



**Third Session - Thirty-Sixth Legislature**

of the

**Legislative Assembly of Manitoba**

**DEBATES  
and  
PROCEEDINGS**

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**MANITOBA LEGISLATIVE ASSEMBLY**  
**Thirty-Sixth Legislature**

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Vacant	Portage la Prairie	

## LEGISLATIVE ASSEMBLY OF MANITOBA

Thursday, June 26, 1997

The House met at 10 a.m.

### PRAYERS

### ORDERS OF THE DAY

**Hon. James McCrae (Government House Leader):** Madam Speaker, would you be so kind as to call the third reading bills as listed on page 3 of today's Order Paper beginning with Bill 23?

### THIRD READINGS

#### Bill 23—The Manitoba Public Insurance Corporation Amendment Act

**Hon. Rosemary Vodrey (Minister of Culture, Heritage and Citizenship):** I move, seconded by the honourable Minister of Environment (Mr. McCrae), that Bill 23, The Manitoba Public Insurance Corporation Amendment Act; Loi modifiant la Loi sur la Société d'assurance publique du Manitoba, be now read a third time and passed.

#### Motion presented.

**Mr. Gary Doer (Leader of the Opposition):** Madam Speaker, I would like to put some words on the record about The Manitoba Public Insurance Corporation Amendment Act and where we thought the act was totally deficient in terms of the amendments articulated in it and what the inadequacies of this bill were, inadequacies that we pointed out and the public pointed out at committee to the minister in terms of what is going on in the public insurance act and the need for legislative clarity and amendments to deal with no-fault and a number of issues that should have been brought forward in this bill and were brought forward by the NDP in amendment form in this session of the Legislature.

Madam Speaker, we had no problem with reallocating money from the amount of money going to lawyers and putting that into injury victims in the Public Insurance Corporation. We were quite worried, though, that in the principle of diverting some 35 to 40

percent of the money that (a) the money would be clearly designated for victims of accidents, injury victims, and that we had a process that would not be an in-house hothouse process that would deny people reasonable benefits for the trauma and income declines or denials based on Autopac accidents. We moved, the member for Brandon East (Mr. Leonard Evans) moved 35 amendments three or four years ago to the bills, amendments that we feel in time have now become quite—how should I say it?—pertinent to the debate of what has gone on since the bill was first passed by the government and the amendments to that bill are being proposed in this bill in third reading today.

There basically were three different positions in the Legislature, we think, on no-fault insurance. It was ultimately the Tories' no-fault that actually went from one extreme of too much money going to lawyers to another extreme of too little money going to victims of accidents, injury victims of accidents. That was the one extreme, and the other extreme was to continue on the tort system and the legal system which was producing 40 percent of the settlements to lawyers, downtown Winnipeg lawyers. I know the former member for River Heights, the now senator from River Heights, chastised us on our position, but we actually thought the Kopstein report—which produced more of a no-fault system where a lot less money went to lawyers but there was still an ability to go to the Court of Queen's Bench only on a major disagreement, and there were procedures to have these decisions made out of the public insurance corporation—made a lot of sense.

It is interesting to note that the Bar Association, which had the Kopstein report in 1988, relied on their relationship with the Tories from 1988 to about 1992 that they would never bring in the no-fault insurance and of course they never did come in with any solutions or alternatives of their own, something I pointed out to members of the bar. You have had Kopstein since 1988. Yes, it was released. We commissioned Kopstein because of the rising bodily injury costs and the massive amounts of money going to two lawyers, but after Kopstein's report was produced and released by the change of government—commissioned by the NDP, released by the Conservatives, the Bar

Association never took measures themselves, which I think was a real error on their part to assume that they could just go on merrily assuming 35 percent to 40 percent of the claims in terms of contingencies and other fees that were paid to them as lawyers, as opposed to victims.

So we did not take the position of the Liberal Party on the unfettered right of lawyers to continue on as they had because something had to be done, but we thought the government went too far, and we moved our 35 amendments. Today, as we look at what we did and where we stood, we are quite proud of it, because if we were to go through every one of the 35 amendments moved by the member for Brandon East (Mr. Leonard Evans), they stand the test of time in terms of their merit, and they stand their test of time in terms of merit because of the feedback we are getting from victims of accidents and people who have suffered bodily injury as a result of MPIC accidents.

I suggest to the government they have actually put the whole concept of no-fault at risk in the public arena. As more and more people become aware of the shabby treatment that is going to victims of accidents, bodily injury victims of accidents, there is going to be a growing body of knowledge about how extreme and unfair the system is, and I regret there may be a backlash to go back to the good old days where lawyers got 35 percent to 40 percent.

So I am disappointed that the minister has not listened to the advice of the public. I am disappointed that the government did not listen to the advice from the member for Brandon East (Mr. Leonard Evans) with his amendments, a person, who, by the way supports no-fault and made it very clear at committee that he supported the no-fault principle. We were not disagreeing with the principle with the government and the goal of taking more money from lawyers and taking that money and re-allocating that money to the injured in Manitoba. What we see and what we fear and what we see with the numbers is that they have actually taken money from lawyers and not redistributed that money to the injured victims of accidents. Some of that money, if not a great deal of that money, has gone to the Public Insurance Corporation reserve funds and contingent liability fund. You know, all these kinds of actuarial terms that got us into trouble by having no

actual loss at MPIC but having an unfunded liability became a bit of a problem in terms of what the management proposed at an earlier time in terms of a rate increase. The one difference is at least our rate increases were—they may have been actuarially—and have management soundness to them. They were politically ill advised the one year and, ultimately, the management result of those was that the Public Insurance Corporation had a surplus in the next couple of years after '88 and '89 to the advantage of the successor government and to the—not to the regret of us, because if you are going to get wiped out, you may as—

**An Honourable Member:** Some of us really benefited.

\* (1010)

**Mr. Doer:** Yes. You may as well have the public benefit from that—[interjection] Well, some people still remain as beneficiaries in those decisions, and they are a living testament to making good management decisions and bad political decisions—which comes to this year's Autopac increases, and why is this act not dealing with the lack of transparency on the Autopac increase? Why are there not amendments in this bill at third reading dealing with this bill in terms of its impact on people?

I would quote the Interlake Spectator article of June 16 of one Merv Farmer, a person who does not always agree with the views of our political party or persuasion, but he would say and he says that the government said that they would produce no-fault insurance that would give us reasonable Autopac rates—wrong. I took it for granted that we would see Autopac rates level out—wrong. Well, our good old Manitoba government says they need a 4.1 percent increase this year, a 2.1 percent general increase and 2 percent to build up reserves. Mr. Minister, did you forget to include the driver's licence fee increase of \$10? Did you forget to include the increase of MPI's collision deductible from \$400 to \$500 and, Mr. Minister, did you forget to include the \$500 deductible I now may have to pay for when some jerk steals my vehicle, quote, unquote.

I would never possibly say—well, I would call somebody that steals my vehicle a jerk and probably

something even more vivid in terms of its description. Mr. McCrae, the real increase is closer to 9 percent, rather than the 4 percent. The PUB is supposed to be protecting us from nonmonopoly utilities. On the other hand, the board only takes into consideration the general rate increase at 2.1 and 2 percent to beef up the reserves. By law, the board does not consider the other increases in the licence fees and deductible fees. It is high time they did. It is—and this is Merv Farmer's language, not my language—deceitful, Mr. Minister. It is time the government came clean and started giving us the true costs. The PUB should be allowed to consider all other costs. The laws need to be changed.

(Mr. Marcel Laurendeau, Deputy Speaker, in the Chair)

Now here we are with this law. This law needs to be changed, but this minister is coming in with minor amendments. This Legislature is taking up its time with not the substantive issues of the Public Insurance Corporation but a little incremental tinkering of the law under this act, and if Autopac needs more money, get rid of some of its bureaucrats. Now I would not say that, but Merv Farmer might say that, but the ones at the top I might say that in terms of its efficiency, and I will elaborate on that point at some later date.

I would say that this article is quite true and raises some issues to this minister and to this government that are absolutely ignored in Bill 23.

This is not the only opinion about this law reflecting the truth. I would quote the latest edition of the Going Places magazine, June/July, Charles Phelan, the CAA organization. How much did the real auto insurance rise this year? The Manitoba government says 4.1 percent; CAA Manitoba says 8.9 percent. Who is right? The government said the increase is two components: a rate increase and a 2 percent increase for the reserves. That makes 4.1 percent. The CAA said: hold it; there is a third component. Driver's licence fees are being increased by \$10, and MPI gets that increase, and it works out to 2.2 percent further. MPIC is increasing its collision deductible from \$400 to \$500. MPI is also innovating a \$500 deductible for auto theft coverage. A fifth cost component is necessary to replace a zero deductible. These components add to a further 2.6 percent. That makes

8.9 percent increase. The Public Utilities Board can only deal with part of this.

Here is the problem. The legislation governing the PUB's operations and the Public Insurance Corporation only take in the first two components, so when drivers are looking at this, Mr. Deputy Speaker, they see that more than half of the increases by law, including this law, is not covered by a public scrutiny of the costs. So CAA spoke out to Jim McCrae—their words, not mine—the honourable member for Brandon West. The minister had told McCrae that the PUB's legislation creates a misleading—now if there is any theme of this Legislature, it is secrecy and misleading in terms of the arrogance of members opposite. There is a certain rot that sets in with governments after a while—

**Hon. James McCrae (Minister charged with the administration of The Manitoba Public Insurance Corporation Act):** We hear that from an expert.

**Mr. Doer:** You know, obviously, it had not set in with the former government, but now you are the present government—of course, you could argue that you are the former government and the present government. A certain arrogance sets in. It is kind of a Mulroney disease, I guess you call it.

**Mr. McCrae:** You wish.

**Mr. Doer:** Well, call an election.

**Mr. McCrae:** We did.

**Mr. Doer:** You did, but it is over two and a half years, and the sands of time are running quickly. [interjection] What's that?

**Mr. McCrae:** The writing is on the wall.

**Mr. Doer:** It certainly is.

**Mr. McCrae:** For you, my friend.

**Mr. Doer:** It is on the wall all right, and we like what it says for a change.

McCrae acknowledged that the CAA had a point. He admits that they had a point. Well, where is the point

in this bill? Where is Bill 23 changed in a way that is consistent with the points raised by Mr. Farmer and Mr. Phelan on behalf of the CAA?

