

## THE LEGISLATIVE ASSEMBLY OF MANITOBA

8:00 o'clock, Tuesday, June 9, 1970

INTRODUCTION OF GUESTS

MR. SPEAKER: Before we proceed, I should like to direct the attention of honourable members to the gallery where we have with us students from Windsor School which is hosting two schools, one from Birtle and another from Melita. There are 55 students in that group, of Grade 6 standing. They're under the direction of Mr. Fraser, Mr. Myrick and Mrs. Turner. Windsor School is in the constituency of the Honourable Member for St. Vital, Birtle School is in the constituency of the Honourable Member for Birtle-Russell, and Melita School is in the constituency of the Honourable Member for Arthur.

And we have tonight the Second Transcona Scout Troop. There are 20 boys in that group under the direction of Assistant Scout Master Stewartson. This Troop is in the constituency of the Honourable Minister of Labour.

On behalf of the members of the Legislative Assembly, we welcome you here this evening.

The Honourable House Leader.

CONCURRENCE

MR. GREEN: Mr. Speaker, we want to continue with the debate on the motion of the Honourable the Minister of Finance, which is being held in the name of the Honourable Member for Rhineland. Resolution No. 80.

MR. SPEAKER: Are you ready for the question? The Honourable Member for Rhineland.

MR. FROESE: Mr. Speaker, last night prior to adjournment I was speaking on the motion of having the government provide greater support to Water Control and Conservation in particular to drainage and flood control. I did mention several things. I complimented them on some of the work that has been done, especially in my region on the Hespeler and other drains. I also expressed the need for some action in connection with the area around St. Jean and Arnaud which has been flooded now two years in succession and previous to that, and certainly this is a problem that needs to be looked at and something to be done about it as well.

I also mentioned or suggested that probably some of the reserves that are being built up in the Crop Insurance Fund be made available for this purpose, because if we're going to have claims each year on the Crop Insurance Fund as a result of poor drainage I think it would stand to reason that some of those monies could be used for this purpose and correct the situation so that henceforth we need not have those exorbitant claims from that area.

I also mentioned the matter of the ARDA and the FRED programs and whether any changes had been made in these programs for the coming year. Normally in other years we do get an outline from the department, from the Minister as to what is to be brought forward and what is to be done in the current year. Since we did not deal with those estimates we haven't received this this year and I am sure if he could enlarge on it this would be very much appreciated by members on this side of the House. And also whether there is any revision in any of the ARDA programs.

Then too, we note from the Finance Ministers' conference that the shared programs, some of them might be in doubt or at least that they could be curtailed in the future to some extent. I hope that this does not come about, that the Federal Government sees fit to provide us with the necessary funds so that these programs can continue. Certainly when we take a look at the road program in Manitoba and then the drainage program, that the drainage program, the part that the Provincial Government spends on it amounts to roughly only ten percent of that of the road program. I feel that we can spend more on drainage because this has always been my pet subject in the House, I feel that we are missing out in Manitoba by not doing more on drainage and saving the soil, saving the fertility and also that good crops can be maintained over the years.

The matter of the Pembina Dam has already been mentioned by the Member for Manitou. Here again the Minister has commented on it, but I'm just wondering whether the studies that were made by the International Joint Commission, whether the matter of flood control and recreation were not under-rated at that time, because we find that the United States, especially

(MR. FROESE cont'd.). . . . the State of North Dakota, has made special representation to their Federal Government to have their part implemented and that they're placing much greater emphasis on the Pembina as far as flood control is concerned than ever before. And since also a few years ago when the North Dakota government was considering this, this was very high on the list. I think out of 80 or 81 projects the Pembina had third priority, it was right on top, and I feel just because of the high interest rates that we currently have should not deter us completely in bringing this matter forward. It holds a lot of promise and certainly a lot of value in connection with water supply. We need the water, we can put it to use and if we don't do something about it, it just causes trouble because of flooding and is costly because of the flooding that it does otherwise. The Pembina is a contributory to the Red and I think if I stand correctly on it, it provides something like eight percent of the flow of the Red, so if this could be eliminated, if the water could be held back during the spring, certainly this would be of great value to the situation and henceforth as a result would also eliminate flooding to a great extent. Then too the towns of Altona and Gretna are using water from the Pembina, from Neche it is being piped into Manitoba and certainly if we did have a dam or two on the Pembina this means that fresh water, new water could be let down the drain so that these towns could be provided with a better water supply and not have it go stale during the winter months as it now does.

I think the resolution as it stands -- I recognize that the present government is increasing the amount that it's spending in connection with this project and with this program and I compliment them on it, but even then I feel that we still need greater emphasis on it and I do hope that the government gives consideration to this and that we might have an explanation on the ARDA and the FRED program this year.

MR. SPEAKER: The Honourable Member for Arthur.

MR. WATT: Mr. Speaker, before you put the question, I wonder if I could ask the Minister a couple of questions?

MR. GREEN: Mr. Speaker, on a point of order, I don't believe that there is any provision within the rules of debate whereby the procedure now being adopted by my honourable friend is permissible.

MR. FROESE: Can I not appeal to the Minister to give us some information on the ARDA program?

MR. GREEN: Mr. Speaker, with leave of the House and without exhausting. . . .

MR. FROESE: You don't need leave. No, this is a formal motion.

MR. GREEN: Well, Mr. Speaker, I will answer with leave of the House, but I will not get up today.

MR. FROESE: Mr. Speaker, on a point of order. He has not spoken on this motion. Certainly he can. . . -- (Interjection) -- No. This is a special motion before the House now.

MR. SPEAKER put the question and after a voice vote declared the motion lost.

MR. CLERK: XIII. Resolved there be granted to Her Majesty a sum not exceeding \$14,739,500 for Municipal Affairs, Resolutions 81 to 91 separately and collectively for the fiscal year ending 31st day of March, 1971.

MR. SPEAKER: The Honourable Member for La Verendrye.

MR. BARKMAN: Mr. Speaker, I beg to move, seconded by the Honourable Member for Ste. Rose that while concurring in Resolution No. 81, this House regrets that the government through its financial policies has failed to take into due consideration the added burdens placed on local administrations.

MR. SPEAKER: The Honourable Minister of Finance.

MR. CHERNIACK: Mr. Speaker, on a point of order. I haven't seen the resolution yet, but it seems to me that the wording is extremely similar to the wording on a previous resolution where I believe we debated exactly the same subject. Now, I'd have to go back to refresh my memory but possibly a review of previous non-concurrence resolutions would indicate I think the same subject matter. I wonder if it would be possible if we could just review previous resolutions or if - of course Your Honour would rule that the same subject can be dealt with under various resolutions. I am still fairly sure that I participated in a debate on this subject.

MR. BARKMAN: Mr. Speaker, on the same point of order, I think the Honourable Minister is referring to the Finance concurrence motion and in my opinion, I think there may be similarities but certainly the intent was not the same as that resolution in my thinking.

MR. CHERNIACK: Well, could we check that resolution?

MR. GREEN: Mr. Speaker, the resolution that is being referred to by the Minister of Finance was moved by the Honourable Member for Assiniboia and reads as follows - I'm quoting

(MR. GREEN cont'd.), . . . . from Votes and Proceedings: It says "While concurring in Resolution No. 35, this House regrets that the government has failed to shift the tax burden from the property owner to a provincial tax base as promised in the last election." The wording of the resolution before the House now is that "While concurring in Resolution 81, this House regrets that the government through its financial policies has failed to take into consideration the added burden placed on local administrations."

Now, Mr. Speaker, I would think that the Minister of Finance's point is well taken in that the member is moving this motion of regret during a debate on the Education Estimates and while it has often been the subject matter of discussion that a higher degree of the cost of education should be paid for out of consolidated revenues or in another way, still that matter of the raising of revenues does appropriately come under the jurisdiction of the Minister of Finance and his department and indeed that was the position taken by the Member for Assiniboia in putting his resolution, so had it not been put at that time, perhaps it would be in order at this time, but having been put at that time in much the same fashion, it becomes a matter of debate on a motion which was previously defeated before the House and this is the point I think that is being made by the Minister of Finance.

MR. MOLGAT: Mr. Speaker, if I may on the point of order. I do not have a copy of the resolution to which the House Leader refers but from hearing his statement of it, it would appear to me that it was a more restrictive resolution than this one. It seems to me, Mr. Speaker, that the resolution to which the Minister refers specifically talks about the shifting of the tax burden from the property owner to a provincial tax base, and the resolution now proposed is in much wider context, speaks about the failure of the government to recognize the total burden on the local administration in all its aspects, and this could mean more grants from the government, it could mean anything at all, whereas the previous one refers specifically to the municipal tax as compared to the provincial tax.

MR. CHERNIACK: Well, Mr. Speaker, on the point of order. If the interpretation of the Honourable Member for Ste. Rose is one that I understand and that is in the first one we debated the burden of local taxation, then I would assume that the honourable members do not propose to discuss the burden of local taxation in this resolution, and if that were the case, if there are other matters they would discuss not touching on the local burden of taxation, then how could I for one really object, except that as I read the two resolutions and I listened to the Honourable Member for Ste. Rose I think he was having difficulty really sorting out the differences, the distinction between the two resolutions.

