

## THE LEGISLATIVE ASSEMBLY OF MANITOBA

2:30 o'clock, Thursday, August 6, 1970

Opening Prayer by Mr. Speaker.

MR. SPEAKER: The Honourable Member for Fort Garry.

MATTER OF GRIEVANCE

MR. BUD SHERMAN (Fort Garry): Mr. Speaker, I wish to rise on a point of personal privilege, arising out of an ugly allegation that was made against me in this Chamber yesterday and that has been repeated outside the Chamber today in the course of the noon hour and has now been made publicly - not that it wasn't made publicly when it was made in the Chamber but it has not been made over the media. I see the government House Leader rising and if he wishes to speak at this point I'll defer to his position.

HON. SIDNEY GREEN, Q. C. (Minister of Mines and Natural Resources) (Inkster): Well, Mr. Speaker, I was just wondering whether the honourable member is supposed to rise before the proceedings of the House are commenced. The Minister of Labour would like to speak on it.

HON. RUSSELL PAULLEY (Minister of Labour) (Transcona): Mr. Speaker, may I suggest to my honourable friend, in all deference, that the point that he raises - and I must say that we had a little preliminary discussion on the matter - may I respectfully suggest, Mr. Speaker, that the proper time would be when we enter into the Orders of the Day and not before the routine proceedings.

MR. SHERMAN: Well, Mr. Speaker, I have the most profound respect for the Minister of Labour, and was profoundly moved by what he said in this Chamber this morning, but I submit, Sir, that on the basis of Rule 24, our own Rule 24, that I have the right to raise a matter of privilege at this time. Rule 24 states that when a matter of privilege arises it shall be taken into consideration immediately, and in support of that, Sir, I would like to say that I was considering raising the matter earlier but I deferred my personal considerations, I subordinated my personal considerations to the greater issues that were at stake and under discussion in the House at the time. And I think that I have patiently and respectfully awaited an opportunity to raise what I suggest is a legitimate point of privilege, Sir.

MR. PAULLEY: Mr. Speaker, in all deference to my honourable friend, and I'm not trying to suggest any preclusion of him raising the matter, but I'm sure that it's clearly understood that matters of this nature follow routine proceedings of the House. I'm not trying to suggest, Mr. Speaker, in rising at this particular time that my honourable friend should be precluded, but there are rules of the House which indicate that matters that my honourable friend has suggested should be on the Orders of the Day and my honourable friend make reference to the first opportune time for him to raise the question, and I respectfully suggest, Mr. Speaker, that is after the routine proceedings of the House and not before. I appeal to my honourable friend again that I'm not trying to suggest that he should not raise the point, that he should, but the rules, I think, of the House, Mr. Speaker, are clear and they have been adhered to over the years and I respectfully ask my honourable friend if he would not reconsider that the first opportune time is after consideration of the routine proceedings of the House. I don't want to get into any hassle. Surely, Mr. Speaker, we've had so many hassles of procedure -- I don't give a continental, really, but only respectfully suggest that that would be the proper time in accordance with the custom of this House.

MR. SHERMAN: Mr. Speaker, having sat through the past two days of proceedings in this Chamber it's been fraught with emotion if not a certain amount of poison. I certainly do not want to transgress the rules of the Chamber but I wish to make a personal request then, Sir. I wish to say what I had to say in the presence of the First Minister of this province and I know that his duties require him to be out of this Chamber more than he would like, but if my right to rise on this point of privilege is to be deferred to later in the afternoon, and I would stand by your ruling in that respect, Sir, I would respectfully request of the First Minister that if it's possible for him with his pressures of business in his office to be in this Chamber when I raise my point of privilege, I would appreciate his being here.

HON. ED SCHREYER (Premier) (Rossmere): Well, Mr. Speaker, I can certainly give that assurance regardless of what other business may be calling for my time. I'm sure that when I'm advised that the honourable member will be rising on a point of privilege I can be here.

(MR. SCHREYER cont'd.)

While I'm on my feet, Sir, it seems that there is some difference of interpretation as to when it is in order to raise a point of privilege, and both interpretations having been put forward, it seems to me the logical thing to do now is to await the interpretation of yourself, Sir.

MR. SPEAKER: I wish to thank the honourable members for their comments. I would appreciate some further guidance on Beauchesne 105 (2). I am not -- I wish to make it clear that I'm not ruling at this matter but I wish further advice from the House on this point, which reads as follows and I quote: "It is the practice in the House of Commons to bring up a question of privilege after prayers and before the House has taken up the Orders of the Day."

MR. JAMES H. BILTON (Swan River): Mr. Speaker, if I may rise on this occasion. This matter is a personal matter with the honourable member and I think, as you have quoted a moment ago, is a proper procedure - immediately after prayers, and it seems to me that is the earliest possible moment that the honourable member could take advantage of the rules of the House to say what he has to say, and I think the House should be patient and listen to what he has to say.

MR. PAULLEY: I have no objection, Mr. Speaker. I only rose on the conduct of the House over the last number of years. I would point out that our own Rule 24 deals - and that was quoted by my honourable friend - that when a matter of privilege arises, it shall be taken into consideration immediately, which infers, of course, immediately after there has been a breach of the privilege. It doesn't matter. We've had enough hassles in this House, and if it would suit to convenience my honourable friend, as far as I'm personally concerned, as a member of this House and not having anything to do with the conduct of the proceedings of the House, if it suits his accommodation and with your acquiescence, and I again want to point out, Mr. Speaker, I trust you are in command of this House and not any individual member, that if it suits the convenience for my honourable friend to proceed, I will raise no objection to it at all. Let's get on.

MR. SPEAKER: The Honourable Member for Fort Garry.

MR. SHERMAN: I wish to thank the Minister of Labour, the government House Leader and the First Minister, and you, Sir, for your indulgence in this respect.

Mr. Speaker, I rise on a point of personal grievance emanating from an allegation that was made against me in this House yesterday by the Minister of Transport.

MR. SPEAKER: Order please. May I remind the honourable member that there is a matter, a motion which I have taken under advisement and which I am still holding, and no doubt related to it are many matters which had developed over the last two or three sittings, and I would ask the honourable member to refrain from referring to anything which may have transpired in the House during that time.

MR. SHERMAN: Well, I'll rephrase my preamble, Sir, because the same allegation has been made today. I was merely referring to what happened previously by way of introduction. At the time that it happened . . .

MR. GREEN: Mr. Speaker, as I gathered from the honourable member's preamble to his remarks, he is referring to a personal point of privilege which relates to something that the Honourable Minister did outside of the House, and I question - I question whether a personal point of privilege arises from conduct of an honourable member outside of the House, and if that's the course that my honourable friend is going to take, then I think it should be questioned right at this time. This is a personal point of privilege. I know that it can -- that we, the Speaker and the House, have control over members when they are in the House but I rather doubt, Mr. Speaker, whether on a personal point of privilege that a member can ask the House for . . .

MR. BILTON: I wonder if the Honourable Leader of the House, if he was the accused party, if he would be fiddling the same tune that he's fiddling now. I say the honourable member has a right to speak his mind on something that was said outside of this House only a few short hours ago which he feels aggrieved, and surely you're not going to deny him the right to reply in kind.

MR. GREEN: Mr. Speaker, on the point of . . .

MR. SHERMAN: I don't wish to reply in kind, Mr. Speaker. I don't wish to reply in kind. On a point of privilege, Mr. Speaker.

MR. GREEN: Mr. Speaker, on the point that has just been raised. My honourable friend says would I be fiddling the same tune if I was accused outside of the House. Well, Mr.

(MR. GREEN cont'd.) . . . . . Speaker, if I had to do that, this House would sound like the Unfinished Symphony with me continually fiddling.

MR. SPEAKER: Order. Order please. May I remind ladies and gentlemen in the gallery, that applies to them too. May I draw to the attention of honourable members of the House that Citation 114 reads in parts as follows: "In a just sense, any offence committed by a member relating to the parliament, though done out of the House, is termed an offence in parliament." At the moment the Chair has no way of knowing whether the point of privilege raised by the honourable member is such as may fall within this category or not and I have no way of knowing until I hear the honourable member's matter of privilege. The Honourable Member for Fort Garry.

MR. SHERMAN: Thank you, Mr. Speaker. The reason I referred to the previous day's events, Sir, is because you'll recall that I did raise a point of privilege at the time and then I deferred pressing that case because of the events that were taking place in the House, I felt that I should subordinate my case to the greater issues in the House. Now today, Sir, I was prepared, I hoped to accept the admonishments, the profound admonishments of the Honourable Minister of Labour and the Honourable Member for St. Boniface, who I think directed with great conscience and sincerity and import messages to this Chamber that deserve the attention and the consideration and the acceptance of all of us. And so once again, when the opportunity came up in procedural terms for me this morning, I deferred my desire to rise on a point of privilege again and was prepared to subordinate my desire completely, Sir, until at noon, publicly, over the media of this city and this province, the Minister of Transportation repeated against me an allegation of the ugliest kind that he made in this Chamber yesterday and which I denied.

Now I do not quarrel with or dispute the First Minister's contention yesterday that in the heat and passion of debate many things of an intemperate nature are said, and I have been as guilty of this as anyone has, but I submit, Sir, that it is a norm accepted through the decades if not through the centuries of parliamentary and legislative procedure in the British Commonwealth that when a member of a legislative and of an elected Assembly in the Commonwealth denies an allegation made against him before his colleagues in the House - and in this case I count 56 colleagues in this House of all parties including you, Sir - that when a member denies such an allegation, his word is accepted by that Chamber, or else what the Chamber is saying in effect is that they are accusing him of standing in his place and lying to the House.

Now, the First Minister and I have had our differences and I would expect over the next 20 or 30 years that we'll have them again, and the Minister of Transport and I have had our differences and I would expect over the next few decades we will have them again. But we have never, I trust, Sir, sunk to the level -- (Interjection) -- no, sunk to the level -- (Interjection) -- Well I would like to be jocular with the Minister of Labour because I know he is sincerely trying to lighten the mood of this Chamber and I give him full marks for that because the past day and a half have been venomous enough, but I can't feel particularly jocular about the slander laid at my door. I have no more claim to be an enemy of everything that the Nazis ever stood for than probably anybody in this Chamber except that I do have people very near and dear to me who lie buried in Canadian military cemeteries, and I am sure that everybody in this Chamber has people who met that fate and I don't wish to be maudlin about the point but I can say to the First Minister that for all the anger and for all the fury that he and I may engage in in ideological clash over the direction that this society of ours is taking, that I do not consider the despicable and repugnant Nazi salute anything to joke about or jest about, and when the Minister of Transport charges me with having given him that salute, I say, Sir, that the Minister of Transport is wrong, he made a mistake; and for the First Minister to say as he said yesterday, well it may not have been the Member for Fort Garry but I can tell him that if it wasn't he - or him - it was somebody sitting very close to him, I think is a -- (Interjections) -- I think is a statement that the First Minister in conscience will regret, because the First Minister has quoted from John F. Kennedy and has quoted from other people who have spoken of justice and equality . . .

MR. SPEAKER: Order. Order please. I am wondering about the propriety of bringing in matters which have occurred one, two or three sittings ago, as the honourable member had indicated that he by his own volition chose not to raise this matter earlier, and it would seem to me that he thereby had forfeited his right to raise those matters as a question of privilege, and I would therefore ask the honourable member to limit his remarks to the matter that may

(MR. SPEAKER cont'd.) . . . . . properly be raised as a question of privilege at this time.

MR. SHERMAN: That is a correct direction, Mr. Speaker. I'm sorry. I accept that admonishment. I was really speaking from things I had thought of saying yesterday and of course the opportunity to say them has now passed procedurally, but I do think that when we talk of justice and equity and honesty and fairness that I can appeal to the First Minister . . .

MR. SCHREYER: Will the honourable member permit a question since he has made reference to me?

MR. SHERMAN: Yes.

MR. SCHREYER: May I ask him this: with all this reference to certain kinds of salutes which I did not personally see or in no way involved with one way or the other, but is the honourable member aware that I was told by a person whose statements I accept almost without question - I refer to my colleague the Minister of Finance, who I've not found to tell me other than the truth up to now - did tell me that there was a member opposite who did make such a salute and I certainly confirm it wasn't the Member for Fort Garry. I said so yesterday.

MR. SHERMAN: Well, may I say, Mr. Speaker, that the only person in this House who comes close - well, perhaps it's presumptuous of me - I was going to say the only person in this House who comes as close as the First Minister does to respecting the word of the Minister of Finance is the Member for Fort Garry. That may be presumptuous but I mean that sincerely, and if the Minister of Finance said that, then all I can say is that the Minister of Finance is wrong and I would wish that he would - (Interjection) - No, but if he did say - (Interjection) - Oh, well, I had the impression from what was said yesterday . . .

HON. SAUL CHERNIACK, Q.C. (Minister of Finance) (St. John's): Mr. Speaker, may I be permitted to say that I did not name the Honourable Member for Fort Garry at all. I named another member and I'm prepared to deal with that if necessary.

MR. SHERMAN: Well, I'm sorry we got on to the - I'm sorry we got on to what the Minister of Finance said because it's really irrelevant to the basic issue, Mr. Speaker, and I accept the word of the Finance Minister and the First Minister. My point relates to the differences between the Minister of Transport and myself, and I was named in public pronouncement today by the Minister of Transport as having given him that despicable and repugnant salute, and I say, Mr. Speaker, as I said to you yesterday and as I said to my colleagues in this Chamber of all parties yesterday, that I did not do so. Now the Chamber can either accept that as truth or it can say that I'm lying. I'm not going to ask for a retraction or a withdrawal; there's been enough of that in this Chamber in the last day and a half. I don't want a retraction or a withdrawal; I simply want that accusation expunged from my record and my family's record.

