

## THE LEGISLATIVE ASSEMBLY OF MANITOBA

9:30 o'clock, Monday, August 10, 1970

Opening Prayer by Mr. Speaker.

MR. SPEAKER: Presenting Petitions; Reading and Receiving Petitions; Presenting Reports by Standing and Special Committees; Notices of Motion; Introduction of Bills; The proposed motion of the Honourable Leader of the Official Opposition, which I am holding.

I have considered the motion of the Honourable Leader of the Official Opposition and I wish to thank the honourable members for their assistance in speaking to the point of order relevant to the admissibility of this motion. However, subsequent to the receipt of this motion the Honourable Minister of Transportation offered a retraction which appeared to have been acceptable to the House. Therefore, regardless of the validity of the motion insofar as the rules are concerned as they may have been applicable at the time the motion was proposed, I believe that the statement the Honourable Minister made during the sitting of the House on the afternoon of Thursday, August 6, 1970 alters the status of the said motion.

At this point I would refer honourable members to Beauchesne 4th Edition, Citation 55, subsection (1) which reads in part as follows: "Suspension is a part of procedure which should be resorted to with great caution. It affects a member's freedom, conflicts with the law under which he has been elected to represent the constituency, and there is some disgrace attached to it. It should only be applied as a last resort after all other means have been tried, such as a demand for satisfactory explanation, a retraction, or an apology."

May I also refer honourable members to May's Parliamentary Practice, Page 144. I am certain the honourable members will agree that the aforementioned citation makes further consideration of the motion not only out of order but also undesirable, and I do find the motion of the Honourable Leader of the Official Opposition to be out of order.

MR. SPEAKER: Orders of the Day. The Honourable House Leader.

HON. SIDNEY GREEN, Q.C. (Minister of Mines and Natural Resources) (Inkster): Mr. Speaker, I move, seconded by the Honourable the Minister for Cultural Affairs, that Mr. Speaker do now leave the Chair and the House resolve itself into Committee of the Whole to consider the following bill - Bill No. 56, The Automobile Insurance Act.

MR. SPEAKER presented the motion.

MR. SPEAKER: The Honourable Minister of Mines and Natural Resources.

MR. GREEN: Mr. Speaker, just before I address the House it is my impression that this

... MR. WALTER WEIR (Leader of the Opposition) (Minnedosa): Mr. Speaker, on a point of order, if I may . . .

MR. GREEN: Mr. Speaker, I'm raising a point of order and I'll let the honourable member speak. It's my impression that the motion is debatable. I would prefer that it wasn't but it's my impression that it is. If it is, I intend to speak on it. I refer you, Mr. Speaker, to Rule No. 34. The following motions are debatable, that is to say every motion (a) standing on the Orders of the Day. Now, Mr. Speaker, I want to make it clear that it would be my preference if the motion was not debatable but my understanding is that it is.

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

MR. WEIR: Mr. Speaker, speaking to the point of order, and I recognize the section in Section 34 of our own rules which could be possibly interpreted to govern, although when you consider them in conjunction with Beauchesne, Sir, I would suggest that you have a look at Standing Order 53. Standing Order 53 in Beauchesne on Page 188 says that "except as provided in Standing Orders 56 and 58, when an Order of the Day is read for the House to resolve itself into any Committee of the Whole, the question that Mr. Speaker do now leave the Chair shall be decided without debate or amendment." Mr. Speaker, Standing Orders 56 and 58 refer to going into Committee of Supply and going into Committee of Ways and Means, which by long standing practice has been recognized for both debate and amendment.

Now, Sir, I look on this motion at going into Committee of the Whole at this stage of the game as being almost routine, like the routine proceedings before the Orders of the Day. If your ruling, Sir, was that it was debatable, then I, Sir, would take a different approach to the approach that I was going to take in going into Committee of the Whole House. If it becomes a debatable motion then we, Sir, are going to stand firm against it. If in fact it is a non-debatable motion, after we arrive at Bill 56 in committee stage we will make our points and have our debate at that time, but depending on what your ruling is, Sir, is going to dictate what our

(MR. WEIR cont'd.) . . . . . approach is to it in the vote on going into Committee of the Whole.

It is my understanding that if the vote on Committee of the Whole were to fail that nothing would happen, that there would have been no judgment of the House except that what would happen is on the Order Paper this afternoon you would have another order for the afternoon Committee of the Whole House with Bill 56, and if this could continue then you would never deal with Bill 56. So that, Sir, doesn't happen and so that we don't get in any difficulties on this, I am prepared to support going into Committee of the Whole House if it's not debatable and if it is just a routine motion. If it's the other way of course we'll intend to take, if there's anything new, to take our part in debate; and if there's nothing new, certainly to stand in line to be counted in terms of the vote itself.

MR. GREEN: Mr. Speaker, I indicated at the outset that if there is good authority that this is not debatable, that would be my preference. My impression is that it is. I wonder if the honourable member will again refer to the citation that he spoke of.

MR. WEIR: Yes, Mr. Speaker, I am quite happy to. It's Standing Order 53 on Page 188 of Beauchesne, and I can repeat it again: "Except as provided in Standing Orders 56 and 58," - and Standing Orders 56 and 58 refer specifically to the Committee of Supply and Committee of Ways and Means and provides the exemption for those two purposes of Committee of the Whole House - "when an Order of the Day is read for the House to resolve itself into any Committee of the Whole, the question that Mr. Speaker do now leave the Chair shall be decided without debate or amendment."

HON. ED. SCHREYER (Premier) (Rossmere): Mr. Speaker, it would seem that the Honourable the Leader of the Opposition is making the argument that it is not within the rules to have a debate take place on the motion to go into Committee of the Whole, and quite frankly if that is in fact the rules, and that is in a way my understanding of it too, I see no difficulty in terms of those who indicated already a wish to speak at some point soon because that certainly could be done immediately after the House does resolve itself into Committee of the Whole. So I see no particular difficulty in procedure in that case, Mr. Speaker.

I did want to take the opportunity some time early today to indicate that a number of amendments that we had prepared in the course of the last few days would be distributed to honourable members, but that can be done equally well soon after the House resolves itself into committee, so it all comes down then, Mr. Speaker, to the specific point of order as to whether or not this motion is debatable. I gather that it is not and there is no objection.

MR. LAURENT L. DESJARDINS (St. Boniface): Mr. Speaker, on the question of privilege also, I think we have in our own rules where it mentions - 34 on Page 18 - debatable motions: (b) for the adoption in Committee of Supply or Committee of Ways and Means or other Committee of the Whole House, of the resolution, clause, section, preamble or title under consideration. I think that certainly this would apply in this case and I wonder if you could - I think that this is quite important - I wonder if you could take this under advisement then if it's not. -- (Interjection) -- Well this is something -- I think that it is debatable. The rule seems quite clear on that and I certainly would like to speak on this.

MR. SPEAKER: Are you ready for the question?

MR. DESJARDINS: What is the question please - to go into committee? Well before this is passed, I would like to move, seconded by the Honourable Member for Churchill, that the debate be adjourned.

MR. GREEN: Mr. Speaker, I believe that you are in the position, Mr. Speaker, of having to make a ruling on the point raised by the Leader of the Opposition and which I asked on. If the ruling is that the matter is debatable then I would speak, so the honourable member would not then be able to move adjournment, but the fact is that I am quite happy if the ruling is that it is not debatable.

MR. DESJARDINS: Well, Mr. Speaker, I'm not quite happy. I think that it is debatable and I think that our rules are quite clear and I certainly feel that the honourable member should have the right to speak and any others also.

