken over again the department that he did handle so well a year ago, or two years ago, and I'm sure that under his guidance that the Department of Municipal Affairs will carry on doing to the people of Manitoba the good job it has done for quite a while under able men.

MR. RUSSELL PAULLEY (Leader of the New Democratic Party)(Radisson): Mr. Chairman, may I first of all join with the Honourable Member for Carillon in wishing my friend the Minister of Municipal Affairs the very best, and I, too, am pleased that once again we have him presenting the estimates for the Department of Municipal Affairs. After all the honourable gentleman and myself have had a lot in common ever since 1953 and while there was a departure between the two of us -- he moving over to where he is now -- I think in many respects we see eye-to-eye on some of the problems of the Province of Manitoba.

It's not my purpose this morning, Mr. Chairman, to attempt to give any, even partial assessment of the state of the municipalities in the Province of Manitoba. I agree with the Minister that it is a situation that we have to watch very, very closely. I like to look at the report of the Municipal Board to get a general assessment of the position of the municipalities in the province, because I think their information is a little more detailed; it's a little more on a percentage basis; and more readily understandable than that of the data which is provided to us in the report of the various municipalities.

One thing that disturbs me, Mr. Chairman, is the high interest rates that our municipalities are having to pay in respect of their debentures. But even worse than the amount of interest that our municipalities have to pay is the amount that our school boards are having to pay. Now while it's perfectly true that the Minister of Municipal Affairs only deals with municipal aspects of the taxpayers dollars, it's very surprising to me that when one looks through the report of the Municipal Board, who of course control municipal borrowing, to see that in most cases municipal borrowing is one percent or more less than that that the school boards are paying in respect of their own debentures. This, of course, leads to an obvious conclusion, I think, Mr. Chairman, that the department and the Government of Manitoba should increase its efforts, if it is doing anything in respect of having established a municipal borrowing fund with a lesser amount of interest rates, which have to be paid by most of our school boards and our municipalities. This might be a very good time, due to the fact of a forthcoming federal election -- at least I understand there's going to be one one of these days -- to put a little more pressure on Ottawa or at Ottawa, to have set up what has been requested for a number of years, a fund at a lower rate of interest for school board and municipal borrowing.

I'm also concerned, and I note that the Minister is also concerned, Mr. Chairman, with the rapidly increasing welfare costs upon our municipalities. It seems to me that these costs are continuously on the rise, and the provincial government, in my opinion, is going to have to absorb more of the welfare costs of our municipalities. With the figures that I have before me for just four of the suburban municipalities, namely St. Boniface, St. James, St. Vital and West Kildonan, one notices a fair increase in the cost of welfare in each of these municipalities. Indeed, Mr. Chairman, in each of these municipalities in respect of their over-all budgets, one notices that in the City of St. Boniface there was an increase of about 12% in '61 over '60. In respect to St. James, -- these are per capita costs of total budgets -- in respect to St. James the per capita cost of the total budget increased by approximately \$33.00. In St. Vital the increase was approximately \$14.00 per head and West Kildonan approximately \$8.00 per head; and this is being continued. It seems to me Mr. Chairman that this points up the necessity of the provincial government taking the lead in having a complete re-assessment of the responsibilities between the municipalities and the provincial government. We have had a constant increase over the past few years of the costs of local government. It is true, of course, Mr. Chairman, that the costs of provincial government have gone up as well. I haven't the figures before me but I greatly suspect that the local costs have gone up in a greater percentage than that of the provincial government for the purposes of municipal functions. I appreciate very much that the Urban Municipal Association and the Rural Manitoba Municipal Associations have at the present time under review the responsibilities as between their jurisdiction and the provincial jurisdiction. But I think notwithstanding this fact, Mr. Chairman, that it is time once again to have a complete re-assessment in the province of a commission that is going to thoroughly investigate all aspects and facets of provincial municipal



(Mr. Paulley, cont'd.) . . . jurisdiction and responsibility. I say that I appreciate the work that is being done by Murray Fisher and his committee, but I think it is a well known fact that there is no responsibility actually attached to this; they are under no obligation to make a report to this government. They will report back of course to the Union of Manitoba Municipalities and to the Urban Association and then those associations will control it as to what is to be done with the data and material that is the results of the investigation of Mr. Murray Fisher and his committee. I suggest, Mr. Chairman, that this is not enough. I suggest that we should have a complete re-assessment on a commission basis or a joint committee basis, something similar to what we had back in 1952 and 1953. When that report was tabled here in the House one of the recommendations of that committee -- and I think that they did a good deal of work -- one of the recommendations of that committee was that the matter should be re-assessed in a few years. Now that is ten years ago, Mr. Chairman, and I suggest that these ten years represent a few years from now from 1952, and I think that this should be done.

I note, and I'm not upholding them at all in this, but I do note that in the Province of Saskatchewan that they have a continuing committee on municipal-provincial affairs that meets constantly. The net result of that is that they're giving consideration to a county system of government similar to what they have in Alberta. I frankly confess, Mr. Chairman, I at the present time would not suggest as to whether this would be a good thing or not. The point that I'm attempting to make at the present time is that the matter is under constant review in consultation with the municipalities themselves. I know the Honourable the Minister of Municipal Affairs has his advisory committee. I do know that he and his staff watch very, very closely the activities of the respective municipal organizations here in the Province of Manitoba, but I don't think that this is enough. I think that there should be a complete re-assessment of the responsibilities and functions between our municipalities, our school boards and the provincial government.

The Honourable the First Minister has introduced into this House, as we know, a bill in respect of Metro, to re-assess the situation in respect of the urban municipalities of Greater Winnipeg and Metro, because of the fact of a situation as we're all well aware in this general area. I think the same prevails insofar as the whole of the Province of Manitoba is concerned. I think we should be more and more concerned now with the relationships between provincial responsibility and our rural municipalities. I say this, Mr. Chairman, because with the information that we have just received based on the last census, it appears that many of our rural municipalities are having a decrease in the population and therefore a decrease in those people who are making a contribution to municipal taxes in their area; and yet at the same time their services are being expanded with a lesser tax base on which to pay for them. I think this in itself is an indication that a re-assessment of the situation must be made. The Honourable the Minister when he was referring to the increases in costs of municipal government made reference to the fact that more and more local improvements, which are very costly these days, are being put into our municipalities. I suggest that this too, gives father to the thought that in these cases too, particularly in our rural municipalities, that the costs are going to have to be borne by a lesser amount of taxpayers and therefore is another reason why we should have a re-assessment -- a complete re-assessment of the areas of responsibility between our municipalities, our school districts and our provincial government.

One appreciates the fact as I mentioned earlier, that the provincial government has increased its grants, but it's left exactly the same as it was previously, the basic level of jurisdiction and responsibility, because they've all come up. I think, Mr. Chairman, it's time, and I respectfully suggest to my friend the Minister of Municipal Affairs, that the government give serious consideration to setting up, once again, a committee or a commission that will thoroughly investigate all aspects of municipal-provincial relations. I recommend this to him. In conclusion again Mr. Chairman, I wish him every success in the future.

MR. M. N. HRYHORCZUK, Q.C. (Ethelbert Plains): Mr. Chairman, I want to join the previous two speakers in extending my very best wishes to the honourable minister for a speedy and complete recovery, and I do hope it won't be long before he'll be in better health than ever.