To his credit—and we will see about that—McCrae promised to give CAA Manitoba's recommendations further consideration. Where are they? This is further consideration.

**Mr. McCrae:** This is not the be-all and the end-all.

**Mr. Doer:** Well, it certainly is not the be-all and end-all, that is for sure. It is not the be-anything or do-anything bill. That is what it is. It is the be-nothing and do-nothing bill. That is right. It is from a be-nothing and do-nothing minister, the guy that did not know that Christmas was coming when he closed all the emergency wards. Oh, dear, it is December, and I just discovered that Christmas is coming. We cannot have these emergency wards—and the member for St. Norbert (Mr. Laurendeau) will recall the feelings at the Victoria Hospital. I know the member for St. Norbert was saying wonderful things about the minister as I was when he said: Do they not know that Christmas is coming? The holiday season is coming. The guy who closed the emergency wards down and had to open them up because, oh, I did not know in October that by November Christmas was coming in December. Now this is the be-nothing, do-nothing minister who is so shell-shocked from his fiascos on home care privatization. I mean, we even had signs in Tuxedo: Save home care. I mean, I know some people in Tuxedo—

**Mr. McCrae:** The union agreed. The union agreed ultimately; that was great.

**Mr. Doer:** Yes, well any kind of agreement made when a gun—

**Mr. McCrae:** That was your old union, was it not?

**Mr. Doer:** Well, it was your old union too, and you never rejected the contracts I negotiated for you. You were a good member of the union.

**Mr. Deputy Speaker:** Order, please. Could I ask honourable members to put their comments through the Chair and be relevant to the bill? I do not believe this

is the health care issue at this time. The bill is referring to MPIC.

The honourable member for Concordia, to continue.

**Mr. Doer:** Yes, I was the elected representative of the organization. I had to be elected every year, and you know, I did negotiate contracts for court reporters. I never heard the member for Brandon West (Mr. McCrae) complain about those contracts. I thought it was rather ironic a couple of years later that when he was the minister, he fired half his former colleagues. With friends like that, who needs enemies? What do the court reporters say about their former—who they thought would be one of their colleagues.

But I want to get back to the bill. Talking about the member's history is quite well known in the public arena, but he is a shell-shocked minister and now we have a shell-shocked piece of legislation because it absolutely does nothing in terms of the recommendations made by Mr. Phelan and Mr. Farmer. I actually agree with both these gentlemen in terms of what they are saying. The real increase in car insurance is 8.9 percent at minimum or 9.1 percent or 9 percent. I think both gentlemen are using the exact same figures.

The other thing that really bothers me is this is a government that has all kinds of ads about being tough on crime, in your face, and all this other superficial messaging that we get right from the Republican Party of the United States. But what do they do about it? They wave a white flag and surrender. They are like Neville Chamberlain. I give you peace in our time and you surrender like wimps when it comes to dealing with car thefts. You make the victims pay \$500 deductible. Some senior citizen gets their car stolen by a thug, and what do you do? You make the victim pay. I know the Premier (Mr. Filmon) was slamming the jail door, and we, of course, laughed that he was slamming it in Saskatchewan with the former members of the Devine government. You know, you get all of this tough talk: you have john school—you cannot seize a vehicle of a john after you make all these promises. I really, really resent you taking away the deductible for a senior citizen whose car was stolen by thugs. Why do you not go after the thugs and not the victim?

\* (1020)

**An Honourable Member:** We are.

**Mr. Doer:** You are not going after the thugs. The person is going to pay the \$500. My constituent in East Kildonan or Elmwood who gets their car stolen is going to pay \$500 because this government cannot deal with crime and rising costs of crime, especially with car thieves in Manitoba. I do not want a white flag. I do not want to transfer the costs onto the victim. I think that should be a decision this minister should make today, that MPIC is wrong. This Legislature says it is wrong. This Legislature has not surrendered the fight on car thefts. This Legislature is not saying we wave a white flag and we will allow the deductible to be paid by the victim. I say shame on this government. I say shame on this whole caucus, and I say that when we deal with this piece of legislation at third reading, I say shame on the minister. This is a do-nothing bill from a do-nothing minister. Manitobans deserve more.

Let us amend it today to take away the deductible for victims of car thefts. Let us amend it today to have a fair no-fault system so that we can have reasonable and fair treatment of injured victims of unfortunate accidents and families who have to deal with the deaths and injury in their families. Let us do some real work to make this Autopac corporation honest about its real rate increases. Let us listen to Merv Farmer who says it is really a 9 percent increase, and let us get on with owning this company instead of having this company pull the chains of this Legislature and this minister. Let us start pulling the chains from this Legislature on behalf of the public. Thank you very much.

**Mr. Leonard Evans (Brandon East):** Mr. Deputy Speaker, my Leader has said it all really. He has made some excellent points on Autopac, on the nature of the administration at the present time and some of the complaints that the public of Manitoba have.

By and large, as the minister knows, we support the concept of no-fault. We supported the government when it brought it in. As a matter of fact, we bugged the then minister for a couple of years to bring it in, and I do recall in one committee, when we were reviewing the annual report, the words were not exactly like this but they meant, over my dead body, when we bring in no-fault, or when we bring in the system we have now, but within a year the minister, and I guess the

government saw the light because the fact of the matter was the rate increases were going to the moon. The rate increases were going to be increasing exorbitantly, because the costs of operating under the old system were becoming too unbearable and politically there was going to be a price to pay. So, even though the government was not very happy with bringing in no-fault, they did so because of the political necessity of doing it.

Mr. Deputy Speaker, I also point out, as the Leader of our party did, that the basis for the legislation was the Kopstein report, an excellent report which dealt with the whole philosophy of auto insurance and dealt with some very fundamental moral issues as to how the system was working then and how it can work under a better system, a no-fault system, which is more or less what we have in place today. So, as my Leader said, we certainly support the concept of no-fault. We think it is a fairer system. It is a more efficient system. Under the old tort system, victims would often have to wait two, three, four, five years for a court to settle something. In the meantime, there were cases of individuals virtually—well, being hurt very badly financially because the settlement had not been made because it was still in the courts. As my Leader has also pointed out, a good chunk of the money ended up in the lawyers' pockets. I think, on average, it is around a third—went to the lawyers right off the top.

So there was a lot of difficulty, a lot of problems with the old system, a lot of inadequacies, a lot of unfairness. We have this new one, but it is not perfect and, as my Leader said, we brought in a number of amendments when the no-fault legislation was brought in. Unfortunately, very few of them were accepted. One idea we had, which was to review it after three years, was accepted, and, of course, that is going to go on. It will be interesting to see whether that brings forward anything of substance that would be useful to incorporate into legislation.

I guess we have some basic complaints with the system the way it is working, and I think the one that we brought up at the very beginning and that is the lack of adequate compensation for victims, for loss of limb, for loss of life—we said at the time this was a stingy schedule of compensation that was itemized in the bill and referred to later by regulation, that this was not

adequate, that we had to be more generous than that bill provided for in terms of people who did suffer a loss of a limb or two or suffered a loss of a loved one or whatever. Unfortunately, we did not get anywhere, and I think that is something that has to be taken a very good look at again to see whether we can increase that to be more fair to those people who are adversely affected from the automobile accident or to the vehicle accident.

The other complaint—by the way, Mr. Deputy Speaker, in that vein, too, as far as compensation goes, we are very concerned that a person in an automobile accident who lost work because of the accident would not be compensated for the first week off the job. In other words, whether you are one side or the other in an automobile accident, whether it was your fault or not your fault, whatever the circumstances, you would not get compensated for the first week of being off the job, and we thought that was eminently unfair. Why should a person have to be, let us say, through no fault of their own, let us say, was involved in an accident, forced to give up work, maybe be away from work for months on end but would not get compensated for that first week, and to my understanding, that is still the procedure. They are just out of work, out of pay for one week, and we said, surely we should recognize this and let us say the day after, certainly that is when it should be payable, when the compensation should be payable, but that was not to be. I think that is a serious error and that should be corrected as well by legislation.

Also, we believe that the whole appeal procedure is something that should be looked at by the minister to see whether it could be made more effective. We virtually eliminated the courts in the procedure, although I note that Saskatchewan, which has brought in a no-fault system, which did bring in a no-fault system after Manitoba, did allow for—and I do not know the detail; I have not got it with me—they do allow for more involvement of the courts in appeals, and maybe we should take a look at that with regard to the appeal portion of the process. There have been some complaints that the internal procedures now in place to appeal cases see, on the one hand, the corporation having legal talent at its disposal, whereas the consumer, on the other hand, goes there virtually unassisted with no one to advocate or to give some assistance in what could be a very technical matter.

So this brings me to the other point, and that is there should be a role for a consumer advocate within the system, just as we developed with the Workers' Compensation Board system, which this parallels, incidentally, where you have a worker advocacy system. Perhaps it is time to have a victim advocacy service or a consumer advocacy service built into the system here so that there is a greater element of fairness.

\* (1030)

I think, by and large, we are well served by Autopac. I think, by and large, MPIC is functioning well. I think the people of Manitoba are well served; we are protected. In fact, we are protected in a way that some people do not realize, and let me just use this as a footnote. That is, if you do not own a vehicle and you do not even have a driver's licence, you are still protected for loss of income under this legislation that was brought in a couple of years ago. If you were, for example, to illustrate, a Manitoba citizen, say, down in Florida, in Miami, walking as a pedestrian across the red lights—so you are at fault—and you become involved in an accident, you are injured or whatever, you are protected under this legislation even if you are there as a pedestrian and even if you do not have a driver's licence. By virtue of the fact of being a citizen of Manitoba, you are protected under this legislation, as is provided for income loss, et cetera.

This is an element of universal accident insurance. It is a sort of universal plan relating, of course, only to motor vehicles, relating only to traffic accidents, not related to other kinds of accidents, but this is an element. I do not think there are many people that are affected by it, but there are some probably, and it does give those people—maybe they do not realize it—an element of protection, a considerable element of protection.

Loss of income, for instance. I mean if you were the guilty pedestrian walking across this red light and you got hit, and there your holiday ends and you are out of work for months on end or whatever, you are protected through the income assistance provisions of the legislation, even though you do not have a driver's licence, even though you do not own a vehicle. At any rate [interjection] Well, that is my understanding when



we brought it in. As I say, it does not affect very many people, because most people own vehicles or are drivers, although there are children, there may be some very elderly people that fit into that category.