MR. SPEAKER: Well, after having heard argument from both sides my impression is - and this I believe has been the custom in our House - that a motion to go into Committee of the Whole is not debatable and I believe that there is sufficient authority for it, as cited by the Honourable Leader of the Official Opposition. I think that that has been the practice which has been followed and I see no reason for deviating from that practice at this time. Hence the

(MR. SPEAKER cont'd.) . . . . motion is in order and it is in order as being not debatable and the question be put without debate.

MR. SPEAKER put the question and after a voice vote declared the motion carried and the House resolved itself into a Committee of the Whole with the Honourable Member for Elmwood in the Chair.

COMMITTEE OF THE WHOLE HOUSE

MR. CHAIRMAN: The Honourable House Leader of the Liberal Party.

MR. GORDON E. JOHNSTON (Leader of the Liberal Party) (Portage la Prairie): Mr. Chairman, I move, seconded by the Member for Assiniboia, that consideration of Bill 56 not be proceeded with until a clause has been added to Bill 56 to allow for freedom of choice of the purchaser of auto insurance in Manitoba between the government operated plan and the private licensed insurers.

MR. CHAIRMAN: The Honourable House Leader.

MR. GREEN: Before the motion is received, Mr. Chairman, I would point out that the House has just passed a motion requiring the committee to consider this bill, and that the motion now put by my honourable friend is a direct negation of the motion that has been put by the House for the committee to do its work, and therefore I would suggest, Mr. Chairman, that the motion is wholly out of order. We are now in consideration of the bill and any motion on the bill which chooses to change sections of it would certainly be in order, but a motion in committee contradicting what the House has told us to do is definitely out of order.

MR. G. JOHNSTON: Mr. Chairman, on the same point of order, I suggest to you that the committee is the master of its own operation. There is a chairman, the members may move motions to delete or add or to consider, or to report the bill or not to report the bill or to give the bill a hoist or do anything they wish. This is up to the committee.

MR. CHAIRMAN: Order please, it's rather noisy in the Chamber.

It would seem that the best course of action would be for the Honourable House Leader of the Liberal Party to make his motion as a proposed amendment or substitution for the section of the bill which deals with the compulsory aspect of the plan. So far we are about to enter Section 1 which deals with Definitions and so on, and I think it would be in order to move this amendment later but not at this time. The Honourable Member for Ste. Rose.

MR. GILDAS MOLGAT (Ste. Rose): On the point of order, I agree that it is possible for the member who has just moved the motion to do so as an amendment to the bill but is it not also proper at the beginning of the consideration of a bill in the committee stage to state a reason for not wishing to proceed with the bill at this point unless certain action is taken by the government? I think that that is in order according to our rules.

MR. GREEN: Mr. Chairman, I would respectfully suggest that all of those considerations are deliberated on up until third reading, that the members have had an opportunity to express on the principle as to their position with regard to the bill. They have had a chance in the Utilities Committee to move that the bill be not reported and indeed on the report of the Committee, on the report of the Committee to receive they have had an opportunity to do this. Those things have all happened. The House has now said to the committee, consider this bill, and if the bill is being considered the honourable member can make whatever motions he wants to which he thinks make it more acceptable to him, but he is not entitled to a new debate -- well, the honourable member is shaking his head. I'm putting a position - I may be wrong - the honourable member says I'm always right. I concede that I may be wrong, but nevertheless I am putting the position that the question of debate on whether or not the bill should be considered has elapsed and is not to be renewed.

MR. CHAIRMAN: The Honourable First Minister.

MR. SCHREYER: May I add, Mr. Chairman, that the Member for Ste. Rose I am sure will want to agree that it is open to the honourable member or his colleague the Member for Portage la Prairie to move a motion very much along the same lines as he is just attempting to move, but it has, under the rules as I understand them, to be related to a particular clause of the bill and that when we go into committee, as we are, as we have now to consider the bill clause by clause, it is required under the rules to attach any amendment to these particular clauses of the bill and not attempt to move the kind of motion that, if it is in order, has to be at second or third reading stage.

MR. CHAIRMAN: I would suggest that this motion should be held for the specific section

(MR. CHAIRMAN cont'd.) . . . . . of the bill. It does seem to me to deal with a particular detail, otherwise I think the amendment could be made at the end when the question of the bill being reported is raised, so I would ask the Honourable House Leader to hold until that time.

MR. CHAIRMAN: The Honourable Minister of Labour.

HON. RUSSELL PAULLEY (Minister of Labour) (Transcona): Mr. Chairman, if I may, I think that your procedure should be to rule the motion out of order at this time, realizing that the Honourable the Member for Portage la Prairie, the House Leader of the Liberal Party, can do as you suggest, but if you accept the motion or technically accept it by just pushing it aside or putting it aside, then in effect you're recognizing that it is a proper motion for the future. So in all deference and respect to you, Mr. Chairman, I think the proper procedure at this particular moment would be for you to declare that the subject matter - or the type of a motion rather than the subject matter - the type of a motion that you have before you is out of order at this time, realizing of course that the honourable member who introduced it can introduce the subject matter by way of an amendment to Bill 56 in some section or by the introduction of a new section, or at the termination of the consideration of the Bill by the Whole House insofar as the motion, the final motion to refer it to the House. I think this would be proper, Mr. Chairman, and I respectfully suggest you consider the same.

MR. CHAIRMAN: The Honourable House Leader of the Liberal Party.

MR. G. JOHNSTON: Well, Mr. Chairman, in order to make your job a little bit easier for the moment, I'm willing to withdraw the motion and I will introduce it at the earliest opportunity.

MR. CHAIRMAN: The Honourable Member for St. Boniface.

MR. DESJARDINS: Mr. Chairman, on a point of order, all the members received some amendments. I think these are the amendments that were passed in Public Utilities. Now there's nothing added, nothing that was announced by the First Minister a few days ago - this is not in here is it? -- (Interjection) -- Fine.

MR. SCHREYER: Mr. Chairman, I don't know if it's - I suppose it is in order to proceed this way in committee. I can advise the honourable members that these amendments which have been distributed are those which have been dealt with in the Standing Committee. There are a number of others, perhaps four or five other amendments which I expect could be distributed within a matter of 15 or 20 minutes or half an hour from now.

MR. CHAIRMAN: The Leader of the Official Opposition.

MR. WEIR: Mr. Chairman, I'm assuming that the other order of business and leave has been granted to the Member for Portage to withdraw.

MR. CHAIRMAN: . . . leave to withdraw his motion? (Agreed) The Honourable Member for Ste. Rose.

MR. MOLGAT: Mr. Chairman, on that same matter though, I'd appreciate if we can have a statement from the Chair at some stage, and I don't insist on it now, as to under what rule was the decision taken that this was not allowed.

MR. CHAIRMAN: Section 1. The Leader of the Official Opposition.

MR. WEIR: Mr. Chairman, before dealing section by section I have a motion I would like to make, and I may say at the outset that I intend to do so without lengthy debate because I think that the House has had it, but I seek a decision of the Committee of the Whole House in relation to it. Mr. Speaker, I do this because it's my belief that more information is needed and we do have people who can make a significant contribution to the additional information that the House needs before it proceeds to deal section by section with Bill 56.

So, Mr. Chairman, I would like to move that there be summoned to appear before this committee to give evidence, Mr. F. A. Swaine, Mr. R. D. Blackburn and Mr. Frank C. Pagan. As I do that, Sir, I file with you a declaration that is required by me in Standing Order 69 of Beauchesne to be found on Page 234. "I, Walter Weir, Member for the Constituency of Minnedosa, do hereby certify that in my opinion evidence may be obtained from F. A. Swaine, Superintendent of Insurance, R. D. Blackburn and Frank C. Pagan, members of the Automobile Insurance Committee, which will be material and important to the matter before this Committee of the Whole House."