Mr. Chairman, prior to the coming into being of the school divisions, it didn't make too much difference in what order the provincial re-assessment was made, but since these

(Mr. Hryhorczuk, cont'd.) . . . school divisions have been established, it does make a difference. Where we have a school division containing more than one municipality and one of the municipalities has been re-assessed and the others have not, we run into an injustice in the amount of taxes that are paid by the municipality that has been assessed as against those that have not. I would suggest to the Honourable Minister that wherever this situation exists where there are school divisions containing one or more municipalities, that the municipalities within that school division be assessed as closely together as possible; that is that no time be lost by completing the re-assessment of the municipalities that remain. I just want to repeat that it does make a considerable difference in the amount of taxes paid by the re-assessed as compared with those that have not been assessed and I would suggest that this coming summer that those areas where this situation exists be given preference in having the re-assessments made.

MR. GRAY: Mr. Chairman, I just want to direct one question. What are the methods used by the assessor for his reasons to increase the assessment in general?

MR. THOMPSON: Mr. Chairman, in answer to the last question. The assessor looks at the -- considers the actual value of the property. The Honourable Member from Inkster has asked about this. He looks at all the physical qualities of the property in question; he examines the location; he takes into consideration everything which would have any effect on the actual true value of the property and then he assesses it accordingly. If it's a building he attempts to arrive at its actual value and sets it at two-thirds of its value, according to The Municipal Act. The Assessment Branch keep abreast of changes in value in all municipalities in the province, whether it be in the cities or rural municipalities or any other municipal corporation. They endeavour to keep completely abreast of value changes and they have a record of these changes in value and accordingly they follow it very closely in establishing an assessment. Winnipeg's assessment for example was well below the provincial average. The assessment which recently was announced in the City of Winnipeg, which was of course set up by the Metropolitan assessment authority, was begun by the City of Winnipeg itself, they had to assess every three years according to their Charter, and it was continued after Metro took over the assessment responsibility. It was well begun by the city before Metro assumed this new responsibility and they set it in accordance with what they thought was a proportion of its actual value, and that is the method which is used.

I do want to say that I appreciate very much the comments of honourable gentlemen opposite. I intended to take the occasion during these estimates if I may, Mr. Chairman, of not only expressing thanks for the very kind remarks which have been made in this brief debate we are having this morning, but also in other debates during the present session. I must say that I have been very grateful for the kind remarks which have been made by members of all parties in the House, both inside the Legislature and outside. I shall be forever in your debt for this consideration.

Now the former Minister of Municipal Affairs mentioned the increase in staff in the department, and he compared it to '58. I'm afraid I haven't comparisons over the last four years, but I would say that probably the major increase is in the Assessment Branch. We have been under constant pressure from both the Union and the Urban Association of Manitoba to increase the assessment staff in order to complete the re-assessment of the province as soon as possible, and even this year we have some further increases provided for in the estimates and I think that probably a large part of the increase in staff is in the Assessment Branch.

Now regarding the continuous increase in taxation which the Honourable Member from Carillon referred to, and which is certainly true, as I endeavoured to indicate in my opening remarks, there has been a constant increase. I made a graph of the increase awhile ago and it shows a very steady upward rise since 1951 -- I just use the figures which were in the last statement -- and from '51 on it is a continuous upward rise in municipal taxation. The rise I might say did not start with the present administration; the rate of increase has increased somewhat in the last year, but there are periods in the current administration I would think from '58 to '59 which was no greater than from '55 to '56 for example. There are very comparative periods of increase during the last many years of municipal taxation, but the trend has been constant and continuous throughout these years.

Now the Honourable the Leader of the New Democratic Party referred to the increase

(Mr. Thompson, cont'd.) . . . . in welfare costs. I was rather interested in that remark because it ties in with what I have mentioned briefly this morning, and I would say that a substantial part of the increase in welfare costs is the result of increased rentals which municipalities are obliged to pay in this area -- that is property values have increased, and rentals I would say have doubled, and many municipalities which are paying the rent of those who are on welfare have been obliged to pay in many cases twice the rent which they were paying previously. And that is one of the factors which has increased the cost of welfare in the municipalities of the province. I must say I was very interested in the statement of the Honourable the Leader of the New Democratic Party that we have a further and complete review of provincial-municipal relations regarding municipal taxation and the appropriate shares in responsibility in these divisions of government and certainly we will keep that in mind.

The Member for Ethelbert Plains referred to the new assessment of municipalities as quickly as possible in districts which were involved in the new school divisions. I think the only remaining municipalities which have not yet been assessed are one or two areas in the southeast part of the province and about two or three municipalities probably in the constituency of St. George and perhaps there may be one or two in the area of my honourable friend. This is progressing as quickly as possible, even with increased staff, and we will certainly keep in mind the proposal which he made that the school divisions should be kept in mind in promoting these re-assessments.

I believe I have nothing further to say except to again thank honourable members for their very kindly greetings.

MR. REID: . . . just a simple question. There's a new position in his department that's called "Assistant Finance Officer". I'd just like to know what the duties of this officer is -- the Assistant Finance Officer?

MR. THOMPSON: . . . . that when we come to it.

MR. GILDAS MOLGAT (Leader of the Opposition)(Ste. Rose): Mr. Chairman, before we proceed I would like very briefly to join with the others who had good wishes for the minister. The opening statement for our group was made by my colleague, the Member from Carillon and I have no extended comments to make, but I did want to wish him the very best and to tell him that we're glad to see him back and to hope that his health continues improving.

I would like to ask a couple of questions Mr. Chairman, with regards to the assistance that was given to Winnipeg Beach on their sewer and water system. I had asked some questions earlier about the First Minister; I think now would be the time to get the details. I wonder if the Minister could tell us now exactly the total amount involved in the cost-sharing basis between the province and the municipality?

MR. ROBLIN: Would the honourable member be kind enough to repeat the question. My attention was otherwise engaged when he raised the point.

MR. MOLGAT: It was with regard to the government grant to Winnipeg Beach for their sewer and water system. I had asked some questions before the Orders of the Day earlier, and I think now under this department would be the time to get the exact amounts involved. So what I would like to know is the total cost of the project; the provincial government's share and any other details of that nature.

MR. ROBLIN: If my honourable friend would give me a note of the particulars I'd get the information for him. I'm afraid I haven't got it in my head.

MR. MOLGAT: Fine. I'll see to it that the question goes forward, Mr. Chairman. The only thing is I would like to know once we get the figures exactly what arrangements we are prepared to make with other areas in the same regard, and we won't be in a position to debate this or question any further.

MR. ROBLIN: I think we can deal with that point right now if my honourable friend likes, apart from the sums of money involved. The attitude that we take to it is this -- that this is an ad hoc case, and if we have similar cases where we can reasonably co-operate with a local community at the time in which we are going to put in provincially-paid for services anyway for recreation or other -- its usually in connection with recreation facilities -- any other community in that particular situation we would certainly consider their request for co-operation too.

The situation was that we intended to put in public rest rooms at Winnipeg Beach.