MR. PAULLEY: We accept it. You did not . . .

MR. SHERMAN: Thank you. Thank you, Mr. Speaker.

MR. SPEAKER: Presenting Petitions; Reading and Receiving Petitions; Presenting Reports by Standing and Special Committees.

#### REPORTS BY STANDING COMMITTEES

MR. SPEAKER: Adjourned debate on the proposed motion of the Honourable Member for St. Boniface and the proposed motion of the Honourable Leader of the Official Opposition in amendment thereto, and the proposed motion of the Honourable House Leader of the Liberal Party in further amendment thereto . . .

#### STATEMENT

HON. JOSEPH P. BOROWSKI (Minister of Transportation) (Thompson): Mr. Speaker, I'd like to make a statement, if I may. I made a statement of retraction at this morning's sitting, which I gave without condition. I have the impression that the statement was so received by, Mr. Speaker, yourself, but it is now suggested by some that I did attach a condition. In order that there is no doubt on this point, may I repeat that the statement of retraction which I made this morning and which I make is without condition.

I understand that the problem is not one of saying what one believes to be true or not saying it, but rather certain things should not be given an opinion on at all as to guilt or innocence. I therefore will state no further opinion on a matter under investigation or before the courts as of now.

MR. SPEAKER: . . . that the Honourable Minister's retraction is accepted by the House.

REPORTS BY STANDING COMMITTEES

MR. SPEAKER: Adjourned debate on the proposed motion of the Honourable Member for St. Boniface, and the proposed motion of the Honourable Leader of the Official Opposition in amendment thereto, and the proposed motion of the Honourable House Leader of the Liberal Party in further amendment thereto. The Honourable Member for River Heights.

MR. SIDNEY SPIVAK, Q.C. (River Heights): Mr. Speaker, in entering into the debate, I would hope that those on the other side who may want to question me, as they often do, will simply allow me the opportunity of expressing myself completely and then certainly I'll allow them the opportunity of questioning me, and I would hope that there would be consideration given to me as it was given to the other members when they made their presentations, so that I can make my contribution in some detail to the debate that has taken place so far.

Mr. Speaker, the First Minister yesterday made several statements that I would like to deal with. One was that logic and merit rather than emotion should guide us; secondly, that facts can only take you so far and that the final few yards you have to rely on judgment; and thirdly, that nothing good comes from the east.

Let me deal with the last first by suggesting to the First Minister and to the members of this House, that all one has to do is to look at the press gallery to realize, as one of the radio announcers announce today, that the heavies from the east are here so we can suggest that some good does come from eastern Canada occasionally.

Now let me now deal with the question of logic and merit rather than emotion guiding us, and I must suggest to the Honourable First Minister that notwithstanding his two hours and 15 minutes performance yesterday, that if someone were to grade him on his logic, he would fail. Well, the First Minister said it; so will I. We'll see -- (Interjection) -- Allow me to continue my presentation then we can judge it at the end. And I say this very seriously because logic does not take you to the conclusions that the First Minister arrived at, and I want to deal with that as best I can.

Now I agree with the First Minister that facts can only take you so far and then at one point a judgment has to be made, but it still follows that judgment should not be substitution, or should not be used as a substitute for facts when facts are available, and one of the very valid points that the Honourable Leader of the Liberal Party made this morning was the real fact that much of what has been said and suggested is unsupported and it's not just judgment that's involved, it has to be based on facts, and surely we, as members of this committee, and the people of Manitoba are entitled to know those facts.

Now there are three questions that we in the Legislature must ask ourselves at this point. First, will the government scheme give Manitobans cheaper and better auto insurance? Secondly, can it only be done through a government monopoly? Can the government compete or is it necessary for the involvement of the government in the underwriting field at all? And thirdly, has the government offered a plan of compensation that will take care of the dislocation that would occur if a government monopoly in auto insurance is undertaken?

Now it's obvious, Mr. Speaker, if there is no government monopoly, that if the government is prepared to compete, the compensation is not required. Now along with the three basic questions, whether the scheme that's proposed will give Manitobans a cheaper and better auto insurance, whether it could be only done through a government monopoly, whether the compensation is fair or not, there is another general question that must be asked which is an umbrella over all of the questions: whether the proposals that are now brought forward to bring cheaper and better auto insurance for Manitoba and the proposals even for compensation to the agents, have been arrived at with meaningful discussions with the industry, with the agents and people affected?

Well, let's see if we can arrive at that conclusion or not and I'd like to, if I may, refer to three specific items. The first is an interview that Premier Schreyer had with the Tribune July 15, 1969, and I'd like to point the question and his answer for the record. The Tribune asked him, and I quote: "Would this mean that if you decide to institute government auto insurance, private insurance companies would be out?" and the Premier replied: "Well, private auto insurance firms are operating in Saskatchewan providing supplementary coverage. I didn't specify exactly what form we would bring in auto insurance. I have in mind public agency participation. I did not say, however, that we would preempt entirely the private industry. I would hope that our auto insurance policy will be a composite of the Saskatchewan plan plus the Wootton Royal Commission of British Columbia. I'd like to see the private firms

(MR. SPIVAK cont'd.) . . . . . carry on. After all, it could be dislocative if it were changed overnight, but I insist that according to the experts by whom I was briefed, auto insurance premiums in Manitoba could be at least 20 percent less than what they are now, and if the private industry can co-operate with us to this end, fine."

Well, on this, Mr. Speaker, the question has to be asked: has there been enough discussion with the private industry to determine whether in fact the savings suggested by the Premier can be arrived at with the private industry? Because we must now know, Mr. Speaker, that while the Premier referred to 20 percent a year ago, yesterday as a result of the new compensation plan we are now talking about 10 percent, and the question that now must be asked by all of us is can private industry, provided certain things are done and provided there is a meaningful discussion, can private industry now institute a 10 percent saving? Because if it can, Mr. Speaker, then we have brought cheaper and better auto insurance to Manitobans and that's our objective.

Now secondly, Mr. Speaker, I'd like to refer to an editorial in the Tribune of Tuesday, April 28th, and I do so in the interest of debate because I think it summarizes a basic position that has been expressed by members on the Opposition, and I quote: "Shortly after he was elected last June, Premier Schreyer outlined his political philosophy in a major interview with the Tribune. On one point he was most emphatic. He declared that his government had no intention of following the doctrinaire socialist line of going into business for the sake of going into business. He said, 'We would move for a public agency or public ownership only if it could be demonstrated that it would be more efficient. We will not move for it simply for the sake of having a nationalized corporation.' Mr. Schreyer added that the paramount consideration would be the good of the ultimate consumer. It is in this context that the report of the Manitoba Automobile Insurance Committee must be considered. The report urges the Manitoba Government to enter the car insurance business. Mr. Schreyer can honestly accept this recommendation only if it shown beyond any doubt that government car insurance would benefit the ordinary Manitoban through lower costs and better service. The report, as it stands, offers no such proof. Perhaps the advantage to the ultimate consumer can be established but the committee certainly has not done so."

And the question, Mr. Speaker, that we have to pose: has the government done anything, said anything, produced anything that would indicate at this point that a monopoly would provide and benefit the ordinary Manitoban through lower costs and better service?

Now the third item that I would like to refer to in this connection happens to be the correspondence the Premier referred to yesterday, a copy of which I now have, which I believe was supposed to be tabled and may be tabled but was not made available to us yesterday, of the letters between the insurance agents and himself dealing with compensation, and it's important because of one particular paragraph in the Premier's reply, and in order to set the record - because I'm going to refer back to this in another context when I talk about compensation - I'd like to, if I may, read into the record the letter of July 10th sent to the Premier by the Insurance Agents Association of Manitoba. "May we at this time" (addressed to Premier Schreyer) "May we at this time accept your offer made on the steps of the Legislative Building on April 29, 1970, to discuss Bill 56 and its effects on insurance agents. We suggest the date of July 20th at an hour acceptable to yourself. If this should not be convenient, then we would be available at any alternative you propose. We had hoped to have received a reply to the recommendations contained in our letter of April 29th and trust this will be forthcoming shortly."

Now, Mr. Speaker, I have a letter of April 29th and without in any way dealing in the specifics, there were four general questions asked of the Premier, one of which was: "Why do you not stand by your statements as recently as 10 days ago that the government would compete with private insurance companies?"

MR. SCHREYER: Mr. Speaker, on a point of order, because that last sentence quoted from that letter, I have on previous occasions said to be a misstatement of fact.

MR. SPIVAK: Mr. Speaker, whether it's a misstatement of fact, that's not really the issue because the issue is involved in an answer which goes to the heart of the other matters I'm talking about - not that; because in the reply -- and I'd rather not read the reply; it might be and I think it will not contribute to the items that I want to discuss or the manner in which I want to approach it, except to refer to Page 2 of the Premier's reply which was dated on July 14th: "As regards your contention that I have stated that the government would compete with private insurance companies, I must point out to you in no uncertain terms that I at no time

(MR. SPIVAK cont'd.) . . . . . indicated that a publicly operated plan would be established alongside the many private insurance companies now in operation. I did indicate that, if all things were equal, if all things were equal I would prefer to have such an arrangement. Upon evidence brought to my attention that this would not be as practical and would not result in any significant cost saving, I stated clearly and repeatedly that the program would have to be established on essentially the same basis as that of Saskatchewan."

And the Premier confirms this position. But again, Mr. Speaker, I'd have to ask you the very basic question and the question that I think all of us are asking is, really, do we have information that would prevent us from drawing a conclusion that private industry could not in fact bring about the 10 percent saving that the Premier announced yesterday he believed a government monopoly could in fact occur? Could we accept that there has been at this point enough discussion with the government and the industry and the agents involved to have arrived at that determination ?

Now, Mr. Speaker, we have an example yesterday where the Premier stood up and said that the information that he now has with respect to certain statistical facts would indicate that the Town of Wawanesa, or the claims about the Town of Wawanesa are not borne out by the facts - his facts. Now, the fact that he has arrived at the conclusion based on information given to him, we all can accept. The problem is, did he on any occasion in the last few weeks take the information that he had, armed with it, and sit down with the people from Wawanesa and determine with the people from Wawanesa whether the facts that he had were complete, whether his judgment based on those facts was subject to some kind of criticism or open to other alternative options, and whether in fact, in arriving at this conclusion, he had really explored, truly explored the opportunity for a discussion that would without doubt produce information and facts for a judgment to be made that a government monopoly position is the only position.

And in this connection I would like to read into the record a wire that was sent to the Premier, a copy of which I now have that was sent to the Leader of the Opposition, from the Save Our Village Committee of Wawanesa, Manitoba, and I read this to only indicate the fact that there are people who do not hold the same views as the Premier and that really, before we in this House had been put in this position of discussing this Bill or having to agree with it, we should at least have had the opportunity to have known that there had been discussions with the people concerned, the industry concerned, Wawanesa, and the people of Wawanesa and the people of Portage, to in fact establish whether the representations and information - which may not be complete because I can't believe that the Premier can suggest to us that he has all the information - whether there are other facts, other bits of information that would alter a judgment. Now from the Town of Wawanesa of the Save Our Village Committee of Wawanesa the following: "To the Premier - We strenuously object to the misinformation and misleading statements. . . ."

Now, Mr. Speaker, I don't know whether it's misinformed or misleading and I'm not trying to get involved in that, but there are people who believe that, and we know that there was not the opportunity for this discussion to take place, and on that basis one has to be concerned because of the emotion and because of the just general way in which the bill has been presented and the whole tenor of the debate that has taken place so far.

"We strenuously object to the misinformation and misleading statements you have made in regard to Wawanesa not being hurt by government monopoly of automobile insurance. Wawanesa Mutual staff consists of 67 employees; 55 work on processing of Manitoba automobile insurance business; 40 jobs would become redundant." Not 9 - 40. Well I don't know. Who's right?

"Establishment of a government insurance office in Brandon may put one million dollars into Brandon's economy but there is no way locating the office in Brandon would do anything for the economy of Wawanesa. Persons who commute to Brandon would eventually relocate. We face bankruptcy. Please read our brief to the Honourable Howard Pawley on our request for compensation and other briefs from the village."

Now, Mr. Speaker, my purpose in bringing this is only to point out that in my opinion, and I think the opinion of many, the kind of discussion that could have led to judgments being made, that this is the only way of doing it, that this was the way in which it should be done, cannot be made because that kind of discussion has not taken place yet; because, Mr. Speaker, I'm not sure that the savings themselves, the 10 percent saving, could not be made -- 10 or 11 percent -- (Interjection) -- At least - well when we say "at least" we don't know what it

(MR. SPIVAK cont'd.) . . . . . will be. Well it's very interesting, Mr. Speaker, because in the interview in the Tribune there was a 20 percent saving expressed by the Premier. On the steps of the Legislature before the mass rally, the Premier's prepared statement said 15 to 20 percent. Now we are saying at least 10 or 11 percent. Well, Mr. Speaker, I'm going to deal now on the basis of the 10 percent because it was my belief, Mr. Speaker, that if a no-fault system is put in, if a rate review board is put in, in which the selling price is controlled as we control the selling price of gas, the sale of gas, as we control the selling price of cab fares, as we control the selling price of milk, as we control the selling price of freight rates, and if we include the investment income as part of the earnings of the insurance company and have to be paid back as part of the claims benefit, it is my belief, Mr. Speaker - and I would have to have a lot of information on the opposite side to be able to disprove it, and it's not because I'm being rigid at this point - but it would seem to me, based on everything that I have read including the Wootton Commission and the Alberta Legislative Committee Report, and the information that has been supplied, and the Pawley Report, and the briefs that have been presented, I would have to have a lot to prove to me that 10 percent would not be saved if those three things were done when regulation and legislation was introduced, and certainly it would become very obvious, but if we are only talking about a 10 percent saving, then what we should be talking about is a government competing because obviously a government competing would be the best way of insuring that the industry, that the industry itself in their terms would be honest and that there would not be a problem.