Mr. Speaker, I don't propose to urge this any further. The decision of course is yours and I'm sure that we on this side will abide by your decision but I would suggest strongly that should the decision be in accord with the suggestion by the Honourable Member for Ste. Rose then you would have to see that the debate does not transgress on those subjects previously discussed which as I understand clearly is the burden of municipal taxation.

MR. CRAIK: Mr. Speaker, before you make your ruling on the point of order I think there's another factor that should be taken into account. That is that the particular member moving the resolution may in fact wish to say something specifically that he did not take advantage of in the previous amendment, and in addition to the fact that there may be some question that there are overlapping areas in the two amendments, it may well be that a great many people in the House are being ruled out from speaking on the basis that they wanted to speak on Municipal Affairs whereas the previous resolution was one under the Minister of Finance's Department. The same may in fact be true about a further department, the Department of Education, where a great deal of what we're going to talk about again falls.

MR. CHERNIACK: Mr. Speaker, I'm not sure if you listened too carefully to what was suggested by the Honourable Member for Riel, but I understood him to say on this point of order that there may be many members who wished to speak on the question of Municipal Affairs and this gives them an opportunity. But surely, Mr. Speaker, when we are at the resolution stage we don't go back into estimates to debate departments but we, -- (Interjection) -- and we shouldn't though. All we do and all we can do is debate a specific non-concurrence resolution. Now it may be that members opposite do have other resolutions they would want to bring with specific non-concurrence items, which would then enable them to discuss the items, but surely he is wrong in suggesting that any resolution presented then makes it possible for anybody to debate the Department of Municipal Affairs, otherwise we might as well forget about the estimate period and the time limit.

MR. CRAIK: Mr. Speaker, quite the contrary, the argument I was making was that many people that wished to speak specifically on Municipal Affairs did not feel free to talk about it in specifics under the previous resolution dealing with the Minister of Finance's Department.

MR. SPEAKER: I wish to thank the honourable members for their comments. If a line of distinction can be drawn between the two motions, the one presented by the Honourable Member for La Verendrye and the one previously presented by the Honourable Member for Assiniboia, it's a fine one indeed and I am certain that honourable members will agree that it would be most difficult in the course of debating the proposed motion at this time not to transgress upon an area dealt with by the previous motion. I would therefore rule the motion out of order. The Honourable Member for Rhineland.

MR. FROESE: Mr. Speaker, I beg to move, seconded by the Honourable Member for Churchill that while concurring in resolution No. 81 this House regrets that the government has failed to economize in spending money needlessly on the auto insurance committee by \$100,000.00.

MR. SPEAKER presented the motion.

MR. SPEAKER: The Honourable Member for Rhineland.

MR. FROESE: Mr. Speaker, I don't intend to let this go by without. . . .

MR. GREEN: Mr. Speaker, I just want a statement - on a point of order - whether the honourable member would not agree that the motion should be worded in the future rather than -- the way the motion is worded I don't understand whether it means that we have spent money on automobile insurance - in proposing to spend, would you accept that?

MR. FROESE: Mr. Speaker, on that same point of order, it's in the estimates and therefore what else can I say? Mr. Speaker, I definitely feel that here we are spending \$100,000 which could have been spared and which could have been saved the taxpayers of this province. Last year when the committee was appointed, and I have the report from the insurance committee and in the introduction on Page 1 it says "The purpose: 1. To investigate the feasibility of instituting a program of public automobile insurance and to hear and consider representation respecting all aspects of automobile insurance, and to make recommendations deemed to be in the interest of the general public," that was the second point.

Mr. Speaker, it was a foregone conclusion that according to that, that they would recommend an auto insurance program for this province and I don't think we need have had the committee to hear all the representations because I think if the bill passes second reading we will be hearing it all over again and certainly this time the members of the House will be present to hear those presentations that will be made. I for one, certainly could not support the passage of this \$100,000 in the estimates for that purpose.

Then the other day I brought the matter forward and the Minister of Labour got up and he said that the insurance corporation, the expenses of the corporation were included in this item and that if we wanted to discuss the cost of the corporation it should be done under this item. Mr. Speaker, I don't think that the cost of the corporation is included in this item because the cost will be much more and will the cost not come from the premiums that will be collected from the people as a result of implementing a program of this type. Naturally we know that before such a program is brought into effect preparations have to be made and this will involve very considerable amounts of money to buy the necessary furnishings and to engage the necessary people, to have the forms printed and to have all the procedures in readiness for next year when the auto licenses will be sold, together with the insurance, if it is brought about.

Then I noticed in today's paper of June 8th on the editorial page of the Winnipeg Free Press, there are a number of quotes here by Professor Ludwig Erhardt of Germany and he places great emphasis on freedom. I would like to quote a few of the passages in this particular article and I'm quoting as follows: "By raising income taxes and death duties to unacceptable levels the state kills individual initiative. This is a loss that cannot be offset by increased fiscal revenue" and the article goes on, and then it says "Personal freedom should never be sacrificed for growth's sake." And a further quote is and I quote again: "There has been too much compromise with the enemies of freedom. A life worth living is only that in which a citizen's own achievement and merit count and can assert themselves against the power of the state."

Mr. Speaker, we will be hearing much more about the insurance bill and the insurance corporation that will be set up if Bill 56 goes through. I did not intend to go over that bill because I have yet to speak on second reading and I do hope I will get the opportunity in very

(MR. FROESE cont'd.). . . . short order, but to me this means that we are spending money needlessly. They could have brought in the bill without having the committee sitting last year because everyone knew it was biased, it was a committee that would bring in a certain report and this is what we have in the bill now. I feel that the bill itself is just a hollow shell, the important points are all left out. It's left to regulations and the Cabinet of the government can well decide on its own what the real features are going to be. If it should be defeated on second reading this would be a real embarrassment to us I think because then if as a result an election was called, the government could then go out and say this is what we are going to do, this is what we had intended to do, this is what we are going - to the group from 16 to 25, we'll subsidize their insurance premiums; this is I think what is back in their minds and this is why they are bringing the bill forward the way they do, and I feel that we are, as members of this House, we are entitled to see the regulations before that bill is passed into the statutes and becomes legislation. I definitely feel that the way the motion reads that we are spending money needlessly and in a year when. . . .

MR. G. JOHNSTON: It was never authorized either.

MR. FROESE: And it wasn't authorized, that's the other point, as has been said here by the Leader of the Liberal group. But in a year when we are really tight of money, money is scarce and the taxpayers find it very hard to put up the money and then to waste money in this fashion I think is really - it's absurd in my opinion. It should never have been done and certainly we should not allow this to pass in the estimates and vote on it and vote for it. We have to oppose it.

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

MR. PAWLEY: Well I'd just like to make a -- is there any other members that would like to speak?

MR. SPEAKER: Are you ready for the question? The Honourable Member for St. Matthews.

MR. WALLY JOHANNSON (St. Matthews): Mr. Chairman, would the honourable member submit to a question? Does he feel that the British Columbia Government, which spent over a million dollars on its investigation of the auto insurance industry, was ten times as extravagant as the Manitoba Government?

MR. FROESE: Well this is probably a good thing you asked the question because the B. C. Government is not going in for the auto insurance program and making it a monopoly like we are in Manitoba. -- (Interjection) -- I know. I discussed it with the Chairman of the Insurance Committee here just a few weeks ago. . . .

MR. GREEN: Would you like to make a bet?

MR. FROESE: They have no intention at all to bring in a government insurance plan. Naturally being a responsible government they are looking into various ways and means of lowering costs and I'm certainly for it and if this government. . . .

MR. GREEN: That's right, that's right.

MR. FROESE: . . . was just interested in lowering costs and letting the. . . .

MR. GREEN: Would you believe two years?

MR. FROESE: . . . private insurance companies operate and if they were willing to compete why not? But to say that B. C. Government has been so much more extravagant; our committee here in Manitoba was just wasting its time waiting for the B. C. Report to come out. We had a committee for several years but we didn't do anything.

MR. GREEN: Which committee was that?

MR. FROESE: We were just waiting to hear from the B. C. Government on this insurance report.

MR. GREEN: Who paid for that committee?

MR. FROESE: And there will be results -- (Interjection) --

MR. GREEN: No expense, no expense?

MR. FROESE: There will be results as a result of that commission I'm sure. The investigations were very thorough. . . .

MR. G. JOHNSTON: Judge Wootton won't be getting a job either.

MR. FROESE: The Member for Portage mentions Judge Wootton will not be getting a job as a result either so I don't need to comment on that. -- (Interjection) -- I couldn't hear you.

MR. GRAHAM: Would the Member for Rhineland permit a question? Was the report that was presented in British Columbia as biased as the report that was presented here?

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

MR. PAWLEY: Mr. Speaker, I wouldn't like this opportunity to pass by without making a few comments. I am really very puzzled. . . .

MR. MOLGAT: If I may on a point of order. A question was asked of a certain member and I don't know if he wishes to reply or not but surely he has the floor in advance of the Minister.