(Mr. Roblin, cont'd.) . . . . Anybody who has been down there recently will know that this is a very badly needed facility, that it's a beautiful beach but there were no proper facilities of that nature for visitors. I think this plan of the Department of Mines and Natural Resources was to put in "Changing Rooms" and toilet facilities as well, washrooms and all that kind of thing, and in the course of negotiations with the people -- the department concerned -- in working out this plan, I think that we became aware that the Town of Winnipeg Beach would like to improve their facilities as well. Now we could have done our own in isolation. It would necessitate our putting in a sewage lagoon and licking the whole thing up in the usual way; and Winnipeg Beach said: "Well why don't we share the cost between us. It'll be cheaper for you than doing it by yourself and it will also give us an opportunity to get some wider use out of this sewage facility that you're putting in." So on that general approach to the problem we agreed on a cost-sharing arrangement which I think saves both the province and the beach money. Now if we run across a similar situation elsewhere I see no reason why we shouldn't make a similar arrangement; but I think it is only fair to say that there are only a few places where this would apply.

MR. MOLGAT: All I wanted of course was the assurance that any other localities who felt that they had a special problem where they were dealing with not only their own residents but outside residents, which is the explanation for Winnipeg Beach, that there are many outsiders making use of the facilities, if this would definitely apply. Well then of course we'll come along to the Town of Gimli represented by my honourable friend the Minister of Health and I wonder what the situation would be in that regard?

MR. ROBLIN: The Town of Gimli were sufficiently foresighted to put in sewer and water some time ago; so the problem doesn't arise there.

MR. MOLGAT: We have the assurance then that the Minister is prepared to co-operate with other centres who have the same problem.

MR. ROBLIN: Mr. Chairman, we'll consider each of these instances on their merits.

MR. MOLGAT: . . . if the First Minister could supply us Mr. Chairman, with the exact cost estimates of the Winnipeg Beach program and the cost-sharing between the two this will satisfy me.

The other question I had of the Minister of Municipal Affairs, Mr. Chairman, was with regards to the winter works program. There appeared to be some difficulty early in February as to who was the originator of the public works program. The Minister of Defence I suppose it was, was it? -- No. One of the federal ministers -- the Minister of External Affairs it was, who was in Winnipeg and said that the Mayor of the City of Winnipeg had been the originator of this plan, and the news report is that after the Mayor had left the Minister of Municipal Affairs said that this was not at all the case, that he was the originator of the plan. So I'm just curious to know what the situation is in this regard.

MR. THOMPSON: Mr. Chairman, I would welcome the opportunity to answer the last comment -- very briefly, of course. I don't want to enter into any debate on who originated the plan at this stage, but unfortunately the press impression was bad, I thought, as far as I was concerned about the comment which was made at that time -- although I don't criticize them, I think they were right. It was my error in a voice inflection which gave them that impression, I must say. The bad thing about it was, from my standpoint, according to the news story -- now that the Mayor of Winnipeg has left I can say this. Well I was talking to a group of ladies and I was trying to be witty and say: "Girls, now that so and so has left the room, let's talk." However, my witticism didn't go over with the news reporter at the time and it was a complete flop in that respect. But I still do feel that this government was the first one to promote the idea of the winter works program, because at the time I was Minister of Labour and the Premier of the Province asked me to go to Ottawa 12 or 15 days after we assumed office in '58 and at that time I suggested to a committee which was a group of representatives of labour departments of all of Canada with the federal department, that this idea of a municipal incentive program be introduced. It was purely a suggestion made at that time, and it was not, I must say, met with much favour by the municipal representatives but later it was adopted by the federal government. The mayor in question may have after that, or sometime during that autumn made further suggestions -- I wouldn't know. However, if he started it, it's fine. I think it's been a good program, but I must say that I felt that the idea first came from the

(Mr. Thompson, cont'd.) . . . Premier and Government of Manitoba.

Now someone, I think the Honourable Member for West Kildonan was it, that asked about the position of Finance Officer? --(Interjection)-- Yes. The Finance Officer is under the administration of the Municipal Board -- a well known figure in municipal financial affairs -- that is Mrs. McConachy, who's in charge of the approval of debentures and so on for all municipalities; and the Assistant Finance Officer is a Mr. E. N. Hawrysh who assists the Chief Finance Officer in that work.

MR. E. I. DOW (Turtle Mountain): I would like to add my remarks to the previous speakers in regards to the general good health of the Honourable Minister, and personally I can only speak of high regard for him and his department and the department officials in their dealings with municipalities as far as I'm concerned in the Province of Manitoba.

I have not too much to offer in regards to increasing of taxes, except to point out, particularly in rural towns of Manitoba, they are generally and quickly becoming modern towns -- I would say that they're possibly 25 years too late in so doing -- but they are now coming that way and I think you will find that this increase is partly reflected on the local improvements that are being done in most of these rural towns and I think that augers well for the general outcome of the economy and living conditions in Manitoba.

I've one or two questions that have come to my notice, and one in particular that I think the Department of Municipal Affairs should act on quickly -- and I don't like the word compulsory -- but it is in the application of fire hydrants throughout rural towns. There is a difference, and as you know, most of the smaller towns have adequate fire equipment for their own particular use but they are called on occasionally to assist other towns, and particularly we have run into this problem, that in going to assist other towns our hoses and adapters are not uniform. I know it has been taken up with the Fire Commissioner but as yet it is not in effect and I would like to see some immediate action to bring this into being, because I think it adds to the security in the rural towns to know that you can call another town and they can come in and work right off your fire hydrants. I know in our own particular town we have not got that equipment and we would like to facilitate and be in that position, and I'm sure other towns would welcome this guidance if it's possible to get it.

The other point that I would like to make, that over the years it seems that increasingly the work of the secretary-treasurers -- research work being demanded by various departments of, not only provincial governments but federal government, are occupying a great deal of time on the part of a secretary-treasurer to a point that in some instances it is necessary that these municipalities hire extra help to do. Now this research work may be quite good for the departments that are asking for it, but it does create a burden and extra cost on the municipalities, and I'm wondering if the Minister through his department could take a good look at this and see if it can't be eliminated to some degree.

MR. CHAIRMAN: Item 1 passed.

MR. NELSON SHOEMAKER (Gladstone): Mr. Chairman, I would like too, to join with the previous members on this side of the House and wish the Honourable the Minister well, and I think I should probably make a couple of brief comments at this time because I don't know exactly under which item I should raise the questions that I may ask.

Now it may seem that this is a rather insignificant department by reason of the fact that the total money to be voted for the entire department is something less than half a million dollars. But on the other hand in considering the fact that under this department all the rural municipalities of the province receive their direction; and considering the fact, too, that 170 some odd municipalities in this province spend considerably more I believe in total than does the provincial government -- looking at it from that angle it is a very important department.

I was particularly interested, Mr. Chairman, in the minister's remarks and his sincere efforts to explain the assessed value of property, or the method presently used by the assessors in arriving at their figures. I have said this before in the House but I don't mind repeating it, that the Town of Neepawa, I believe, was the first town that was assessed provincially in the Province of Manitoba. I believe it was carried out in 1951. And I have said before, and I repeat it again, that I believe that in fact we do have equalized assessment. I'm one of the fellows that think that we do, and that was the purpose of it. It has made us fellows in the real estate business rather lazy because now we don't, or we hesitate to go out and place a

(Mr. Shoemaker, cont'd.) . . . . valuation on a property because we have the assessed values before us. In the Town of Neepawa for instance, you can take the assessed value of the land and the buildings and double that and arrive at nearly the actual cash value of the property. You can do that not only with dwellings but you can do it with business establishments as well. I had occasion to apply those factors several times this winter. But, I must say that it seems to me that we are getting a little bit away from those particular factors. To point that up, Mr. Chairman, at the Court of Revision that was held in Neepawa in January, there were 53 appeals against the assessment. Considerably more in number than we've had in the past, which proves that there were at least 53 people that were not very happy with their assessment. In addition to those 53 there probably would be another 153 that didn't appeal. Now I don't know whether the assessors have been instructed to apply new factors in arriving at their figures or not, but I purchased a dwelling in the Town of Neepawa myself in January and tried to apply the factors that I explained a little earlier and found out that in this particular case if I doubled the assessment figure of the land and the house it was about a \$1,000 more than I was prepared to pay for it. So my question is: is there a general upward trend in assessment figures, or have the assessors been instructed to apply new factors in certain cases?