MR. CHAIRMAN: The Honourable Minister of Labour.

MR. PAULLEY: Mr. Chairman, I wonder if my honourable friend would recite his basis for -- I missed them.

MR. WEIR: Standing Order 69, Page 234, which requires the filing of the declaration of

(MR. WEIR cont'd.) . . . . . the importance, and Section 327 indicates the possibility of witnesses being called before the Committee of the Whole. Our own rule book, Section 75 I believe it is, Section 75 is silent on the matter of calling them before Committee of the Whole but it provides a means, Mr. Chairman, for the Speaker to pay the expenses of witnesses that come before any Committee of the Legislature with one exception, that being private bills, and then assuming if it was not in order that it would say so in the same manner it does in terms of private bills. So in putting all of the rules together, Mr. Chairman, I find specific reasons there, or specific rules for calling witnesses before the committee in order to get the information that is required.

MR. CHAIRMAN: The Honourable House Leader.

MR. GREEN: Mr. Chairman, I wonder again whether the Leader of the Opposition -- with regard to Section 69, I'm quite certain that we've had lots of people appear before committees and we've required no certificates, so I don't think that a certificate is proof that he may appear before Committee of the Whole House, but he then gave another citation which I may have missed, which indicated circumstances under which witnesses can be called before Committee of the Whole House and I wonder if he'd just repeat that.

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

MR. WEIR: Mr. Chairman, the other citation - I've lost my spot now - but Section 327, when the attendance of a witness is desired - and, Mr. Chairman, may I say that I didn't indicate it was necessary for a declaration before witnesses could appear, but it's fairly clear that before they can be summoned, and witnesses can't normally appear before this Committee, the only thing that can happen to them in this committee, Mr. Chairman, is that they can be summoned and the rule is fairly clear in terms of summons. As a matter of fact, it's fairly clear in relation to any committee of the House, whether it's Standing or Select or Special or what it may, where a summons is required. The wording of my motion, Mr. Chairman, is that these people be summonsed, and what I've attempted to do is to meet the rule that are laid down within the Book.

MR. CHAIRMAN: The Honourable Member for Churchill.

MR. GORDON W. BEARD (Churchill): Mr. Chairman, on this point of order, as I gather, the Leader of the Opposition is asking that the witnesses appear before us in Committee of the Whole. I've come to the position now that I feel that we're in an untenable position in that we haven't received the government's amendments, and if they are ready, as indicated they will be ready within 15 minutes or half an hour or whatever it may be, I would wonder if the House Leader or the Chairman of the Committee cannot adjourn this meeting to give us time to get those amendments so that we can start to do something that's - well, not a piecemeal basis but we know exactly what's in the government's mind. I for one do not know; all I hear is constant rumours as to changes that will come within the Bill, and I would hope that maybe there would be some way to give them time to get the amendments to us so that we'll know exactly what it is. I don't know how it would come about, but I suggest that maybe it would help if we had those before us.

MR. CHAIRMAN: The Member for St. Boniface.

MR. DESJARDINS: Mr. Chairman, I would think that this is certainly the right way to proceed. The First Minister in his speech has stated that there would be some amendments and he's repeated it today. While we're thinking of maybe waiting to do this in an orderly way and to wait till we get said amendments, if there are any, I would like to make an appeal to the members of the Opposition benches. I think that it is quite clear that the different parties have stated that they will have a series of amendments to present at this stage - and mind you, it is the right of the opposition to just introduce them as we go along, but if and when we get the amendments of the government, I think that the real reason why we will go into committee is to give these amendments consideration and I think that it would be advisable, if the members are really sincere in wanting to pass these amendments and I don't question their sincerity, but I can't see how they could really refuse to let the members have a chance to study them unless the reason is just to embarrass one of the parties or to bring these resolutions strictly for partisan reasons. I'm not making this accusation but I'm sure that both the Liberal Party and the Conservative Party, as well as the Social Credit Party, if any, if they have amendments, if we're really going to give this the thought I'm sure they deserve. I for one -- it would be a lot easier for me to have a chance to look at these amendments a little

(MR. DESJARDINS cont'd.) . . . . . before to be ready for these things, because sometimes you have to refer from one amendment to the other. Now if it's going to be sprung on me at the last minute, it's going to be quite difficult for me to give it proper consideration.

MR. CHAIRMAN: The Leader of the Official Opposition.

MR. WEIR: Mr. Chairman, I didn't really care for the remark that if the members of the opposition were sincere in wanting to do this and sincere in wanting to do that, by the Member for St. Boniface, that we'd do this. Well, Mr. Chairman, this is the impression that I got and I recognize that he wasn't questioning our sincerity as such, but he did make passing reference that we'd do this if we were really sincere and we'd do that. Well, I have no hesitation, Sir, in telling you what the general outline of the amendments that our group have and they're related specifically to taking anything out that refers to a monopoly automobile insurance plan.

Now essentially the majority of things, Mr. Chairman, and I'm speaking on the point of order that was being raised - not on my motion, Mr. Chairman, a point of order has been raised as to the manner in which we should go about doing business here.

MR. GREEN: . . . exactly that point. I think we do have to decide whether this motion is in order regardless - and I want to decide it - whether the motion is in order regardless of what the Member for St. Boniface says. I think a question of whether a committee can be called into the Committee of the Whole House on consideration of a Bill is a matter which should be decided, and I want to speak on that matter but I'll yield to the Honourable Leader of the Opposition if that's what he intends to direct his remarks to, because I think that's what's before the House.

MR. CHAIRMAN: The question before us is the admissibility of the motion of the Leader of the Official Opposition. I think that's what we should deal with.

MR. WEIR: Mr. Chairman, if that's the case, may I say that an interruption by two other honourable members was allowed, and I'm quite prepared to take my seat because it was my view they shouldn't have been allowed either, but then having been allowed, I found myself with a position on it. So, Mr. Chairman, I accept your ruling and I yield the floor to hear the views of the Honourable House Leader.

MR. GREEN: Mr. Chairman, I think that the real consideration which is before the Chair is whether a witness can be called before the Committee of the Whole House on consideration of a Bill, and I submit, Mr. Chairman, that all the precedent is against this procedure, that committees are called before committees outside of the House, and I suggest that nothing that the Leader of the Opposition has pointed to you shows that a witness can be called before a Committee of the Whole House for the consideration of a Bill.

Now the references that he has made, Mr. Chairman, merely indicate how broad the House of Commons' jurisdiction has been, is and can be, because the House of Commons has had the jurisdiction, for instance, to grant divorces, to consider other matters, to conduct enquiries, to act almost as an enquiry into any matter affecting the realm, and I suggest that for those purposes it has, from time to time, had witnesses appear before the House of Commons itself or before the Committee of the Whole. That doesn't mean that because that has happened in those circumstances that a witness can be called before the Committee of the Whole House to deal with the question of a bill.

Our proceedings are that the public, or strangers, appear before legislative committees, including the Committee of Law Amendments, on consideration of bills - and I specify that, Mr. Chairman. I'm not saying that it could never happen, but if it were to happen it would have to happen because the House of Commons or our Legislative Assembly decided that it was going to go into some type of enquiry which it wanted to be conducted by the Committee of the Whole and which it wanted witnesses called to. No such directive has been given to this Committee of the Whole House. This Committee is here to consider a bill, and, Mr. Chairman, my remarks relate to everything that has happened in the Committee of the Whole House in all of the tenure of my honourable friends sitting in this Assembly, and certainly in the shorter period of time when I have sat in this Assembly, so there is no citation, Mr. Chairman, which he has indicated to you which gives authority of the Committee of the Whole House to, on its own, call witnesses on the consideration of a Bill. That is not the procedure; it has not been the procedure and I suggest it should not be the procedure in future.