MR. FROESE: Well, Mr. Speaker, if I may answer the question. Certainly copies of the report have been distributed to the various caucuses and are available to members of this House and I think they can read for themselves. I think it's a very worthwhile report. It certainly goes into great details and gives a lot of valuable information to us in this Chamber when we are debating the very aspects of that report.

MR. GREEN: Well, Mr. Speaker, now I wonder if the honourable member would permit a question from me. Since he has commented on the unbiased nature of the Wootton Report, is it correct to say if he has read the Wootton Report that they have referred to the Saskatchewan plan as being the least expensive in the country? That the Saskatchewan Insurance Company gave the most -- (Interjection) -- let me continue to, let me ask the question -- That the Saskatchewan -- (Interjection) -- Yes, I'm continuing to ask the question. Is it correct that Mr. Justice Wootton and his committee said that the Saskatchewan plan is the least expensive in the country, that the answers given by the Saskatchewan Insurance Company proved to be the most reliable answers given by anybody who appeared before the commission, that the Wootton Commission found that there is -- is it correct that the Wootton -- (Interjection) -- he is indicating that the Wootton Commission was unbiased and I'm asking him whether it is not correct that the Wootton Commission said that there is no effective competition in the insurance industry as it stood and that the information that they received from the insurance companies was unreliable? Are those things correct if he has read the report?

MR. FROESE: I did not use the -- I did not. . . .

MR. GREEN: The Member for Swan River wants the question repeated and I'll repeat the question. Is it not correct that the Wootton Commission said that the Saskatchewan plan was the least expensive in the country; that the information supplied by the Saskatchewan Insurance. . .

MR. GIRARD: On a point of order, Mr. Speaker. May I ask your opinion as to whether or not this is the kind of question that would be leading or would be suggesting answers in themselves? Is this the proper kind of question to be directing to a speaker after a speech is given?

MR. SPEAKER: The Honourable Member for Rhineland has indicated his consent to receive a question. The Honourable Minister may continue.

MR. WEIR: Mr. Speaker, on the point of order. Was the question asked of the Member for Rhineland or the Member for Swan River? -- (Interjection) -- Well, Mr. Speaker, it was asked of the Member for Rhineland. I don't know why it makes any difference whether the Member from Swan River heard him or not.

MR. SPEAKER: The Honourable Member for Rhineland.

MR. FROESE: Mr. Speaker, if I recall correctly I did not use the word "unbiased". I think the report is a good one; I know that we have other insurance companies who are operating just as economically, at least from the records that we have, and therefore this was indicated too by the Honourable Member from Vancouver who -- (Interjection) -- I'm not referring to Wootton now. I can't remember all that's in that particular report but I know that the costs of insurance in Victoria are no more costly than in Regina or some of the other smaller cities. It's the larger cities where you have the higher cost insurance.

MR. SPEAKER: The Honourable Minister of Municipal Affairs.

MR. PAWLEY: Mr. Speaker, I think that just a few moments should be taken at this point to review the facts as they portray to British Columbia because it is the Honourable Member for Rhineland that has just spoken, the Social Credit representative in this House, and I think it is only fitting that in view of his criticism of this government and its auto insurance inquiry that a few moments should be taken in order to ascertain what was the pattern that was in fact established in the Province of British Columbia.

As the honourable member probably is aware, the Province of British Columbia in setting up its commission, commonly known as the Wootton Commission of British Columbia, spent between two and three years in an intensive and deep inquiry of automobile insurance in that province. The province should be commended for this. They recognize, unlike the Member for

(MR. PAWLEY cont'd.). . . Rhineland and many of the members in the opposition, that there is a very basic, a very deep problem in the automobile insurance industry. Any problem which warrants the spending of money in order to attempt to ascertain solutions to that problem. . . .

MR. FROESE: Point of order. I did not say that there wasn't any problem and that we didn't recognize it.

MR. PAWLEY: . . . a very basic, a very deep problem in the automobile insurance industry, any problem which warrants the spending of money in order to attempt to ascertain solutions to that problem.

MR. FROESE: Mr. Speaker, on a point of order, I did not say that there wasn't any problem and that we didn't recognize it.

MR. PAWLEY: The honourable member suggested that there was no need to spend the type of money that in fact was spent in Manitoba. In the Province of British Columbia \$1 1/2 million was spent by the Province of B. C. in these hearings, in these investigations, enquiries. This was coupled by an estimated expenditure of well over \$1 million by the insurance industry for a total of \$2.1/2 million. Now, Mr. Speaker, it's common knowledge to everyone that money spent by the government is public money. Money that is spent by the insurance industry in fighting or in lobbying is also the expenditure of public money. And that should be remembered. When honourable members realize and ascertain and see the expenditure of money in large page ads, in radio broadcasts or by the bringing of eastern lawyers into the Province of Manitoba, as is existing even at the present time, and according to the report of the gentleman in question has offered his advice and consultation to the official opposition, honourable members should realize that all these things cost policy holders' money; people money. Whether it is expenditures by government or by private enterprise, it comes out of the pockets of the public.

MR. BILTON: You've got Blackburn.

MR. PAWLEY: Now I would like to -- I'm very happy that we have Mr. Blackburn, let me tell the Honourable Member for Swan River, he's well worth his money.

Now what was the final result, Mr. Speaker, of this vast expenditure of money in the Province of B. C. Well, Mr. Speaker -- (Interjection) -- I'm glad, Mr. Speaker, that I have at least one supporter in the Gallery this evening. When the Wootton Commission brought in its findings in British Columbia, and those findings and basic intents and basic direction and basic findings as to the facts, were honest and true survey of the situation in B. C. that that Commission found. As was mentioned by the Honourable Minister of Mines and Natural Resources, the Commission indicated and proved that there was no effective competition in the Province of British Columbia in the insurance industry field. This was soundly proven in those Commission hearings.

The Commission then went on to propose a number of recommendations - true, not a public system in the province of B. C. - but they made numerous recommendations. Do you know what the result of that was? There was an outcry from the insurance lobby in the Province of B. C., from the insurance lawyers, from the insurance companies, from the insurance agents, that raged over a period of months, somewhat similar to the same type of opposition that has now just recently been noted in the Province of British Columbia.

The Province of British Columbia - the government, the Social Credit government in the Province of B. C., very hurriedly set up a legislative committee in that province and the legislative committee watered down and diluted the findings of the Wootton Commission. Now, after watering down these recommendations and making legislative proposals - and I would like to just very briefly refer so the honourable member knows the type of warning that should be demonstrated for the Province of B. C. as exemplified by what happened in British Columbia - there was an immediate indication of public unrest in the Province of B. C.

I have before me a number of articles from B. C. papers. "Takeover Hint Lurks Behind Ultimatum"; "Cut Car Insurance Rates or Else - Attorney-General". Not a socialist Attorney-General, a Social Credit Attorney-General. This is after Wootton Commission, after the expenditure of \$1.5 million by the public and \$1 million by the private industry, this type of ultimatum. Not just one headline, I'd like to go on to other reports. "Auto Insurance - What Happened", an editorial in the province dated December 13th, 1969. And I'd like to - and I'm prepared to table this, Mr. Speaker - and I'd like to quote from one paragraph in that editorial. "In reference to the findings, somehow that's not quite the way it was supposed to be. Under the proposals of the Wootton Royal Commission on Auto Insurance which proposed a complete

(MR. PAWLEY cont'd.). . . . no-fault system, insurance costs were going to drop enormously by eliminating all the expensive litigation that goes into determining whose insurance company is going to pay the costs of any accident. By the time a legislative committee got through with that, it had managed to please the lawyers, managed to please the insurance companies by proposing that a no-fault plan be added to existing coverage, but with the maximum no-fault payment set so low that it was almost inevitable that there will be litigation to recover higher costs in every serious accident."

There were further reports. "Car Insurance Takeover Hinted". This is from the Vancouver Sun, December 16, Province of British Columbia. "Sharpen Your Rate Pencils; Cut Rates; Peterson, Attorney-General Tells Car Insurance Firms." Vancouver Sun, December 16th, 1969. Do you know what the latest report is? I'd like to read this into the record for the Honourable Member from Rhineland. Victoria Times, April 17, 1970: "Government-Run Auto Insurance Seen." Not by Mr. Barrett, the recently elected Leader of the New Democratic Party in B. C., no. "The Government of British Columbia will take over the provincial automobile insurance industry by 1971, Alex Fraser, M. L. A. for Caribou, predicted Thursday night." Now of course the Honourable Member for Rhineland will say well that's an N. D. P'er in the provincial legislature. "The Social Credit member told a Chamber of Commerce meeting in this city 300 miles north of Vancouver that the government was on the verge of doing so at the last recently completed legislative session. Fraser said that insurance firms had originally felt that they had been given a captive market though the government introduction of compulsory no-fault insurance. The legislation became effective January 1, and Fraser said the intent was to lower insurance premium. Increases of 5 to 35 percent were announced earlier this week by some companies."