Previous speakers, Mr. Chairman, have expressed their concern over not only the high assessment figures but the high mill rate -- and after all, Mr. Chairman, it is the mill rate that determines the amount of taxes that you're going to pay -- and I would like to join with them in expressing my concern too. When I was on the council myself, I happened to be Chairman of Property and the mill rate five or six years ago, in the Town of Neepawa was 40 and it is now 53; so it has risen over 25%. Now it is too bad, Mr. Chairman, as the Honourable Member for Carillon has said, that we do not know what the unconditional grants are going to be at this time because we have not completed the treasury estimates yet, but it is my sincere hope that they will be up substantially. The Throne Speech refers, or indicates or suggests that they will be and I sincerely hope that they will be, over the whole of the province. Now I have always maintained and still do, that the taxpayer gets far better value for his tax dollar at the municipal level than he does at any other level of government, and that is perhaps understandable, so one way to make certain that we can maintain a relatively low mill rate is by increasing the unconditional grants. The municipal men by and large do appreciate the unconditional grants and as I said before I sincerely hope that they will be up substantially.

Now for the last four or five years, Mr. Chairman, we have been told by the Ministers of nearly every department what this government is doing for the municipal bodies by and large, and the huge grants that they are making. I believe that the Honourable the First Minister has said on many occasions that over 50% of the money that this government receives in revenues is paid out directly to municipal bodies. Well with that in mind, about the end of November last I wrote the then Minister of Municipal Affairs, the Honourable Mr. Weir. I did two things, I congratulated him upon his appointment to the front benches, and I advised him that the Town of Neepawa had just voted in favour of a \$350,000 water treatment plant and would like him to inform me of all the various ways and means that this government could assist the town, the taxpayers and so on, in the completion of this new water treatment plant -- and I thought there would be several. I just want to quote you the second paragraph of the letter that I received from the then Minister, I quote: "the government has no program in which low interest money is available to municipal corporations for this type of development, but it would appear that this project would qualify under the winter works program." And then the next three pages of the letter goes on to say, to explain in effect, the winter works program. Now the winter works program may have proven to be of considerable value in certain instances, but I know that many of the municipal men question whether they should or should not take advantage of a winter works program. And it is understandable that they would think along those lines, because in the winter time, if you're doing outside work, you're faced with cold weather, short hours of daylight and frost conditions in the ground and so on and so forth, and if it costs the municipal government twice as much to do a job under those conditions in the winter time than it would in the warm months of the summer, and if they received 50% of the costs for carrying out this winter works program -- that is the labour costs -- then in effect they haven't gained a five cent piece. I'm not blaming this government for that, Mr. Chairman, I'm just pointing out and questioning the value of a lot of the winter works program. Now true, true --

(Mr. Shoemaker, cont'd.) . . . . I know what the Honourable Minister will probably say: "well at least it's making work available for certain men. True, it is, but in many of the rural areas we are not faced with an unemployment condition similar to what they have in the City of Winnipeg and I question very much whether unemployed persons in the city would go out a hundred or two hundred miles in rural areas to do a winter works program. To point that out I have before me or did have here -- yes -- a little clipping from the Tribune, I believe it is, headed: "Welfare Roles are Higher by 1310 persons" -- and of course it's in the City of Winnipeg. "There were a total of 8,209 individuals on welfare on March 3rd compared with 6,899 on March 4th, 1961; but 1,032 of these were employable compared with 798 last year." Well those figures are probably true, but as I said before Mr. Chairman, Neepawa or Russell or anyone else carrying out a winter works program would not relieve this situation. Now, Mr. Chairman, I don't think I have any further comments to make at this particular time.

MR. CHAIRMAN: Item 1.

MR. THOMPSON: . . . . refer probably to the comments by the Honourable Member for Turtle Mountain and Gladstone-Neepawa. I think the problem which is raised by the Honourable the Member from Turtle Mountain is one which he could raise during the Department of Labour estimates, in connection with fire prevention and equipment. I think that would be the place -- that field of activity is under the Labour Department.

Now the Member for Gladstone-Neepawa asked whether there had been any instructions issued to increase the over-all level of assessment or to apply any new factors in assessing. There have not; there have been no instructions issued to change the method of assessing and it remains the same. Periodic re-assessments are made, I might advise the Honourable Member, to endeavour to keep them up-to-date and that is the process which is continuously going on by the Assessment Branch.

MR. CHAIRMAN: Item 1 passed. Item 2, Municipal Boards.

MR. A. E. WRIGHT (Seven Oaks): Mr. Chairman, I don't know if this is the proper place to bring this to the attention of the House, it has to do partly with a legal matter, but I would like to ask the Honourable Minister -- and this doesn't require a reply from him -- to bring the attention of the House in regard to public notices. Recently the City of West Kildonan advertised their intention to create a new local improvement district and in describing this area, which is not large, it took two columns, 882 words with 63 lines of print -- the finest that they have -- with no margins, no paragraphs. It reminds me of the Chinese saying that one picture is worth 10,000 words. I have often wondered if in municipal life we could not find some better way to communicate these intentions to our people. Now I wouldn't argue with the legal lads about the necessity of this because I believe it has to be done this way, but surely we should in this day and age give some thought to this business of communicating with our residents. I submit, Mr. Chairman, that there is probably less than half of one percent of the people in the City of West Kildonan who would even begin to understand that, because it's drawing boundaries here to the degree of a hundredth of a foot. My appeal is that the Municipal Board should look into this question of public notices with a view to seeing that they are a means of communicating to the people certain intentions -- and I have left on the Attorney-General's desk a copy for the Minister to look at. I am sure that when he looks at it with the fine print, he will easily see that this is not a medium of communication at all. It may satisfy the legal minds but as far as our people are concerned, it leaves them in utter confusion.

MR. THOMPSON: I'll be glad to bring that question to the attention of the authorities.

MR. CHAIRMAN: Item 2 passed; Item 3, Local Government Districts passed.

MR. PETER WAGNER (Fisher): Mr. Chairman, I just want to make a few comments and it's under the Local Government Districts, as I would say 99% I represent of it, and I would like to ask the Minister, because there is strong rumors going in the local government district that it is the intention of the Minister or the government to divide the local government district of Fisher, Armstrong, Kreuzburg and all of these localities and divide them into Rockwood and Bifrost municipalities. The people are disturbed; they feel that they should be left as they are. I wonder if the Minister is contemplating on that, and if he's not, I am happy to hear it, and naturally the people would be very much satisfied if they would be left as they are.