MR. CHAIRMAN: The Honourable Member for River Heights.

MR. SIDNEY SPIVAK, Q. C. (River Heights): Mr. Chairman, on the point of order - and

(MR. SPIVAK con t'd.) . . . . I want the Honourable House Leader to know that I'm speaking on the point of order and not on the substantive part of the motion nor is it my intention of getting into it - but we have by just the remarks today of the First Minister, the Member for St. Boniface and his concern, a point that has to be understood. The motion is to request the Superintendent of Insurance to appear before this Committee. The Premier has already indicated in his statements that there could be amendments proposed dealing with compensation and reference in his speech was made to information gathered from the Superintendent of Insurance - yes, gathered from the Superintendent of Insurance.

We do not know yet what the amendments will be. However, assuming that the amendments were in line with the statements that the Premier has made, this is the last opportunity that the House will have of hearing the Superintendent of Insurance, and on the point of order, because the House has that capacity, this committee does have the capacity, it's perfectly in line and in order to request that he appear before us here so that we are in a position to gather evidence from him. Otherwise, we are in the untenable position of having information supplied and being indicated without the ability to be able to deal with it in any depth and to be able to ascertain in our own minds and for our own purposes the essential information to make the judgments that are requested.

MR. CHAIRMAN: The Honourable First Minister.

MR. SCHREYER: Mr. Speaker, if I may speak to the point of order raised and the statement just made by the Member for River Heights in response to the point of order, let me begin by saying that I am not aware of any practice whereby witnesses are summoned from anywhere outside of the Chamber when we are in Committee of the Whole stage.

I realize that there is a citation under Beauchesne which makes that possible under certain very extenuating circumstances. Let me say further that it is the long-standing practice and usage of Parliament that the Minister, for which certain officials are referred to, that the Minister is the one who replies on behalf of a department or an agency or a Crown corporation or whatever the case may be. The Minister may wish to have his advisors near him in order to advise them in some particular if he is unable to give that information himself. Now I know that this was a point of contention in the standing committee which considered Bill 56 clause by clause, and I want to say that it is difficult for me to understand how any member can rise in his place and say that there is certain information material which he wishes, which he requires and which he was unable to obtain from the Minister, when they didn't ask the Minister. I am not personally aware that any questions or requests for information were put to the Minister in question of a kind that he was not able to answer.

MR. WEIR: A point of order if I may. The Honourable First Minister appears to be debating whether or not we should hear the witnesses. I think the question is whether my motion is in order or whether my motion isn't in order. If you declare it in order than I would be quite happy to hear the Honourable the First Minister's opinion and judgment as to whether they should be called or not and to receive the decision of the committee. It's my view, Sir, that I have the right as a result of the citations which I gave you, which are 327, which indicates that when the attendance of a witness is desired to be examined at the Bar by the House of Commons or by a Committee of the Whole House, he is simply ordered to attend at a stated time and that that order be signed by the Clerk of the House served on him personally, and it goes on beyond that point.

In terms of the Standing Order No. 69, it says "No witness shall be summoned to attend before any committee of the House, unless a certificate shall first have been filed with the chairman of such committee by some member thereof, stating that the evidence to be obtained from such witness is in his opinion material and important." So I have attempted to meet what I believe are the rules as they apply to me in this circumstance. Now, Mr. Chairman, if you rule my motion in order then I think it will open all the debate as to whether or not it should come, if that's necessary. I'm one who maintains that we have had the debate once, when we talked about sending it back to the other committee and it's really a matter of judgment of this Legislature whether or not they should be called or not.

MR. SCHREYER: Mr. Speaker, I . . . speaking to the point of order, I understand the Honourable the Leader of the Opposition a little more clearly now, and may I suggest to you, Sir, that quite frankly the citation he refers to is, I submit is not with reference to those who are in the employ of the government or who are members of an agency or a commission of enquiry for which there is a minister reporting and responsible. The reference in the citation

(MR. SCHREYER cont'd.) . . . . . that is referred to by the Honourable the Leader of the Opposition is, I submit, a reference to the calling of a witness who is not someone who is a public servant and therefore who has a Minister reporting and responsible for his actions.

I submit, Sir, it is the kind of citation that would apply in the case for example, of a point of parliamentary privilege. As I can recall on two occasions the House of Commons did pass a motion to summon a witness before the Bar, but it was with respect to a private citizen who had not been in the employ of the Government of Canada and who had made certain remarks, which reflected on Mr. Speaker on one occasion, so the question was put as to whether this witness should not be called before the Bar. But I have never, and I challenge anyone to find any precedent, either here or in the Parliament of Canada, where a witness was called before the Bar who was the kind of witness who was a public servant and doing work for the government of the day, or doing work which was accountable in the House, reportable in the House by a Minister of the Crown.

MR. CHAIRMAN: The Honourable Member for St. Boniface.

MR. DESJARDINS: Mr. Chairman, on the point of order and I want to make it clear like the previous speaker, also that I'm not speaking on the content of the motion, because we are debating now is the motion in order or not. I think that what was stated by the Leader of the Opposition applies mostly to Ottawa, but if my information is correct, that we have a different system here. We have a Committee of the Whole, but we also have a committee, we take this outside of the House, which is not done in Ottawa, where they do one or the other, not both. I submit that the Committee of Public Utilities when this question of Bill 56 was taken out of the House to hear exactly these kinds of representation and so on, the committee felt at the time, deemed at the time that these people should not be called, that the government was going to take the responsibility, and also it was stated quite clearly by the Minister responsible, on more than one occasion, that these people would be available if the Minister himself needed their support or their expertise and this was not done; in fact, one of the members was standing by. So as I say, it's not a question is this a good thing to call these people, not at this stage anyway, but right now it's a point of order and I say that if these people should have been called, they should have been called in committee outside the House, this is why we have this committee. I say we lost our chances then.

MR. CHAIRMAN: The Honourable House Leader.

MR. GREEN: Mr. Chairman, I do want to reply to the Honourable Member for River Heights who seems to have lost his ingenuity in the last several weeks. He says that this is the last chance, because a new amendment will be coming before the House and this new amendment we will need information on. I'm certain that we won't, but let's assume that that is correct and therefore we are locked into this Committee of the Whole, we have this new amendment and we can't in any way, get people to speak on this new amendment. Well, Mr. Chairman, that's just not true. Just not true. The Honourable Member, if he wants to, and I will give him the method by which he could do this, when the amendment is dealt with, the committee could vote to stand it over, the committee could vote to have this new amendment, that the real information is required on -- I'm telling the honourable member that he could do it. I'm certain that he won't but if he needs legal advice, he could do it, he could move that the amendment be stood over, that the bill be reported and that a recommendation go to the House that the bill be reported but that this amendment go back to the Public Utilities Committee, just as the Member for St. Boniface has said and that people should be heard on it. Now I know that he won't do it, but if he wants the way there it is. His hands are not nearly so tied as he would suggest to you, Mr. Chairman, that they are.

But let's look at the reverse situation, let's look at what the Leader of the Opposition is now suggesting, because he is in the throes of a particularly sensitive debate, and therefore -- shall I use the term that you get frantic and you start looking around for all kinds of measures, you start looking around for all kinds of things that have never happened before, sort of leaping for straws. What he is suggesting is that from now on something happened in Committee of the Whole House that hasn't happened in all of his years in the Legislature. -- (Interjection) -- And I say that when you are frantic you make all kinds of peculiar suggestions.