I do not think it is costing the corporation a great deal of money. I do not have the numbers, and I do not even know what number of claims there have been under this. Maybe many people do not even know that they are protected under this, but it is my understanding that when it was brought in, this was the case.

So, by and large, as I said, we are well served by the corporation. We are well served by the system but, as in every system, there are areas that can be improved, and these are some of the areas, as I have suggested. We should look at improving the compensation. We should look at some sort of consumer advocacy. We should look at making the appeal procedure more effective.

Just one last point, and that is with regard to the staff handling claims. All of us, I am sure, get complaints from time to time about their problems in dealing with the staff at MPIC, that, for one reason or other, they do not think they have been handled or treated fairly. Someone was too abrupt, someone was rude, or they did not really pay attention to what they were saying, and so on. I think it is very, very important that MPI, which is a monopoly, bend over backwards to ensure that the staff give more than 100 percent service to the public of Manitoba, to the people they are dealing with. I have raised this in the past in the committee. Again, by and large, we are well served by the staff. Generally we have well-trained, good people with a good attitude, but there are problems, and it is only natural that when you have a monopolistic situation, sometimes you can get a little lax in this respect. This is something that I would hope that the senior management of MPI would be very aware of and ensure that the staff do provide service par excellence, that do treat the public with respect and with fairness that they deserve.

At any rate, Mr. Deputy Speaker, with those few remarks which I leave on the—I have not debated this bill previously in the Legislature, so I appreciate the opportunity for putting those few remarks on the record.

**Mr. Kevin Lamoureux (Inkster):** Mr. Deputy Speaker, I also want to put a few words on the record with respect to Bill 23. It is essentially an administrative proposal to amend the one section of The MPIC Act. The request for this bill, from what we understand, came through the finance section, and it deals with the operation of the automobile injury compensation appeal committee. With the passage of this bill, payment of salaries for automobile injury compensation committee will come directly from MPIC instead of having to go through the Department of Finance, from what we understand.

Having said that, I listened intently to what the member for Concordia (Mr. Doer) was talking about in terms of the actual substance of the bill, and there is some need to take more action within MPIC that would see a better no-fault system for the claimants. There were other concerns such as the Leader pointed out, from CAA and other Manitobans, dealing with some of the issues regarding MPIC. I know those issues will continue and there will be a continual lobbying of the government to make further changes of more substance as opposed to Bill 23 that we have before us.

MPIC has always been a very interesting issue for me in the sense that it is probably one of the reasons why I am here today, because of 1988 and how MPIC was politicized. I can recall the commercials of the '88 election, of seeing cars on jacks, implying that they are not going to be able to afford to put cars on the road because of the rate hikes at MPIC and how the rates were politically motivated. The opposition party, which was headed by Mr. Filmon, was right in terms of the politicization of those rates. It is interesting, you know, over the last nine years, we have not seen any change in the politicization or the manipulation of the setting of MPIC rates. No doubt, Mr. Deputy Speaker, even though it might not necessarily be as hot of an issue whenever we do go into the next election, it is still an issue in the minds of many, my mind being one of those who really believe that the government needs to take action to make MPIC a better corporation.

One of the things it can do is look at the way in which we set rates, the establishment of funds, the reserve funds, to protect the consumer. The whole no-fault debate, and I noticed the Leader of the New Democratic Party pointed out the discrepancies

between the three political parties at the time of the passage of no-fault, and I can recall, myself personally, advocating from within our party the no-fault system before the government, in fact, even brought it in, because I really did believe that it was in the best interest of the Crown corporation to buy into a no-fault system on a very personal private note, Mr. Deputy Speaker, and—[interjection] Well, the member for Transcona (Mr. Reid) would actually have to poll to find out exactly how it is that I voted.

But, Mr. Deputy Speaker, one of the issues that has always been and always will continue to be is the importance of retaining MPIC as a Crown corporation, and that will always continue, because I believe that this is ultimately one of those Crown corporations that can, in fact, prevail, or should, in fact, prevail well into the future, primarily because it serves a purpose and will continue to serve a valuable purpose for all Manitobans well into the next millennium.

With those few words, we are prepared to see this bill pass, Mr. Deputy Speaker.

**Mr. Tim Sale (Crescentwood):** Mr. Deputy Speaker, I think that all of us as MLAs have had in the last couple of years very serious concerns raised to us by victims of auto accidents who have come to us and said, surely, the no-fault system that is operating is not operating fairly in terms of the needs of my family, my individual situation, where serious injury has been sustained. The principle of no-fault is an excellent principle, but the operation at this point leaves a lot to be desired.

The levels of compensation that are being offered to people for very, very serious injury are obviously inadequate to any kind of longer-term earning potential that many people have. The notion that people who are not actually at work at the moment at which they sustain an injury are not therefore entitled to reasonable compensation on the supposition that they, on average, like most Canadians, would be at work for most of their lives is clearly a punitive and unfair situation.

\* (1040)

I have one particular constituent with whom we have spent probably at least 50 hours of constituency support time trying to help him get justice out of the Autopac

system and his case has been admitted by Autopac to be difficult. They have admitted they have made errors, but the bottom line is they are not going to change their compensation for this person because at the time he was injured, irony of all ironies, he was on his way to a job interview, but he was not employed at the moment of his injury. So they are saying, well, you were not employed, therefore, your level of compensation is this. It does not matter that you have been employed in the past. He had had some problems of employment interruption. He was going to a job interview, and he never got there because he was very seriously injured. His compensation has been woefully inadequate and nothing that the member for Brandon East (Mr. Leonard Evans) who has worked hard on this case, nothing that our work has been able to do has been able to address the situation. The individual has suffered grievous harm, and there does not appear to be any remedy for him at this point. That, clearly, is evidence of a no-fault system that is not working properly.

Mr. Deputy Speaker, this government made great hay over the issue of Autopac in the 1988 election. What have they done in this last while? Well, they have grabbed 10 bucks from everybody, regardless of whether they had merits or no merits on their driver's licence, no evidence that this was anything other than a straight cash grab to a further augment of government revenues, no particular reason. This, of course, is the government that never raises taxes. They just cut programs. They just cut tax credits. They just increase fees. They offload in every conceivable manner.

When a car is stolen through no fault of the owner, when it is stolen out of a locked garage, when the car is locked, when the car is reasonably secured, and it is still stolen and it is a loss, how is it reasonable to charge people \$500 up front simply because they have had the misfortune to have their car targeted out of any number that might be targeted?

Even if they have taken precautions, they are still charged the \$500. It does not matter. What kind of incentive is that?

**An Honourable Member:** Unfair.

**Mr. Sale:** The member for Lakeside says correctly, unfair. I hope he will vote against this bill to show his

displeasure and that he spoke against the caucus decision to come forward with this on the part of his government.

Mr. Deputy Speaker, the principle of no-fault was one that we strongly supported and attempted to strengthen. Indeed, as our Leader has said today in his speech, the amendments that were carefully prepared by the member for Brandon East (Mr. Leonard Evans) are very relevant today and very relevant to the weakness of this current program.

The member for Brandon East has an incredibly strong record on the whole issue of auto insurance in the public sector and on the principle of no-fault insurance. He has been consistent and has supported this throughout his whole career in the Legislature in regard to MPIC, in contradistinction to the member from Inkster, the member who voted with the lawyers and voted with his caucus against no-fault insurance and who spoke today as though he had privately lobbied to try and get his caucus to see the light, but publicly he voted against it.

Mr. Deputy Speaker, well, we know that the member has a great deal of difficulty with picket fences, because he sits on them so very well and so very long. It must be a painful process trying to figure out which side of the picket he is on at any given time. He is adroit at moving from one side to the other, but there must be some considerable discomfort in this process.

**An Honourable Member:** You become lodged there after a while.

**Mr. Sale:** There is a danger of impaling, which of course was a mediaeval form of execution and not one that any of us would like to endure. So I have some real concern for my honourable friend and his discomfort as he wanders back and forth across a number of alternative positions on any given issue.

Mr. Deputy Speaker, we are very supportive of the principle. We feel that the problems of the no-fault system remain manifold, that they are not adequately dealt with by this one very small amendment to the whole issue of how salaries will be paid out, salary compensation will be paid out, the actual source of the cheque. This does not go anywhere nearly far enough

to deal with the very difficult issues that are involved in the no-fault program.

I understand that this is a very small amendment. I understand that it really does not change much from the point of view of those who are victims of injury, of loss under this current program of no-fault insurance.

Mr. Deputy Speaker, I want to talk for a moment about the whole issue of the deductible. MPIC has made a great deal about how its rates are only rising by 4.1 percent. On an individual rate basis, the rates are rising by far more than 4.1 percent for many, many owners. Where is the justice in rates rising by probably close to 80 percent if you happen to lose your car through theft. Where is the justice in that?

There are now something in the order of 6,000 cars stolen in Manitoba every year. Most of them are not stolen through the fault of the owners; a few are. There is no question that owners need to be careful and take appropriate precautions, but this act makes no distinction and provides no relief and in fact makes it much worse for many people whose cars wind up being stolen. They are experiencing increases of 80 percent in many cases, given that the average cost of insurance is in the \$600-\$700 region.

We have deep concerns about the offloading. We have deep concerns about the cash grab through the increase in licence fees, whether a driver is a good driver or a bad driver, no distinction. We just want 10 bucks more, and yet we will pride ourselves as a government on saying, but we have not increased taxes. Well, Manitobans are increasingly aware that taxes have increased in fact—rates may not have, but taxes have—and fees have increased greatly, whether it is park fees, auto insurance fees, deductibles, Pharmacare, nursing homes. It does not matter. The list is virtually endless.

Manitobans are paying far more for services, and, of course, this week, Mr. Deputy Speaker, we learned that they are going to be paying anywhere from 50 percent to 100 percent more for their telephones simply because of this government's ideology which is privatize, to offload and to hide behind a statement, a phoney statement, that the tax rates have not gone up. Well, Manitobans know that their costs of being a citizen in

this province have gone up sharply under this government. This Autopac bill does nothing to address that problem.