However, there is another matter that I would like to bring to his attention. When these assessors were out -- the field men were out -- somehow I don't know whether an oversight or

(Mr. Wagner, cont'd.) . . . . just maybe not paying close attention to it, in some different localities they would assess a particular quarter of land at a certain rate and then the other quarter that is just across the road with the same acres, with the same buildings, would be half less. Then naturally the taxes go by the assessment. However we have the Court of Revision, and naturally the farmer has to appear before the Court of Revision and he has to have a strong case there and he has to have a comparison, that his assessment has been raised, and naturally he takes the comparison of his neighbour. And generally what happens, his assessments do not go down but his neighbour's are revised and they're going up. So very many farmers are hesitant to appear before the Court of Revision because the remarks are made -- and I must admit I make those remarks myself -- that I'd rather see the neighbour have his lower assessment than have it raised because it's no benefit to the man that is appearing before Court of Revision. And furthermore, if you appear before the Court of Revision and it's not granted for you, you have another way out to angle to "appeal" the Court of Revision, and you have to pay \$5.00 to appeal the Court of Revision. So what happens again, 99% the Appeal Court tells that you are well assessed and should stay, and the people are very hesitant to give the \$5.00 because it doesn't seem to benefit them in any way. So it's a contemplation whether you should appear and if I appear I lose out anyhow. I just wonder if the Minister could look into this matter. It doesn't require an answer or anything, but if the Minister could look into this matter -- if we have a Court of Revision that they are supposed to reassess, well then let's do a job. But it seems to me that we are there to protect you and at the same time you shall pay whatever it is assessed.

The final item is when the fieldmen come out and assess the farms' values and there are a lot of vacant buildings, particularly homes, the farmer is not living in that home, but that particular time when the fieldman was through the area there was somebody living in that house; then the farmer is assessed on the value of the land, then he is assessed on the property of the house. He pays double taxation for the land and the property. In the meantime, the renter lives there maybe a month or two and he left the place and the farmer has to pay the tax because he has a renter. I wonder if there is some appeal to write back to the municipal authorities and state that my renter has left, possibly he can have his tax decreased. I have proof of this where the assessor went through and within a month's time the renter left the house and the poor farmer had to pay the tax on the property tax and the land tax and that's as far as I want to say at the present time.

However, I would like to have the Minister's comment whether there is any contemplation on dissolving the local government district of Fisher, Kreuzburg and Armstrong.

MR. HRYHORCZUK: The Honourable Member for Gladstone raised the question of aids to municipalities and quoted a letter that he had received from the former Acting Minister of Municipal Affairs, in which the Minister of the day stated that there was no government program for this type of assistance and referred him to the winter works program. I have a little brochure here headed "The Record Speaks" with a picture of our Prime Minister on it, and it's supposed to be the record of this government. On page 60 I find the following, and I'm going to read it in full, because I'd like the Minister to comment on this particular program and tell us whether he is aware if it's in existence and whether it is available. And this is on page 60 of this brochure. It's headed "Aid to the Municipality" and it reads as follows: "Less than one-sixth of the urban municipalities have adequate sewage plants in operation. Possibly two-thirds of Canada's urban population is living in regions where seriously polluted surface waters are found. For the first time, legislation was passed providing for government loans to municipalities for the construction of central sewage plants and trunk mains. The loan may be up to two-thirds of total cost and is repayable over a 50-year period. One hundred million dollars was set aside for this purpose. As added encouragement to municipalities one-quarter of a government loan will be written off when it is spent on work put in place by April 1st, 1963."

Now my question, Mr. Chairman, is: Is the Minister aware of this program? How do our towns, villages and cities go about obtaining this assistance?

MR. GRAY: Mr. Chairman, my question would be under 4, but I might as well ask under 3 and it'll save me time. It's about the same thing probably. In connection with -- again coming back to the assessments -- (Interjection) -- Well, it's Item 3 or 4. I could speak on 4 if you wish. Actually it's under 4, but I thought we'd get through and we wouldn't have any



(Mr. Gray, cont'd.) . . . . questions on the fourth.

MR. CHAIRMAN: Item 4 is assessments. We haven't passed 3 yet. Item 3 - passed?

MR. MOLGAT: Mr. Chairman, on the local government districts. I think it's two years ago the Minister indicated that he was going to put up advisory committees, as I understood it then, in all of the local government districts. I wonder if he could report on the progress of the advisory committees? Have they been set up everywhere? I'd like to make a further suggestion in this regard -- that the administrators at the moment appear to be largely tax collectors. It seems to me that we could extend their duties somewhat and possibly get more local administration done in the districts. This would of course necessitate an advisory board, I appreciate. I don't think we would want to extend their responsibilities without some local advice, but in the combination of the two, I think we could end up with better administration in the local government districts.

The Minister of Mines and Natural Resources indicated in his comments for example on fire fighting that some work had been done, working I think with the administrators, I know this was the case because I was involved last summer in my own area with this, and I think that if we develop this that we can end up with much better administration in those areas.

MR. J. M. FROESE (Rhineland): Mr. Chairman, there are just one or two questions that I wish to direct to the Minister and these have to do with the recoveries from the local government districts and from the municipalities. What is the basis for making these recoveries?

MR. THOMPSON: I'm sorry, my attention was diverted. Would you mind repeating that, please?

MR. FROESE: I was requesting information as to how the recoveries were made from the local government districts and from the municipalities as to the amounts shown in Item 3 and 4. What formula is used or what is the basis for these recoveries?

MR. THOMPSON: Mr. Chairman, in answer to the Honourable Member for Fisher, respecting the division of certain local government districts and the realignment in the municipalities. I might say that this department has not, and the government has not, any plan at the present time respecting any change in the present boundaries or status of these local government districts. Now this rumor could have -- if it is a rumor -- could have started with the inquiry which is taking place under the auspices of the Union of Municipalities and the Urban Association. They are, among other things, I understand, considering boundaries of municipalities and local government districts; perhaps they may have plans in this respect; we haven't any idea. But certainly the department or the government has no plans whatsoever on that change.

Now, the assessment of course -- the honourable member referred to assessment that is subject to appeal -- every assessment is subject to appeal by a Court of Revision comprised of the municipal government and an appeal from them to the municipal board. The question of vacant buildings and the assessment of buildings on farm land, of course buildings are not assessed -- or at least they're assessed but they're not taxed as the honourable member well knows, on farm lands which are over the acreage of 40. He mentioned that during the visit of the assessor there was occupation of the property. Occupation of course has no relationship to assessment or taxation; it doesn't matter under our system whether property is rented or not, or occupied or not, as to whether it's assessed or not -- that is unless it's Crown lands. If it's Crown land the land is taxed because it is occupied, but privately owned land is taxed and assessed whether it's vacant or not, or whether it's rented or not.

Now the Honourable Member for Ethelbert Plains referred to a question which had been mentioned and which I apparently overlooked by the Honourable Member for Gladstone-Neepawa and that was on the statement in a pamphlet which he had respecting assistance for sewage construction and installation in towns or villages. This is, as he said, a federal program and is under the control of the Central Mortgaging and Housing Corporation. I think that anyone interested should apply to that federal corporation respecting this matter.

The Honourable Member for Rhineland mentioned the recoveries which are indicated in our estimates, from the local government districts. Recoveries are made by taxation in local government districts for certain items. In fact their administration is entirely recovered, it's paid for by the department, but recovered from the taxpayers of the district. There's a certain

(Mr. Thompson, cont'd.) . . . . levy for welfare, and for social assistance, for roads -- if they're asked for by the district there's a certain road levy. But certainly the levy for administration for their secretary-treasurer and their administration office that's levied against the district, and they also are levied for the cost of the assessment of the property in the district. So these levies are made against them and practically all the expenditures on local government districts are recovered from the area. Of course other additional expenditures are made by other departments of the government, such as Public Works who have a much more favourable deal for local government districts and municipalities.

