

Supply—Finance

Public debt charges—

97. Commission for payment of interest on public debt, payment of premiums on government of Canada sterling securities, services of fiscal agents, London, registrar's fees, etc., \$406,100.

Mr. Abbott: I think I should ask the committee if they would be good enough to let this item stand, and turn to item 676 in the supplementary estimates which I tabled today. It is the item to provide for flood relief payments.

Item stands.

Special—

676. To authorize and provide for an initial grant to the province of Manitoba to assist it in meeting costs incurred as a result of the Red river floods in 1950, \$12,500,000.

Mr. Stewart (Winnipeg North): Mr. Chairman, a few weeks ago in discussing the flood situation in Manitoba, I suggested the government make an interim payment of \$10 million to the province of Manitoba. I see the Minister of Finance is suggesting an amount of \$12,500,000, which of course is just an interim payment. It will not nearly meet the cost of the damage which was caused. What I want to know specifically is: What does the \$12,500,000 include? The item reads:

To authorize and provide for an initial grant to the province of Manitoba to assist it in meeting costs incurred as a result of the Red river floods in 1950.

Is it only for the cost of fighting the flood or is it only a payment towards repairing property damage or is it a combination of both? That is something which we have to get cleared up because the Prime Minister has already told us that Manitoba will be treated in exactly the same way as British Columbia. Obviously, therefore, we are not going to be satisfied with less.

In so far as British Columbia was concerned the federal government paid one hundred per cent of the total property loss; seventy-five per cent of the cost of the repair works; seventy-five per cent of the cost of permanent measures adopted to prevent a recurrence of the flood. The federal government paid in the neighbourhood of eighty-one per cent of the cost of the flood damage and the preventive measures in British Columbia. What the provincial government in Manitoba is doing is a bit of a riddle. A few weeks ago I was critical of what that government had done, and had the Minister of Justice been here I might have pursued further the line he adopted, namely that the province of Manitoba did not have an adequate public relations staff. As a matter of fact if the provincial government has secured the services of Baron Munchausen and Ananias they could have made nothing of

the wretched handling of the situation by the government. The mistakes cannot be attributed to faulty public relations.

In Manitoba today there has been developed a principle of limited aid. For property damage the aid will not exceed \$3,000. I know that for a great number of flood sufferers that is a completely inadequate sum. What I want to see is one hundred per cent flood damage paid; that is on the same basis as was paid in British Columbia, and rightly so.

An hon. Member: That is not right.

Mr. Stewart (Winnipeg North): A grant of \$5 million was given to British Columbia and it covered property losses. As everyone knows the Carswell-Shaw commission was limited in its terms of reference. The report of that commission shows a total loss of \$26,500,000, but it excludes of course personal property loss. Of that \$26,500,000, \$2,500,000 is for emergency precautions which are going to be carried out, I hope this year, along the lines of the Hurst report. What I want the minister to do now is to tell us the composition of this \$12,500,000, how it is broken down, if indeed it is broken down, between fighting the flood and the cost of personal property.

Mr. Abbott: I would be glad to do that, Mr. Chairman. The position with respect to this grant is as it says in its terms. It is to assist the province of Manitoba in meeting costs incurred as a result of the Red river flood of 1950. The extent to which rehabilitation payments will be made, the extent to which other people will be indemnified, will be determined by the province of Manitoba. The government of Canada, as was the case in the Fraser valley, is making first of all an initial grant to assist the provincial government in discharging its obligations, but the provincial government must determine the extent to which it will assist in the rehabilitation of private property; that is its responsibility.

The position with respect to the Fraser valley, as everyone knows, was that the dominion government paid seventy-five per cent of the cost of fighting the flood; seventy-five per cent of the permanent works to prevent a recurrence of that flood; and it made a grant of \$5 million to the province of British Columbia so that the province would meet the other costs incurred. At the time the grant was made it was estimated the total damage would be something in the order of \$10 million or \$11 million. Ultimately, it proved to be somewhat less than that. I cannot say, nor do I intend to break down the \$12 million between the various items of damage in Manitoba and restoring property damage. However, as the Prime Minister has said, the same principle will be followed in