So this is the situation in the Province of British Columbia, and I don't question but that the honourable member if he was now a member of the B. C. Legislature would be soundly critical of the B. C. government for spending so much money on a Wootton Commission report that in fact they scrapped and didn't introduce or didn't enact the major representations. I'm quite confident that the honourable member would be just as critical of the B. C. government as he is critical of our government here in the Province of Manitoba. The only difference, Mr. Speaker, between the two governments is that this government after a study, after analysis of the total picture in Manitoba, the problem, the observation of various methods of eliminating this problem that exists, decided upon recommendations, recommendations that this government is prepared to carry through despite the opposition of insurance lawyers, insurance companies, insurance agents, because this government feels its recommendations will benefit the people in the Province of Manitoba in general.

MR. SPEAKER: The Honourable Leader of the Official Opposition.

MR. WEIR: Mr. Speaker, I wonder if the Minister would permit a question? I wonder if the Minister would permit a question, Mr. Speaker. The Minister was also the head of the Committee that is being discussed and he indicated that a real analysis was done of the Manitoba industry and the Manitoba problem on automobile insurance. Would the Minister please tell us what the result of the Manitoba study was? My observation is that really we got a report on the Saskatchewan situation.

MR. PAWLEY: I don't know whether to interpret that as a question, but I'm sure the honourable member, the Official Leader of the Opposition has read the report of the Manitoba Automobile Insurance Committee and I'm very puzzled as to why at this point after I'm certain, having read this report, he should now be wondering what our recommendations are.

MR. SPEAKER: The Member for Roblin.

MR. MOLGAT: Mr. Speaker, is the honourable member going to speak or ask a question? If he is going to speak, I would like to ask a question of the Minister. Could he tell me on what statistical basis and what analysis the government has based its decision to have a monopoly government operation?

MR. PAWLEY: Well, Mr. Speaker, the statistics are very interesting and I am rather surprised that the Honourable Member for Ste. Rose has not seen fit to make a thorough analysis of the statistics because I'm sure that they'd be freely and generously open to him if he should enquire. The operations of the government plan in Saskatchewan and the loss ratios, the net claims incurred are all matters of public record; they are scrutinized by committees. We rest certain that the excellent results shown in Saskatchewan can be repeated in the Province of Manitoba, and the record in Saskatchewan insofar as comparison of net premiums

(MR. PAWLEY cont'd.). . . . earned to net claims incurred in Saskatchewan are in the neighborhood of 85 cents in every dollar. In fact going back to 1966 before the imposition of the arbitrate figure that the Honourable Member for Assiniboia made reference to the other day in debate, the figure was at that time 92 cents in every dollar under the sole agency plan of selling insurance, and last year the record, if we add to that the competitive portion of the public plan, the record was still very favourable, in fact in 1969 the ratio was 84.1 cents of every dollar was returned to the motorist in the Province of Saskatchewan by way of benefits.

MR. MOLGAT: Mr. Speaker, that was a very interesting discourse by the Minister but he did not answer the question.

MR. GREEN: Is the honourable member now speaking?

MR. MOLGAT: No, I'm asking a question.

MR. GREEN: It didn't sound like it.

MR. MOLGAT: Well, I'm coming to the question because the Minister did not answer the question.

MR. GREEN: Mr. Speaker, with greatest respect and on a point of order, the Minister doesn't have to answer the question the way my honourable friend wants him to answer and it is not in order for the Minister -- (Interjection) -- it is not in order for the Member for Ste. Rose to get up and -- (Interjection) -- well, Mr. Speaker, the member knows it better than myself perhaps that it is not in order for him to get up and comment on the quality of the Minister's answer.

MR. MOLGAT: Well, Mr. Speaker, I must take the point of order of the House Leader. He's correct, I cannot comment, but I was leading back to another question in the hopes of getting an answer, because I obviously had not obtained an answer to my first question. So my question still remains, Mr. Speaker, what is the statistical basis of the decision made apparently by the government that it must be a government monopoly in the light of the fact that the B. C. study specifically states that there are no advantages in a monopoly position.

MR. GREEN: That is not true, it doesn't say that.

MR. MOLGAT: Mr. Speaker, my honourable friend who was so keen on points of order maybe ought to hold his tongue. . .

MR. GREEN: Pardon me?

MR. MOLGAT: . . . and allow the Minister to reply.

MR. GREEN: That's not true.

MR. MOLGAT: But, Mr. Speaker, why doesn't the Minister hold his tongue if he's so keen on points of order?

MR. GREEN: Mr. Speaker, surely the honourable member either -- (Interjection) -- I'm sure he wouldn't do it purposely. . .

MR. SPEAKER: Order, order. The Minister of Municipal Affairs.

MR. PAWLEY: I thought I had done some job of pointing out to the honourable member the cost comparison between the sole agency plan and the loss ratio example in Saskatchewan as compared to the type of plan that's now in operation in the Province of Manitoba. Apparently I have failed to do this. I would run back over the period 1966 up to 1969, and during that period of time - and this is the only way you can measure the costs and what the benefit return is to the motoring public - under the sole agency system which the honourable member refers to as a monopoly system, and I'm not going to quibble with words, the return was 85.3 cents in each dollar. In the Province of Manitoba under the type of system that the honourable member would like to see continued, the competitive type of system versus the sole agency type of system, during that same period of time, 1968 there was a 62.63 ratio in respect to the industry as a whole; 1967 - 65.34 return; 1966 - 58.76; and '66 by the way, in which year 58 compared to a 92 return in the Province of Saskatchewan.

Now what happens when you . . . revealing too when you decide to involve public enterprise in the same type of competitive nature as the private companies, last year's return on the competitive in Saskatchewan was 67.8 of each dollar by way of benefits compared to the compulsory sole agency system of 86.7 percent return. There is your answer. There's a difference of approximately 20 percent and that 20 percent is eaten up by the additional costs of the competitive or status quo method of insurance that now exists in Manitoba.

MR. SPEAKER: The Honourable Member for Roblin.

MR. SCHREYER: On a point of order, if I might, not to try to prevent the Honourable Member for Ste. Rose from asking further questions if he so wishes nor to attempt

(MR. SCHREYER cont'd.). . . . to prevent the Honourable Member from Roblin from speaking, but I'm wondering if we could not find a way now to clarify that we should make an effort to relate our remarks to the substance of the motion before us, which has to do as to whether or not the committee's work was efficacious, without going into the substance of the argument of automobile insurance under one kind of system or another.

MR. SPEAKER: The Honourable Member for Roblin.

MR. WATT: Mr. Speaker, on a point of order, I want to point out to the First Minister that earlier this evening I attempted to direct a couple of questions to the Minister of Mines and Natural Resources and he immediately got to his feet and said I was out of order in directing questions, but he was permitted a few moments ago to make a five minute speech composed of a dozen different questions which apparently was in order on his part at that time, and I think if there's going to be order in the House that there should be order on both sides and the leadership should really come from that side of the House.

MR. SPEAKER: The Honourable Member for Roblin. Are you ready for the question? The Honourable Member for Roblin.

MR. MCKENZIE: Thank you, Mr. Speaker, for getting the House back in order again so that I can speak, because I will assure you, Mr. Speaker, that I will try and confine my remarks to the best of my ability within the framework of this resolution. We're facing an item of \$100,000 in the Minister of Municipal Affairs estimates which the Honourable Member from Rhineland regrets that the government has failed to economize in spending money needlessly on Auto Insurance Committee - \$100,000. So there we are, Mr. Speaker, with \$100,000 that we don't know what it's for or who it's for. I'd submit maybe Blackburn's got it all, I don't know, I'm just guessing, but nevertheless we don't know.

We're debating a plan -- we haven't got a plan, we don't know what -- he's talking about a B. C. plan; he's talking about a Saskatchewan plan; Manitoba hasn't got a plan. So here we're hung. There's \$100,000 riding on something and we don't know what it is, and they don't want to put anything before us. It's all secrecy - \$100,000, no bill, no plan. Can you, Mr. Speaker, in your great wisdom and your judgment, not support the Honourable Member for Rhineland? He has a just reason to put this resolution before the House because basically we don't know what we're debating. We're punching shadows in the dark; we're having strawmen all over the place because this waffling Minister of Municipal Affairs hasn't got the guts to put a plan on the table that we can talk about, or this government or this First Minister. And that's my concern, because as long as they don't put a plan on the table, Mr. Speaker, I humbly submit there is nothing to talk about. There is no debate, absolutely none whatsoever. -- (Interjection) -- Right. I am not going to sit down because I'm not going to speak from a vested interest tonight because I'm one of the guys that likes to make a profit so I can put a little butter on my bread.

Nevertheless, let's get back to the \$100,000, and I ask the Honourable Minister tonight, where did it go? Where did you spend it? Can you document every cent and dollar of that \$100,000? Where was it spent?

MR. CHERNIACK: On a point of order. Indeed we are still debating estimates which have not yet been passed. It's not a question of the money having been spent, it's a question of authority to spend it in this fiscal year.

MR. MCKENZIE: We don't know. If that's a point of order, Mr. Speaker, I bow to the Minister of Finance, and maybe he has a point but I don't see it as a point of order because I don't know where that \$100,000 was spent. Maybe he knows, he's the Minister of Finance.

MR. SPEAKER: May I remind the honourable member that we are debating the estimates for the fiscal year ending March 31st, 1971. We are now in 1970.