Because the other factor, Mr. Speaker, is that there has been no evidence brought before the Pawley Commission, there has been no evidence brought before the Public Utilities Committee, there has been no evidence brought in this Legislature that states that the insurance companies in Manitoba have made an unconscionable profit. Now until we establish that they have made an unconscionable profit, until we have established that in fact their operations are so repugnant to our style and way of life, then I think we have to question at this point in terms of our priority in this province, whether taking over the insurance industry and wiping them out is really all we should be concerned about.

Now let's talk about what we really mean as far as savings are concerned. Mr. Speaker, there are approximately \$30 million worth of premiums sold a year. The Saskatchewan plan, the basic plan covers 80% of the total insurance coverage, and let's assume for the sake of argument that 80% of the plan in Manitoba would be covered by the basic plan. We are now talking \$24 million of premiums approximately. If we talk in terms of a 10% saving, we are talking \$2,400,000. There are approximately 400,000 cars in Manitoba, license plates, and if we take 400,000 and divide \$2,400,000 by 400,000, it means that the actual saving per car owner of Manitoba, averaged out, will be \$6.00 if it will be that.

Now, Mr. Speaker, that's all we are talking about in Manitoba. This whole debate, the whole issue, the dislocation of the industry, is based on \$6.00 and I must tell you . . .

MR. CHERNIACK: Mr. Speaker, on a point of order, I find it difficult to hear the Honourable Member for River Heights because the Member for Lakeside is interjecting.

MR. HARRY ENNS (Lakeside): On the point of order, why is the Minister of Finance having difficulty in hearing the Honourable Member for River Heights?

MR. CHERNIACK: Because the Honourable Member for Lakeside keeps raising his voice in such a way that I can't hear.

MR. SPIVAK: Well, Mr. Speaker, may I repeat for the Honourable Minister of Finance, repeat it - \$30 million sold, 80% will be the basic government plan - \$24 million. Ten percent of that is \$2,400,000. There are 400,000 cars; \$6.00 is the saving, and that's all we are talking about in this whole issue . . .

MR. ENNS: And your name isn't Ralph Williams.

MR. SPIVAK: And Mr. Speaker, the question is a very simple one. Could not the regulation of the industry, the control of the selling price, the introduction of a no-fault system, have provided the people of Manitoba with \$6.00 of saving? Well, Mr. Speaker, that's all we're talking about. The Honourable Minister of Mines and Natural Resources says no, but I want to tell you, how does he know? How does he know? Can I ask you something? Where are we -- where do we have evidence that would say that he is correct? Where was there any evidence presented before the members of the committee that would say it was correct? Where do we find any information, or are we dealing now with the question of judgments and not facts? Well, Mr. Speaker, I want to say to you that you cannot deal in this issue of what the saving



(MR. SPIVAK cont'd.) . . . . will be per person on the basis of judgment. They are based on fact, and all the facts that I have indicated support the position of \$6.00, and when I say \$6.00 it's a maximum, because there are members on the other side who - and I'm not necessarily speaking of government members, I have to say party members - who believe that the saving will only be \$4.00.

Well, Mr. Speaker, then why do we have automobile insurance? Is it really a question of dollars and cents in saving for Manitoba or is it really a question of ideology? And if it's a question of ideology, why ideology? What ideology? Is it so necessary that government must enter more into the enterprise system? Is that what's required? Now for some there may be some revenge on the profit system, and I think this does exist, but why is it necessary? Is this the social priority that we in Manitoba feel is the highest? Elbert Hubbard in his work on the Philistines said, "The selfish wish to govern is often mistaken for the holy zeal in the cause of humanity." Now let me repeat: "The selfish wish to govern is often mistaken for the holy zeal in the cause of humanity."

Now, Mr. Speaker, the Premier suggested that each government has its own priorities, but does anyone really believe that automobile insurance in Manitoba is a priority? It's not a great piece of social reform; it's not a progressive move at all; and because this legislation has evoked opposition, the fact that there is opposition does not make the legislation progressive or even a reform in itself, because, Mr. Speaker, if we're talking that \$6.00 is worth this effort, I would believe, and I strongly believe, that a government involvement in the sale of milk and bread would accomplish far more than \$6.00 of a saving to the people of Manitoba. But I don't hear that from anybody. I don't hear that from anybody on the other side, and the question has to be asked, why?

Mr. Speaker, the question of automobile insurance has not come down to an issue of dollars and cents as much as those on the other side would like to argue about it. It is strictly now a case of ideology and it is a case of rigidity on their part. There is no social relevance in the Manitoba context to the introduction of automobile insurance at this time. We have come down from 20% a year ago to 10% with a generous plan of compensation, but even though it's a generous plan of compensation one has to now start to become concerned about that and I'll talk about it in a few minutes, . . . what it really means -- but obviously that has to be costed against those who are going to buy insurance. Now it is obvious as well from what the Premier has said, while we do not have the regulations that the manner and the scheme in which the insurance companies rated people are going to continue, and that the thought that those on the high level would come down and those on the lower level would come up, is mistaken. It's going to be the same. The only thing he can count is that there would be proportional reduction of \$6.00 but that proportional reduction obviously isn't going to come next year because next year we know that rates are going to go up because labour costs are going to go up. We know from the evidence that's been brought forward and the evidence that I have read, that 25% of the total amount paid out by way of claims is paid out toward labour costs, and so long as labour continues to increase, it's obvious that auto insurance premiums are going to rise, so that in effect even though we may talk in terms of a \$6.00 saving, by the time anyone receives their insurance premium next year it is going to cost as much as this year, if not more.

Now, statistical information was brought forward by the Premier from the Superintendent of Insurance. We didn't have that information before the committee. No one was able to scrutinize it -- well, the Minister of Labour says do we want it now. You know, we are in the dying moments of the session, we are asked now to vote on a bill and we are going to be given information that should have been made available to us - we asked for the Superintendent of Insurance to come forward. We haven't had the opportunity to really examine the detailed industry, and I say this in a very real sense; we do not have the supporting statistical information; we do not know what the regulations are going to be; and we are being asked to actually give the government blank cheques on the basis that somehow or other they are going to work it out and possibly make the \$6.00 saving if they can. The Insurance agents today say that they can't. Well, you can say that insurance agents don't know, but do they really not know any better than the government knows? Has the government got that much more information, and if they have, where is it? - because we don't have it. We simply don't know what it is, so why would the insurance agents, who are experienced and who say there will not be any saving, why should their position not be accepted just as well?

Now the question of compensation. It's an interesting plan. One regrets that that plan was not introduced before we went into committee because I think that the work of the Honourable

(MR. SPIVAK cont'd.) . . . . Member for St. Boniface would have been much easier; I think that the briefs before the committee would have been much less; I think that the nature and tenor of briefs would have changed if there had been an indication of a more generous plan. That doesn't mean, Mr. Speaker, that the plan should now be rejected because that did not happen, but the problem here with the plan, like the problem with the bill, is that no one has discussed this with the people who are involved. The agents who were involved have not had an opportunity of sitting down and expressing their views. They have not had an opportunity of meeting and discussing it, and whether the Premier wants to stand on the letters or the correspondence or not, the truth of the matter is that until there is this meaningful discussion we are not sure of the details. Let's talk about what we're talking about. Is it expected, as an example, Mr. Speaker, that the government -- well, I don't know, Art Carney over there is trying to play some tricks, Mr. Speaker.

Mr. Speaker, let's talk in terms of the problems with compensation. Are the insurance agents expected to finance the government? In other words, are they going to have to, as they do with the present insurance companies, pay immediately to the government and then they in turn can apply credit? I don't know, and I'm not interested at this point in finding out the specific question, because obviously, Mr. Speaker, we are not going to be able to ask it, ask all the questions, because what has to happen, Mr. Speaker, before I would be satisfied about the compensation, is that the people who are involved had had the opportunity of sitting down in detail and working it out, and knowing full well every basis of information and every piece of information -- well Art Carney, I don't know what you want --

MR. SPEAKER: Order please. Order please. The Honourable Member for River Heights may continue.

MR. SPIVAK: Well, I suggest that the matter of compensation, like the matter of insurance, has to be worked out with those involved. They have not at this point, and I see no justification for our accepting it at this point. We have already heard, at least I have heard on the radio and I assume that there has been a letter communicated to the Premier, the insurance agents are not prepared to accept it, and I would think that before anything like this happens it would be very necessary, Mr. Speaker, for that kind of discussion to take place.

Now the bill does not contain the information that the Premier expressed in his remarks yesterday. The specifics of his plan, the details, are not contained within the bill. It's going to be to the good will of himself and his Minister of Labour, who sometimes has good will and sometimes does not show such good will. Now, Mr. Speaker, the Pawley Commission indicated on Page 38 -- the younger Mr. Pawley -- that the plan, the bill to be introduced will be designed to return 85% of the premiums collected from motorists in claims benefits paid to those who suffer loss. The rate structure and proposed financial operation of the plan will be based on this loss factor. In other words, the Pawley Commission said 85 percent. Well, Mr. Speaker, there is nothing in the plan, there is nothing in the bill that says that there will be a guarantee of 85 percent. Now -- (Interjections) -- there is nothing. I will sit down if the Premier can indicate in the bill specifically where it says that there will be 85% paid, and that's what the Pawley Commission recommended.

MR. PAULLEY: The first part of your statement might be a good idea, just to sit down.

MR. SPIVAK: Then the Premier stands up and says it's a known fact that in Saskatchewan 85% was paid, but that does not complete the whole statement, Mr. Speaker, because if you take the supplementary coverage with the basic plan, you find that in 20 years Saskatchewan paid back 76%, but in fact on the supplementary coverage where the government had to compete, they only paid back 58%, so that the truth of the matter is, Mr. Speaker, that the over-all effect will be, based on last year's payback by the insurance company, the total effect will be almost the same; if not, the government may even be less than the insurance companies have paid back in the past year. Now, Mr. Speaker, you enter in no-fault, control the selling price, the investment income be included as part of the total income for payback on claims, and then, Mr. Speaker, I'm quite convinced that there will be a 10% saving.

MR. ENNS: But it's worth it for six bucks.

MR. SPIVAK: Mr. Speaker, no one in Manitoba except the diehards on that side who are concerned about their position . . .

MR. PAULLEY: Or the doughheads on that side.

MR. SPIVAK: . . . are going to object if the bill is withdrawn. No one is going to object. No one is going to object if the government decides to sit down with the industry and accept that they can by regulation save 10 percent. They will have accomplished everything that

(MR. SPIVAK cont'd.) . . . . they were attempting to accomplish now. No one is going to object to that, Mr. Speaker, and, as a matter of fact, that would be an act of statesmanship that we haven't seen so far. No one is going to object to that because, Mr. Speaker, it has now come to a point that we're talking about a small amount of money and we're talking about a low priority item, because surely, Mr. Speaker, if we look at the problem of Greater Winnipeg and its urban renewal programs, if we look at the problem of the Indian-Metis people, if you look at the problem of senior citizens and our older people, if you look at the problem of housing, if you look at the problem, Mr. Speaker, of the Health Services Program going into the pharmaceutical field or into the Denticare field, if you examine all those problems, Mr. Speaker, the time and energy and effort of government should be devoted to that because these are our priorities today, and Mr. Speaker, when the First Minister said John Kennedy's words, "Let us begin," it's not let us begin auto insurance, it's let us begin on those priorities of social reform in this province which will really advance our society and which will be a credit to a pioneering spirit of a reformed party.

Now they're not a reformed party and they've proved themselves so far as not to be a reformed party. -- (Interjection) -- Well, you think you're a little bit reformed. As I've indicated to the First Minister, I'll take the 11 years of Roblin and Weir reform in this province and match it against his. And Mr. Speaker, I asked before and I hope that I'll be given the opportunity to complete my remarks and I'll answer any question, but I note that there are a few who are still not going to allow me that freedom. -- (Interjection) -- Well, I'm assuming I'd be given leave . . . .

MR. SPEAKER: May I remind the honourable member he has five minutes.

MR. ENNS: No arrogance on that side - two hours yesterday afternoon.

MR. SPEAKER: Order. Order, please.

MR. ENNS: You've got three minutes, Sid. Three minutes, Sid.

MR. SPEAKER: Order. The Honourable Member for River Heights may continue.

MR. SCHREYER: Mr. Speaker, may I rise on a point of privilege? On a point of privilege, if I may.

