

Supply—Finance

assisting Manitoba as was followed in assisting British Columbia. That is the position as clearly and as succinctly as I am able to put it.

Mr. Stewart (Winnipeg North): In other words, this grant is for the province of Manitoba to do with as it sees fit?

Mr. Abbott: It must decide the nature and the extent of the assistance it will provide individuals.

Mr. Knowles: May I ask whether the Minister of Finance can indicate what was in his mind when he picked on this figure of \$12,500,000. It strikes one that it could be one-eighth of \$100 million or one-quarter of \$50 million or one-half of \$25 million.

Mr. Abbott: It could be a percentage of a lot of things, Mr. Chairman. I do not know that I could indicate just exactly what was in my mind. I studied the report of the Carswell-Shaw commission, and I had an opportunity of seeing Winnipeg, rather briefly I am afraid. I had an opportunity of meeting the premier of British Columbia and the members of his cabinet.

Mr. Knowles: I presume it was the premier of Manitoba.

Mr. Abbott: Yes, the premier of Manitoba. I came to the conclusion that I would recommend to my colleagues an initial grant of \$12,500,000 to be included in the supplementary estimates; and they accepted that recommendation. But I did not attempt to relate that to any particular percentage or to any particular figure. It seemed to me it was the appropriate amount to pay at this time.

Mr. Knowles: Was there any discussion between federal officials and provincial officials as to the kind of losses they might cover? I appreciate what the minister has said and what the Prime Minister has said, namely that this is a provincial government responsibility, that they will make the decision and that Ottawa will offer what money it sees fit to offer. But I am wondering if there was with the Manitoba officials any discussion that might guide them in deciding how far they would go. For example, what about losses that farmers will suffer where they are not able to put crops in for the year? What about this question which the provincial government seems to have decided upon, namely that no compensation will be made out of government moneys for losses of personal effects, furniture and so on and that that matter has been left to the voluntary fund. I am wondering whether that matter was discussed with the Manitoba officials.

Mr. Abbott: No. So far as I am aware, there were no discussions, Mr. Chairman.

[Mr. Abbott.]

The types of losses for which indemnity was given in the Fraser valley are, I understand, fairly well known and those were no doubt available to the officials of the Manitoba government. But there was no discussion either between myself and the members of the Manitoba government or, so far as I am aware, between my officials and the officials of the Manitoba government.

Mr. Knowles: In other words, the complete responsibility as to what amount of money is to be asked for rests with the government of Manitoba?

Mr. Abbott: I would think that is correct, yes.

Mr. Knowles: Can the minister say whether it will be possible to pay an additional sum of money between now and the next session of parliament, if it should be called for? This is only an initial grant.

Mr. Abbott: I would think that, under this heading, this would have to stand until there is a further vote of parliament. Under the subsequent grant—that is, 75 per cent for safeguarding against dangers of floods in future—I would think that if diking work were proceeding that would be an appropriate case for the use of a governor general's warrant if the money voted here were not sufficient to cover the dominion's share during the period in question.

Mr. Knowles: I take it that one is justified in noting that this \$12,500,000 is only an initial grant?

Mr. Abbott: That is correct.

Mr. Knowles: In other words, we are justified in assuming that there will be a further sum of money later on?

Mr. Abbott: If the facts justify it, yes. As the Shaw-Carswell report indicated and as they pointed out clearly, while I think they did an extremely fine job and made what I think is a fair estimate, it is quite obvious that at this time it is not possible to evaluate fully the losses which may have been sustained.

Mr. Knowles: I noted that the minister said that further money would be available if the facts justified the need for it. None of us here are experts in assessing these things, but from the reports that are still coming in of the extent of the damage that people find as they get back into their homes, I am sure that considerably more money than this will be needed; and I hope the Manitoba government will ask for it.

The Chairman: Shall the item carry?

Mr. Diefenbaker: I should like to ask the minister the percentage basis upon which