MR. MCKENZIE: Mr. Speaker, I'm trying to stay within the confines of the resolution to the best of my ability and I'm not a solicitor, I'm not a lawyer, I'm not a knowledgeable person, but the way I read the resolution, I think I'm in order and I'm only asking the Minister of Municipal Affairs to document to me with every dollar and cent where that \$100,000 will be spent. Maybe he hasn't spent it. I can't tell. But I would like him to tell the House about this man Blackburn, this great wisdom of the New World in insurance, such a great character comes into Manitoba riding on a charger with all his knowledge of Saskatchewan insurance plan. And what happened to him in Saskatchewan when the government changed? Was he hired by another insurance company? Where did he go after that? We don't know, and I'm asking the Minister because some place along the line he got paid.

(MR. McKENZIE cont'd.)

I humbly submit to you, Mr. Speaker, that this man went into agriculture in Ontario because he's not a knowledgeable insurance person. If he was such a great insurance man and could guide the Minister and this committee through that, he must have been able to get a job on the open market in the insurance world of Canada. I'm sure he would, but unfortunately he ends up in agriculture. -- (Interjection) -- I don't know. I'm asking the Minister. I'm asking the Minister and we no doubt will get some answers because the Minister will . . . .

MR. PAWLEY: I would be happy to answer the honourable member.

MR. McKENZIE: . . . on this resolution because I'm asking the Minister, where did that \$100,000 go or where is it going to go? And it's simple, it's simple. Why should we have to go all through this hedging, this wedging, this waffling? Put the plan on the table, Mr. Minister, put it on the table and let's have a look at it. Then we can talk about B. C.; then we can talk about Saskatchewan; but here we're talking about the moon. There's no room for debate in this Bill 56 or the plan that we're looking at.

The Saskatchewan plan -- Mr. Speaker, we went through that Saskatchewan plan, I know it by heart, but unfortunately Saskatchewan is not Manitoba. Now we've got the Minister tonight, he's waffling and he's moved us over into B. C. There must be something in B. C. that he's got interest. We're in the B. C. plan but still no Manitoba plan. I ask the Minister, there's \$100,000, was the plan concocted by the \$100,000? Have you got a plan in your pocket? Has Blackburn got a plan in his pocket? I say put it on the table and let's have a look at it. -- (Interjection) -- No, I'm not laughing at all, I'm serious, I'm dead serious.

But I think in the main, Mr. Speaker, in this resolution that was so ably put in before the House by the Honourable Member from Rhineland, I submit Blackburn has got maybe as much as Cass-Beggs got. Maybe he got 62.5 out of it. Maybe he did. He maybe got even 65,000 of the hundred. But in this resolution and before we move on, the Minister will have to stand up and tell the House where this \$100,000 went. -- (Interjection) -- Well I ask him, would he do it? Well can I not ask him? Sure. And I know he's not going to tell me because he hasn't told us nothing, no plan, we're not going to find out any information from this government.

Mr. Speaker, this was supposed to be the new open government, the new open government of the next world - you know, the new generation. Manitoba's a hundred years, we've got a new government that's going to be open and give us all the information. I ask you, Mr. Speaker, how open are they? You can't even raise a question in this House. Open? This plan? This insurance plan? Nothing on the table; waffling, hedging, wedging.

Mr. Speaker, I'm most concerned that Manitoba is moving into its next hundred years with that type of a government sitting over there, with that type of a Minister of Municipal Affairs who can spend \$100,000 and we don't know what it's all about. Talking about an automobile insurance plan - no plan, no nothing, we're just grabbing for straws, beating strawmen, grabbing to see what's going to happen. If that's the future of this province, Mr. Speaker, if that's the future of Manitoba under this government, I submit we're in deep, deep trouble and Manitoba is going to be in a regressive position as of tonight. Thank you, Mr. Speaker.

MR. SPEAKER: The Honourable Member for Souris-Killarney.

MR. McKELLAR: Mr. Speaker, first of all before I start I want to congratulate the Member for Rhineland, too, on his excellent resolution. I had never thought of that resolution or I might have come up with it myself, but the Honourable Member for Rhineland I think he really opened up the gates tonight. I'm speaking for one reason only and I'm speaking for one particular reason only and one very important reason only. The Honourable Minister of Municipal Affairs and his government have used \$100,000 of public money to destroy the Town of Wawanesa. And I mean that.

MR. GREEN: Mr. Speaker, on a point of order, I'd like to address the House. The honourable member, in praising the Honourable Member for Rhineland's resolution, should stick to the resolution.

MR. McKELLAR: I am, I am.

MR. GREEN: The resolution concurs with the appropriation for the department and regrets an inefficiency. There is no \$100,000 spent. It is an expenditure that the resolution concurs with in the '70-71 estimates. That is what the resolution says, and what the resolution goes on to say is that he regrets, I believe it's some type of inefficiency in spending this money. So the fact is that the money is concurred with and we are talking about an inefficiency that is being dealt with.

MR. McKELLAR: Well, Mr. Speaker, I have heard your lesson but I want to tell you, I want to tell you the Minister of Municipal Affairs lectured us from British Columbia right to the other end of Canada and he lectured us and he lectured us on the money that the Wootton Commission spent and you never said a thing. You never corrected him and I don't deserve the same attention either. I want to express the facts as I see them on behalf of the people of the town of Wawanesa, and as I mentioned, you're using \$100,000 to destroy the people of Wawanesa and the agents of the Province of Manitoba. Surely these people in the town of Wawanesa and surely these agents of Manitoba, insurance agents, are worthy of mention and it surely shouldn't take \$100,000 of my money and your money to destroy them. These are good people and they should be treated in a fair manner. Never before in history, never before in history has public money been used to destroy people, never before.

MR. GREEN: Mr. Speaker, I rise on a point of order. The member is not speaking to the resolution. The resolution concurs in the expenditure of money and relates to some inefficiency which the honourable member has not explained to me, but certainly the resolution does not refer to an objection to the expenditure of money, it concurs in the expenditure and then relates to an inefficiency. The member cannot say that \$100,000 has been spent. That has nothing to do with this.

MR. McKELLAR: Well, it will be spent.

MR. GREEN: Well, Mr. Speaker, that has nothing to do with the resolution. Mr. Speaker, the member praised the resolution, perhaps he should read it and then speak to it.

MR. McKELLAR: I'm just offering my regrets and that's all I'm talking about, my regrets that the money was even spent or will be spent. -- (Interjection) -- It is being spent, and if the truth is known it's practically all spent, if the truth was known. The Member for Roblin mentioned -- (Interjection) -- Well, if you didn't spend it on the commission operated by here - half of it - I'll eat my words right now. I'll eat my words right now.

Now, Mr. Speaker, I'd like the members on the other side to keep order here. It always appears to me, and I've been in here a long while, that when a subject matter is irritating the members on the other side they become very itchy, and I know they're very itchy and I hope I can get them a lot itchier before I'm finished too.

The Minister of Municipal Affairs in his arguments, in his arguments, always stresses Saskatchewan. He has no facts, and the Member from Ste. Rose brought that out. There are no figures, there are no statistics to bring out the figures that you're going to save the public money. And here you are, you're spending \$100,000 and you're coming out with statements that your facts are so that you're going to lead the people on to the fact that they are going to think they're going to save some money on their insurance. You will never never know, you will never never know how much money you're going to save the people. You will never never know and neither do the insurance companies know at the start of the year how much money they're going to have to pay out in claims. And this is an actual fact.

Now, Mr. Speaker, the Minister mentioned about the public unrest in B. C. The Minister mentioned about the public unrest in B. C. And what happened after the Wootton Commission brought out their report? What did Mr. Bennett do? Did he accept it? No, he didn't. And why did he not accept it? Because he knew the people wouldn't accept it. And what happened on election day? What happened on election day? What happened to the NDP Party on election day? I'll tell you where they went - to the bottom of the barrel. -- (Interjection) -- You keep quiet, you keep quiet. Mr. Speaker, I'm surely glad I'm not a lawyer because I would be butting in on everybody on the other side, and that's why I know enough to keep my mouth shut when the other fellow speaks.

Now, Mr. Speaker, the Honourable Minister makes mention about how much he's going

(MR. McKELLAR cont'd) . . . . to save the people, but he never did answer to me yet whether the medical, the hospital or the sales tax on physical damage costs are going to be paid by your insurance corporation or whether they're going to be paid or not paid at all. This is a fact that's never been brought out to the people. The present insurance companies have to pay these costs and I'll bet you any money right now that the Insurance Corporation that you propose to set up will not pay these costs. This will equal far greater than 15 or 20 percent and I know that. -- (Interjection) -- Well, I don't like to say it right now.

Well, Mr. Speaker, I know you're spending \$100,000 and I know I can't do anything about it, but in closing I want to say that the people of Wawanesa are not very happy about this right now and you've never heard the last of them yet, and I'm sure you won't because I want to tell you what's going to happen to that village when you're finished with it. I'll tell you what's going to happen. I'll tell you what's going to happen. There's not going to be any village, there's just not going to be any village left. Are you happy about that? Are you happy that this town born the greatest, the largest mutual insurance company in Canada? Are you happy that you're going to destroy it?