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: The suggestion that was made by the Member for Lakeside that there is somehow something wrong when one member is asked to confine himself within the rules, and it is in the rules as to the amount of time, and the suggestion that I as leader was infringing the rules when I went beyond that period of time, is just incorrect. I try to respect the rules of this House and the rules show that the Leader of the Government side, the Leader of the Opposition and party leaders, recognized party leaders, do have under the rules the right to speak beyond the other specified time. So any suggestion that I was allowed to violate the rules or go beyond them by leave is incorrect.

MR. GORDON JOHNSTON (Portage la Prairie): Mr. Speaker, could I speak on the point or order? Mr. Speaker, I think a matter of this importance, that the member is making a contribution that members of the House find of interest and a point is being developed that is of interest to the House, at that time when the member has run out of his 40 minutes he asks for leave then. I would say this, that would it be apparent that the parties in the House are going to stake out their position probably with one or two major speeches - I would hope that would be the case - and with some sort of an understanding like that I would hope that the Member for River Heights would be allowed to take all the time he needs.

MR. SPEAKER: The Honourable Member for River Heights.

MR. SPIVAK: Mr. Speaker, I won't be very long. I would only hope that the arguments on privilege would not take away from my time, just to allow me the extra five minutes. -- (Interjection) -- Thank you.

Well, Mr. Speaker, there's one quotation I would like to refer to - I've referred to it in the House before - it's a statement of the Honourable Minister of Mines and Natural Resources made on March 24th, 1969. It's in reference to Medicare and I quote. "I am not one who would be completely satisfied with the regulation. I would prefer to see it directly in the statute because that way we know that when we leave this House two months from now or a month from now, as the case may be, and that there's no arena where these things can be aired, that we know that the Minister can't change his mind without the pressure of the Legislature around him."

Now Mr. Speaker, this was with respect to Medicare and the question of assignment. -- (Interjection) -- yes, but on question of assignment on Medicare - I'm not trying in any way to mislead the House or in any way take this out of context, but the principle involved is a simple

(MR. SPIVAK cont'd.) . . . . one. The principle was that government should not do things by regulation because he's not satisfied, and we can't be satisfied that regulations should be promulgated in which there is not going to be an arena where these things can be aired, particularly on this issue and particularly when we are talking about such a minimum saving to the people of Manitoba, because that's what we're talking about.

And so, Mr. Speaker, it would seem to me that there is merit and wisdom in the amendment proposed by the Honourable Leader of the Liberal Party and that it should be supported. Mr. Speaker, there has been no evidence brought forward that I can accept that would indicate that the government has completely exhausted all the discussion that must take place with the industry and the agents. Rather, all that has happened as a result of what has taken place with respect to the compensation would indicate to me that what is really needed is further discussion. There is nothing that suggests, Mr. Speaker, that the government cannot compete; there is absolutely nothing that suggests that the government can't compete; absolutely no reason why it can't compete; and Mr. Speaker, if the government is afraid of competing there is nothing that suggests that a regulatory role of government, which is used in so many other areas of industrial and commercial activity in this province and in our country, could not be applied here correctly. The selling price could be controlled, the investments could be marshaled in such a way that they will go out and be paid out by way of claims, and in turn the no-fault system could be introduced, and the minimum saving of \$6.00 - or the maximum saving, not the minimum, I'm sorry, I stand corrected in that - the maximum saving of \$6.00, if it's a 10 percent saving because that's all we're talking about -- (Interjection) -- well the First Minister laughs and if he thinks that my statistics and my arithmetic is wrong, then I'm really going to be prepared to listen, but at this point I think my arithmetic happens to be very correct. Mr. Speaker, I must say to you that the maximum of \$6.00 saving could in fact be achieved, and we go back to the three objectives of the whole exercise and the questions we must put: Will the government scheme give Manitoba as cheap and better auto insurance and can it only be done through a government monopoly?

Well, the savings I suggest are minimum amounts of money in terms of the auto insurance. I suggest that those savings can be made by regulatory exercise of the government role. I say that the government plan of compensation is a plan that we've just met, we've just had to deal with very quickly, it has not been worked out with the agents, and I think there's an obligation on them to sit down with them. I also think there's an obligation on them to sit down with the industry and if they can't work it out with the industry for 10 percent, let them go in and compete, and let's see whether in fact government can be as efficient as private enterprise.

MR. SPEAKER: Are you ready for the question? The Honourable Minister of Finance.

MR. CHERNIACK: Mr. Speaker, one hates to follow a speaker who accuses one of being not logical and then one has to try awfully hard to follow the logic of the person who has just spoken. It is also a little difficult to follow a person who in this case only infringed slightly on my sense of propriety by his reference to Art Carney, to the sense of bringing in a bit of clownishness into his address, and I'll try to ignore that, as I have tried, Mr. Speaker, to ignore the gesture of the honourable member of some days ago.

A MEMBER: He knows what you're talking about, too.

MR. CHERNIACK: He must. Mr. Speaker, we've had the usual display of the Member for River Heights, whose great contribution in this last session, which has continued for so long, has been to come in and make his usual speech with slight variations and to pop out as soon as he has made his speech, and I suppose I should acknowledge the fact, which is not too common, that he is still in his seat having delivered himself of a 40-minute oration; and to tell us about the priorities of our government and by implication to accuse the government, of which he was part, of not recognizing the very priorities of which he speaks; his talk about Indian and Metis, his talk about the need for health services, his talk about the need to recognize the problems of the aged, his talk about recognizing the need for housing, his talk about the need for recognizing the problems of farmers, is laughable, if it weren't for the fact that he had the effrontery to deal with it in the way he does.

Mr. Speaker, the honourable member participated in Committee of Public Utilities which lasted some 70 hours. I would guess he was there - it's a guess; I may be wrong - 10 hours, 15 hours of the time. He was there -- I'm told my guess is generous but -- although I must say I still find it difficult to be generous to the honourable member; I guess I err in that respect. His contributions were involved in the wranglings at the beginning of almost every day

(MR. CHERNIACK cont'd.) . . . . on procedural questions. He would pop in every so often to listen to an agent's protestations and to add a little to the question period, but I give him credit - and that credit I give only to one other member of this party - of having sat through the discussions on the bill section by section. Of course, that followed the statement made by one of his colleagues that the Conservative Party was not prepared to bring any of its own suggestions to the committee which was studying the bill section by section. And I give him another bit of credit and that is that he was willing to sit in committee with the rest of us while there was a football game going on which was being televised and which attracted other members of his party, and during that period of time he was one of those who had every opportunity to ask questions which were related to the bill and which could have been answered by me with the assistance or support of Mr. Swaine, the Superintendent of Insurance, who I announced earlier and, I say again, was available throughout the meeting to come at a moment's notice to deal with matters relevant to questions being raised or discussions carried on. He sat, and he did sit through that portion of the meeting, when Mr. Blackburn was present and was available to the Honourable the Minister of Municipal Affairs to be able to deal with any questions that the Minister called on him to deal with in the event that such questions were raised.

MR. SPIVAK: On a point of privilege, Mr. Speaker. To my knowledge, Mr. Blackburn was never introduced to the committee. To my knowledge, it was not indicated that he was available.

MR. CHERNIACK: Mr. Speaker. You know, Mr. Speaker, I really don't have too much respect for the honourable member's knowledge, but aside from that I had stated much earlier, when a motion had been discussed brought by the Honourable the Member for Portage la Prairie, that the government would have with it and the Ministers would have available to them the assistance of those people who they thought would be necessary to deal with questions that were raised, and we had a vote - and Mr. Speaker, I'll never forget that vote and the Honourable Member for River Heights knows why - when it was decided that the people named would not be called at that time on the witness stand to be cross-examined. But I stated on that occasion - I'm quite sure it was on that occasion - that we would have with us the people that we felt were needed for that purpose, and the fact is that throughout the dealing of the bill section by section, had a question arisen which needed the technical answers which could be supplied by Mr. Blackburn, he was sitting right behind the Honourable the Minister of Municipal Affairs, and the Honourable the Minister of Municipal Affairs could have dealt with it with the assistance of Mr. Blackburn, and the member says, "I didn't know." The fact is he didn't ask one question which was relevant in any way to the kind of information that could be provided to the Honourable the Minister by Mr. Blackburn, and he did not ask one question there which could have been asked of me as the Minister reporting on insurance, or actually . . .

MR. SPIVAK: Mr. Chairman, on a point of privilege, on a point of privilege because there are certain representations being made about me and concerning me. So far as I know, Mr. Blackburn was never introduced to the committee. -- (Interjection) -- Well, he may have been there and maybe Mr. Pawley may have known and maybe others may have known but I didn't know, and I again say that he was not introduced to the committee. I'm not sure that the Chairman knew that he was there or that the Chairman said that he was there, and the Chairman surely can answer for himself in that, but insofar as I'm concerned I don't know what Mr. Blackburn looks like and I didn't even know that he was there, and this is the first time I am aware of it. And if he was there and if he was available, I must say, Mr. Speaker, I would have thought it was in order for to so indicate it on the record.

MR. G. JOHNSTON: Mr. Speaker, I would like to speak on a point of privilege since my name has been mentioned in this debate. My point of privilege is this, that I think the Minister of Finance has inadvertently represented what I was trying to do by presenting a motion to have the members of the Pawley Commission and the Superintendent of Insurance appear before the Committee. My intention was to question them on why certain amendments could not be made to the bill, which we might work out some sort of a compromise or at least any member would be able to ask them the reasons for some inclusions on the bill. Now the Minister is inferring that Mr. Blackburn - and I'm not sure that I know him to see him or not; I've seen one or the other, I can't tell Mr. Blackburn from Mr. Randall - this is the first I knew that we could question them on any matters that we had in our mind with respect to Bill 56. When we come to consider a bill clause by clause, it is not for explanations at that time, it's only for clarification, and to say now that we had this opportunity is not true at all. It is not true at all.

MR. SPEAKER: The Honourable Minister of Finance.

MR. CHERNIACK: Mr. Speaker, of course we recognize that according to the rules both the Honourable the Leader of the Liberal Party and the Honourable the Member for River Heights know that Mr. Blackburn was there because I said he was there. Now that they know he was there -- (Interjection) -- Well I say that - I'm just dealing with other statements that have been made in the last couple of days, and I'm saying that having now said he was there, then they can no longer say that they don't know now that he was there. I don't want to play with words but I just want to make it clear. I've stated clearly and succinctly, Mr. Blackburn was there and Mr. Swaine was available. Now the Honourable the Member for Portage . . .

MR. ENNS: Mr. Speaker, on a point of privilege, Mr. Blackburn was not there.

MR. CHERNIACK: Well now, Mr. Speaker, you're faced with a problem . . .

MR. SPEAKER: Order. Order. Order.

MR. ENNS . . . ascertained whether Mr. Blackburn was there. They must know him by face. If he was not introduced to me, he was not there.

MR. SPEAKER: Order. Order, please. It was just stated a moment ago by the Honourable Minister of Finance that the gentleman referred to was present during a portion of the committee hearings, and may I suggest to the honourable member that his comments are most inappropriate at this time. The Honourable Minister of Finance.

MR. JACOB FROESE (Rhineland): Mr. Speaker, on a point of order. I think the Member for River Heights mentioned that he was never formally introduced and I'm sure that he never was because I was present at the meeting as well. He was not formally introduced.

. . . . . Continued on next page

MR. SPEAKER: The Honourable Minister of Finance.

MR. CHERNIACK: I certainly don't need the help of the Honourable the Member for Lakeside or indeed the help of God to confirm the fact that Mr. Blackburn was there.

MR. ENNS: But I do.

MR. CHERNIACK: Now he does, Mr. Speaker, and you notice that he's not accepting my statement. He says he does need that kind of help, and, Mr. Speaker, I won't press the issue on my statement. But, Mr. Speaker, I'm informed and I don't say it with certainty for myself, but I'm informed just as we're standing here that it was stated that Mr. Blackburn was at the committee, that he was present. I am not one to say that I heard that said but I am quite sure that he was there. But the Honourable the House Leader of the Liberal Party's quite correct in saying that he was not informed that he was there in order to stand up and answer questions of the members of the committee, and I don't think there was ever an undertaking that they would be there for that purpose.

I recall that I said - and I made it clear - that we would have with us such people as we felt were necessary to give us, the political members of the committee, such support as we needed, and I think I indicated - the record would show it; I don't think it's important - I think I indicated that Mr. Swaine would be available - and indeed he was. -- (Interjection) -- No, not for questioning, but in order to give me the answers which I could not answer in the event that they were asked and I did not have the information to supply. And that's the way the practice has been, in legislation, in committee, that the people presenting a bill and arguing a bill have to be able to answer for the bill, and that they are the ones responsible and this government has not shirked its responsibility in that respect.

MR. G. JOHNSTON: . . . permit a question?

MR. CHERNIACK: Well, I'm kind of jealous of my time too but if you can keep it short . . .

MR. G. JOHNSTON: When the debate came on my motion as to whether or not they had these gentlemen available for questioning, did not the Minister of Finance say that this is now political and we want the rest of the debate on the bill on that level - we don't want these people before the committee?

MR. GREEN: Mr. Speaker, now I rise on a point of privilege. I know you said the Minister of Finance but that was an error; you are referring to me. I indicated on your motion that even if we had all the questioning in the world, that there would still be a subjective division between my honourable friend the Member for River Heights and myself which would have to be decided on political grounds, but I did not say that the people would not be there, and Mr. Speaker, as I stand here, and I hope I am saying the right thing, I recall the Attorney-General advising the committee that Mr. Blackburn was there to advise his Minister. The transcript will show whether I'm right or wrong.