Now the question was raised by the Honourable the Leader of the Opposition as to the advisory committee program which was established a few years ago in local government districts. There are, at the present time, advisory committees in Piney, in Stuartburn, in Lynn Lake and in Snow Lake local government districts. I can't think of any other at the moment, but there are at least four local government districts which now have advisory committees and they are working very devotedly and faithfully. I think the plan has produced benefits for these areas and it has brought into the problems of local government the opinions of locally elected personnel.

MR. HRYHORCZUK: The answer to my question is partially satisfactory, but I must admit that I was completely ignorant of this particular policy and I'm quite sure that most of our municipalities are also, because I do know that municipalities have been issuing debentures to install sewage; in fact it was mentioned here today that costs in the municipality had risen because of water works and sewage being established throughout the province. I would say, Mr. Chairman, that since the Minister is the one that is in direct contact with the municipalities and the one to whom the municipalities refer when they're in some difficulty and need some suggestions, that he find out just exactly what this particular policy is and advise the municipalities of the policy; because I'm quite certain that the municipalities are not aware of this policy and since there is an opportunity to save considerable money by having the sewage done under this policy, I believe it's the duty of the Minister to advise the municipalities of this existing policy so they can take advantage of it.

MR. THOMPSON: . . . . . clear that it's purely a system of loans, not of grants.

MR. HRYHORCZUK: That's quite all right, Mr. Chairman, but there is a grant in this loan.

MR. THOMPSON: Oh there's a 25% --

MR. HRYHORCZUK: I want to refer to the last paragraph: "As added encouragement to municipalities, one-quarter of a government loan will be written off when it is spent on work put in place by April 1st, 1963." So there's a considerable grant involved in this thing, and I think it's a very important policy and something that's very timely and the municipality should be made fully aware of it.

MR. CHAIRMAN: Item 4, Municipal Assessments.

MR. GRAY: Mr. Chairman, I have no desire to worry the Minister at all and I don't expect a reply either, but I just want to mention it. About two years ago, speaking about the constituents which I represent -- not the big buildings, not the insurance companies, and not the departmental stores; they have good lawyers to defend them -- about two years ago the reasons for re-assessment and increased assessment were that the assessors, either by instructions or otherwise, have assessed all the homes -- family homes, small homes -- on the basis of what it would cost to construct them two years ago. Well there may be some justification because if I would have to build a home now instead of the one I had for 25 years old . . . . less, probably I would have to pay more. But a year ago and this year they raised the assessment again and they raised considerably. Hundreds and hundreds -- actually hundreds of people -- are phoning me and telling me, "What am I to do?" What are they to do? So I tell them to put in an appeal, that's all I can tell them. I have no contact with the assessors. He is a statutory officer and could do anything he likes, but I think it's unfair and I could only -- I could give you examples of many homes who have told me about it, but take my own little home, which is -- I don't think if I sell it today I could get \$8,000 or \$9,000 for it and I don't think I could get a second mortgage on it if I needed it, but the point is that it's assessed again -- the land and the building -- and believe me I haven't put in one nickel's worth of water to the building except last fall with a hose, washing off the dirt off the stucco, and it was very much

(Mr. Gray, cont'd.) . . . . increased this year again. I didn't appeal because I know it's useless. I didn't want to take the time. But there is something wrong with the assessors, because the assessor himself, the head man, cannot go around the city. So my imagination probably -- and I could be corrected if I'm wrong -- they send him out with the idea that either the Metro or the City Council or any other head of the municipality wants them to bring more money in; they need more money. The expense is bigger and the transportation is more and the high cost of living. Bring in more. So they just go around. I say if I'm wrong, I'll stand to be corrected. They go around -- this one was assessed last year -- the house was assessed \$12,000.00. All right, put in another \$1,000; never mind, . . . . . it goes with him. Put in thirteen. Same land, not cultivated and not used; oh well, it was \$800 last year; well, we've got to raise it, put in \$900.00. So I feel there must be something wrong, particularly this year, and the people -- the family man, the people who have small homes, the working people -- are raising Cain about it. They call me all kinds of names. I say it's not my fault. They say, "Never mind, you are in the House; it's your fault; you are a member of the Legislature; we can't go anywhere else." So I would respectfully suggest that sometime -- if it doesn't help anything this year, it may help next year; it may be too late this year -- call the main assessors together and read the riot act with them and tell them, "Don't make your job so easy." They are there for a scientific way of suggesting assessments and not just doing it in a haphazard way and if you would -- I'm sorry you couldn't do it, your health will not permit -- but if you send one of these confidential men and pick a dozen homes in the north end -- two dozen homes in the north end -- two dozen homes in the north end blindly -- and go in and let them re-assess it, I'm sure that 80% will come here and say that you were all wet -- not wet, wrong. So I want to bring to his attention -- I don't expect a reply now -- but I'm quite certain there is something wrong with your assessment department, that they are not basing on a scientific way. It is just now that if there is a big demand on fish and the price is at 10:00 o'clock in the morning, 90¢ a pound, the manager tells the clerk, he says, "Rate it \$1.30 because they need a piece for supper."

MR. THOMPSON: What is the assessed value of your property?

MR. GRAY: I don't remember the exact . . . . . but it's raised considerably, and I'm not complaining about myself, I can afford it; I get indemnity here, and I can afford to pay, but I am speaking on behalf of the others.

MR. THOMPSON: You had mentioned that you thought it would sell for -- it's actual value was \$9,000 or so. I was just wondering what the comparative figure might be. But I should point out to the Honourable Member from Inkster, Mr. Chairman, that our provincial assessment department does not have control over the assessors of many areas of Manitoba. One of them is the area in which the honourable member resides and represents, which is included in the metropolitan area and which is under the jurisdiction of the metropolitan assessment, the City of Winnipeg Charter, and the assessing -- (Interjection) -- I beg your pardon?

MR. GRAY: . . . . . member of the Metro. I'm a member of the Legislature. That's the only place I have to make a complaint.

MR. THOMPSON: Oh yes. My honourable friend apparently misunderstood me. I want to point out that the provincial assessors -- that is those under the control of this department for which I am speaking -- do not make the assessment in this entire metropolitan area. It's made by the assessment commission of the metropolitan area and it's made according to the respective charters of the various cities included in the area. Now I think they follow the same general principles as our provincial assessors, and that is that they consider all the physical aspects of the property and they take into account its depreciation. They depreciate its value because of years but they also relate it to market value, and if the market value has increased in the area they rate it accordingly in proportion and then they depreciate it again because of its age or physical characteristics. But there are several areas of the province -- Brandon, Portage la Prairie, The Pas, Flin Flon and several centres -- which have their own assessors and do not use the assessors of the Province of Manitoba, and the area of which my honourable friend is speaking is one of them.

MR. GRAY: Mr. Chairman, I appreciate very much. As a matter of fact, he needn't have taken the trouble of replying, but the situation is here. You have been put in charge of the assessors. You're not in charge of the Metro, but the Metro is a baby of this House and I

(Mr. Gray, cont'd.) . . . . have nowhere else to cry out. That's the point, and I don't expect a reply; I know your position. I know what you are going to say; but I want you to realize also that this is your baby and you should look after it.