Well I hope you aren't very happy because this is a day to be sad about, it's a very sad day in the Province of Manitoba. The day that you bring in this Insurance Corporation, the people of Wawanesa won't forget and the people of Portage la Prairie aren't going to forget this either. They born one of the largest mutual insurance companies of Canada too and they're not going to forget. These pioneers who established our province and made this province such a great province that it is, these people are not going to forget it and I only hope that you have second thoughts before you go ahead with this plan and remember these pioneers in the future. Thank you.

. . . . Continued on next page

MR. SPEAKER: The Honourable Minister of Finance.

MR. CHERNIACK: Mr. Speaker, I'm sure honourable members who have spoken would like to be corrected if indeed there is occasion for it, and although I've never seen how a person physically eats his words, I'm looking forward to the honourable member who last spoke justifying the statement that he made that this money is -- I think he said if the truth were known, the \$100,000 is practically all spent.

MR. MCKELLAR: Half spent.

MR. CHERNIACK: Half spent. Well then, he only needs to eat half the words because I thought he said almost all spent. Mr. Speaker, I could not stand to listen to the Honourable Member from -- is he really from Roblin? -- talk about Blackburn and throw names around. This to me, Mr. Speaker, is distasteful and I would guess that it is distasteful to fully half, and I want to say more than half of the members on his side of the House, to throw around the names of people -- and he brought up Cass-Beggs and he talked about money after members of his party had occasion in my presence, in the presence of many people, in the presence of the news media, of congratulating Cass-Beggs on the type of presentation he made, and where I remember particularly the Member for Riel and the Member for River Heights both acknowledged the knowledge and experience and expertise -- and these are my words not theirs but I don't think they would question what I am saying about Cass-Beggs -- and yet the Member for Roblin is still willing to throw his name around in a way which I call distasteful.

And now he's brought in a man named Blackburn whom he probably never met and already he's talking about -- I think he referred to 50,000, 60,000, that kind of talk. Well I don't think it's nice, Mr. Speaker, just not nice, and I don't suppose one has to be nice in this House and I don't claim that I am always nice in this House, but I'm sure the Honourable Member for Roblin would not like to put himself in the category that we all find ourselves in sometimes of not being nice, but not bad being nice, and I don't think he was nice in talking about a civil servant who can't answer for himself here and in casting grave doubt about the ability of a man about whom he knows very little, a man who can't answer and doesn't dare because he's a civil servant. He can't walk out to the press and talk about it. Now it's all very well to throw names around, and there are names that have been thrown around this House without giving those people an opportunity to speak.

Now, let me just inform the Honourable Member for Roblin, and I know I'm sure other members weren't that concerned by what he said or believed what he said that they need pay too much attention, but I had the opportunity to assist in the negotiation to have Mr. Blackburn move here from Toronto and I can tell him that until the Thatcher Government came into power in Saskatchewan he was the number two man in the Saskatchewan Insurance Corporation. When he moved to Ontario -- and let me tell the Honourable Member for Roblin it is no disgrace for any person to have left Saskatchewan after the Thatcher government was elected, and let me tell the Honourable Member for Roblin that if one looks at the . . .

MR. SHERMAN: A little bad blood there between you and Thatcher eh?

MR. CHERNIACK: Oh no, I think Mr. Thatcher is a nice fellow. However, if one looks at the list of the senior civil service from Saskatchewan that left either through choice or by invitation from the government of Saskatchewan, and one would say oh, they were a bunch of CCF'ers, New NDP'ers, and that's why they left. And where did they go? Mr. Speaker, if you had the occasion which I did and which I know the honourable Leader of the Opposition must have had of dealing with top officials, especially in the Dominion-Provincial relations and Finance Department at Ottawa, they would have found a goodly number of the most senior of the civil servants from Saskatchewan being employed in Ottawa today at much higher salaries, with much greater responsibility. I'm not going to mention their names, but it is a well-known fact from assistant deputy minister, secretary of important boards, they are there but they're not all there -- (Interjection) -- Department of Northern Affairs. There are many and they are distinguished people.

And let's get back to Mr. Blackburn, who as I understand it, at the time that I first dealt with him and the Honourable the Minister of Municipal Affairs, was in charge of the Ontario Crop Insurance Program. Now it's all very well for the Honourable Member for Roblin to say: he went to agriculture; he knew nothing but insurance. Well let me tell him, crop insurance program for the Province of Ontario, a Conservative-run province, and he was given that responsibility. Let the Honourable Member for Roblin know that and let the Honourable Member for Roblin know the answer to a question, had he had the courtesy of putting in an Order for Return instead of making the kind of broad speech he did today, that Mr. Blackburn was engaged

(MR. CHERNIACK cont'd) . . . . to come here at something slightly in excess of \$20,000 a year. And let me tell him that he did not get any kind of substantial increase, as a matter of fact he took a pension loss to come here because he was interested in what this government was trying to do. -- (Interjection) -- Yes, it's all very well for the Honourable Member for Swan River to sit there and say sad, but I felt moved, Mr. Speaker, and he apparently didn't. -- (Interjection) -- Well then I knew you would say it, so I know the Honourable Member for Swan River well enough apparently according to him to know that he would make this kind of comment, but he is not the kind, he is not the kind of person who would make broad statements attacking a person's integrity, experience and knowledge, a person who cannot answer for himself. He would not have done what I've just been attacking, and I admit that I've gotten a little worked up about it and I shouldn't be because I don't think the Member for Roblin didn't want to be not nice, I think it just happened while he was on his feet.

Now let me indicate to the Honourable Member for Souris-Lansdowne -- (Interjection) -- Souris-Killarney - I haven't tried to remember it too well because I'm not sure how long he's going to represent that seat - that the money that he claims was spent, half spent, is money which is in the estimates now to authorize expenditure. I did say that earlier to somebody but the honourable member wasn't listening. And the report that is being discussed so interestingly is that it's dated - the printed part, the last report, is dated March 31st, 1970, which by coincidence happens to be in the fiscal year about which we are not talking at all today; that is we are talking about it and he talks about it but it's not on the agenda today and it's not involved in the resolution today. This report and all the money spent in connection with this report, be it a great deal, be it wasted, be it anything else, is not involved in the \$100,000 we're talking about.

And let me tell honourable members how you save the \$100,000. Defeat Bill 56 and then there will not be a need to have monies set aside to carry out the intent of the bill. -- (Interjection) -- Yes, and I don't fault honourable members for trying to do it, but don't suggest, as did the Honourable Member for Souris-Killarney, don't suggest that the money is already half spent, or as I thought he said almost all spent, because that money is set aside for that purpose and it would have been neat and tidy if we had wanted to hide it by just not showing it as an item of \$100,000 in the estimates. But we knew we were bringing in a bill, we knew we would have to provide money for planning and carrying out and setting it up, and it's there and it's not spent. It will be spent if the bill passes. I would feel pretty well certain that it won't be spent if the bill doesn't pass.

So I'm sure that the Honourable Member for Souris-Killarney will be wanting to eat some words. How he eats them is his problem, but if he feels that what he said earlier is correct, that's his privilege so to think.

MR. SPEAKER: The Honourable Member for Assiniboia.

MR. McKENZIE: Mr. Speaker, may I raise a question to the Honourable Minister of Finance? Has there been questions raised in this House re the qualifications of Mr. Blackburn during this session?

MR. CHERNIACK: Mr. Speaker, I'm just not aware of whether the question was raised or the question was answered, but I just answered the question or dealt with the matter which I thought would interest the Honourable Member for Roblin. I'm not aware of any Order for Return that has been made. If the honourable member wishes to have his complete curriculum vitae I might be able to get it for him.

MR. McKENZIE: Mr. Speaker, I have a supplementary question to the Minister of Finance. Has there been questions raised in the House during this session as to whether or not Mr. Blackburn was a civil servant?

MR. CHERNIACK: Well, that's well put because I'm just not sure of the legal status of Mr. Blackburn and maybe I misused the term, but he certainly was employed by the government for the purpose of the report, but I still would not expect that he would have the ability or maybe the desire to get into a public debate with the Honourable Member for Roblin as to whether or not Mr. Blackburn's qualifications are satisfactory.

MR. WEIR: Mr. Speaker, might I ask a question of the Minister? Are we to assume from the Minister's statement that the -- assuming the passage of Bill 56, that the implementation will be in the hands of the Automobile Insurance Committee, whom I understand is made up of the Honourable the Minister, Mr. Blackburn and Mr. Pagen, because this is the wording that there is within the estimates, and I'm trying to relate the Minister's statement.

MR. CHERNIACK: Mr. Speaker, the assumption is not necessarily correct for the future. The item is there for the purposes of an auto insurance committee and we will do our best when public accounts come, whenever they do, whether it's next year or two years or ten years from now, this government will still be able to account for any penny that was spent by it.

MR. WEIR: Mr. Speaker, if I might, a supplementary question - and I appreciate the fact that the government is always prepared to after the fact justify the expenditures - but our problem is trying to sort it out in advance of the fact and what I would like to know is in terms of the Automobile Insurance Committee here, the \$100,000, is that it won't be spent, Mr. Speaker, until after the passage of the bill. In other words, the two months and eleven days that we've gone now haven't had an expenditure . . .