MR. CHERNIACK: Mr. Speaker, please don't charge me with this last few minutes of time and let me continue.

I was really commenting on the Honourable Member for River Heights more than I wanted to and more than he deserves, but I should deal with some of the points that were raised by him on behalf of his party, because to his party this bill is a matter of great importance; it is to our party, too. To his party it is a matter of doctrinaire position; to our party it is not.

Now we can enter into great debate about who is doctrinaire and who is not, but the fact is that I heard, and this the Honourable Member for River Heights missed, I heard most of the speeches that were made by the members on his side of the House throughout second reading and there were two big points that were made: one is that they were opposed to a public auto insurance scheme, compulsory, although they were not opposed to compulsory insurance, and the other is the dangers to the livelihoods of the insurance agents, and of course in Public Utilities Committee we dealt mainly with the latter aspect. So that we are aware of the fact that the members of the party opposite were not really paying attention to what we had to say, and certainly the Member for River Heights dismissed completely the address of the First Leader of yesterday by saying it was illogical, and then he decided not to pay any attention to the important points that were made there which indicated what our position was and how we felt one could go about it.

Now, let me go into some of the more important aspects of what we're talking about.



(MR. CHERNIACK cont'd.) . . . . The honourable the member spoke of unsupported facts. Had he paid attention to what was said by the First Leader yesterday, he would have heard opinions of recognized authorities, people who had been studying this matter at great length, people who had made comments and people - and I now think of the Honourable the Minister, Mr. Boldt of Saskatchewan, who was speaking from a great deal of experience, and who used the figure of - was it \$5 million or \$6 million -- (Interjection) -- \$5 million saving for the people of Saskatchewan based on many years of working with this plan. And the honourable member says, "Give us figures" and I say to the honourable the member that he as a businessman - and I believe a successful one in his time - knows full well -- (Interjection) -- not on his own? Well, I'm not aware of the extent of his business ability but the impression I had was that he was a successful business person - knows very well that the volume that one can control and the reduction in administration itself is and can be substantial, and that is proven by the Saskatchewan plan and there are figures to back it up but you don't have to look at them if you don't want to see. As the Honourable Minister of Labour said, "There are none so blind as those who will not see," and I think that that is the impression that is left clearly by the members of the Conservative Party.

Now the honourable member asked, will a government scheme give Manitoba cheaper and better insurance? Well, we do have the statement of Mr. Boldt and of Otto Lang and of the Wootton Commission; we have these statements. I have others; I'm prepared to deal with them. But just doesn't it make sense - and now the honourable member says there's no logic in what was said yesterday - doesn't it make sense that if you can cut out the competition, if you can cut out the duplication in administration, if you can cut out all the aspects involved in competition as between the companies in the sales for something which must be purchased - and that is the important point which must be purchased, and that is exactly why we say we are not doctrinaire, and the honourable member may sit down because . . .

MR. ENNS: Will the Honourable Minister permit a question?

MR. CHERNIACK: I will not permit a question at this time -- that it is the point, the compulsion which is promoted by the honourable members on the other side which makes this so unnecessary for competition to be involved, because you have a ready-made market; you have a customer who must buy the product; and therefore competition can only be a question of service, but competition and service is something I will deal with when I talk about agents, but when you talk about the compulsory aspects you are now saying you must buy insurance, and you go further - and this was promoted by the Honourable the Leader of the Official Opposition when he spoke about no-fault effect, of the fact, and he suggested compulsory collision at \$300.00 deductible, I believe - he's shaking his head so I'm taking that away. -- (Interjection) -- Immunity. Immunity. And the whole problem there is the fact that one can eliminate the cost of double adjusting and all that goes with it, double appraising and all that goes with it, litigation and all that goes with it.

And now may I take a moment, Mr. Speaker, and refer to the poor lawyer, the poor lawyer, of whom it always interests me to know that this party has more lawyers in Cabinet than I believe any of the previous governments for some time, which speaks well for the legal profession - the poor lawyer who back in 1926 was cut out of Workmen's Compensation, who now is being cut out of a very lucrative field - and can we admit publicly that it is a lucrative field? When one becomes involved in litigating accidents, torts, the damages resulting for torts, and in this province it is legal for lawyers to enter into a contingency arrangement with their clients whereby they get a percentage of the total benefits, where you find that a person injured and who is awarded damages based on the suffering of that person injured, and everybody in the court room knows that that person isn't receiving the full damage because costs have to be paid to the lawyer, and that kind of litigation is one which I don't believe that the legal profession is anxious to promote; I don't believe the legal profession is trying to get business and to make money in that way; but the legal profession has been needed in order to litigate differences as to fault and in order to litigate differences as to extent of damage, and it is well-known - if it isn't I think I can make it known - that it is not uncommon for lawyers to charge 25 percent, 30 percent, 50 percent -- I hear cries of shame. Yes, but nevertheless, they've been doing it, they've been doing it legally, because every contingency arrangement carries with it the requirement that the court shall approve of the final settlement and the final fee, and there's been money made by lawyers. And do I now - can it be interpreted that I am now protesting against a public auto insurance bill because my livelihood may be affected?



(MR. CHERNIACK cont'd) . . . . . Well, it is true that when I return to the practice of law in 10 or 15 or 20 years, I will find -- (Interjection) -- I cannot promise my colleagues . . .

MR. GREEN: The honourable member is surely referring to voluntary retirement.

MR. CHERNIACK: I cannot promise my colleagues that I am prepared to serve our party and our government for as long as I live, and since I hope to live more than 10 or 20 years I look forward to a period of semi-retirement that could well be in the law profession, although when I get back to that profession I will find that a part of my livelihood will have been affected by the carrying out of this bill. But let's be a little more serious.

MR. ENNS: What do the agents have to look forward to when they retire?

MR. CHERNIACK: Now, the agents are people who earn a livelihood out of the sale of auto insurance and they are those who, along with all members of the House, want compulsory insurance. It's a great thing to be able to sell a package that must be purchased, and we did deal with that, and the fact is we listened. Unlike some honourable members on the other side, the members of this caucus, the members of the Public Utilities Committee who are representative of the caucus of the New Democratic Party can state with pride that they were there and that they were listening, and they were well aware of what was being said in the 70 hours that went on, and that does not stand up quite as well with some of the members opposite. And they were there when they were called the names that they were called, and they stood by and they were around, and some of them reacted more violently to others and I think no one can fault the reaction of some of the members of the committee and the disgust which I believe I saw in the eyes, in the faces, in the expressions of some of the members of the Opposition parties when they heard the references to us in committee.

But we listened and we heard and we knew that we were studying this very problem; we were studying it in order to try and assess the extent to which the emotionalism involved in the presentations exaggerated the claims by the agents - and some were exaggerated and some were straightforward, and we recognized, we all recognized those who spoke with real sincerity and conviction, those who were complimented by members on our side for making a straightforward presentation, and we also recognized on both sides those who were so carried away as to be able to talk, talk about this government acting like the Nazis in the extermination of Jews. That's one of the things I'll never forget. That's one of them.

I apologize, Mr. Speaker. I don't recall having faltered in the past; I'll try not to in the future.

We were talking about savings and we were talking about the arithmetic of the Honourable Member for River Heights and we were talking about his - did you notice he said - well, one of the last things he said, "at most \$6.00." The Honourable the Leader of our party said yesterday at least 10 to 12 percent and the honourable member grabbed that figure, 10 percent, he did his arithmetic, he came out with a figure and he said, "at most 10 percent." Mr. Speaker, that's typical of his manner of debate; it's his debate style; it's his privilege to use it. But when the Honourable the First Leader said that the recognition of dislocation needs of the agents was such as would involve them in the sale of insurance for the Crown public utility to be operated for auto insurance, he said yes, this might in some way reduce our previous estimate of 15 percent to - I thought he said 12 percent, maybe 12 percent, but I'll give the Honourable Member for River Heights credit, which he knows I don't like to do too much, but I'll give him credit for quoting the Honourable First Leader as saying 10 to 12 percent - "at least" - that's what he seems to have ignored.

Let me tell you, Mr. Speaker, that all of the suggestions made by the honourable the members on the other side, and by some and very few of the agents and the company representatives who appeared before the committee, did include the clear-cut possibility of greater reductions, and we've not ignored those. Compulsory insurance, no-fault, collision, which would eliminate the need for two adjusters scrapping about who's at fault, because when one company writes a policy - and I've had this experience as a lawyer, maybe others haven't - but I have found as a lawyer that when two vehicles come into collision and by the fortunate circumstance that they are both insured by the same company one is able to have a speedy settlement, an adequate settlement, and for the company an economical settlement. And doesn't that stand to reason and isn't that logic and do we ignore logic? Do you want statistics, and how can I produce statistics of the occasions when a company happens to have insured the two adversaries in a collision? There, there is the elimination of the adversary aspect that the Honourable the First Leader talked about. There is the opportunity for the company to

(MR. CHERNIACK cont'd) . . . . . know that they're not getting involved into adjusters, each of whom is employed in order to beat down the cost for his company and build up the cost for the other, where one adjuster honestly makes an appraisal of what the damage was, not whose fault it was - what was the damage? And then there's no reason to have a couple of lawyers scrapping about who is more at fault, who is 40 percent at fault and who 60 or who was 50 or whatever, because the one company insuring both hasn't the slightest interest at that stage if there is collision; hasn't the slightest interest in who was at fault, because they know that they are responsible to pay the damages regardless of fault. These factors are factors which the honourable members on the other side have promoted as being right, and we agree they're right; and they have said it will reduce costs and we have said they will reduce costs, and some of the agents and some of the company people who appeared before Public Utilities also agreed it would reduce cost.

The monies that we are talking about when the Honourable the First Leader was speaking, was the administrative expense costs which are automatically reduced by the fact that there's no duplication and that there is one system of operation. This previous government went through an exercise of self study which, I may be corrected, I believe it cost half a million dollars and I'm not faulting the costs, in order to study how the administrative aspects of government could be improved and cost reduced. And when we came into government we found ready waiting for us a White Paper which had not been distributed but which was available in order to indicate the reductions that could be carried out by having the computer centre used for all departments as it is now being used. This previous government recognized the tremendous savings that could take place in consolidating administration, in attempting to in one system look for savings. And they started to carry those out.

MR. JACOB M. FROESE (Rhineland): Mr. Speaker, would the Honourable Minister table the White Paper you just referred to?

MR. CHERNIACK: Mr. Speaker, I will not be sidetracked at this stage in the proceedings. Mr. Speaker, the savings that were talked about by the Honourable the First Leader were these kinds of administrative savings which have been proven out in Saskatchewan. I say there'll be additional savings. And you know, the ludicrous thing about the Honourable Member for River Heights is that he is suggesting that the bill has to say so. It has to say there will be a saving. I've never seen a bill like that yet, but with his experience he may have seen such a bill that says, "Section 27. There shall be a saving of X percent," and he is the one who told us today rates are going up next year, and he said rates are going up because labour costs are going up, and he said labour costs are 25 percent of the total package; and, you know, he may be right. So how can he relate that 12 percent or whatever percent he wants to write into the bill, to what, Mr. Speaker? All we can say is that there must be a saving, and to produce the figures of what will happen next year is something that we are prepared to do, next year, just as we present figures in Hydro, on Telephone, on Workmen's Compensation when we know the figures. I notice by the papers that it has been announced that Manitoba Hydro is making money.

MR. G. JOHNSTON: When the bill was first introduced in Saskatchewan, is it not a fact that the regulations were tabled with the bill so members could study the regulations - and the rates?

MR. CHERNIACK: Mr. Speaker, I was not there. I honestly don't know.

MR. G. JOHNSTON: Perhaps you should ask the . . .

MR. CHERNIACK: Well perhaps you should ask him when you make your next speech. Well, I understand some benefits were in the bill. I don't know. In the Act were some benefits, I'm told that, but Mr. Speaker, I don't know what happened in Saskatchewan. All I know is that we are firmly convinced, based on -- (Interjections) -- did I say something funny? -- (Interjection) -- Oh I see. Well now, now we're bandying some words and if the Honourable Member from Souris-Killarney wants to make a joke of me . . .

MR. ENNS: Will you permit a question?

MR. CHERNIACK: By all means. If you want to make a joke of me, go ahead.

MR. ENNS: No, I just want to know whether you'll permit a question. Well, Mr. Speaker, is it not a fact that the experts called in to draw, draft and consult with the government and advise the government and the Pawley Commission, all come from Saskatchewan?

MR. CHERNIACK: I believe that is not a fact, Mr. Speaker, and I don't know the extent to which that question has any relevance to the fact that I do know, I am firmly convinced that

(MR. CHERNIACK cont'd.) . . . . there is bound to be savings in this plan; there is bound to be - and I say savings in administration, savings in litigation, savings in adjusters. I know that; this government believes it, and we want the opportunity to prove it. I don't know how I'm doing with time, Mr. Speaker, and I suppose I won't get it . . .

MR. SPEAKER: The Honourable Minister has five minutes remaining.

