

DATE: January 12, 1979

NEW DISASTER AID
POLICY ANNOUNCED

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Province Arranging
Special Loan Rates

The Manitoba Government has approved the establishment of the "Wind Storm Damage Loan Assistance Program" to provide victims of designated disasters with loans at special rates of interest, Municipal and Urban Affairs Minister G.W.J. (Gerry) Mercier has announced.

The minister also announced establishment of the Manitoba Disaster Assistance Board, which will consult with the government officials, banking and lending officers and insurance representatives to ensure the availability of adequate assistance under the new program. They will also be responsible for approved guarantee certificates for loans.

Mr. Mercier said the province had obtained agreement in principle of chartered banks and credit unions to develop the program. The loans cover uninsured losses caused by disasters.

Under the program, applicants approved as eligible for assistance by the board would be provided with certificates of guarantee, which they would be required to present when seeking the special interest rate loan from a bank or credit union.

Mr. Mercier said the program covers such disasters as the tornado on June 19, 1978, which caused damage in the Rural Municipalities of Morris, Ste. Anne and Tache and in the Village of Aubigny. He said persons in those areas whose property damage has been assessed should now be in touch with the Disaster Board to arrange for loan assistance applications. The telephone number is 284-2070.

The minister said the province "encourages and expects Manitoba citizens to accept responsibility for taking appropriate precautions against disasters." At the same time, he indicated, the government recognizes the need for better insurance coverage and is seeking the co-operation of the Manitoba Public Insurance Corporation and the private insurance industry to make adequate flood damage insurance available in 1979. He pointed out this would not include basement flooding.

He said the province had instructed the Disaster Board and M.P.I.C. to

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develop a flood damage insurance policy, including any necessary legislation, and have it ready for introduction this year.

Mr. Mercier said it was expected that detailed negotiations between the province and the various lending institutions would be completed in time for loan funds to be advanced before the end of February.

The Disaster Board appointees are Elswood Bole, Lorette, chairman; Syd Reimer of Rosenort, vice-chairman; and J.E. Miller, director of the provincial Emergency Measures Organization who will serve as secretary of the Board. Mr. Bole was appointed last summer to assess the damage due to the June 19 tornado.