**Mr. Daryl Reid (Transcona):** Mr. Deputy Speaker, I am pleased to rise to add my comments to this piece of legislation, Bill 23, The Manitoba Public Insurance Corporation Amendment Act.

Mr. Deputy Speaker, I have had the opportunity to talk with several of my constituents in my time here regarding concerns that they have had with respect to MPI and the way it has conducted its operations, and I listened intently to the comments of my colleague the member for Crescentwood (Mr. Sale) when he referenced the most recent action that has been drawn to my attention by constituents that have called my office seeking some advice and information on why MPI took certain actions. One of the things that I find I have some difficulty with in MPI—and I must say that MPI is a corporation that I do support in its activities to try and bring the lowest rates and the most fair insurance plan for the people of the province of Manitoba, but there are some warts within the system, as we might refer to them, on how MPI conducts its affairs and tries to bring about some fiscal solvency to the corporation itself. This one particular issue that was drawn to my attention was by one of my constituents that had called me just this month asking questions about the government's plan with respect to the \$10 across-the-board increase on driver's licence fees.

\* (1050)

(Mr. Gerry McAlpine, Acting Speaker, in the Chair)

Now, I was not aware whether or not that was related to some actions that have been taken in the department of Driver & Vehicle Licencing or had been taken as a result of decisions in the Finance department or whether indeed it was MPI. My research had led me to call three departments. All the departments, both Justice and Highways, referred me back to MPI for further information, because both said that the changes that resulted in the driver's licence fee were as a result of request by MPI. When I contacted MPI, they advised me through their public affairs office that they had indeed made a request to the Public Utilities Board

as part of their rate application for changes, and what MPI had asked the PUB was that a \$10 fee across the board apply to all driver's licences. They provided me with the copies of their rate application to the PUB showing that they had asked for that additional revenue.

Now, they used the excuse that the additional revenue was required to pay for costs to recover servicing claims involving drivers who do not have their vehicles registered in their names. In other words, if a driver drives a vehicle that is not registered in their name and is involved in an accident, that individual will not have to pay any kind of a surcharge on their premiums the next year or successive years. In that way it adds some costs burden to others that actually pay those premiums, because those costs are obviously borne by everybody else that has a registered vehicle.

So instead of going after those that are responsible for driving up those particular costs, those that do not have vehicles registered in their name, the MPI went to the PUB and asked for a \$10 across-the-board increase on driver's licence fees. So here we go again. We have got a fee that is being charged to everybody across the board instead of going after the people that are driving those rates up.

So if you have got an experience that is bad with respect to your insurance and you are incurring extra costs, accidents or other activities involving claims against MPI and your insurance with that corporation, the government has chosen, through its arm, MPI, to go to the PUB and ask for everybody having to pay for those costs. Once again the others that are having clean driving records in this province are having to pay a surcharge on their driver's licences to support costs that go against, that are incurred by others that do not drive carefully within the province of Manitoba. Everybody is paying that \$10 fee.

I can tell you that when my constituent called me, after he realized that he was paying an additional \$10 on his driver's licence to support others that have bad driving records involving vehicle accidents, he was incensed that he should have to pay because he had five merits. He had a clean driving record, he had no accidents, yet he was being asked to support and to offset the costs for others that do not have clean driving records. So I can tell you that my constituents have

called me on this, and in this case, this one particular individual who I conducted the research on behalf was incensed that the government would choose to go across-the-board increases on the driver's licence.

MPI freely indicated to me that, yes, this indeed was a revenue grab on their part, a cash grab. They were going after just under 700,000 licensed drivers in the province, \$10 a piece, \$7 million on a cash grab that they were going to offset the costs that MPIC said they had for vehicles, that do not have vehicles registered in their name who are driving the claims up. That is a pure cash grab. I do not, in looking at the matters of this case, the facts of this case, see where it is fair to have that cash grab going against the drivers of the province that have a clean driving record and have not in anyway contributed to this.

I know that there should be a general sharing, and that we do through MPI share the cost burden for the accidents or the claims that happen in this province, whether it be hail damage or vehicular damage, property damage, et cetera. But in this case where you go out and attack the driver's licences seems to me to be unfair to those that have a clean driving record. Yes, there are rebates if you have five merits and you reduce those—I think it is \$45 or \$48 that you would pay on your driver's licence you get reduced down in the amount that you would pay on your driver's licence, but there is still that additional \$10-fee that goes against your driver's licence which you have to pay. There is no way to escape that whether you have five merits or no merits. There is no way to escape that additional fee.

(Mr. Marcel Laurendeau, Deputy Speaker, in the Chair)

One of the other issues that I know that the government is talking, having public hearings take place through the months of July and August, I believe, on the no-fault plan in the province, and that Mr. Uskiw is the government's lead person on that particular study in the province of Manitoba here. The Minister responsible for MPI is saying that he is a good individual, and perhaps the person is. I have never met the person individually on the one-to-one basis, never had the opportunity to meet Mr. Uskiw. Unfortunately, he was here in this Legislature before my time in this

building. I know that he is a person of—how do we word this diplomatically?—he is a person who has fluid principles.

**An Honourable Member:** I do not agree with the principle's part.

**Mr. Reid:** Well, perhaps, some of my colleagues say that the individual may not have principles of any depth, but I like to refer to whatever principles he may have because I hope that each of us have principles, that those principles that he have are indeed fluid and they can shift depending upon the political wins and the political fortunes of this province. Yet the government has chosen to appoint this individual who happened to be, I believe, one of the main campaign team for the member for Lac du Bonnet (Mr. Praznik) to this particular review of the no-fault plan in the province of Manitoba.

It is also interesting to note, too, Mr. Deputy Speaker, that this same individual—and I would be interested to know what level or remuneration or fee this individual is receiving for that particular review of the no-fault plan because it is quite clear that Uskiw and Associates, the firm to which Mr. Uskiw is no doubt attached to, happens to be one of the corporate sponsors to the government's PC Party fundraising dinner just this week, and yet we see that Mr. Uskiw has now been given, obviously, a lucrative contract to review the no-fault MPI plan in the province of Manitoba.

So one has to look at all of the corporate sponsors that we have here on this program from the PC fundraising dinner this week. How many contracts have you awarded to the sponsors that are on your program? I know there is SHL; we have got SHL Systemhouse. We have got the contracts that have been awarded to Wellington West as brokers for the MTS share sale.

We have noticed that Mr. Uskiw is on here as one of your corporate sponsors, donors to the PC fund. He has got a contract from the government. I mean, we can go on and on throughout this list of people that you have as contributors to your political party. At the same time you have received contributions from these individuals as corporate sponsors to your fundraising, they have received contracts from you as government. So I have

to wonder if there is a little political back scratching going on here. Listen—nudge, nudge, wink, wink—you get this contract and you come to our dinners and we get some funds out of this to continue to run our political party activities. So there—

**Mr. Deputy Speaker:** Order, please.

I brought to the attention of the House earlier this morning that we should be relevant towards the bill. We have been drifting every once in a while, and we have been allowing that, but I have not heard anything that seemed to be coming towards that. So, if I could ask the honourable member to refer to the bill a little bit, it would be appreciated. Thank you.

**Mr. Reid:** Mr. Deputy Speaker, I appreciate that. I was just going back to my comments dealing with MPI because I had pointed out that the corporate sponsors had included MPI as one of the sponsors as well as Uskiw and Associates. So I thought it was only appropriate to point out that we have government operations and private individuals who have received government contracts, receiving contracts from this government and contributing by way of ticket purchases or contributions or sponsoring the PC Party fundraising activities of this province.

\* (1100)

So it is very clear from the program that was at the dinner just this week, and I am not sure if the Deputy Speaker is aware of this, but these individuals seem to be in a severe conflict-of-interest situation here. I would think that in the sense if there was any ethics or any morals of individuals across the way they may think that there would be something inappropriate or some conflict of interest by own government departments being involved and contributing back to a political party of this province. I would hope, in the sense of common decency, for the people of Manitoba that would be considered to be inappropriate action, and that this government would not condone such action. So I am pointing out that MPI has, through one of the arms of the sponsors, contributed to the government's own political party.

This legislation, Mr. Deputy Speaker, I do not believe, will address the serious problems that we have with the no-fault plan. When we were going through

debate on the no-fault legislation here a number of years ago, I know our critic the member for Brandon East (Mr. Leonard Evans) had proposed several dozen amendments to that particular piece of legislation—I believe 36 amendments, from what I recall—and the government of the day, the current government, chose not to accept those amendments. We are still committed to reviewing the no-fault plan and to ensuring that the legislation is indeed made fair for the people of Manitoba who are covered by the MPI insurance, and that the government, hopefully, would consider when they are doing their public review through Mr. Uskiw, who is a contributor to the Conservative Party and has now received a contract from the government to undertake the no-fault review, that they would consider the amendments that we had proposed to the legislation and would make it fair to those that are having to use the insurance portions of MPI to make themselves whole after a result of an automobile accident or involvement in or any activities involving automobiles in the province of Manitoba.

Mr. Deputy Speaker, having mentioned the concerns that my constituents have drawn to my attention and the fact that the government has awarded lucrative contracts to people that are currently conducting the review of the no-fault portion of MPI, as well as other sponsors and MPIC itself, that is a pure conflict of interest. I hope the government would understand the errors of their ways and would restore MPI to what it should be and would take into serious consideration the amendments that we had proposed to correct the deficiencies in MPI to make sure that the entitlements that people have, the drivers of Manitoba and third-party claims, would be fair to Manitobans. I hope that the government will have those recommendations come to them from Mr. Uskiw, one of their donors and supporters, and that he would be fair to Manitobans and recognize there needs to be some changes made to the legislation in this province.

With those comments on Bill 23, I am prepared to allow others to speak to this bill, and thank you for the opportunity to add my comments.

#### **Point of Order**

**Mr. Dave Chomiak (Kildonan):** I am not rising on the bill. I am rising on, I guess, a point of order.

I rose on a matter of privilege two days ago in this Chamber with respect to the Minister of Health (Mr. Praznik), and I have now had the chance to review the minister's comments with respect to the matter of privilege that I raised in the House. I want to indicate to the House that based on the comments of the minister, and I have had another discussion with the minister concerning the privilege, insofar as the minister did apologize and admit the department did make error, I am prepared to accept that and withdraw my privilege.