MR. CHERNIACK: Mr. Speaker, in answer to that question, which I assume it was, I said that I would expect that the money will not be spent if the bill doesn't pass. Now when I say I would expect, it may well be that the money would be used for whatever purposes are in accordance with the legal right of the government on this expenditure, and let me in further elaboration of my reply point out to the honourable member, who must well know, we're not here now debating estimates, we are already concurring with this resolution but we are talking about whether or not the money was spent well. That's what the resolution is, and I will not be drawn into a debate on estimates because the time is up for that debate.

MR. WEIR: Mr. Speaker, on the point of order, I think if estimates are able to be discussed from some points on the other side of the House they are equally available for people on this side of the House, and some of the things the Minister said might very well have been interpreted . . .

MR. CHERNIACK: Speaking to that point of order, Mr. Speaker, may I say that I never said that I would not permit the Honourable Leader of the Official Opposition to talk about the estimates; I said I will not debate the estimates with him.

MR. SPEAKER: The Honourable Member for Assiniboia.

MR. SCHREYER: Mr. Speaker, on a point of order -- are you rising on a point of order?

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: My point of order arises from the point of order alluded to by the Leader of the Opposition. I can quite agree with him that whatever is being done, whatever procedure is being followed by members on this side, members opposite have an equal right to follow the same procedure, but I would hope that if someone on this side is following a procedure which is not in order that the Leader of the Opposition and his colleagues would call him to order or advise the Chair to call him to order rather than persist in following a wrong procedure. I hope that my honourable friend would agree that that's the right thing to do.

MR. WEIR: Mr. Speaker, on the same point of order, I wouldn't -- if I felt that strongly about it, there's many occasions as the First Minister is asking questions that he'd be called to order on more occasions than one.

MR. SPEAKER: The Honourable Member for Assiniboia.

MR. SHERMAN: On a further point of order, Mr. Speaker, I think some of the confusion on this side arises from the fact that the Finance Minister and the Minister of Mines and Resources have said diametrically opposite things with respect to the meaning of this motion.

MR. SPEAKER: The Honourable Member for Assiniboia.

MR. PATRICK: Mr. Speaker, I wonder if the Minister of Finance would permit one more question?

MR. CHERNIACK: If the Leader of the Official Opposition doesn't object, because I think that with the points of order maybe I've lost the right to, but if there's no objection I don't have any.

MR. PATRICK: Mr. Speaker, it's known that the Saskatchewan plan lost money twelve years out of 22 or 24, substantial amounts of money, over a million dollars each year. Now I know the government has set aside \$100,000 in the estimates this session for the auto insurance plan. How much more does the government intend to -- to what extent is it prepared to subsidize the plan?

MR. SCHREYER: That statement is simply incorrect. The plan in its total of its operations over 24 years has not lost money.

MR. PATRICK: Yes it has.

MR. CHERNIACK: Mr. Speaker, I'm answering a question which I was permitted to answer . . .

MR. PATRICK: It lost money 12 years.

MR. CHERNIACK: It is absolutely clear that the Saskatchewan Auto Insurance Plan has shown substantial profits over its lifetime. I have already stated that I will not debate the estimates and I'm sure the honourable member isn't trying to trap me into doing it. All we are debating here is concurrence of a resolution for \$100,000 in this item.

MR. SPEAKER: The Honourable Member for Emerson.

MR. GIRARD: Mr. Speaker, I wish to rise in debate at this time to react to some of the comments that have been made by the Minister of Municipal Affairs. It wasn't really my intention to get into this debate but I think there are some points that ought to be clarified and dealt with in some detail. — (Interjection) — Yes, I can well understand, Mr. Speaker, that there is some objection to my commenting on his contribution because in fact he did not deal with the resolution, and in fact, Mr. Speaker, I found it very strange when the First Minister admonished this side of the House, saying that we should be dealing specifically with the resolution. The fact remains, Mr. Speaker, that the Minister himself did not and therefore I suppose we should be free to deal with the comments that he dealt with, and I object to this kind of bickering from that side of the House which says we ought not to comment on his contribution.

Mr. Speaker, in his contribution the Minister explained that the Saskatchewan government, or public insurance will result in a saving to the motorist. I have said before that I don't take great issue with this comment, in fact I rather agree that there will be some saving with the public insurance plan, but that saving, Mr. Speaker, ought to be always accompanied with the comment of the price we have to pay for that particular saving.

MR. SPEAKER: I'm wondering if I may just remind the honourable member that it's my hope that he'd be able to relate his comments to the motion before the House, and if not, perhaps there may be another point on the Order Paper where those comments may be raised more appropriately.

MR. GIRARD: Mr. Speaker, I will attempt to do so. I wish however to address my comments to the comments that have already been made by the Minister, and it seems to me that it's appropriate if the Minister had the privilege to indicate these comments that I should be able to contribute in the same vein, and this is exactly what he was dealing with.

MR. GREEN: On the point of order, I don't think that the honourable member should reflect on the instructions of the Speaker. On the point that the honourable member is specifically referring to, as I understood the Minister, he was answering relative to what was done in British Columbia and Saskatchewan in comparing the Honourable Member for Rhineland's statement that money was wasted in working on a committee which is the substance of the resolution. If my honourable friend will confine his remarks to the resolution, then the Speaker's guidelines will be followed.

MR. SPEAKER: I understood the Honourable Member for Emerson to say that, that it is his intention to adhere to the motion before the House, but he raised the point which he did for the purpose of illustrating something which he hopes will form part of his argument on the motion before us.

MR. WEIR: Well, Mr. Speaker, if I can speak on the point of order, Mr. Speaker, I think some latitude has been extended to other members in the debate and I would think that a latitude having been extended, the latitude is extended to the other members to about the same degree.

MR. SPEAKER: I appreciate the comments raised by honourable members but I do not believe that there is a point of order at this time. I had risen to draw certain points to the attention of an honourable member a moment ago and he had accepted that, and I'm quite prepared to hear the honourable member continue with his debate.

MR. GIRARD: Thank you, Mr. Speaker. Another point that was raised by the Minister that might be more apropos to the resolution was the fact that the private enterprise industry, as far as the insurance industry is concerned, leaves something to be desired. And again I don't quarrel with this kind of statement, Mr. Speaker, I tend to agree with him. I tend to agree with him that some expenditure might have been made wisely in some domain to study the situation. I don't think however that you amputate the whole head because of a toothache and this is exactly what this present government is doing. I would suggest rather than take issue with the study that's been made by the B. C. Government that it be studied carefully and see that their judgment might well be the right one and if so follow the same pattern. I'm not

(MR. GIRARD cont'd) . . . . suggesting that we have to do exactly the same thing but I'm suggesting that the direction we're going in now is not the right one.

I was amused a little by the Minister who seemingly charged up to the Legislature tonight with a few new bits of information and threw his cream puff quite wildly thinking that he had real hand grenades. I don't think that his ammunition was that effective, Mr. Speaker, because it was the same old hash as we've had a little while ago. He called it new maybe but it seemed pretty old to me. In fact so old that he had to bring in the counter action of eastern lawyers versus Saskatchewan lawyers and I don't think that was of the status that the Minister should hold. I believe that a Minister in defence of such a plan that is called his plan, and I think truly so, ought to stand up to the merits of the plan and not pettiness of that kind. I must not be critical, Mr. Speaker, I do have sympathy for the Minister. As a matter of fact he's much more sturdy than I. I'm certain, Mr. Speaker, that if I were introducing that kind of plan and I got a child from the gallery answering me that I would tend to crumble, especially if I thought that that child was that of an insurance agent in his last struggling voice.

Mr. Speaker, another sign of the weakness of the Minister came inadvertently when he threw another cream puff, and this one was, you know, there's really no competition in the industry today, there's really no competition and therefore what we ought to do is monopolize. Now, Mr. Speaker, I suggest that there might be weaknesses in the industry today, there might well be — I'd be the first to acknowledge that there probably is — but you don't amputate the whole head for a toothache and therefore I think maybe what the people across the aisle ought to have done is studied possibilities of remedying the existing plan rather than removing it altogether. Mr. Speaker, I'd be very interested in an answer from the Minister as to whether or not this possibility was studied because I, like many others I am sure, am under the impression that this was a personal venture of the Minister, a platform which he himself, along maybe with some others, he himself really wanted to see realized and therefore this is the prime motivation behind it all.

It seems strange, Mr. Speaker, it seems strange that the Honourable House Leader for the government seemed so eager tonight to defend the Minister before he was even in trouble — and might I just give you one bit of advice. Mr. Speaker, it does not look good, from this side of the House at least, when a Minister is bailed out before he's even in trouble and my advice to the strong members of that side — and we know them and I respect them dearly — I would suggest — and I respect him highly and I respect him a great deal — however, might I suggest that they're undermining themselves, Sir, when they bail out their fellow Ministers before they're even in trouble.

I was very interested to hear the Honourable House Leader when he commented that the Social Credit plan seemed watered down somehow, for the Wootton study had been watered down by the government in its implementation. — (Interjection) — Maybe I'm attributing the comment to the wrong Minister but it came from that side. I would just like to comment that it seems to me what has happened now is it has been distilled from that side and only those particles we want to save have been saved and utilized.