MR. THOMPSON: . . . . . I do want to say that I appreciate the comments of the honourable member that all assessments are certainly made by human beings and they're the subject of human error, but the principles which are observed in assessing are considered scientific and the best that can be found. Now if there are errors, they should be corrected, because we certainly want to stress that assessment should be accurate and is most important to all taxpayers, and we certainly will take into consideration any comments of the honourable member.

MR. CHAIRMAN: . . . . . Resolution 73 passed?

MR. MOLGAT: On the matter of municipal assessments. Is it correct that you cannot compare assessments between one municipality and another when making a complaint about assessments? That is -- let's take an individual in one municipality who feels that he is wrongly assessed; he comes before the Board. Is it correct that he cannot use an assessment possibly just across the section line from him, but in another municipality, in making his complaint?

MR. THOMPSON: Yes, it is correct to say that. The Municipal Act says that assessments shall be equitable within a municipality, because the municipality is the taxing jurisdiction and of course assessment alone does not determine tax. Tax is determined by both assessment and the mill rate, so that whereas one municipality across the road might have higher assessment, it might have a lower mill rate, and the principle observed is that the property within a municipality must be assessed equitably compared with any other property in that municipality.

MR. MOLGAT: Mr. Chairman, I quite realize that under the Act this is so, but surely with the new provincial assessment this should no longer apply; because if the assessment, provincially, has been done correctly, and I presume that it has, then adjoining municipalities should be assessed on the same basis. Now why then should you not be able to compare one municipality with the other? Either the assessment has been done properly, in which case they are comparable, or then we can only assume that it has not been done properly.

MR. THOMPSON: I quite concur in the general principle involved in the statement which the Honourable the Leader of the Opposition has made. The standards -- I might use that expression -- the standards used in assessing are the same all across the province. That is, in the assessment of farm land, they take into consideration many factors of the soil and so on, and the area; and, above all, its market value. The general principles which apply to assessment are similar, but they don't, as I understand it, they don't make an attempt to -- because one municipality in relation to the other, they don't attempt to make them the same. They purely consider the factors involved in the actual value of the property concerned. That is, there's no endeavour to align the assessed values in one municipality to another. But certainly the same principles and standards apply in assessing these properties in any part of the province. Now you say there are differences. There may be. I wouldn't be able to say why a property very similar across the road is different from one on this side because of a municipal boundary line, but certainly the standards of assessment are similar.

MR. MOLGAT: Mr. Chairman, the whole basis of the provincial assessment is to make them comparable across the province, surely. Otherwise, there's no point in doing this. I understood that when we went into this matter of provincial assessment it was in order that we would have a comparison between every municipality, because as the province was going into a grant structure whereby the grants were based partly on the assessment in the area, it was necessary that there be comparison, otherwise we would be dealing unjustly with certain municipalities. Well if we accept that principle and we say that there's going to be uniform assessment across the province, then surely there has to be a comparison between assessments all over in every municipality. Unless we have achieved that, Mr. Chairman, it seems to me that we have defeated the very purpose of the provincial assessment. What is the purpose of it if it does not establish a comparable basis throughout the province?

MR. THOMPSON: Mr. Chairman, I would say that it has established a very comparable basis throughout the province, but to remove any doubt as to the effect of provincial grants to municipalities, we have the equalization of assessments which takes place annually now. At one time, the equalization took place every two years. Recently, we have called for an annual

(Mr. Thompson, cont'd.) . . . . equalization of assessment so that every municipality is given an equalized assessed value which makes it completely comparable with respect to the grants which it should receive. For example, when a village is part of a school district and a rural municipality, their assessments are equalized; and all the assessments in Manitoba are equalized so that the grant structure will benefit them equally and equitably. Now before this provincial assessment came into effect, it was a fact that the problem of equalization was much greater than it is today, because there was a great disparity -- as my honourable friend has suggested there is still a disparity -- there was a great disparity between the assessed values of various municipalities in the province. Now there could still be a slight difference or disparity between assessed values in municipalities, but any ill-effect of that is removed by the annual equalization of assessments.

MR. MOLGAT: Mr. Chairman, is it not correct that the equalized assessments in those municipalities that have been re-assessed is actually the actual assessment? Hasn't it been accepted that for all those areas that have been assessed by the provincial branch, that now the actual assessments and the equalized assessments become the same, and that the equalized assessment is only used for those areas that have not yet been completed by the department, and I assume from the Minister's statement that those are now very few. Is that not the case?

MR. THOMPSON: No, I don't understand it that way. Now I could be corrected, but I would say that the equalization still takes place throughout the province annually on the basis of a common denominator of assessment. They relate the actual value of real estate to its assessed value; they take the percentage of assessed value to the actual and they make that comparison similar in every municipality of the province; and they do equalize all the assessments still. Now my honourable friend feels that now the actual assessment should be the same as the equalized. It's still not exactly the same, there is a slight variation. Equalization still takes place to make sure that every municipality gets an equal benefit of provincial grants and so on.

MR. HRYHORCZUK: Mr. Chairman, I've been following this point up and I think that the Leader of the Opposition is on very sound ground. When we used this particular provincial plan for assessing the real estate in the Province of Manitoba, it was understood that the same yardstick would be used throughout the whole of the province, and if you use the same yardstick throughout the whole of the province, then wherever it has been used the assessed value is the actual -- let's call it the actual value or the standardized value -- throughout the whole province, then where is there room for equalization? It should have already been made equal when this common yardstick was used. If there are some discrepancies, I think that the Minister should point out just what is used in balancing or coming to this equalized assessment outside of this particular yardstick. What factors enter into that calculation? When you use the same yardstick for all of the real estate assessment, then the necessity for equalized assessment disappears altogether -- or should disappear.

MR. THOMPSON: Mr. Chairman, it should be remembered that values change annually, they change every year, but assessments are not new every year. I think we all recognize that it's impossible to make a new assessment of every municipality every year, so that in one municipality for some reason or other in a year the assessed value of property has increased. Now should that new difference between its assessment and actual value be considered its true assessed value? We feel that it should not, that there is a disparity every year in values. For example in the Greater Winnipeg area, with increased values, where you have an assessment made every three years, in the rural -- throughout Manitoba, the law says that we should have a new assessment every seven years, but every year values change so that equalization is necessary in each year to have a proper comparison between assessed value and actual value. It is the objective of the department, who have a very complete information on values in various municipalities, to note any increase in valuation and to note the relationship of the assessed value to the true value and endeavour to make that equalization each year, but you can't have a true assessed equalized value every year because of changing values of property.

MR. HRYHORCZUK: Mr. Chairman, we don't quite understand one another. The point that we're trying to make is this, that the real assessment should be the equalized assessment. You may have changes in certain municipalities from year to year, but that does not change the

(Mr. Hryhorczuk, cont'd.) . . . . fact that your real assessment should be your equalized assessment.

MR. PREFONTAINE: I, for one, am surprised with the answer that the Minister has given to the Leader of the Opposition. I quite remember that we were working towards the day in that department when we would see the actual assessment become in fact the equalized assessment. In the old days, although the Equalization Board was working very hard to equalize the assessment, it was so difficult. It was realized by everyone that we could not have a proper equalized assessment, even with all the work that was put into it, because there were so many assessors in the province working from different basis of values and that it was absolutely impossible. In fact, to have a real good equalized assessment, we started this new program. Our man was trained from 1947, the actual work was started in '51, and we were looking forward to the day when the job would be completed, at least to such an extent that the actual assessments made would become the equalized assessment. I believe that the fact should be that there shouldn't be a change every year as between the municipality that has been done. I understand there is a need for an equalization with respect to the municipalities that haven't been done and possibly with those that have been done in Greater Winnipeg area by other assessors, although these assessors were supposed to work along the same lines of values. We hoped at that time, and I think it's the effort even now, to try and have the same levels used by the Provincial Municipal Assessor and by the Metro Assessing Department. So I just fail to understand the answer of the Minister. I wonder if I realize exactly what he has stated.