I would like examples of suggestions to be made by various people that we from now on are going to be able to have witnesses come in here in Committee of the Whole House, on bills, not on things which I say that Parliament indeed has the jurisdiction to do, because as has been said on many occasions, parliament has the authority if it wants to, to consider whether they

(MR. GREEN cont'd.) . . . . . should be changing men into women, and I suppose they could order a Committee of the Whole House to consider this and to call witnesses and if they wanted to do that, then the honourable member is quite correct, citations permit it. But it is not within the jurisdiction of the Committee of the Whole House to summon witnesses on consideration of bills. That has not happened, Mr. Speaker; I suggest that it should not happen and I suggest that the motion should be ruled out of order.

MR. CHAIRMAN: The Leader of the Official Opposition.

MR. WEIR: Mr. Chairman, on that same point of order may I say to the Honourable House Leader, if we are talking about being frantic, if it's a matter of being frantic to use what are the words of the rule book, to attempt to use the legitimate rules of the House, and if the House rules, this is the House's privilege, but to be accused of frantic -- (Interjection) -- there is a rule. If you relate Rule 75, of our own rule book where it authorizes payment of committees, -- (Interjection) -- I beg your pardon.

HON. AL MACKLING, Q. C. (Attorney-General) (St. James): Show us one that's been used in that way.

MR. WEIR: I didn't say it had been used in that way. I haven't looked for precedents; I've looked through the Rule Book to find what my rights were and it depends, Mr. Chairman, between both sides of this House as to precedents and whether they've happened before as to who wants it done apparently, and all I've asked for is consideration by this House that this question be settled and answered and we get into matters of frantic fanaticism or whatever it is -- there is the odd phrase that sticks in people's minds or words that stick in people's minds because we have used both parts of that descriptive term that the Member for St. Boniface used the other day. I've heard the House Leader now use both sides of it.

Mr. Chairman, I submit that there is nothing in anything that I have seen, and if there is, then I suggest that the House Leader suggest it to you, Sir, who has to make a ruling on this thing, that there is some ruling that says that witnesses can't be called in relation to bills, can't be called in relation to bills; because, Mr. Chairman, I would suggest that some of the most important aspects of the operation of a Legislative Assembly or a legislative body is the passage of bills; and if the Chamber so chose to call witnesses because the bill was of that import, I can't see why that couldn't be just as great a reason for having witnesses before this House or before this Committee of the Whole House, as any other activity that we carry out. It may very well be that the House in their wisdom should decide not to grant the privilege and if that's the case, we've got our relative positions on that. But, Sir, the question before you now is whether or not, rule, Standing Order 69 and 327 apply in terms of the motion that I've made.

MR. CHAIRMAN: The Honourable House Leader of the Liberal Party.

MR. G. JOHNSTON: Mr. Chairman, on a point of order, and I hope I shall not be frantic or fanatical but try and remain cool for another hour or two, I submit to you, Sir, that the custom and the practice in this House has been that only elected representatives debate or speak or question in this Chamber; it has not been the custom in the past so far as I know, where witnesses have been called in here for questioning. We have had the machinery for that and both the Leader of the Opposition and myself have attempted to apply what is attempted in the motion that is under consideration by the Chairman. I myself in Public Utilities Committee put the very same motion that these gentlemen be called for questioning, which is the proper place for it, for the questioning of witnesses by a committee of this House, and the government with their majority voted that down.

Then when the Bill was in the process of being debated on the report to have it reported back to the House, the Leader of the Official Opposition moved a similar motion to have this matter considered by instructions of this House back at the Public Utilities Committee; and while I sympathize with him and I feel some of the frustration myself that I was unable to question the gentleman who, one who is an expert on insurance in the province - and I'm referring to Mr. Swaine - and the other two who were partisan appointees by that government to make the draft legislation.

MR. GREEN: . . . point of order.

MR. G. JOHNSTON: The place to examine these people is not here. -- (Interjection) -- Mr. Chairman, I'm speaking on a point of order.

MR. GREEN: Yes, and I, Mr. Chairman, am rising on a point of order . . .

MR. G. JOHNSTON: Mr. Chairman, I will not yield; I'm speaking on a point of order.

MR. GREEN: Mr. Chairman, I'm rising on a point of order relative to the remark . . .

MR. G. JOHNSTON: Mr. Chairman, I am speaking on the point of order.

MR. GREEN: Mr. Chairman, I submit that . . .

MR. CHAIRMAN: Order please.

MR. GREEN: . . . it is perfectly in order to rise on a point of order, . . .

MR. G. JOHNSTON: Mr. Chairman, . . .

MR. CHAIRMAN: I would ask both members to be seated for a moment. I would ask the Honourable House Leader of the Liberal Party to continue with his point of order.

MR. G. JOHNSTON: So, Mr. Chairman, I'm saying that we have had the opportunity twice before by way of votes and by way of motions and then votes, to take this course of action and the government refused to vote with the motion and I suggest to you, Sir, at this time that the motion presented by the Official Leader of the Opposition perhaps is not out of order completely in the context, but it is not the custom of this House for other than elected persons to debate in this Chamber.

MR. GREEN: Mr. Chairman, I accepted your suggestion that I be seated. I am now going to ask you, Mr. Chairman, whether a member who has the floor on a point of order and then proceeds to debate the motion itself -- which he has just indicated that he's not saying that it's out of order but it's not a good thing to do -- whether it is not in order for a member of the House to get up on a point of order and challenge as to whether the member's remarks are related to his point of order; because that is what I wanted to do and I submit that I have the perfect right to do it.

MR. CHAIRMAN: Well I would prefer to avoid that problem for the moment. The Honourable Member for Lakeside.

MR. HARRY ENNS (Lakeside): Mr. Chairman, I would like to speak very briefly on the point of order that has been raised as a result of the motion put by my Leader, the Leader of the Opposition. Mr. Chairman, I would like to draw your attention back to the balmier days of this session, namely the Throne Speech, in which a particular catching phrase was used that this government would not be bound by traditions and convention of the past, would not be afraid of setting precedents, and Mr. Chairman . . .

MR. DESJARDINS: Is he speaking on the point of order now or to the motion?

MR. ENNS: No, I'm speaking on the motion. I'm speaking on the order, on the point of order.

MR. CHAIRMAN: . . . the motion.

MR. DESJARDINS: Yes, he is.

MR. ENNS: Allow me to continue for a moment, Mr. Chairman. I am sure you will find me in order. What my leader is attempting to do is not follow precedent, he's attempting to set precedent. Now if that is so difficult for that reactionary group over there to accept, then that's a problem for them. I have the feeling, Sir, I have the feeling and I think it's shared by quite a few others, that once we get through the procedural harangue that we are probably going to wipe out years of tradition and convention when we get down to the voting on this particular bill, so why should we have this sensitivity on the other side at this particular time, to set new ground, to plow new furrows.

Mr. Chairman, I suggest that the research done by my Leader in the Opposition in devising and in finding a way within the rules to hear additional information, to hear additional representation before this committee, which is its own master as had already been said, is quite in order and I support the motion as put by the Leader of the Opposition.

MR. CHAIRMAN: The Honourable Member for Rhineland.

MR. JACOB M. FROESE (Rhineland): Mr. Chairman, I listened to the other speakers speaking to the point of order on the admissibility of the amendment, on the motion. I agree with the Liberal House Leader in his contention. I do feel that while this may be setting precedent but having been rejected on other occasions I think the matter is too important to not have these people appear before committee. I will on those grounds support the . . .