It also seems strange from this side, Mr. Speaker, to hear the Minister of Municipal Affairs comment about certain things having been said by some isolated member of some other government somewhere in this country or other. It seems rather strange to me and maybe not unethical but at least very strange to me that the Minister of Municipal Affairs should rest so much of his argument on the comments attributed to a certain Minister of the Saskatchewan Government; and tonight he goes a little further and he picks an isolated member of the Social Credit Party who happens to be in government in British Columbia and he says well now, it must be implemented in two years because this guy said so. Might I suggest to you, Mr. Speaker, that if we were to do this with comments made by isolated members that are sitting on that side you might hear that there is not the kind of unanimity that you try to project. I — (Interjection) — Yes, and I do speak for myself, Sir.

To become a little more serious I would like to suggest again, I would like to suggest again, Mr. Speaker, that this kind of allocation of money, this implementation of this plan is simply removing from private enterprise and from individuals a responsibility that rightfully belongs to that individual. — (Interjection) — Yes, Mr. Speaker, I said that in my other speech and I intend to repeat it again unless it seems to sink in a little. I feel that if you overprotect a student or overprotect a child you're doing very much the same thing as a government overprotecting the governed and this is what can develop — I can realize fully, Mr.

(MR. GIRARD cont'd) . . . . Speaker, that some members of that side do not appreciate these comments. I can realize this fully because their way of thinking and their sincerity in this way of thinking conflicts, it conflicts in that they cannot visualize this as being truthful or right. I suggest to you, Mr. Speaker, that it's proven in many ways and those who want to find it can certainly so do. Responsibility of the individual when it can be borne by the individual or responsibility of enterprise ought to rest with those who can assume it as much as possible.

Now another comment that was made by the Honourable Member from Roblin, and in commenting I would like to acknowledge the suggestion made by the Minister of Finance, I thought it was in some regards very well put. I don't think, however, there is any doubt in the people who are close to the situation that the committee that was set up in order to study the industry, in order to study the contributions made to that committee, was not the kind of impartial committee that the people of Manitoba would have liked to see.

Mr. Speaker, may I acknowledge that first of all I am not aware of the previous administration, but may I suggest further that if the previous administration did this and if the previous administration sat and sat and sat as the Honourable Minister of Mines and Resources said before, this is no reason why this government should do the same thing. This group has not yet learned, this group has not yet learned, Mr. Speaker, that two wrongs don't make a right. I'm not sure whether I should correct this, Mr. Speaker, because it's likely to be misunderstood.

I was amused by the comment of the Minister which said, you know the sole agency, the sole agency will save money. He didn't say "monopoly" but that's what it is. The sole agency, the monopoly will save money. Well, Mr. Speaker, I think that's about as plain and mundane a statement as you can have, because if everybody in Manitoba wore the same coloured suit and we could get it off the same rack of course we'd save money; you know we could probably get it for maybe half price. -- (Interjection) -- Yes, Mr. Speaker, I've said this before and I'll likely say it again because it doesn't seem to sink in. If everybody drove the same car, in essence, Mr. Speaker, if we had a monopoly in the goods that we're using, and in fact maybe most of the services, maybe we could allow only a certain number of services in this society and monopolize them, and you know we'd save money. Yes, we'd save money. I think that the Hutterite colony is a good example, Mr. Speaker: the same clothes, the same ambitions, the same occupation, the same interests, and you know, Mr. Speaker, they're saving money. And this is what we're doing with the insurance plan. We're going to save money, but at a cost.

MR. GREEN: I wonder if the honourable member would permit a question.

MR. GIRARD: Mr. Speaker, I'm just about finished.

MR. GREEN: Okay.

MR. GIRARD: I know the member will be very happy to hear that. As a matter of fact, Mr. Speaker, I had six other pages but in view of the interest that I have in the Minister's question I think I should terminate here but I would like my contribution thought about.

MR. SPEAKER put the question and after a voice vote declared the motion lost.

MR. FROESE: Yeas and nays, Mr. Speaker.

MR. SPEAKER: Has the honourable member support? (Agreed) Call in the members.

A STANDING VOTE was taken, the results being as follows:

YEAS: Messrs. Barkman, Bilton, Claydon, Craik, Elnarson, Ferguson, Froese, Girard, Graham, Henderson, Jorgenson, McGill, McGregor, McKellar, McKenzie, Molgat, Patrick, Sherman, Spivak, Watt, Weir and Mrs. Trueman.

NAYS: Messrs. Allard, Barrow, Borowski, Boyce, Burtiniak, Cherniack, Doern, Evans, Fox, Gonick, Gottfried, Green, Jenkins, Johannson, McBryde, Mackling, Malinowski, Paulley, Pawley, Schreyer, Shafransky, Toupin, Turnbull, Uskiw and Uruski.

MR. CLERK: Yeas 22, Nays 25.

MR. SPEAKER: I declare the amendment lost.

MR. G. JOHNSTON: Mr. Speaker, I was paired with the Member for St. Boniface. Had I voted, I would have voted for the resolution.

MR. GORDON W. BEARD (Churchill): I'm sorry, Mr. Speaker, but for the record I took for granted I was paired with the Member for St. Boniface. I would have voted for it; I don't know what he would have done.

MR. G. JOHNSTON: Mr. Speaker, I think to help you out of the predicament the vote should be taken again. -- (Interjection) -- Well, you can't have two people declaring a pair with one person.

MR. GREEN: On a point of order, I think it's well understood that the pairing procedure

(MR. GREEN cont'd) . . . . is a question of honour and custom and the vote is recorded with it. The members who enter into the honourable and traditional arrangement have to clear that up with themselves.

MR. SHERMAN: Mr. Speaker, if it will ease the predicament any, we can pair the Honourable Member for Churchill up with somebody on our side, Sir.

MR. EINARSON: Mr. Speaker, on a point of order, this has happened before and how often it's going to happen in the future where we have pairs. I don't think this is acceptable procedure in this House.

MR. SCHREYER: If there appears to be a problem still remaining with you, I suggest that the Member for Churchill not having been first, that he should simply rise in his place and indicate his vote and that it be so recorded that the Member for Portage la Prairie is paired, as he indicated he was, and it will clear all up if the Member for Churchill would simply indicate his vote and whether it be in the negative or in the affirmative.

MR. BEARD: I would like to thank the First Minister. If I can record my vote, I would have voted for the resolution.

MR. BILTON: I think it should be pointed out that a serious error has been committed tonight and it places you in an unfortunate position that should not be allowed to happen and everyone should understand that.

MR. FROESE: Mr. Speaker, on the same point of order, I think it should be recorded that the vote is different now, that the outcome, the total outcome is different than what it was before.

MR. BEARD: If you're worried about a precedent, I'll pair with the Minister of Education if you want, Mr. Speaker. I think it's ridiculous . . .

MR. SHERMAN: That's impossible, Mr. Speaker, the Minister of Education is already paired.

MR. WEIR: On the point of order, maybe rather than have a precedent we would be wise to take the book vote over again. It would only take a minute or two and I would have no objection. The thing that bothers you of course is that a member who isn't paired has no right to stay in his seat and you run into a difficulty in that way. We do have two or three difficulties wound up with it and if we are going to have a problem and a problem in the future, it might be worth it for just the length of time it would take to have the vote over.

MR. SCHREYER: Mr. Speaker, I agree entirely, and rather than set any precedent that would be undesirable in terms of parliamentary practice, I suggest that you call the yeas and nays.

A STANDING VOTE was taken, the result being as follows:

YEAS: Messrs. Barkman, Beard, Bilton, Claydon, Craik, Einarson, Ferguson, Froese, Girard, Graham, Henderson, Jorgenson, McGill, McGregor, McKellar, McKenzie, Molgat, Patrick, Sherman, Spivak, Watt, Weir and Mrs. Trueman.

NAYS: Messrs. Allard, Barrow, Borowski, Boyce, Burtniak, Cherniack, Doern, Evans, Fox, Gonick, Gottfried, Green, Jenkins, Johannson, McBryde, Mackling, Malinowski, Paulley, Pawley, Schreyer, Shafransky, Toupin, Turnbull, Uskiw and Uruski.

MR. CLERK: Yeas, 23; Nays, 25.

MR. SPEAKER: I declare the amendment lost.

MR. G. JOHNSTON: Mr. Speaker, I was paired with the Member for St. Boniface. Had I voted, I would have voted for the motion.

MR. BILTON: Mr. Speaker, I thank the House for making wrong things right.

MR. SPEAKER: Next resolution.

MR. CLERK: Resolved there be granted to Her Majesty a sum not exceeding \$6,120,700 for Tourism and Recreation, Resolutions 92 to 95 separately and collectively, for the fiscal year ending 31st day of March, 1971.

MR. SPEAKER: It is now 10:00 o'clock and the House is adjourned and will stand adjourned until 2:30 tomorrow afternoon.

MR. PAULLEY: Mr. Speaker, that motion was before the House. It is passed?  
--(Interjection) -- Oh yes, there was a motion before the House, it had to be voted.

MR. SPEAKER: Order, please. It is 10:00 o'clock; the House is adjourned and will stand adjourned until 2:30 tomorrow afternoon.