**Mr. Deputy Speaker:** I would like to thank the honourable member for his point of order. It is not a point of order, but we will accept the matter of privilege has been withdrawn and that the House is satisfied with those remarks.

\* \* \*

**Mr. Deputy Speaker:** Order, please. Was the honourable member for Kildonan going to be speaking to the bill?

The honourable member for Swan River has the floor at this time. She wants to speak to the Bill 23. If I could get the House's attention, the honourable member might start. I would like to thank the honourable members. The honourable member for Swan River, to start now.

**Ms. Rosann Wowchuk (Swan River):** Mr. Deputy Speaker, I too would like to take the opportunity to put a few comments on the record with respect to Bill 23, The Manitoba Public Insurance Amendment Act.

Mr. Deputy Speaker, when I look at this bill, it brings back memories of 1988, when I happened to be in Winnipeg at the Legislature when there was a huge rally here at the Legislature, which I understand was orchestrated by then opposition members, the members of the Conservative Party, in opposition to the rate increases in Autopac. So it is quite interesting that in 1988 we saw people rallying against rate increases and, as I say, my understanding is it was orchestrated, and lots of effort went in to make people aware of increases. When you look at the increases that we have had then and what we have now, these increases are quite substantial. Now, the government says that the

increases are 4.1 percent. This is an increase of 2.1 percent in general increases and 2 percent to build up reserves. What the government has forgotten are the many, many other increases that have come along the way, this coming from a government that says they do not increase taxes. What this government has done is increase many fees which have resulted in really an increase in tax, an increase in revenue.

One of the increases is the increase to the driver's licence fee, a \$10 increase which has been across the board on all driver's licence fees whether you have a good record or a bad driving record. We also have an increase in MPI's collision deductible, from \$400 to \$500. But, Mr. Deputy Speaker, the one increase that has upset a lot of people, people in my constituency, but more so people who live in the city of Winnipeg and larger centres where there are more car thefts, is a \$500 deductible that you have to pay when your vehicle has been stolen. It does not matter whether you have protected your vehicle, whether you have locked it up, if your vehicle is stolen, it is the victim who is then charged a \$500 fee. This causes serious concern. We try to encourage people to protect their own vehicles, but under what is happening under this government, it is a tax grab. Those people who have, through no fault of their own, lost their vehicles are being punished.

This bill deals with a very, very small section of The Manitoba Public Insurance Corporation Act, but the Manitoba Public Insurance is now a no-fault system and, as many speakers before me have indicated, we support the concept of no-fault, but there are many problems with the system right now that we hear about that we have to take steps to improve.

One of the issues that I hear about is the fact that there is no compensation for homemakers, for example. People who do not have a wage are now having difficulty because there is no compensation for them. I think that those issues have to be looked at. We have to look at ways to improve the system and have better compensation. By no means are we saying that there should be a change to the no-fault insurance. What the government should be doing is looking at the Saskatchewan model, because the Saskatchewan model that they brought in for no-fault insurance is much more progressive than the one we have here in Manitoba. The government here in Manitoba could learn from it

and put in place the necessary amendments that would allow for better coverage. The government should look at many of the amendments that were put forward by my colleague the member for Brandon East (Mr. Leonard Evans) who is very knowledgeable on the no-fault Autopac insurance. Many of the amendments that he put forward during the time of the introduction of this bill would enhance Autopac insurance and make it a better system than what we have at the present time.

\* (1110)

Our biggest concern is that although this government indicates that they are not increasing taxes, rates have increased tremendously. I wonder whether the government might have another agenda here, and that is that you raise the fees to a level where it is then very expensive and people start to complain enough so that the government can proceed on their agenda, which we have seen in Manitoba Telephone and hints of in Manitoba Hydro, and that is to privatize Autopac. We were opposed to privatization in Manitoba Telephone, as was the public, and I can assure you that Manitobans do not want to see MPIC privatized either. They want a good insurance program.

**Mr. Deputy Speaker:** Order, please. I hate to interrupt the honourable member. I would like to remind members of the Chamber that there are microphones that are live in the House, and it might be a little hard for Hansard to pick up the full comments of the member with some of the conversations that are going on.

**Ms. Wowchuk:** Thank you, Mr. Deputy Speaker.

I was just saying that I think that we have to be very mindful of what the government is doing here, and when you increase rates to a point where the public becomes dissatisfied, then it gives the opportunity for those people who have always been opposed to public auto insurance to start to push to have the private sector take over sections of it, and that could be part of the government's agenda here.

We saw the government move to privatization of Manitoba Telephone even though the public did not want it. We see that under the legislation that they are

putting forward they could be moving towards privatizing Manitoba Hydro, and if they continue to raise rates and gouge the customers under Manitoba Public Insurance we could see pressure coming from people to ask for privatization, and I think that would fit into the government's agenda of privatization. It is not a concept we would support, and it is certainly one that we would oppose very vigorously.

With those few comments, Mr. Deputy Speaker, I have to say that Autopac is a good program, but there is no need for the rate increases, particularly since it was this government that in 1988 so vigorously opposed increases to Autopac rates. Again, I want to say that we have to work to improve Autopac and no-fault insurance, so that it is the best possible insurance program that we could have for those people who are unfortunate enough to be involved in auto accidents. Thank you.

**Mr. Steve Ashton (Thompson):** Mr. Deputy Speaker, indeed I would be remiss as the critic for MPIC if I did not put a few words on the record, and I want to apologize for not being in my seat. In fact, this pause was again my other role as House leader, so my apologies for anyone who is trying to follow these comments, but, you know, sometimes we do have various roles in this Legislature.

I am very pleased to be the critic for MPIC, Mr. Deputy Speaker, because I believe fundamentally in public automobile insurance. I will say to anyone, and particularly to those that are still talking about privatizing MPIC, and the insurance brokers of Canada who have been organizing a lobby, I say that I think one of the best innovations we have seen in this province in the last 30-odd years, a very courageous innovation, was the decision by the then Schreyer government, which, by the way, was a minority government, to bring in Manitoba Public Insurance.

By the way, I want to note, and I know the member for Lakeside (Mr. Enns) will remember this, the Conservative members of the day, they came into the House wearing black armbands. The member for Lakeside, by the way, I do not know if he wore one or not, but I know him well and I respect one thing, is that he is the traditional Conservative. He supported the second reading on the natural gas bill in the '80s,



because he believes in public ownership, and I respect that.

What was interesting about this, I had an interesting discussion recently with Herb Schulz who worked with the government at the time, and he was in the gallery, and the member for Brandon East (Leonard Evans) will recall this. People forget that this was a minority government. People often remember the role of Larry Desjardins, but there was another member, Gordon Beard, who made the decisive vote. What was interesting about the speech he gave was that Gordon Beard was a former Conservative member. He quit in 1969.

Joe Borowski was elected in the by-election from the then Churchill constituency, but in the newly constituted constituency he ran and was elected as an independent in a very close four-way race. What is interesting, if you look at what happened, was apparently no one knew how he was going to vote, and he stood in the House and said that he was not favourable to public automobile insurance initially, but he said, you know, there were people in the lobby group fighting against MPIC. It is an investigation into Gordon Beard. They figured they wanted to get his support. They had to find something on him. So first they went to his friends, then they went to his community to see if they had anything on Gordon Beard. And Gordon Beard said, basically, even though he was originally inclined not to support public automobile insurance, if that is the way the private insurance companies were going to operate, he would support Manitoba Public Insurance. What an interesting—

**An Honourable Member:** I did not know that.

**Mr. Ashton:** I did not know this myself. I did not know this myself until I talked to Herb Schulz, and it is interesting because Herb Schulz was working with the government at the time, and, by the way, he was very active in the most recent fight against the Manitoba Telephone System, the sale. I find it interesting because I say this to the insurance industry. I hope they have learned, but when I hear that the insurance industry today is polling and lobbying and trying to get—and, by the way, they are taking a very principled approach. They want to privatize only the profitable

part of MPIC, but they have another alternative, and that is if they are not going to get it privatized, they will be quite happy if the commission rates under MPI are tripled or quadrupled.

I say to the insurance industry, and I say this on the record: let us talk about principles here; let us not talk about this type of approach. I realize that indeed many people would benefit from the privatization of Autopac just as they are today with MTS, but, Mr. Deputy Speaker, every study I have seen shows that we have the lowest, maybe along with Saskatchewan, amongst the lowest automobile insurance rates, and it is because there is an immediate 25 percent to 30 percent saving under Manitoba Public Insurance—25 percent to 30 percent.

What is interesting—and I go back to the debate that some members sat through—the argument initially for automobile insurance was partly that of rates, but there was the other argument as well. I believe the then member for Inkster, Sid Green, was one that used this argument, and I am sure the member for Brandon East (Mr. Leonard Evans) did, but I remember at the time that it was pointed out that, when you had insurance companies from outside the province collecting premiums, the money went out of the province.

If you look even in the report of the Manitoba Public Insurance Corporation, MPIC is one of the major investors in Manitoba. [interjection] Exactly, a pool of investment dollars for municipalities and hospitals, and I just contrast that to MTS. You know what has happened since MTS has been privatized? The majority of the shares now are held outside the province.

Think about what that means in terms of money, in terms of the profits flowing out of our communities. I mean, 50 percent of the profits from MTS will now basically go to institutional investors based outside of this province, and it will be even worse with MPIC, because MPIC not only keeps the profits, if you like, from the automobile insurance, but it has that pool of money that is there that is invested. It earns a rate of return for Manitoba Public Insurance, so we benefit by lower rates, and the municipalities, the hospitals, our public sector has a source of funds. It is a source of funds in which they basically are borrowing from

Manitobans. I mean, what could be better for the economy than that?

\* (1120)

Now, I want to put those comments on the record because I am always worried about the future of MPIC, and I always will be because I know that there are members in the insurance industry still in the small group of people that benefited from the sale of MTS, who know there is a lot of money to be made if MPIC is sold off. I mean, the brokers will buy more Jaguars and Porsches.

I remember the song from the '60s, Lord, won't you buy me a Mercedes-Benz. Well, I guess it is Jags and Porsches now. There are people that will benefit in the same way that before the sale, before the establishment of public automobile insurance, there were people that benefited, too, and I thought what was interesting was the compromise—[interjection] Well, we are trying to make amends for the actions of this government on the Manitoba Telephone System. I look back on the philosophy of the day and the historic compromise, because I believe that the government of the day went out of its way to be fair to the people in the insurance industry, way out of their way.