MR. CHAIRMAN: Assuming that all members have given their views at this time, I would suggest that our own rules - I would refer members to Chapters 7 and 8 on Pages 29 and 31, that there is a mention of witnesses in Chapter 8 on Standing and Special Committees but there is no mention of witnesses under Chapter 7 which deals with the Committee of the Whole and other committees. I would think that would be the main point, that it would appear that our rules do not allow or do not deal with or permit witnesses to appear before Committee of the Whole.

(MR. CHAIRMAN cont'd.)

In regard to the citations of the Leader of the Official Opposition, this practice is clearly in evidence in the Federal House but again, this would appear to not be in relation to the rules or practices of this Chamber, so I would thereby rule that motion out of order.

MR. WEIR: Mr. Chairman, I regret I must challenge your ruling.

MR. GREEN: Mr. Chairman, I presume that there will have to be a motion made to the Speaker with respect to your ruling and honourable members will just wait patiently while it's prepared.

MR. CHAIRMAN: Since the ruling of the Chair has been challenged, I have no alternative but to call in the Speaker and refer this question to the House. Order please.

#### IN SESSION

MR. RUSSELL DOERN (Elmwood): Mr. Speaker, while in Committee of the Whole, the Leader of the Opposition moved that there be summoned to appear before the Committee to give evidence Mr. F. A. Swaine, Mr. R. D. Blackburn and Mr. Frank C. Pagan, whereupon I ruled that the matter is out of order because (1) Our rules in reference to witnesses before Standing and Special Committees are in Chapter 8, Page 31, but do not mention witnesses in Committees of the Whole House in Chapter 7 on Page 29. (2) Under Citations 327 and 329 of Beauchesne Fourth Edition, a witness can be called before a Committee of the Whole House in the House of Commons but this is not the practice in this House.

MR. SPEAKER: Shall the ruling of the Chair be confirmed?

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

MR. WEIR: A standing count, Mr. Speaker, please.

MR. SPEAKER: Call in the members.

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

YEAS: Messrs. Allard, Barkman, Barrow, Beard, Borowski, Boyce, Burtniak, Cherniack, Desjardins, Doern, Evans, Fox, Froese, Gonick, Gottfried, Green, Jenkins, Johansson, Johnston (Portage la Prairie), McBryde, Mackling, Malinowski, Miller, Molgat, Patrick, Paultey, Pawley, Petursson, Schreyer, Shafransky, Toupin, Turnbull, Uskiw and Uruski.

NAYS: Messrs. Bilton, Claydon, Craik, Einarson, Enns, Ferguson, Girard, Graham, Hardy, Henderson, Johnston (Sturgeon Creek), Jorgenson, McGill, McGregor, McKellar, McKenzie, Moug, Sherman, Spivak, Watt, Weir and Mrs. Trueman.

MR. CLERK: Yes, 34; Nays, 22.

MR. SPEAKER: I declare the decision of the Chairman confirmed. The Honourable Member for Elmwood.

#### COMMITTEE OF THE WHOLE HOUSE

MR. CHAIRMAN: (Sections 1 (a), (b) and (c) were each read and passed) Section 1 (d) -- The Honourable House Leader of the Liberal Party.

MR. G. JOHNSTON: Mr. Chairman, I move, seconded by the Member for Assiniboia, that Section (d) of Section 1 be amended by adding after the word "corporation" in line 1 the following words: "or by any licenced insurer".

MR. CHAIRMAN presented the motion.

MR. CHAIRMAN: The Honourable House Leader.

MR. G. JOHNSTON: Mr. Chairman, the whole subsection (d) says a contract of insurance means insurance provided by the corporation and evidenced by a certificate or a policy, so my amendment would say, "means insurance provided by the corporation or by a licensed insurer," namely, the companies who are licensed to do business in Manitoba in the auto insurance field.

Now, quite plainly, Mr. Chairman, this means what we have said all along, namely, freedom of choice, and that's all it means. I know the government has said that they can't have their plan operate with this clause in the bill, that it will cause the Crown corporation all sorts of difficulties, and I can appreciate that, but still, the people who are looking at this province today, whether inside or outside the province, with the idea of investing here or bringing investment moneys here, are now regarding Bill 56 as another matter entirely than whether or not the government should be in this type of business. So, Mr. Chairman, my amendment is designed to bring this matter to a head for the government to have their chance, their last

(MR. G. JOHNSTON cont'd.) . . . . . chance once and for all, to decide whether they are going to cause a severe dislocation in a part of the economy of this province or whether to reassure not only the business community, but all those people who believe and feel strongly that there should be a freedom of choice proposition for the individual of the province.

I might say that if this motion were to carry it would help the government get off the dilemma which they now face, and that is fair and equitable compensation to those people who will be out of business or out of jobs in the industry that has built up in this province. If the freedom of choice is allowed, freedom of competition is allowed, then there is no need for the government to provide compensation to anyone. If we received one message in the Public Utilities Committee, time after time after time from the agents, from the companies, from people who work in the industry, they say we welcome the competition; we are not afraid of it. If the government decides to take this proposition on, then by their own words they say that they will be operating at a more economical rate and the others will not be able to compete, well then I say let the chips fall where they may. But if this motion carries, it will certainly reassure many people inside and outside of Manitoba and it will give the companies and the agents and people working in the industry a chance to carry on earning a living.

MR. CHAIRMAN: The Honourable Minister of Municipal Affairs.

HON. HOWARD R. PAWLEY (Minister of Municipal Affairs) (Selkirk): The amendment in fact I suggest is - in any case at this point - is not necessary insofar as the private insurers, that it is the intention of this bill to permit to compete in the supplementary coverage, there is no need for including any amendments in this bill with reference to those private insurers that will be competing in respect to the supplementary insurance, because they come within the confines of the insurance act itself. And insofar as the basic coverage where there is a sole agency involved in the provision of insurance, this matter of principle has been debated at great length, and all that I would like to say to the honourable members of the Liberal Party that insofar as that portion of the insurance coverage is concerned that there would be no foreseeable positive benefit in adding one more company, whether it's private or public, to the now approximately 150 companies competing in the Province of Manitoba for basic automobile insurance coverage. It would not assist in decreasing the delay, the litigation, the cost factor, the acquisition costs. There would be no positive substantial benefit insofar as the motorists in general are concerned.

I regret this continued position. It's an understandable position. But it's to suggest that by magic there's suddenly in all instances, in all circumstances, something to be gained by inserting a competitive situation into a particular field or market. No one would argue that this is in fact a wise thing insofar as Hydro or Telephone or Medicare, Canada Pension Plan, or any other basic plan in which a basic quality is insisted by government to be made available to all residents or all those that are making use. Insofar as the supplementary is concerned, it's intended to be a competitive field; but leaving aside the question, Mr. Chairman, of the basic principle or issue, I do not see where this amendment would be needed in any case because the private insurers will continue to operate and the supplementary coverage will be covered within the insurance act; and insofar as the basic plan is concerned I think we have run over this argument, and I must say that if I could see where the motorist would benefit I would be kind to the suggestion, but there has been no evidence submitted that the benefits that we have proposed by way of automobile insurance by the implementation of a basic plan, universal plan, which all will be covered by, can be just as well accomplished by adding one more company to the now existing 150 in the Province of Manitoba, and although it might sound very nice, it might ring music in the ears of some, I would suggest that in the space of a year, two, three years, the people of Manitoba would say, "Now, what hoax was perpetrated upon us when that bill was passed?"

MR. CHAIRMAN: The Honourable House Leader.