MR. THOMPSON: Mr. Chairman, I can appreciate anyone, including myself, not being fully comprehensive of this very complex system of assessment, but we are endeavouring to make it as close to perfect as possible. There are changing values each year, and the equalization must be done to keep it right up-to-date and to keep the actual assessment which was made some years ago in one centre -- maybe three years ago in one municipality, four in another, six in another -- we've got to keep these up-to-date each year, so we have to equalize them and set forth the true assessment, that is, its relationship between the assessed value and the actual value, and, by equalization, make that relationship uniform throughout the province. For example, if in one municipality it is found that the assessed value of property is about 40% of the actual value; and another, the assessed value, it may be found in a year, is 45% of the actual value; and another, 43. We've got to bring these all together and set a common denominator so that throughout the province for the purpose of grants there shall be equalization, and they shall all be uniform in the percentage relationship of assessment to actual value and I'm told -- the message from above says that I've been perfectly right in my statement on this matter.

MR. MOLGAT: I noticed the communication, Mr. Chairman. I assume then that the school grants are based on the equalized assessment and not on the actual, is that --

MR. THOMPSON: I'm sorry.

MR. MOLGAT: The school grants, which are the big ones, that are involved in this matter of assessment are then given on the basis of equalized assessment every year, and not the actual assessment.

MR. THOMPSON: That's right.

MR. CHAIRMAN: Item 4 - passed. Department of Labour - Department XIII - Resolution 74. 1. Administration.

MR. MOLGAT: Mr. Chairman, is the Minister making an opening statement, or not?

HON. J. B. CARROLL (Minister of Labour) (The Pas): Yes I can. Mr. Speaker, I had hoped that after that great event of last year which I know will please many of the other side, that we might be able to get through the first item without any debate. I thought particularly the NDPs would be so delighted with the fact that there has been re-allocation of portfolios over here, resulting in a full-time Minister of Labour, that they might be prepared to pass along this little discussion, at least on the first item. -- (Interjection) -- It seems, Mr. Chairman, that I'm mistaken.

I do just want to comment on those items which may properly be discussed -- may rightly be discussed on the first heading here. I would like to say that the departments have this year become concentrated in the Norquay Building for the first time in a good many years, and certainly makes the department much more efficient in its operation. There have been

(Mr. Carroll, cont'd.) . . . . some re-allocations in duties among staff members; more efficient use of individuals within the department, which we hope will make for general efficiency. We have added a planned engineer to the staff, which will relieve, to a large extent, the work of some of the senior people, and our employment standards and our Fire Commissioner's Office who have to deal with the approval of plans in new buildings.

We also have completed our first year in the operation of our new vacation pay system, whereby we've done away with the old vacation pay stamp books and handling the contributions by employers in the Greater Winnipeg area through IBM equipment and payroll data. During this year there were 17,000 employees who benefitted from the contributions of employers and the total sum of money which were received and handled by the department was \$1,450,170.

I would, of course, also like to pay tribute to the senior members of the staff, particularly W. E. Wilson, whose diligence and devotion to service has certainly won the respect of everyone who has come in contact with him, both in this province and in his association with Departments of Labour, throughout the North American continent. As you know he acted as President of the International Association of Government Labour Organizations last year, and did a first class job in that capacity, and does have the respect of labour people throughout the north.

I would also like to pay tribute to Mr. Weeks, Mr. Del Begio, Mr. Hamilton, our Fire Commissioner, Mr. Humphries, Mr. Hurd, Mr. McKelvey, all heads of divisions under this department who have performed most adequately and satisfactorily throughout this year. They've always been eager to come back and work when necessary to do any special work that might be required. We're disappointed this year in losing the services of our Apprenticeship Director, Mr. Hurd, who is leaving to take up other duties in Ottawa with the Department of Labour. It's a big step forward for him. We're certainly disappointed in losing him, but we know he will be of use to our Department of Labour and the people of Manitoba through his service at the higher level.

Also I'd like to mention that the Workmen's Compensation Board is now being operated on the basis of all full-time members. They'll have more time to devote to the administration; the policy matters of the Board; be able to give probably greater investigation to cases which come before them; and will be able to perform an educational service to employers and employees as well. We think there's need for this and I'm certainly pleased to be able to announce the formation of the full-time Board and to wish them well in the future.

Now the Board is placing greater and greater emphasis on the rehabilitation of disabled workmen. They're assisting through providing more vocational training course; they're co-operating with the medical doctors, the specialists, and even starting training in many cases, before the discharge from hospitals; also co-operating with the Medical Association in bringing in Orthopaedic Specialists for special clinics in Manitoba, which we feel will be of great assistance in rehabilitating injured workmen. The Board was also active in the work of investigation for the new rehabilitation hospital. They worked with the Medical Association, the Sanatorium Board in travelling around Canada and some cities in the United States to investigate what other people are doing with respect to rehabilitation services. They've also been acting in the planning of the new building, and in planning for the operation of it as a rehabilitation centre. We're trying to encourage the employment of handicapped people. There's an example being set in the Workmen's Compensation Board itself where 5% of the employees there are physically handicapped individuals.

I also would like to just mention at this time, the Second Injury Fund, which is a fund operated by the Board -- it comes out of the general levy -- which is an attempt to encourage employers to take advantage of the services of handicapped individuals. A person, for instance, who has lost an eye, has a 16% disability. If that person is employed in industry and as a result of an accident loses the second eye and becomes 100% disabled, the employer only pays the -- in relation to the second accident -- the 16% rather than the 100% disability, and we feel that the use of this in future will help to rehabilitate injured workmen. Now that's the only statement I have at this time. I may make some comments on the other divisions within the department as we come to those items.

MR. CHAIRMAN: Committee rise and report. Call in the Speaker. The Committee of Supply has adopted certain resolutions and have directed me to report the same and asks

(Mr. Chairman, cont'd.) ..... leave to sit again.

MR. W. G. MARTIN (St. Matthews): Mr. Speaker, I beg to move, seconded by the Honourable Member from Swan River, that the report of the committee be received.

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

MR. GRAY: Mr. Speaker, may I just make one comment before you adjourn the House. Yesterday the Honourable Minister of Industry and Commerce was kind enough to present these beautiful ties to all the members of the House. I am just wondering why he, and the Leaders of the House are ashamed to wear it -- and only one or two of the front benchers. This is a fine thing. I enjoy it. I appreciate it. It will save me buying a new tie on Passover, but nevertheless I thought perhaps the promoter should wear one -- that's my bit.

HON. GURNEY EVANS (Minister of Industry and Commerce) (Fort Rouge): Well, the only comment I can make, Mr. Speaker, is that I think you will find the real Leader of the House has his on this morning and I shall look forward to wearing mine on some suitable occasion soon. -- (Interjection) -- Very suitable occasion.

Mr. Speaker, I beg to move, seconded by the Honourable the Minister of Labour that the House do now adjourn.

Mr. Speaker presented the motion and after a voice vote declared the motion carried and the House adjourned until 2:30 this afternoon.