They did not set up a system of public automobile insurance where you could only buy from Autopac. There are many agencies today that built their business around Autopac, and I think that was a reasonable compromise. I know there were people at the time, I think Larry Desjardins was very much a part of that compromise and people within the caucus. I think we are a model for that. I say to the insurance industry, that was an historic compromise. I would urge them to accept that compromise. I would say, please, do not lobby behind closed doors to sell off our Manitoba Public Insurance Corporation, because if you do, you will have the wrath of the people of Manitoba upon you like you have never seen before.

**Mr. Leonard Evans:** Even Sterling Lyon.

**Mr. Ashton:** Well, I am reminded by the member for Brandon East (Mr. Leonard Evans), and you know I must apologize, as a New Democrat, for saying this, but recently I am finding myself constantly starting

sentences comparing this government to the Sterling Lyon government by saying “even the Sterling Lyon government.”

The Sterling Lyon government with their acute, protracted restraint, I thought they basically set the stage for a lot of the kind of right-wing policies that actually became in fashion in the early 1980s in many areas. You know Sterling Lyon looked at Autopac. I think a lot of people wanted to sell it off, but even Sterling Lyon said, no, it will not be sold off. I think when you look back on it, the members of the NDP opposition at the time had a significant part of that. I remember speeches made in this Chamber that, you sell it off; we will buy it back. You know, the road from Winnipeg to Toronto is just the same length as the road from Toronto to Winnipeg.

**Mr. Leonard Evans:** He was going to, but eventually there was such public opposition including the agents and the body shop people.

**Mr. Ashton:** Well, exactly. What is interesting, I am advised, Mr. Deputy Speaker, that again what a difference, even Sterling Lyon who wanted to sell off MPIC did not do it because the public said no. I contrast that with this Premier (Mr. Filmon) when 78 percent of rural Manitobans, two-thirds of Manitobans generally—by the way, by the end of the debate, probably 80 percent of Manitobans wanted MTS to remain in public hands. What did the Premier do? He ignored them, and I will not get into that debate on this bill, but you know, what a contrast.

I want to focus in on what has happened in recent years with Autopac. First of all, no-fault, and this is relevant in discussion in this bill because we attempted at committee to bring in some of the amendments that were brought in by the member for Brandon East (Mr. Leonard Evans) to improve no-fault when no-fault was originally brought in. You know, we have a system in place where we are supposed to get the lawyers out of the picture, but I had MPIC confirm in committee that they routinely use lawyers at the Appeal Commission.

I still look to the member for Riel (Mr. Newman) because I believe we may not have the same approach on this. By the way, I am not criticizing lawyers, but he

knows, as I do, that no-fault was intended to get the courts, the adversarial aspect, the tort system out of the picture. You know when MPIC has lawyers present and people do not have an advocate on their behalf, it is not a balanced system. It is not just. I say that because I think in the committee we may not have the same agreement in terms of where to go from here, but I think it was a consensus, and I include the minister. I mentioned the member for Riel because he did make some comments, particularly to many presenters who urged that there be an advocate, there be a more balanced system. I say that that is the clear message from a lot of claimants.

What is interesting is every person I have talked to, when you are Autopac critic, I can tell you one thing, and the member for Brandon East (Mr. Leonard Evans) will know this, and I know members on the opposite side who have been either Autopac minister or Autopac critic, you get a lot of phone calls from people who have had problems with their case. Now I look to the member for Brandon East. Would that be an understatement? I mean you get phone calls from people. What is interesting, I had a lot of people who have said to me, you know, I can fight my case on its merits, but the unanimous agreement of every single Autopac victim I have talked to is they want an advocate who knows the system, that is on their side, just like we have with workers compensation.

**Mr. Leonard Evans:** Advocacy, consumer advocacy. That is what we need.

**Mr. Ashton:** Exactly, as the member for Brandon East (Mr. Leonard Evans) talks about in terms of consumer advocacy. You know a lot of people go through a lot of pressure and stress because of the fact there is no advocate. They have to fight and learn the system themselves, and it is a very confusing system. I want to put on the record, too, that we have gone from \$197 million in payments for injuries down to about \$103 million since no-fault came in. There has been a dramatic drop. While some of that may be in savings and legal fees and court costs, there has been a real drop, I would say, in the range of \$30 million to \$40 million of benefits going to average Manitobans.

**An Honourable Member:** We are driving better.

**Mr. Ashton:** The member for Lakeside (Mr. Enns) says we are driving better. There is an element of that. I fully support measures that prove it. The member for Lakeside talks about changes in attitudes. I agree with that. The basic thing is no-fault itself has cut benefits. I believe it has cut them too far. I am prepared to sit down with anyone to show people, particular cases of people, who I believe are not getting decent benefits, decent treatment.

I believe we need a balance back in the system. I believe the way to get the balance back in is one, have an advocate; and two, look at some of the amendments again brought in by the member for Brandon East (Mr. Leonard Evans) that will improve the fairness of the benefits package. I remind people, when you take things out of the court system, people do not have a recourse. They cannot go and appeal it in the courts. They cannot appeal the justice system, so I think you have to be doubly and triply careful to be fair.

I have the said the same thing on Workers Compensation. I believe that this government is running a surplus in Workers Compensation on the backs of injured workers. I remember the bill that was brought in 1992-93, when they cut back significant benefits. I was the critic, and I said that is what would happen. I say to you, Mr. Deputy Speaker, I think that is shameful. I do not want to see Autopac end up the same way. I do not like seeing Autopac having a \$43-million surplus this year when we have seen cuts and injury payments to people who have been injured.

The minister at times says he is concerned about the ratepayer. I want to remind people that people who are injured in automobile accidents are ratepayers, too. Many of them—some of course are noninsured victims. I have talked to people who had their lives dramatically changed. I want to remind people too that many of these accident victims, it was not their fault. I am not saying you do not cover where it is your fault, but people being hit in an intersection by somebody running a red light and then finding themselves having to deal with that after.

By the way, when it came to the bill that allows the police to have cameras at red lights, I tell you from my own personal experience, I believe fundamentally in that. I have seen so many drivers in this city who run

red lights. I see people pulling out of intersections and cars going through when the light has been green for five, ten seconds. I have heard some people say, well, maybe you are going to catch them, it was just a little bit late, you know. I am prepared myself, even risk sometime maybe I will get a ticket. I try to be careful with red lights. But if we can crack down on the people who abuse the system that is in place and are a danger and a menace on the road, I agree with it.

By the way, I do not want to say we have the worst drivers in the world in Winnipeg. Believe you me, I have been in places—I could get in some trouble here on my wife's side—well, Greece is one place where it has got the lowest suicide rate in western Europe. You do not need to worry about a suicide rate when you have what happens on the road. Believe you me, there is a different sense of things and the member for Dauphin (Mr. Struthers) knows of what I speak. I hear people saying how bad Winnipeg drivers are, I do not think Winnipeg drivers are perfect. I am just saying they could be better.

\* (1130)

Now, I want to talk about some constructive suggestions here too, because this is one area where Autopac is acting. The other area is in terms of theft. Now, there was a 20.3 percent increase in thefts. In fact, I believe 15 percent in terms of number of car thefts just in one year alone. Since 1991, the last five, six years, we have gone from about 3,000 some-odd number of thefts to close to 10,000. I say to the minister and to the government, you were wrong to bring in the deductible on auto thefts. I think you are wrong and I will tell you why.

I want to make a suggestion, because I heard the minister say there are people who leave the keys in their car, do not lock their car. I want to say I come from a small community, and I will tell you, in Thompson a lot of people do not lock their doors. When you have only got one road in—well, two. You either go south or north on the road. Car thefts are not quite the same sort of problem, because if someone steals your car, they either have got it in town, or they are going to head out on the highway north, or they are going to head out on the highway south. It is usually

pretty easy to spot someone if that happens, but, even in our community, if we understand that we have to lock our cars but we will not be charged the deductible if there is theft, then I even look, when the weather is cold, sometimes you have to leave your car running. I mean, there are reasonable cases. I am willing to accept if there is a deductible for theft because I left my car running and someone steals it, because I made a conscious decision in that case that may have impacted on the security.

I say to the minister, I would urge the minister to do the following: If you are not going to get rid of the deductible in its entirety, apply the deductible in cases where people have not had appropriate security, or even go one step further. If you are not willing to do that, I would suggest the following: there are various devices out there such as the Club, alarm systems. What I find interesting is, it does not matter whether you install a system like that, it makes no difference on your rates, nor does it impact on the deductible. I would suggest you say to Manitobans, I will make you a deal. Keep your car locked, do not leave it running, buy some sort of security device, and you will not get charged a deductible on your Autopac if your car is stolen.

Think about it. I realize there is a revenue cost here. This deductible is going to raise money. I just want you to think about it for a moment, because I think in the long run this will save a lot more money than the deductible. The problem with the deductible is, it is a revenue source, but it gives no incentive to any Manitoban to take any action to prevent theft, I believe—I mean, not a direct enough one.

A lot of Manitobans are getting their cars stolen when they have locked it, when they have got—even with a Club, there are cases where that can happen. But every situation you look at shows that car thefts can be prevented. You are dealing with two kinds of car thieves. One is the sort of car theft rings; the second is the joy riders. The joy riders, I believe, you can deal with by having minimal security in place, including the Club and other things. These are not people that are out to be part of an organized car theft ring. They could be kids getting in trouble. I think it is wrong what they are doing, but if you can just help stop them from doing it, that solves the problem.

I would suggest to the minister, run an analysis on that. Think of it this way. If you eliminate the deductible, if people, say, buy the Club or something, you know, you could have approved security systems and devices. First of all, what you are going to do is, people are going to pay it out of their own pockets. I would buy one of them. I would buy an alarm system if I had a car worth protecting to that degree.

I would suggest that sometimes you can promote positive behaviour. I believe the current system on the deductibles punishes victims. We have members of our caucus who have had cars stolen. The member for Burrows, I think, has had his car stolen twice.

Mr. Deputy Speaker, if you look, a lot of it depends on where you live in the city. That is also what is unfair about this. There are certain areas of the city that have been hit more by car theft than other areas of the city. It is a simple fact of life. There tends to be a correlation when you have a lot of unemployment and poverty and social problems in an area, you tend to get more crime.