MR. GREEN: Well, Mr. Chairman, on the motion itself, may I say that it's peculiar that the honourable member would choose this particular section upon which to try to bring in the principle of competitive companies in the insurance field, because on my reading of the bill - and I can just give him my own reading - it doesn't prohibit that at the present time, but it permits, it permits the public to set up a corporation which will sell the basic coverage, and may I again say to the Leader of the Liberal Party that the amendment that he introduces would not prohibit the public from setting up a corporation which would provide basic coverage and then deal with licensed companies, but I understand that that is really not the real meaning

(MR. GREEN cont'd) . . . . of the amendment. The amendment was put so that the debate could take place now as to whether or not the plan of automobile insurance should be one of the government operating with competing companies, and the Minister of Municipal Affairs has quite clearly indicated the cogent reasons why this should not be so, and although this may come as a blow to the Minister of Municipal Affairs, I've got a better authority for him on that question. Mr. Speaker, as far as the honourable member's motion is concerned, I've got the best and most conclusive authority in the world that he is wrong; and my authority is, Mr. Chairman, the Honourable Member for Portage la Prairie, and there can be no better authority to demonstrate the duplicity of his present motion.

Mr. Speaker, the honourable member thought we were going to do just that. When the question of the Speech from the Throne was discussed, the honourable member said that he spoke with the Premier and the Premier said that it would be a fair assessment that Manitoba would establish a company in competition with other companies in the field, and the honourable member got up on the Speech from the Throne, just to demonstrate the attack that he was leading to at that time, to show how ridiculous this was, and I'm going to read from Hansard for the honourable member's remarks to show the authority for the ridiculousness of his now present position. "I understand, Mr. Speaker," and Mr. Chairman, I'm reading from Page 42 of this year's Hansard - "However, I understand from the Premier's remarks on television on Sunday, that a Crown corporation may be set up to compete with private companies, with no compulsion attached to joining the government plan," which is what he now proposes. "My only comment at this time is I hope the government plan will not be subsidized, either directly or indirectly, by the taxpayers of the province. Also, if the government plan does not offer a substantial savings to car insurance purchasers, then I can hardly see the advantage of setting up a duplication of services in the province with more red tape and an increase of the number of civil servants."

That's his proposal now, Mr. Chairman, that we do what he said would merely set up a duplication of services in the province with more red tape and an increase in the number of civil servants.

Well Mr. Speaker, I can tell my honourable friend that we are going to take his advice; we don't intend to provide for a duplication of services, more red tape and more civil servants. That's the only good advice that he's given us during this session, and I suggest that we'll take it; but his is the best authority, Mr. Chairman.

The honourable member -- Mr. Chairman, you know, this is a pattern with the proposals that I have heard coming forward regarding social change, that the members of the Liberal Party always seem to say that yes, we would like to see it done, but we would like to see it done in a way in which nobody would be upset by it, and really what they are saying is that they would like to see nothing done because, well, Mr. Chairman, they dealt with the Medicare question in exactly the same fashion. They said yes, we believe in Medicare, we like the word Medicare, we think that there should be a solution to the Medicare problem, but we think that it should be a voluntary plan - which would have undone anything good that could have been achieved by the type of program which has now been enunciated, and I say that that has been the pattern. That is the pattern with the Carter Report. They've had the Carter Report now for roughly, I would say, 1964 to 1970; now they have the White Paper. Last week they announced that the White Paper will not be implemented until at least 1972, and what they say: yes, there are inequities in the tax situation; there are inequities in the tax field; we're going to change them but we would like to change it so that nobody's taxes are affected. That's what they'd like to do. That is the position.

MR. G. JOHNSTON: That's a gross misrepresentation and you know it.

MR. GREEN: Mr. Chairman, that is the position, that is the position. That is what it amounts to. That is the effect of it and that is the effect of the proposal that they are now making because, Mr. Chairman, nobody on this side has ever said that putting another company in the field without taking care of the basic coverage through a single agency would offer any saving. Nobody has ever said that, and we don't intend to fool the people of Manitoba into thinking that we have done something about the insurance industry and about the insurance problem, by adopting a suggestion which may be good public relations or maybe would, by my honourable friend's view, make them think something is happening but really nothing happens at all. The only effect of such a suggestion would be to help the private company. The only people who would be helped by a government company competing in the field is the private

(MR. GREEN cont'd.) . . . . industry, because we have heard, Mr. Chairman, we have heard the industry come in, we have heard them say that they are not selective, and in the same breath say that they refuse to bid on government insurance. The same man who said that we are not selective in our risk taking, the same man said that he wouldn't bid on government insurance because the other people didn't do very well with it. So for years, competition in the insurance industry is how can we shift the bad risks to another company, and the industry has used the expression that the shysters in the industry are the creamers, the one who tries to get a better position by putting another company in a worse position, and what the Honourable Member for Portage la Prairie is now suggesting is that the government be the depository of all the risks that the private companies don't want, and Mr. Chairman, you couldn't do a bigger favour for the private companies, and that's really the only people that would be helped by that suggestion.

The honourable member says that this suggestion is made to preserve freedom of choice. I want to ask the honourable member, what about my choice? What about the choice of the people who want a single agency company, who say that "I want to buy insurance in the most economic and free," the most economic - yes - and free - yes - I suggest that freedom means the opportunity to have the ultimate right to change the decisions and I say that that comes nowhere but through the Legislative Assembly of the Province of Manitoba, so I say it is the most free. What about the people who say that they want to buy insurance which can be provided in the fairest, most economical and least expensive manner through their public representatives? Is the honourable member concerned with their choice? Because if we follow his argument to his logical conclusion - and I have repeated this in the House before but it bears repeating - then it wouldn't matter, Mr. Chairman, if we had 57 New Democrats in this House, it wouldn't matter if 95 percent of the people in the Province of Manitoba wanted their elected representative to set up a single agency through which they could buy their basic insurance coverage, the honourable member would still say that we are denying freedom of choice, and what it really amounts to is that he would be saying that we are denying freedom of choice to the people because we are permitting 95 percent of the people to exercise their freedom of choice.

That is the anomaly which the Honourable Member for Portage la Prairie is proposing. We are denying freedom of choice to the people by giving 95 percent of the people the right to make a free choice. And I suggest, Mr. Chairman, that is just doesn't work and the Honourable the Minister of Labour has indicated that in the past, that freedom of choice means that the people shall have a right through their elected representatives to choose the kind of insurance program which will be forthcoming in the province of Manitoba, and that's the freedom of choice that the Honourable the Member for Portage la Prairie would deny to the people of the province of Manitoba, because that's what he's saying, Mr. Chairman. That's exactly what he's saying. We have indicated, Mr. Chairman, and . . .

MR. G. JOHNSTON: Your intuition is not working this morning.

A MEMBER: You'd better have another weekend, Sid.

MR. MOLGAT: More red herrings.

MR. GREEN: Well Mr. Chairman, I know that from my past association in this House that when honourable members can't answer an argument that they do the following things. They shout from across the floor. They use -- well, let's see how often this occurs - they use the term "red herring", they use the term "doctrinaire socialist" or they use the term "frantic fanatic". That's what happens, and when you hear that coming, when you hear that coming Mr. Chairman, when you hear that coming, as sure as you are sitting in your chair, you know that they really don't have an answer to the position, and therefore it's a good, it's a good indicator as to the bankruptcy of the arguments of the members of the opposite side when they start doing that, and that's what the Member for Ste. Rose does too. That's right. That's what the member -- he'll have a chance to argue.

MR. MOLGAT: And we will.