MR. CHERNIACK: Thank you, Mr. Speaker. No, I don't intend to transgress. There are times when one asks for a few extra minutes but not unlimited time, and Mr. Speaker, I feel it is rather important that we have indicated something which is obvious, and that is we would not bring in this plan until we felt that we had full preparation for it and we have said that we do not conceive that we would bring in the plan earlier, proclaim the bill before June 30th, 1971. Now we've done that for several reasons. One of them obviously is that we feel we need the authority of this Legislature in order to be able to make proper preparations for a proper development of a properly run scheme, and we don't want to rush into it nor, may I say, Mr. Speaker, did we wish to spend a great deal of money in the preparation, in the study, in the development of the scheme without knowing that we had the support of the Legislature in doing so. And you'll recall that we were criticized about a figure of \$100,000 that was involved in the estimates.

Mr. Speaker, we feel that it is necessary to do so. The other thing we have said is that we would hope to bring in - I don't want to use the word hope - we would plan to bring in the regulations dealing with the type of scheme, spelling them out, with the questions of dislocation by way of regulation so that they could be debated in this House, and they would be debated in this House as was pointed out by the Leader, and we've done that to indicate our faith in the plan but at the same time our desire to spend the necessary time to develop the plan. And I say to you, Mr. Speaker, and I've only dealt with part of what was said by the Honourable Member for River Heights, that there are savings involved. They are clear to me; I believe they are clear to the potential consumer of the product; I think they would be clear to members on the other side if they were not blinded by their doctrinaire approach to the fact that government must not enter into such a field.

I want to touch only briefly on compensation. We recognize that there are many people in Manitoba who sell insurance as a sort of a sideline. There are many people who sell insurance full-time, of whom there are a number who sell a major part of their business in the field of auto insurance, and we have recognized that these people will have a problem if we just eliminate them completely, but we see a role that they can play. They are people who can contribute to the development and to the good workings of this plan. So we need them; we think they need us; because their expertise is such that would lend itself to working for the benefit of the people of Manitoba.

And let me now take a minute to mention a discussion I had with one of the agents who appeared before the committee who was one of those that I think everybody recognized was giving a full and honest portrayal of this problem, and I asked him what he felt he was accomplishing in his work, and he said, "I am satisfying my clients," and I said, "How many calls do you get that you feel were unnecessary calls where you're really appeasing the client rather than satisfying them?" He said, "The vast majority of calls I get are the kind that relate to explaining to them the need for delay, to explaining certain aspects of problems that have arisen," and he said, "but I am keeping them satisfied, and the reason I'm keeping them satisfied is that I am thus able to support my wife and my children and to have a decent home."

And I said to him, "Now, would you not feel that if we had a public auto insurance scheme that you could be doing more by making a greater contribution to providing a service to all Manitobans, including those who don't buy insurance because they are the pedestrians that get hurt?" And he said, "I've never thought of that aspect." I'm not saying that he said, "By all means I'll come to work for the government" but he said, "I never thought of that aspect. I want to consider it." And I would like us all to consider that, because I believe that we will make proper provision, as indeed we must, so that agents whose livelihood, basic livelihood is dependent on the sale of auto insurance will not be out of work, who will be able to continue to do the work they have done with those customers who wish them to continue to do so at a fee relative to the contribution they make.

I wish I had before me the speech of the Honourable the Leader of the Official Opposition who quite clearly to me indicated that when it comes to the sale of compulsory insurance for the private industry he feels there would have to be regulation including a review of the

(MR. CHERNIACK cont'd.) . . . . commissions payable to the agents for that portion of the insurance which they sell which is compulsory. I'm sure those aren't his words but I believe that that is what he said in import. And that makes sense, and it also makes sense to know that you won't have a person working for you who doesn't feel that he is adequately paid for his services. And I think we want the opportunity to deal on that basis, not on the basis of name-calling, not on the basis of an announcement by the Insurance Agents Association - not the agents; their Association - rejecting out of hand any proposal that we would have to make or any delineation of our proposal before they saw it, and that's exactly what Mr. Tatlock did and he was not speaking for a large number of agents, I am sure. I am sure that a large number of the agents see a role that they can play and will want to play it, and all we want is the opportunity to present it to them and to present to the people of Manitoba, the consumer of the article, those aspects which we hope to develop over the next number of months so that by June 30th at the earliest we will proclaim the Act and be able to carry out a utility which will be for the benefit of Manitobans.

MR. SPEAKER: Are you ready for the question? The Honourable Minister of Municipal Affairs.

HON. HOWARD R. PAWLEY (Minister of Municipal Affairs)(Selkirk): Mr. Speaker, there are just a few comments that I would like to make and I feel should be placed on the record of this House. I think the first area of concern should be that which pertains to insuring that every motorist on the highway has sufficient financial responsibility, that that motorist, in the event of an accident, safeguards others that may be injured or may in fact lose their lives due to that motorist's negligence. I think we all agree in respect to this important principle. I think that our main concern has to be in this House the motorists in the Province of Manitoba. After we have accepted that principle, and I think all members in this House have accepted it in general in agreement that there should be the enactment of some form of compulsory insurance in the province, then we have to determine what is the form that compulsory insurance can be best implemented in order to protect those motorists. And I know that this has been a great problem insofar as every member in this House is concerned because the actions of us today is certainly going to affect in the future the people in the Province of Manitoba, and I think we're all very much concerned, Mr. Speaker, that those actions today be such that when history writes about those actions they will in fact declare them to be right, to be human.

In the submission by the Insurance Bureau of Canada in October 1969, on Page 13, in Alberta, there was a clear recognition in that submission - and might I say that throughout the years there has been repeated submissions by the insurance industry - that compulsory insurance within the present framework is very questionable. In Page 13 of that report the Insurance Bureau of Canada had this to say in respect to the experiences in other jurisdictions that imposed compulsory insurance within the private system:

"Apparently the spread" - quoting from their brief - "Apparently the spread of compulsory insurance to other jurisdictions has been deterred by the administrative and policing difficulties in costs involved. Government officials in Massachusetts have been trying for years to repeal compulsory insurance and there has been pressure in the same direction in New York. The cost and expenses to the government of New York has reached millions of dollars per annum. Even so, there's evidence to suggest that the percentage of insured motorists has actually dropped since the introduction of compulsory insurance."

And I think that is the nub of the problem, Mr. Speaker. I think we are all very very concerned in this House that when we introduce a far-ranging policy that that policy be such that will have measured up by the experiences in other jurisdictions, and certainly, as I've mentioned here, the experience in other jurisdictions has not been favourable insofar as compulsory insurance is concerned within the framework of the private insurers.

Now the Honourable Member for River Heights would lead us to believe in his speech that the main concern of this government in respect to the introduction of public insurance was savings. It is only one of the considerations, and in listening to the Honourable Member for River Heights I could not help but gain the impression that he was suggesting that this government was only concerned about that aspect. Now I regret if anything that I have said in the past number of weeks or months has led the honourable member to think that the only reason that I have supported public insurance has been because of savings; but leaving this aside, I do feel that the statistics used by the Honourable Member for River Heights here this afternoon

(MR. PAWLEY cont'd.) . . . . should be answered, and I know this will be rather dull, Mr. Speaker, because they are going to be statistics, but I feel that at this point it's important for honourable members to decide the direction in which they are going to undertake, that they should have these statistics available to them.

First, I would like to take the Manitoba experience. In 1969 in Manitoba - and these figures from the Superintendent of Insurance, and let me say here as an addendum, especially to the Honourable Member for Portage la Prairie, that you cannot establish a proper criteria by picking out one car and one driver in the Province of Manitoba and making some premium comparison with a similar driver and car in the Province of Saskatchewan. The only proper criteria that can be utilized is the one that will determine on each dollar that is invested by the motorist, in his insurance premiums, how much of that dollar is in fact being returned. It's the only fair and decent way of making a comparison.

In 1969 in the Province of Manitoba, the total amount of premiums written was approximately \$34 1/2 million; premiums earned were \$32 1/2 million; claims incurred a little over \$22 million; for a loss ratio last year of 67.76.

1968, net premiums earned in the province of Manitoba were a little over \$29 million; net losses incurred - this again is the value attached to the benefits paid out - was \$18.3 million for a loss ratio of 62.63.

1967, \$27.2 million; net losses incurred 17.8; loss ratio 65.34; and this is on all the business written in automobile insurance in the province.

1966, \$23.7 million; net losses incurred a little over \$14 million for a loss ratio of 58.76%.

In 1965, \$20.1 million in net premiums earned; net losses incurred were \$12.6 million; percentage of ratio 62.9.

1964, \$17.1 million; net losses incurred \$11.7; ratio 68.4.

1963, \$15.1, net losses incurred \$10.3 million; ratio 68.22.

1962, \$14.4 million premiums earned; net losses incurred \$9.3; loss ratio percentage 64.92.

1961, a little over \$14 million net premiums earned; net losses incurred \$8 million; loss ratio return to motorists 57.14.

In 1960, net premiums earned \$13.8 million; net losses incurred \$7.8 million; loss ratio return 57.27.

Now the Honourable Member for River Heights in his address made a statement that in Saskatchewan, including all the supplementary coverage, the return had only been 76 percent on the dollar. Going back over these figures that I have read out to you, and even if we accept the figures as outlined by the Honourable Member for River Heights, we will find that in no year in the Province of Manitoba, in respect to all the automobile insurance written in this province, did the loss ratio come near to being 76 percent even if we accepted his figures.

Let us now turn to Saskatchewan, and this is the area that the Honourable Member for River Heights decided to deal with in his address, and let's look at the figures there. I have with me the figures for the past four years in the Province of Saskatchewan, and prior to that the loss ratio was even better. In 1969, the compulsory program in Saskatchewan, the net premiums earned 24.3; net claims incurred 21.1; loss ratio 86.7. In respect to the supplementary public automobile insurance supplied by the government, there was a total written in premiums of 3.8 million; net claims incurred 2.6; the loss ratio there was 67.8; and taking the two together last year, the loss ratio was 84.1.

Now, in 1968 the figure was, the compulsory aspect of the plan, 23.8 million; net claims incurred 19.1 million; loss ratio 82.5; adding to it the supplementary coverage that year in Saskatchewan, we looked at 3.6 million - this is the government supplementary only that I am dealing with, the public total - 3.6 million; net claims incurred a little over 2 million; loss ratio 57.3; averaging out to 77.3.

1967 Saskatchewan, the compulsory insurance net premiums earned 20.7 million; net claims incurred 17.3 million; loss ratio percentage 83.6; the public plan, the supplementary part written by the government was 3.7 that year; net claims incurred was 2.1; loss ratio was 57.5; the average was 79.6.

In 1966 - this is the last year that I will deal with in this aspect - the compulsory was a little over \$17 million; net claims incurred were \$15.7 million; the loss ratio return was 92.4.

Now I pause there, because statements had been made by honourable members that the statement in the report that referred to an arbitrary figure of 13.75 was very questionable.

(MR. PAWLEY cont'd.) . . . . . The figure that I am giving you for 1966 on loss ratio, and in a year in which there was, might I add, in the neighborhood of \$50,000 total profit that year so there was not a loss factor involved in that year, was 92.4, so when we are speaking about a 15 percent administrative factor based on Saskatchewan experience, if we had wanted to go back to 1966 and previous before the arbitrary figure was imposed, then we would, in fact, I think in fairness have to acknowledge that the administrative figure that we have been using has been a very liberal one.

The supplementary insurance. In 1966 the Saskatchewan Government was 3.2; net claims incurred was 1.9; the loss ratio percentage was 60.3; and this averaged out in that year - it was a very good year - taking the two together in Saskatchewan, of 87.4 before the arbitrary figure was imposed.

Now I think that when we are dealing with these figures that we should attempt to restrict ourselves, as closely as we can, to the actual calculations and figures at hand. I have here before me the figures for the first six months in the state of Puerto Rico, which bears out the administrative cost factor in the Province of Saskatchewan based on the first six months. Their loss ratio was in the same neighborhood.

I think, Mr. Speaker, that one of the problems that we have been involved with here, is trying to find a solution by which the motorists in the province can receive the benefits of a public plan and at the same time there be as little dislocation and effect.

MR. GREEN: Mr. Speaker, on a point of privilege, if the honourable member would permit me, my point of privilege being that several times honourable members, particularly one honourable member, has asked for the figures relating to the proof that the government is presenting, and I would just like the record to show that they are not here, that the members who asked for that information are not here.

MR. GILDAS MOLGAT (Ste. Rose): Mr. Speaker, I rise on a point of privilege, because the member who has just spoken, although he is the Leader of the House, had no point of privilege, none whatever. He may be making an interesting point but it is not a point of privilege. Mr. Speaker, this is a constant action by the Leader of the House, and his being Leader of the House does not give him the privileges of having different rules than other people in the House. He may have had an interesting point but not a point of privilege.

MR. GREEN: Mr. Speaker, I don't agree with my honourable friend and I rose because I — yes, but you have said that I didn't, I have said that I did. That doesn't make you right and me wrong. The Speaker can then make a ruling. I am making the point of privilege . . .

MR. MOLGAT: Mr. Speaker, I am getting fed up in this House with having only one man who is right all the time, the Minister of Mines and Natural Resources, he is eternally right.

MR. GREEN: Mr. Speaker, I really can't apologize if my honourable friend says that I am right all the time. I don't make any such claims . . .

MR. MOLGAT: In your mind.

MR. GREEN: . . . but if he claims that, then I will have to accept it. I rose on a point of privilege because the Member for River Heights had repeatedly asked for information, and I wanted to make the point of privilege that the man who asked for the information was not here when it was being given.

MR. MOLGAT: Mr. Speaker, then I think maybe we should have a ruling from the Speaker whether or not that was a point of privilege.