I say, what you are doing is if you say a blanket, you are charged the deductible, you punish a lot of people who are the victims and are victims for no other reason than the fact they live in an area where there is a higher crime rate.

I think car theft is one of the most solvable crime problems that we have in Manitoba today. We start, I think, by saying to everyone, we will make you a deal, and I think most Manitobans, by the way, given the choice of paying this deductible, the full deductible now, would gladly buy into the security system. I say that because we are often accused in the opposition of being critical, but I want to put that forward as a suggestion. I want to say to the minister that, if he brings in anything that involves not charging the deductible to those who take proper caution to protect the security of their vehicles, I would say, we will fully support it 100 percent, and I want to put that on the record.

(Mr. Edward Helwer, Acting Speaker, in the Chair)

I want to move on to the issue of rates just briefly, because I find it interesting that—I want to comment

Merv Farmer, who is well known to people who read rural newspapers, but I think he is on to something here, and also Charles Phelan, who writes for CAA. As a CAA member, I receive it on a regular basis. I found it interesting. They are both saying the same thing. This is how you have to be careful when you talk about these blended rates. What rates are going up? What is the real increase? A 2.1 percent increase, as Merv Farmer points out for a general increase, 2 percent to build up the reserves—4.1 percent. I give Merv Farmer credit. You are not going to pull any wool over his eyes.

A lot of Manitobans are seeing it, too. What about the driver's licence fee increase of \$10? What about the increase in the deductible from \$400 to \$500? What about the deductible? He points to the deductible. You have to pay someone—I like his term here—when some jerk steals my vehicle. Exactly. I sympathize with him. This is addressed to the minister. He says, Mr. McCrae, the real increase is closer to 9 percent, rather than the 4 percent that is being sought. Nine percent.

What Merv might have wanted to add is we are paying more for less, not just in deductible coverage. I pointed out earlier that Manitobans today are receiving significantly less in the way of benefits. We are paying more money for less coverage. It is interesting, Charles Phelan had very much the same approach. The Manitoba government says 4.1 percent. CAA Manitoba says 8.9 percent. Now this is the day when inflation is running at one and a half percent, I believe, 2 percent.

**Mr. Leonard Evans:** 2.4. It has been 2.4 and 2.5.

**Mr. Ashton:** Mr. Acting Speaker, 2.1 to 2.4. I look at the member for Brandon East, who is our expert on economic statistics, a one-man statistical bureau.

**Mr. Leonard Evans:** I am just looking at the population slowdown in Manitoba.

**Mr. Ashton:** He is working on the population slowdown in Manitoba. So I am looking forward to the next edition. I think we should, at one time, collect all of the member for Brandon East's economic analyses. I think we could have a book that covers sort of the

economic history of Manitoba, the statistical economic history.

Mr. Acting Speaker, 8.9 percent. They point to the same issues. I really think that the minister should listen. In fact, CAA Manitoba has raised this, I believe, with the minister. It pointed to the fact that PUB legislation creates results that are misleading people rather than protecting Manitobans, and urged an amendment so that all components of automobile insurance increases can be subject to scrutiny.

Now, I am encouraged. You know what the minister said? I do not want to put words in his mouth, but Charles Phelan is saying that the minister has acknowledged that CAA Manitoba has a point. Combining the impact of rate changes that equate to an 8.9 percent increase could certainly create some confusion for the motorists of Manitoba, since they will be anticipating an 8.9 percent average increase in Autopac renewal notices, which is not an accurate reflection of the application that was filed.

The minister, I think, has gotten the point, but what we need is some action. We need some action. Mr. Acting Speaker, 8.9 percent increase. I will tell you, if you have a motorcycle, you would be happy to have an 8.9 percent increase, believe you me. By the way, and I want to ask, and I am sure the minister has been getting some rather pointed comments, one of the concerns I have had, and I have no conflict of interest, I used to have a motorcycle, I suppose, at one time, so I have some sympathy for the many motorcyclists in this province.

\* (1140)

One of the reasons I have stopped riding a motorcycle is the number of times where I was involved in minor accidents or near accidents. It could have been serious, where it was no fault of my own. When you are riding a motorcycle, one of the problems is that a lot of motorists do not see you. I have had cars pull out in front of me. I have been hit by cars going into passing lanes. This was not a huge bike, but it was a standard motorcycle. One of the concerns that many motorcyclists have, and I think this is legitimate, is you have to look at how many accidents of current motorcycles were the fault of motorcyclists.

I think it is unfair to say, well, it cost Autopac so many million dollars a year to repair motorcycles, and they are hard to repair. They can be totalled very easily in an accident. The injury claims can be higher. Let us not forget we do have mandatory helmet legislation, so motorcyclists are using that, forced to use that precaution in this province, like other jurisdictions, brought in by the NDP government at the time. There was some debate on it. At the time, I was skeptical myself if it would have any benefits, but there is still some running debate on that. What I am saying is motorcyclists have to wear helmets, take precaution against accidents. I do not think it is fair to apply the full cost of all the motorcycle accidents, including cases where they are not at fault, where it is the car driver. You get a car hits a motorcycle, more often than not the motorcycle will be totalled, the car will have a few dents. So on the books it looks like it costs Autopac more money for the motorcycle insurance, way more than it does for the car. I say to you, Mr. Acting Speaker, in reality it is not the fault of the motorcyclists.

I really think the kind of rate increases we are seeing, especially the last number of years, and I assume there will be further rate increases because Autopac is still saying it does not get its full coverage on this, I think those are too high, and I think they are unfair.

I am seeing increasingly a lot of people with motorcycles are selling them and are not even insuring them because, given the short nature of the season here, the length of our winter, a lot of people say, what is the point? In my own community in Thompson I used to have a motorcycle; I ran it about four months a year. That is about the maximum time you can run it. Once the ice is on the roads you do not want to be out on a motorcycle, believe you me.

But what I am saying is, I do not think that is a fair situation. I have said this in the House, I will say it in committee, I say to the minister, listen to the motorcyclists. Sit down, run a new analysis and make sure that they are not paying for accidents that are not their fault that are caused by car drivers. Apply those charges to the car driver. One thing I have always supported, by the way, is a system that rewards good drivers and punishes those who are not. I have written to the minister on this, and I know there has been an

ongoing review of the merit system. I think it has to be updated. There are various anomalies in the system. I think sometimes we do not apply the right penalty. We have this system of no accidents within a couple of years and various demerits, and once you get into having merits—and I have not always had merits, by the way. I do now, and I see the difference. It is positive. But I think sometimes there is an imbalance in what people are punished for.

I think, for example, Mr. Acting Speaker, that if you happen to back up into a telephone pole in your back alley, I do not think that should have the same weight as some of the driving offences.

**Mr. McCrae:** If you do not like my driving, stay off the sidewalk.

**Mr. Ashton:** The minister responsible for MPIC (Mr. McCrae), I assume he is not talking about his own driving philosophy.

**An Honourable Member:** Yours, I thought.

**Mr. Ashton:** No. What I am saying is, I do not think you treat someone who backs up into a telephone pole in their backyard the same way as someone—I mentioned about the red light runs. The sad part with the camera is that you cannot nail the driver. You know, the camera for running a red light picks up the vehicle, and there are going to be no demerits attached to that. That should be noted.

(Mr. Deputy Speaker in the Chair)

I mean that is the ironic part. With all the fuss about the photo radar, photo radar does not attach a demerit. That is one of the reasons I understand the rationale with the level of fine for running the red light. It is a technical thing. You cannot prove who was in the car at that time accurately. And I would rather have that than nothing, but what I am saying is, I think if someone runs a red light, those are the kinds of people you would nail. I believe there is a percentage of drivers out there that get away with this kind of thing because you cannot watch every intersection, even with the cameras. My hope is that it will be more of a disincentive. I do not think it is going to pick up a lot of the really bad offenders unless they do not really

know where it is going to be. It could be any red light, any stop sign.

**An Honourable Member:** The police like it though, Steve.

**Mr. Ashton:** That is what I am saying, the police like it. I support that 100 percent. What I am saying is, to the minister, review the merit system on Autopac. I have written to and I understand that is ongoing, and I am prepared to sit down again in a constructive way. I would suggest on this, by the way, these are the kinds of issues that we can get some all-party co-operation on. I mean, we do not agree on some issues of principle. I think we are going to have a big debate on, say, no-fault. I hope this commission will lead somewhere. We will see. Notwithstanding my questions about the appointment that was made with some of the political connections to the government—I am concerned about that, by the way, because when the commissioner for Autopac is contributing, is making major contributions to the Conservative Party, I do not want him to be in the position of sort of sitting there saying, is this good or bad for the government? I want a commissioner who is good for Autopac victims and for ratepayers. I do not care about the government. The government in this one should take a second seat—[interjection] The minister says, that is the instruction, but you know the problem is like with the Gaming Commission. When you appoint people who are politically connected to the government, you know, they sit there, and which way are they going to look at it?

The irony, you know, MTS, your board, look at the board you appointed to MTS, which is now donating money to the Conservative Party, and look at the people on the board. Whether it went to the board or not, it is interesting, a lot of them have donated significantly to the Conservative Party. One person on the board donates \$10,000 a year, fine gentleman, makes no bones about it, \$10,000 a year from his company to the Conservative Party. I am just saying—

**An Honourable Member:** What company?

**Mr. Ashton:** It is an airline in northern Manitoba. And straight out of the company and, you know, as long as we have the system where you can have

business donations, union donations, individual donations—[interjection] That is not the point. I am not arguing against the right of people to donate to a political party but, you know, the point here is, you have got to recognize the ethical balance here. You have to have proper conflict of interest, and I just look at the Brian Mulroney government, because sometimes I wonder if Brian Mulroney is all—by the way, it is interesting that the member for Brandon West wanted to run for that party in the previous election, 1993. The Brian Mulroney government set a new standard of graft and corruption and sleaze. I find it interesting, you should have seen the Tory election polls. They were going like this, Jean Charest is going up and up and up I think Brian Pallister was booking his airline tickets to Ottawa. And then what happened?

**An Honourable Member:** I talk to Brian Mulroney every night.

**Mr. Ashton:** We get fatherly advice from Brian Mulroney.

**Mr. Deputy Speaker:** I would like to remind the honourable member that Brian Mulroney and the federal Tories have nothing to do at all with the MPIC before us today. I would like to ask the honourable member if he could be relevant towards the bill. Thank you.

**Mr. Ashton:** Brian Mulroney and the Tories have a lot to do with the style of government of this government and so on, and I think, I tell you, if Brian Mulroney is not giving fatherly advice to Gary Filmon on a regular basis, it is largely because I do not think Gary Filmon needs any. He knows the Brian Mulroney style, and we are seeing it on a daily basis. And I will get into that. I think I have gotten into it the last few days, and there is more. Just hang on to your hats. There are more. I will tell you. We will teach this government one way or the other about ethics and conflict of interest. Either we will get them to change their views and their policies on this or we will change the government. I can just say that in the 1990s this kind of conflict of interest is unacceptable.

The Autopac review, I have mentioned this, should have had someone in place that has no ties to the government. The person should have had experience

on the justice system and the legal system. The person that was appointed does not have that particular background. He used to be NDP. Now he is a Tory. I get the feeling that his more recent political affiliation had more of a factor in his appointment than his previous one. He is a big contributor to the Conservative Party, works actively in their campaigns, and that is fair, that is fine. I have even said on the record that in some cases I do not have a problem with people appointing similar minded people. All parties do it. I got a kick out of when there were more Liberals in the House, and I remember some of the attacks—

**An Honourable Member:** I kind of miss them all.

\* (1150)

**Mr. Ashton:** The member for Inkster misses them all, but you would have looked on their front bench, and then when they were on about patronage, I kept thinking, who is on the CBC board, the UIC board? I mean, of course, the ultimate was, and I respect her to this day, Sharon Carstairs is a fine woman, but you know, I must admit, when she argued that she would never, ever, ever sit in the Senate unless it was elected, ah, I guess things change, right? I have never subscribed to that.

I do not criticize most boards if I see someone who just happens to be a political friend of the government, and even the person I mentioned from Thompson, Arnold Morberg, he is president of Calm Air, gives \$10,000 a year to the Conservative Party. I do not have a problem with that. I think he is a fine individual, but you know my question on what was happening was why the new MTS is seeking rate increases and donating money into the Conservative Party, and I do think, with government reps on the board, and I think the government reps have a role to play in this.

But I get back to the whole question about where we proceed from there, and the reason I am referencing this with the commission that has been appointed to look at no-fault—by the way, that was an NDP idea. Unfortunately, they did not consult with us on who was to get appointed. I want to say to the government: I will give you a list of issues where I think you can get all-party co-operation. This Autopac case, we would have sat down and I am sure we could have come up



with a name that was agreeable to everyone. The Gaming Commission—we do this with the Ombudsman; we do this with the political offices; but I think we may want to look at having some key committees that look at who is acceptable to all parties. If you run through it, I mentioned this even with the liquor licence situation. We have seen people get on the board; in that particular case, one individual got on the board, lobbied for private wine stores, left the board before the decision was made and got a private wine store.

What does it take? We saw another person, a widow in Cross Lake applies for a licence. She gets rejected. This individual is a major contributor to the Conservative Party, gets accepted. Who makes the decision? The board. Who is on the board? People who are Tories. You do not even have to phone up. They know. Like Cubby Barrett, you know, nudge, nudge, wink, wink, say no more. That is the kind of approach that just does not wash in the 1990s.

People believe, I believe, in ethics. I think people have a good sense of what is right and what is wrong. I can tell you that what this government is doing is increasingly wrong. It is increasingly, I believe, and I have to be careful of the language that I use, leading into a situation where this government is becoming increasingly out of touch with a lot of Manitobans and increasingly beholden to some small but powerful interests in society.

I say, in conclusion, to the minister, we are disappointed; this bill could have been a significant bill. It could have improved no-fault. It could have done a lot for the province. The minister chose to bring in a minor bookkeeping amendment. He ignored the accident victims at committee, but I hope that he did listen. I heard his comments. I believe there is some sense that things may change. I appreciate the comments from the member for Riel (Mr. Newman). I say that, even though you rejected the suggested amendments, please keep an open mind. I think we can fix the system. The bottom line is we want the best publicly owned automobile insurance system in the country. We already have a good one; we can make it better.

**Mr. Deputy Speaker:** I thank the honourable member.

Is it the will of the committee to adopt the motion?

**Some Honourable Members:** Agreed.

**Mr. Deputy Speaker:** Agreed and so ordered.

**Hon. Harry Enns (Minister of Agriculture):** Mr. Deputy Speaker, I wanted to—

**Mr. Deputy Speaker:** Is there leave for the honourable Minister of Agriculture to put his remarks on the record? [agreed]

**Mr. Enns:** Pardon me, if I require leave to speak to a bill in this House, then I do not want to speak.

**Hon. James McCrae (Government House Leader):** No, no, Harry. We accidentally passed it before you—

**Mr. Ashton:** Mr. Deputy Speaker, I believe there may have been some confusion. I think we did not pass it. I think the member was rising to be—I would suggest that we—it is not a question of leave. I think we just make it clear on the record that it had not passed and that the member for Lakeside (Mr. Enns) be the final speaker.

**Mr. Deputy Speaker:** Agreed. In that case, I erred when I passed the motion. I had not recognized the honourable Minister of Agriculture to speak on the motion.

The honourable Minister of Agriculture, to speak to the motion.

**Mr. Enns:** Mr. Deputy Speaker did err because it is so inconceivable that when on bills that perhaps government members, members on this side, wish to make a contribution, it is taken for granted they will not. That is practised every day by our pages when they do a vote. They assume that everybody votes by the Whip. If occasionally somebody else votes differently, the pages routinely fail to notice that because of the kind of politicization that we have allowed to take place in this debate.

I wanted to make a few cogent comments that this bill allows me to make. I was there when Autopac was born. I give the NDP government of the day a great

deal of credit. It was a very courageous act. I am sure those—if the member for Brandon East (Mr. Leonard Evans) was here, it was a crucible of fire that that government went under. Certainly one of the most controversial pieces of legislation that I have lived through during my years in this House.

I want to allay the member for Thompson's concerns, though, about when he still stands up now in 1997 and speaks about and puts on the record ongoing concerns about the future of Autopac. He is quite right. The Sterling Lyon government came in eight years later, and I can remember very well the then general manager, a very capable gentleman by the name of the late Mr. Dutton brought in from Saskatchewan with experience from the Saskatchewan corporation. By the way, it reminds me of a feature of the early years of '69 and '70 of the then government. There were more Saskatchewan licence plates around this building as that government reached out for capable managers and directors, friendly managers and directors. I had the greatest respect for Mr. Dutton, and it was my privilege to be the first Conservative Minister responsible for Autopac.

I can remember Mr. Dutton telling me, Mr. Minister, he says, if Autopac survives a Conservative administration, Autopac will survive for a long, long time. He read the politics of it because certainly as the member for Thompson (Mr. Ashton) puts on the record, there was a great deal of opposition from us at the time of the bill. There was a great deal of opposition in the general public whether it was orchestrated or not. I believe it still is the largest crowd of protesters that this building has seen, and you can say it was orchestrated by the insurance industry. It, no doubt, was to a larger measure, no differently than if there is a labour issue, organized labour orchestrates, you know, people in front of this building.

It is also true, it is also true, Mr. Deputy Speaker, that the Sterling Lyon government initiated a very major study and report, the Burns report, and spent considerable money on it, brought in a heavy-duty guy from Toronto or Vancouver—I forget what his address was. There was, of course, concern. The commissioner studying the report, I think in reading perhaps not correctly but thinking about, well, maybe there is a

way that we could return Autopac automobile insurance back to the private sector—the honourable member says Sterling Lyon said no and, of course, he was the Premier who did say no. I want to put on the record that I said no, as well, but more importantly the caucus and the majority of the cabinet that I was part of said no.

So, Mr. Deputy Speaker, what I want to say, what this allows me to put on the record for is that when governments do things right, by and large, that will stand the test of time. Autopac has proven itself as a means of insuring Manitobans in a public way that it has now withstood the changes of several governments of ideological differences. Honourable members say to us today that when they get re-elected, as they perhaps some time will, that they will nationalize the Manitoba Telephone System. I will prophetically tell them that they will come to the same conclusion that the Sterling Lyon government came to and will not do that, because that action was timely, was right by this government for all the right reasons and will stand the test of time. What we should be doing is what he said is to help make Autopac an ever better—

**Mr. Deputy Speaker:** Order, please. Is it the will of the House that the Speaker not see the clock at this time? Leave? Leave has been granted.

**Mr. Enns:** I want to align myself publicly with the comments made by the Leader of the Opposition (Mr. Doer) and the member for Crescentwood (Mr. Sale)—is it?—and the member for Thompson (Mr. Ashton). I am concerned about what actually has to be termed as a crisis with respect to auto theft and how that is being transferred to the innocent victim. I really think, and I speak directly to my colleague who is relatively fresh and new in his assignment with respect to Autopac, that is a worthwhile recommendation coming from members opposite and from all of us, to some extent, to look at the crisis proportion of auto theft. I am not familiar with the numbers, but I accept them as they are being put on the record whether it is they have risen dramatically from 2,000 to 8,000 to 10,000.

I am deeply disturbed at what I hear that in some instances it has become kind of a passage of right in some of our youth gangs that you have to go out and

steal X number of automobiles to kind of become a charter member of the club. Then we should be doing something that No. 1 does not penalize the innocent victim, particularly the elderly, and we should be examining some way of doing it. Thank you very much, Mr. Deputy Speaker, for allowing me to do it.

#### **House Business**

**Hon. James McCrae (Government House Leader):** Mr. Deputy Speaker, I would like to have leave, too, not to see the clock, long enough to announce that the

Standing Committee on Rules of the House will meet this afternoon at 4 p.m.

**Mr. Deputy Speaker:** The Rules of the House committee will meet at 4 p.m. this afternoon. Thank you.

Is it the will of the House to adopt the motion? Agreed? Agreed and so ordered.

The hour now being around twelve o'clock, I am leaving the Chair with the understanding that I will return at 1:30 p.m.

# LEGISLATIVE ASSEMBLY OF MANITOBA

Thursday, June 26, 1997

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