MR. DONALD W. CRAIK (Riel): Mr. Speaker, on the point of privilege that has been raised by the House Leader, there are a sufficient number here to take record of what the Minister of Municipal Affairs is adding at this point, a great deal of which is exactly what was presented before, and I would ask before he is finished that rather than repeat what has been given to us before, that he add in such factors as the cost of carrying credit and other topics that were brought up at Public Utilities.

MR. SPEAKER: Order please. I believe the Honourable House Leader did raise an interesting point. The Honourable Minister of Municipal Affairs may continue.

MR. GORDON W. BEARD (Churchill): I am sorry, Mr. Speaker. It is in Hansard - if anybody ever cares to read Hansard and I doubt whether they do. It is on record; you don't have to be in the House to have this. It's on written record.

MR. SPEAKER: Order. The Honourable Minister of Municipal Affairs.

MR. PAWLEY: Now there are some other interesting developments that I think should

(MR. PAWLEY cont'd) . . . . . also be recorded insofar as the agents are concerned, in respect to the present trends and directions of insurance all across Canada, and I would refer honourable members to Insurance Agents and Brokers in Canada magazine, May issue, and there is quite a large amount of reference in that journal to trends that are now taking place across Canada, and on page 46 of that magazine there is an article dealing with the \$10,000,000 portfolio to be dumped by London and Midland General Insurance Company of London, Ontario - a company that has removed itself from the use of the agency force and has gone into direct underwriting, and I would read into the record, Mr. Speaker, a comment by Walter Frain who is the president of the Ontario Insurance Agents Association in respect to this development. "This dumping of a \$10,000,000 portfolio could have serious repercussions is the general feeling of officers and directors of the Ontario Insurance Agents Association. Mr. O'Brien replied that he does not feel that the Company's action should have serious effect on the market. This remains to be seen."

This is from the article in the magazine -- (Interjection) -- No, there was no area of compensation to my knowledge involved in respect to this move. I think that it would be fair and I would read from the magazine too. There is a number of references to this development in the agency force and I might say that I think there is general recognition. I think at times it has been acknowledged in this province by some members of the insurance industry that the trend is towards direct underwriting in respect to insurance, so when we are looking at the question of agents and their livelihood we have to consider the trends that are also in play all across Canada, not just in respect to our attitude and approach in respect to these developing trends in the Province of Manitoba.

In that same magazine on page 11 there is reference to the new British Columbia legislation and I would read from that article: "The new rate-setting formula for that compulsory minimum portion is apparently going to be 75.25. This is the ratio that has been established by the British Columbia government. "It seems obvious this move has got to have a direct effect on agents' commissions." So there is anticipation and I think honourable members have heard other indications of anticipation from the province of British Columbia that there would be a very substantial interference in respect to the commissions being offered to agents in that province.

Now these trends have to be kept in mind with the speech that was presented yesterday by the First Minister. Unlike the trends that are beginning to occur in other parts of Canada, the agency force is going to be ensured that their basic livelihood is protected, and, in the Honourable First Minister's words, "to the extent of 75 percent during the first year." There is no assurance, Mr. Speaker, offered by any of the other insurance companies in respect to the trends all across Canada, and let me say to you, Mr. Speaker, that if an alternative program was accepted to reduce insurance costs in the Province of Manitoba, something in the neighborhood of 75 to 25, the agents in the Province of Manitoba would undoubtedly, just as they are beginning to realize in the Province of B. C., find themselves faced with a substantial slash and a reduction in respect to their premiums, and this would be a situation that would develop, not because of public insurance, but because of the trend which is beginning to develop in the industry all across the North American continent.

And unlike what some members feel and say, and the harshness that some members feel towards members of this government at least there is recognition on the part of this government that if we do proceed with a public plan in view of these trends, that there should be maintenance in respect to the income to a reasonable standard.

A number of other -- and I'm not going to repeat statements because I think that the Minister of Finance dealt with these points, but the most important thing insofar as I am concerned in respect to the proposing of this legislation, and I do wish that the honourable members would some time along the way of debate on this legislation deal with this, because we have heard constant references to savings as though that was the only reason for us introducing this legislation, or to the plight of the agent or of industry or of investment, that somewhere along the line we would hear some emphasis in respect to the human quality, because Mr. Speaker, my concern for seeing to it that this bill is passed in this House is because I am concerned about the victims and the agony and the pain of the victims of automobile insurance accidents on the highway. That's my important concern and worry, that we do something substantial in this regard.

I'm concerned that this action be done quickly. You know, Mr. Speaker, it's easy to

(MR. PAWLEY cont'd) . . . . say hoist it; have further study; have a further six months' study or one year's study; but Mr. Speaker, how many people - and I hope I don't sound dogmatic or doctrinaire as I've been accused in this regard - but how many people, how many motorists to be involved in accidents over the next number of months will suffer because we should have determined, because of pressures or because of other influences, to hoist or to postpone this bill? And I know, Mr. Speaker, this would be, I suppose, the smart thing maybe to do politically, to get ourselves out of a tough political issue in the province, I suppose this would be the easy road to follow, but I think that our first duty in this House is not to take the easy political way out; our first duty is to people, and Mr. Speaker, I'm saying this with all the sincerity that I can muster.

MR. BILTON: You have no monopoly.

MR. PAWLEY: Mr. Speaker, I would like to assure the Honourable Member for Swan River that I've never suggested that anybody has a monopoly on concern for human beings in this House, and I'm saying this because I feel that honourable members across the way are just as concerned about this problem as I am, and I feel that it may be still possible that they will respond to the question of the human aspect in this matter because I do feel that they are just as concerned, and I know some of them are very much concerned about the motorist and place this as the number one priority in their concern. Many of the members have mentioned this in their addresses, but I feel that it is very important at this point in the debate that we refocus our attention to those that are injured or those who have dear ones left them because of accidents on the highways and may be facing undue cost factors, undue litigation, undue settlement of claims, and I don't have to go into detail in respect to this because these areas of inequities in respect to the settlement of claims is very well researched and dealt with in the Wootton Commission report. I think it's important that we have no-fault insurance now, Mr. Speaker, and I know honourable members will say, well, go ahead with no-fault insurance but dump the rest of the bill. But I'm afraid at this point, Mr. Speaker, it is not feasible to do that type of thing. It's not wise or humane to postpone this type of legislation over the next few months. It would probably be longer than a few months; it would probably involve ourselves in several years of delay. I think any of us that have been involved in the settlement of these claims realize just how important and how serious a matter this is at the present time in the Province of Manitoba.

A number of other comments have been made and I just want to very briefly deal with some statements that were made in respect to my committee, and you know, Mr. Speaker, I hesitated to get involved in harshness of debate in respect to committee; the committee's been accused of being a kangaroo court many times in this House. It's been criticized very sharply and I never felt that the important thing in this House was to get involved in a defensive debate in respect to this committee because I felt that generally we all wanted to get to the same object and why get involved in side issues. But there are two items that I feel should be made straight for the record.

There has been constant statement that some people only were invited to appear before the committee; others were ignored or not given the opportunity to appear, and some agents that appeared before Public Utilities Committee - I can think of one or two - made the statement they had supplied submissions and were not called to the committee last fall to deal with their matter. This isn't true, Mr. Speaker. The original notice invited submissions to be presented to the committee and the committee was basically a committee that was established to study, to involve itself in a detailed analysis of the present insurance field in Manitoba, to, among other things, to study the feasibility of a public plan. We received communications, Mr. Speaker - and I say "communications" - I want to make it very clear that those communications were of different sorts, and I'm not going to be naive enough to suggest that all these communications were spontaneous. Some of the communications simply stated "I'm opposed to government insurance". Other communications said "I favour government insurance," so I think that all of us in this House, being reasonable people, cannot help but observe that much of this communication was of an organized nature in respect to those that either support or oppose the public insurance scheme, and there's nothing wrong with that because that's part of the democratic process; but would honourable members suggest that 2,920 people, each of whom had sent in a communication one way or another, often with a few sentences or words attached to their submissions, that it would have been feasible to have invited each and every one of those members to the committee?



(MR. PAWLEY cont'd.)

I feel, Mr. Speaker, and I make no apology for it, that the groups that were invited to appear before the committee were representative, and all you need do is refer to the back of the report and go over the names of those appearing and the preponderance of submissions that were invited to appear were by insurance agents and insurance companies, and I suppose, Mr. Speaker, if we wanted to be biased in this political - as honourable members have suggested that I was, and others in that committee - I suppose the political thing would have been to have insisted that each of the 2,900 and some people come before the committee to give whatever tale of woe or grief they might have in respect to automobile insurance in the province. That could have been done. Well, we would have been still sitting, Mr. Speaker, in committee dealing with each of these individual briefs. In fact, the Business Journal of Manitoba wrote an article shortly after the committee hearings were completed and, despite their criticisms of the committee's public insurance, they did acknowledge, Mr. Speaker, that the committee had been more than fair in its attempt to give the industry an opportunity to be heard. In fact, Mr. Vannan, the head of the Insurance Bureau of Canada, before the Public Utilities Committee acknowledged that he had flown in from Toronto his solicitor, his actuary - in fact, if I recall correctly, not only the solicitor from Toronto, Mr. Piper, but also a lawyer from the City of Winnipeg - and they appeared before the committee and there was a seven-hour period of involvement with these gentlemen, and it was a worthwhile involvement, Mr. Speaker. -- (Interjection) -- Well, I don't know if the honourable member feels that seven weeks would have got better results; that's a matter of opinion.

Many, many hours were also spent with other members of the industry - agents, insurance associations, the Wawanesa Mutual Insurance, Co-op Insurance Service, all the other companies. There was lengthy involvement.

Now, you know, some members have said, well, -- and members coming before the committee have said, "We object to the fact that we didn't read our briefs before the committee. Well, you know, Mr. Speaker, I firmly believe that more was gained from receiving the brief, and I think more would have been gained from Public Utilities Committee, quite frankly, if we had had that brief of each person a couple of days before they came to the committee, read it ourselves, decided what questions we wanted to ask and had a proper dialogue there and then with the people that were coming to the committee. There would have been better preparation, there would have been better involvement with question and answer, and Mr. Speaker, the dialogue that took place with the Automobile Insurance Committee last fall was a detailed dialogue and I have given to the Honourable House Leader of the Liberal Party, I believe he has it, and the Honourable Member for River Heights, copies of the transcripts of the various interviews that took place with industry, citizens and other organizations, and they were detailed and it involved -- (Interjection) -- Well, yes, I don't see any reason I should be rigid . . .

MR. G. JOHNSTON: Mr. Speaker, I'll give my copy to the Member for Rhineland because I have no time to read it; I got it three days ago.

MR. PAWLEY: Well, I would be prepared to give the honourable member a copy of it. I would hope that the House Leader of the Liberal Party would wish to - and I know the time is short - but would wish to spend a little time reading some of the transcripts; he need not read them all but there are some that I'm sure he would appreciate reading. So that I will see to it that the Honourable Member for Rhineland does receive this.

I say this because, Mr. Speaker, because I do not want to inject -- because I've sat here over the weeks and I've heard these accusations levelled repeatedly, I have refrained actually from dealing with this issue before because I feel strongly that probably the heat of debate on an aspect like this could take away from the debate in this Chamber on the plan insofar as actual merits are concerned, Mr. Speaker.

One more item that I would like to emphasize. Much has been said in respect to the fact that when you add supplementary coverage - and again I wish to deal with cost - to the basic compulsory plan, then you are reducing the loss ratio. Well, Mr. Speaker, our position in this respect too has been a non-doctrinal position in that the basic compulsory plan which we are insisting that every motorist should insure, basic levels that society in its wisdom or lack of wisdom feels that every motorist should carry in respect to his insurance, it is that portion and that portion alone of insurance coverage that we feel should, because of the dictates of the state, that the state should assume the responsibility for minimizing the cost. I think certainly the state is interested in all areas of cost of living but I don't think the state wishes to become

(MR. PAWLEY cont'd) . . . . . involved in dictating that, in respect to supplementary coverage, the competitive field, that the administrative costs should be restricted to any particular level. The state's responsibility . . .

MR. SPEAKER: May I remind the Honourable Minister he has five minutes remaining.

MR. PAWLEY: Thank you, Mr. Speaker. The state's responsibility must rest with that portion that it dictates must be compulsory and that is the area that the loss ratio in itself has been 85 percent. And Mr. Speaker, I would not want to pass legislation in this House or be a party of passing legislation in this House making insurance compulsory but at the same time not attempting to find the best means from the point of view of efficient policing and of minimizing costs in respect to that that are made compulsory.

I think that I would have very much shirked in my duty to those that have seen fit to see to it that we are in this House, and it is that portion alone that we are insisting in this Legislature be compulsory that I think we must share responsibility in regard to, and I think when we start talking about "but how much is the cost going to be reduced" in respect to that portion that is going to be sold in a package policy of 300,000 third party liability or \$25.00 deductible - though I'm prepared to deal with that issue - I think philosophically that once you enter into that debate, that in fact you are then, if you follow that path to its logical conclusion, you are going to end up suggesting that the state should suddenly have some sort of monopoly over all the insurance, and I don't think that's the course that anybody in this House wishes to take. I think the only concern that we have in this House is to ensure that there is basic minimum protection such as we guaranteed in respect to Workmen's Compensation, hospitalization and Medicare, and though in these other areas we do share a concern for the cost of living, we are not directing that there should be a direct involvement there to the extent that the state should become involved as the sole selling agency in respect to that.

Well, Mr. Speaker, there isn't too much more to say except that the First Minister presented yesterday what I think that we all, on all sides of the House, have to agree is a counter proposal. Some of us are probably happier with it than others. I think, now that this proposal is made, I feel that this proposal will bring with it the humanity that is contained within the Public Insurance Plan insofar as the settlement of accident claims are concerned. It will permit the most efficient means of policing compulsory insurance. It will also minimize the cost factor. But most important, and probably I share some of this responsibility, Mr. Speaker, it will eliminate the basic dislocation factor insofar as those agents who are now selling the bulk of their portfolio through automobile insurance, and I think in addition to that, Mr. Speaker, we will all have the opportunity in the next session to study the regulations, to debate those regulations that should be established between now and the next session, and all that I'm asking, Mr. Speaker, is that in the interests of - and here again I emphasize I'm not suggesting anybody has a monopoly in this respect - but I think that we have to refocus attention in the interests of providing compensation to the motoring public in the most humane method; that we act immediately, that we not postpone, delay or procrastinate, but we implement this legislation as quickly as we can in the interests of the people in the Province of Manitoba.

MR. SPEAKER: The Honourable Member for Churchill.

MR. BEARD: Thank you, Mr. Speaker. I was quite interested in the Minister's advice, the last Minister's advice, and I wondered when he wondered about delving into the humane portions of the bill whether he was really considering the agents as being human, because he was worried about the ones that were going to have accidents, the ones that possibly would have accidents, but he kind of forgot about the people who come under the name of agents who are going to have accidents, so I think that in respect to those people being humane - human - then he must remember that humane covers a great deal of Manitobans.

MR. PAWLEY: I hesitate and - maybe it's not a point of privilege - but I don't know whether the honourable member was present during the entire course of my speech but, repeated, I had dealt with the problem of the agents.

MR. BEARD: I was here, Mr. Speaker, through the entire course of his speech. I'm speaking on the humane approach. We had a lot of figures but it could be, in a year or two years from now, that we will have nothing to compare these figures with in respect to monopolies because it's already agreed that Saskatchewan is the closest place that you can compare a monopoly insurance program with, and the Province of Saskatchewan is a different province as far as population is concerned and as far as density is concerned, so that once this bill - if this bill becomes law, then of course there will be nothing to compare it with for all time.

(MR. BEARD cont'd.)

But we've been talking about cost and we've heard a lot of members talking about cost. The Member for Flin Flon talked about cost in comparing with people living in Saskatchewan. We have heard members in opposition comparing them, and I'm not going to go into comparing these because I really don't believe that I could qualify as an insurance agent, in fact there were two things in my life, Mr. Speaker, that I always felt I would never be in. One was a politician and the other was an insurance agent because you don't have anything to sell - tangible things to sell, and I fell by the wayside on one side but I don't think I will on the other. Certainly not in Manitoba.

I am not for quoting, but I did run across a quote from Churchill and I want the Minister to listen to it very carefully. Churchill once said that the human story does not always unfold like a mathematical calculation on the principle that two and two make four. Sometimes in life they make five, or minus three, and sometimes the blackboard topples down in the middle of the sum and leaves the class in disorder and the pedagogue with a black eye. And I think that I could sit down now if I said who's going to get the black eye and who is the board going to fall upon, and what does two and two add up to, and I don't think I could leave the House with any more than I am going to say, because I'm going to continue. But I believe that Churchill placed it quite properly. Are we considering the bill in dollars and cents only to a portion of the people of Manitoba or is it to all Manitobans? Are we going to treat all Manitobans the same? Is there a principle that we can apply? I don't think so. I don't think there's a principle that can apply to all Manitoba, but I do think that if we deal with all Manitobans with a principle, then we are on the right track, and I believe that is the point that we must keep in mind.

Mr. Speaker, I feel that the refusal of this government or the Pawley Auto Insurance Commission to submit regulations or a rate schedule for this year - I say this year - defeats any hope to logically debate Bill 56 or economically assess its worth. We're comparing apples and oranges today. We have nothing to compare it with. We do not have two government policies to compare with, one Manitoba and one Saskatchewan. We do not have it. It's being withheld. We're comparing private industry against government, and they say that this new Bill 56 is going to be even better in some cases than the old Saskatchewan policy.

I think the cart is before the horse if government present a bill as important as Bill 56 without them knowing the regulations and the costs of premiums and comparing them to those now charged by industry. And Mr. Speaker, this is the crux of the argument today. If they know the regulations, if they have an idea of what the premiums are to be, if they have an idea of what the cost would be - and they must have those if they are going to go into this - then they should give it to us. If they haven't got it, they shouldn't be presenting Bill 56 because they're going to buy a pig in a poke. They're not going to know what they've got until they've got it.

The government appealed to us to trust them and vote for Bill 56, and I say why not trust this House with all the information so that we can negotiate with all the facts in front of us? I am one who believes that if we talk long enough we can arrive at a favourable conclusion for a reasonable majority in this House, and I'm not backing away from the first principle that I said but I say - and I'm ready to stand here and admit - that I believe that we can arrive at a principle, that enough of a majority in this House, to pass the bill respectfully, respectfully, so that we can all hold up our heads and say, "This is good for Manitoba." Certainly there will be those on both sides who will resist any concessions whatsoever. I, for one, am not a believer that we in opposition have the exact answers. But I do feel that the Premier's statement yesterday left room for negotiation. If it didn't, then I'm disappointed. And leaving to one side for the moment the insurance companies, I feel that the Premier's position of using June 1971 as proclamation time is a more reasonable date and a move in the right direction, just as I believe the approach was to agents. But I am not ready to speak on that part of it because I really have not had enough time, or found enough time I suppose, to debate that and I do not really understand what he meant yesterday.

In my mind, the obvious step at this time is to appoint an all-party committee of this House to sit between sessions, and I don't want people on the government side to say that this is a filibuster, that this is a delaying tactic, because I say it in all honesty. Whether they wish to believe it or not, that is up to them. It should be allowed to call in experts such as the Honourable Mr. Olson that our Premier spoke of, the insurance agents, the economists, directors or car insurance industry, etc., to seek advice - Mr. Lang, I'm sorry - on such

(MR. BEARD cont'd) . . . . things as regulation recommendations, the premium rates, the agents' commission, the licence commissions, etc., all things that are going to fit into this bill and make it something that's acceptable to the people of Manitoba both in principle and in working.

At this time the committee should use its -- and also at this time, I should say, the committee should use its information to recommend an acceptable formula for agents' compensation. This compensation should come from the profits, I believe, of the Insurance Corporation that Bill 56 sets up, and be commensurate with the other types of expropriation that take place in the province through the Province of Manitoba and through municipal governments; etc. The Premier has referred to many other government projects which did not provide compensation, and while he uses these as excuses for minimum compensation to agents, I do have the feeling that he does not necessarily agree with the disturbance of either people or business operations without adequate and fair compensation, and this isn't adequate and fair compensation just to business but to people, and to the people within the industry, something which we have ignored for years, and there is a revolution within all industry and all people in political places, I think. The thinking has changed, and I believe that compensation and expropriation must, a formula must be arrived at which is fair. And if anything is government, it must be over-fair if we are taking away from somebody something that belongs to them legally. In fact, Bill 56 is used as a model of a quicker and more fair compensation to the pedestrian, to the car owner and the passenger. Why not agents in the car industry also? While considering Wawanesa, we must not only consider providing jobs in Brandon for people to commute back and forward, but a new industry must or should be found for the Town of Wawanesa. Let's be fair again, even to the point of being over-fair for this type of disturbance.

I, as many others, have come from a small town and we know what it's like to live in a small community and we know what this disturbance will be, and while we say in the city we are used to commuting for an hour to get to work, it's different and it's something that they're going to have to overcome in Wawanesa if they're going to have to go to Brandon to work every day.

The committee of members of this House should report back next session in respect to the regulations and the rest of these things. Granted, this may have another debate but if they can bring in something that the majority of this House can agree to, then there's no election on the horizon. This would provide time for the radicals of both sides to accept proposed changes as they're acknowledged from time to time through the news media. And this is going to be hard to take for radicals whether they're for it or against it, but it is time for them to accept some of these things and accept the fact that there's going to be a change in the horizon. It would allow time for negotiation and understanding between the government and the industry and it would allow for a vote at a time when I feel that our personal feelings will be less tense than they are today.

We have lived a long time under the present formula. Old dogmas, traditions, etc. should only be changed if the change is for the good of a larger number of the people. We have gone a long time, a long time with an industry that has pioneered insurance programming, and while it, as any other industry or any other government, isn't always always right, there are times when it is right that we don't acknowledge it, and it is unfortunate, I think, that maybe as the Minister was speaking he forgot that there are members in opposition who have acknowledged that industry isn't right all the time and that industry should be ready to change and possibly would be ready to re-negotiate.

And now to the industry itself. It bothers me that the government can expropriate a Manitoba local business without it having a Court of Appeal, and there is no Court of Appeal set up for this type of expropriation. They live day by day, and if I close my eyes I could think of many other businesses, I suppose, and I don't want to really drag this in, but is there a Court of Appeal for a business? And it makes one think: I wonder if we will enhance our image in the Canadian business world. I think not. And I wonder, I wonder as we look at years to be and say, "We were leaders in taking away business from the insurance industry." And maybe we can pat ourselves on the back, but I wonder if there will be any way in which we will be able to tell what the real effect was in the long run to people.

This is a provincial industry, not a Canadian industry. It's not a portable car industry that you carry from province to province. It's not like the Canada Pension Plan. We loan public money on one hand to assist private developers and destroy and discourage others on

(MR. BEARD cont'd) . . . . . the other hand. The business atmosphere in Manitoba is being disturbed, yet who appears to care? But Mr. Speaker, I am prepared now to stand and say that I will leave my options open at this time in hopes that the government can in some way provide answers to many concerned Manitobans. If they can't, then I have no effective means of protesting other than voting against Bill 56.

I do feel the agents should not have to negotiate out of fear but rather in the assurance that they will be dealt with fairly as individuals and as businessmen. I do not feel the days ahead need necessarily be dark if we can accept the problems that changes create. We have overcome more difficult times in Manitoba in the past and I trust that tests of today will prepare us to overcome the tasks of tomorrow, and I believe our impatience at the bargaining table today could bring about an election in which no party will improve their position but, rather, many Manitobans could express their disapproval of facing another election in so short a period.

And what is a reasonable human standard, Mr. Speaker? I think today and tomorrow, or in these weeks as we consider Bill 56, we have to realize that we are setting a precedent as far as compensation and as far as expropriation goes, for the future, and I think that we must deal with it carefully and I think that we must have that magic formula which will allow us if we wish, as legislators, to move further into, may I say Socialism, I suppose, if necessary at one time, but in government business; but I think in moving into government business there has to be some assurance that there is a care for those that we are interfering with, an adequate care, not the idea of let them go on welfare, not this disposition that we are against the establishment, because we need the establishment and in fact, if it comes down to brass tacks, we, Mr. Speaker, you and I, are the establishment - 57 - we are the establishment in Manitoba. Yes, we are the establishment, whether we like to think of it or not, and the buck will always come back to us.

I think I'd better quit while I'm winning, Mr. Speaker.

MR. SPEAKER: The Honourable Minister of Labour.

MR. PAULLEY: Mr. Speaker, may I at the offset say that the decorations, if you can call them, before me on my desk are the result of many investigations not only in Manitoba, not only in Canada, but on the North American Continent into this matter of automobile insurance, the results of many investigations by more eminent people, more knowledgeable people than I am in the field of automobile insurance, indeed into other fields as well. But may I, before getting into the nitty gritty if you want to call it that, of what I hope to be able to contribute to this debate, pay a compliment to the Honourable Member for Churchill for his reasoned contribution just now.

There is undoubtedly no subject that has been before the Legislature at this particular session that has been of so much public and private concern as that of automobile insurance, and I respect the approach of my honourable friend the Member for Churchill and his attitude. Having said that, I doubt very much whether I can accept all that he has had to say. He has made reference to our Expropriation Act and the purposes of the same, made reference to the fact of displacement of individuals such as the insurance agent. May I suggest to my honourable friend the displacement of workers, be they agents, insurance agents or railroaders or automotive workers, is nothing new these days. Here in Manitoba in the Town of Selkirk just a few months ago, as the result of technological change in the Manitoba Rolling Mills, there was displacement of I believe somewhere up toward 100 workers in the Rolling Mill at Selkirk, and as the result of negotiations between management of the Rolling Mills and the United Steelworkers of America, the process of democracy and technological change was accepted and change was made.

My leader the other day, or yesterday, speaking of the possibilities of changes in the Town of Wawanessa, almost made a parallel with what happened at Selkirk, and we are not unmindful of what is happening to workers, whether they be white collared or blue collared, whether they be in overalls or whether they be gowns before courts of law. I only heard the other day that there is a glut of lawyers now in the Province of Manitoba and I'm wondering whether we are going to have to give them compensation because of the facts of the process of education.

MR. SPEAKER: May I remind the Honourable Minister that it is now 5:30 and perhaps he could continue when this matter next appears on the Order Paper at the next sitting.

The Honourable House Leader.

**MR. GREEN:** Mr. Speaker, I move, seconded by the Honourable the Minister of Cultural Affairs 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 8:00 o'clock Thursday night.