MR. GREEN: That's right, and we will hear from him and what he will say, and I can tell you now, is that there is an ideological position, that it is doctrinaire, that the problem is that the New Democratic Party is trying to change our way of life in the Province of Manitoba. These will be the arguments; we've heard them before, we'll hear them again, and we will hear them next year too. We will hear them next year too, and I want to tell the Member for Ste. Rose something; that the same arguments were presented against public education,

(MR. GREEN cont'd) . . . . . against Workmen's Compensation -- (Interjection) -- Well, if my honourable friend, who probably does no reading at all, wants me to refer to the history and to chapter and verse as to when these things were said, I will refer them to him, then he can read them, then he can come back and say whether I am wrong. But the fact is that all of those same arguments were used against everything which he now accepts as part of our way of life and the best part. Nobody argues against Workmen's Compensation. Nobody says that we should go back to the good old days when a worker who lost his leg had to prove that his fellow worker was responsible and therefore couldn't sue his employer. Let's go back to the good old free enterprise days when he couldn't recover Workmen's Compensation. That's what you're saying.

MR. G. JOHNSTON: You're fighting the battles of 50 years ago.

MR. GREEN: Well Mr. Chairman, I want to tell you something. I'm fighting the battles of 50 years ago and I'm fighting the battle of 50 years in the future, because the same battle will take place, and that's one of the things that my honourable friend has never understood and never will understand. He thinks that the world started and will end in 1970 at this session of the legislature.

And I'm telling you, yes, I am very proud to get up here and say that I am fighting those battles which have occurred, not in the last 50 years but in the last 5,000 years, and the battle has been a perpetual one and will continue to be a perpetual one and I am proud to be part of that group that's fighting it which says that power has to be taken away from interested and non-responsive people and put in the hands of the people of the province themselves and their elected representatives. Yes, I am proud to continue to fight that battle. If my honourable friend doesn't want to fight it, if he wants to fight the other battle, let him, and we'll engage in the debate on that basis.

Mr. Chairman, we have indicated, and I suggest to you that we have indicated beyond a shadow of a doubt, that that's why we have arguments such as freedom of choice, and we heard the same type of thing during Medicare. We heard that the doctor-patient relationship was going to suffer, or other such esoteric terms, because they couldn't find anything meaningful to say. We have heard those things and we have answered them. My honourable friend says that we have not answered them but the reason that he says that is because he has refused to listen to the answers -- and I heard the Member for Fort Rouge, who is now leaving the Chamber, said, "Why don't you read the Wootton Commission Report?"

Well, Mr. Speaker, what the Wootton Commission report says bears repeating, and if it's to be repeated now I will repeat it now. Let me say that the Wootton Commission Report was commissioned by the Province of British Columbia. My understanding is that between one and two million dollars was spent on compiling the type of evidence that my honourable friend says that we should get now from Mr. Blackburn, that this is the most extensive report on automobile insurance that has probably been prepared in this country, and therefore I want to use Mr. Wootton as an authority - and I don't think I have heard it said that Mr. Justice Wootton is a frantic fanatic. I think that people will -- they don't have to listen to me, they can listen to what he has said, but the members who have referred to Wootton - and I think the Member for St. Vital or Charleswood was one - I am sure that he could never have read this report. It's impossible that he has read this report. He said that we should read it. I tell him that I have read every word of it, and contrary to what the Member for Portage la Prairie said, I read it before the last session or at least during the very beginning of the last session of the Conservative administration in the Province of Manitoba, because they had that report, I would think, before, but at least -- well, I'm sure it was before -- July 30, 1968, is the date so they knew about it before they opened the legislative session in 1969, and my honourable friend says that we agree that they should have waited for the Wootton Report. Well they did wait. They got it in '68; they had a session in the winter of '69; nothing on the table with regard to automobile insurance, so let's even give them the credit for waiting because I don't think we should have waited, but let's give them the credit for waiting.

The fact is that in the winter of 1969, after Wootton had made his findings, they had a session. Not a word about automobile insurance at that session. What were they waiting for? Now they waited and now they've got it. When they looked at it, they probably said, "Well, Mr. Justice Wootton; one of two things; either he's introducing a red herring or he's a doctrinaire socialist, or he's a frantic fanatic." That's what they said, because they didn't introduce one word about automobile insurance; and let's read what Mr. Justice Wootton said about,

(MR. GREEN cont'd.) . . . . first of all, Mr. Chairman -- now I'll have difficulty finding my reference. Excuse me a moment. I'm sorry. I had them all clearly on a notepaper and I had it out this morning. Oh, here it is. I have it and I have the references.

Let's see what Mr. Justice Wootton said about competition, at Page 200 of the report. And I want honourable members to listen for once, because they obviously haven't listened before. "Whatever the basis" - this is Mr. Justice Wootton - "Whatever the basis of competition or whether or not it threatens the solvency of the industry, it would appear from the foregoing that the IBC itself views at least one of its purposes to be to eliminate what it regarded as reckless price competition." That's the Insurance Bureau of Canada, the same bureau that operates in the Province of Manitoba, so while you people over there are trying to preserve competition, the insurance industry is trying to eliminate competition. This is what Mr. Justice Wootton said. At Page 381 Mr. Chairman . . . .

MR. MOLGAT: Would the Minister permit a question?

MR. GREEN: Oh sure.

MR. MOLGAT: Would he indicate whether firms like the Coop Fire Insurance, the Wawanesa and the Portage belong to this bureau?

MR. GREEN: Well Mr. Chairman, I am indicating that the insurance tendencies in the Province of Manitoba are exactly the same tendencies as exist in the Province of British Columbia, and that eventually . . . .

MR. MOLGAT: Would he answer my question, Mr. Chairman?

MR. GREEN: Well, Mr. Chairman, that eventually what will occur in the insurance industry of Manitoba is that the giants will eat up the little ones, there will be no competition for the little ones, and that there will be no effective price competition. I sat on a Co-op's board and I know what the Co-ops had to do when the giants came in. They had to regulate their prices in accordance with the giants'. There was no effective competition in the industry. -- (Interjection) -- Oh they didn't give any compensation.

But let's now look and keep looking at what Mr. Justice Wootton said.

MR. MOLGAT: Mr. Chairman, the Minister still hasn't answered my question.

MR. GREEN: Well Mr. Chairman, no matter how I answer the honourable member, it will not be an answer. The fact is that I have answered his question, and I will repeat this analogy because it applies so well to him. He is like the member of the Flat Earth Society. They are still in existence, and no matter what the facts are he will continue to ignore them, and I have answered the question to my satisfaction, if not to his. We will see, we will see whether the question has been answered to the satisfaction of the people of the province of Manitoba.

MR. MOLGAT: Mr. Chairman . . . .

MR. GREEN: No, Mr. Chairman, I will not yield to another question. I want the Chamber to hear, not what the frantic fanatic from Ste. Rose says, but what Mr. Justice Wootton says, and I will go on with that.

MR. MOLGAT: As interpreted by Sid Green.

MR. GREEN: Well, I will read the words identical; I will read the words identical and I will let my honourable friend tell me the day that I, in this House, at any time, have got up and misled this House on any question, knowingly.

MR. MOLGAT: . . . to me your answer to my question.

MR. GREEN: Well Mr. Chairman, then the public will decide whether that is misleading. The answer -- Mr. Chairman I know that they don't want to hear what Mr. Justice Wootton has said. Let's hear again what he says about competition. "The absence of effective competition, in addition to creating a situation which should not be tolerated, is likely to represent a considerable monetary cost to the public generally. In its consideration of structural factors and market powers, the Commission noted that during 1966 the price at which automobile insurance was sold was standardized over almost 80 percent of the market. In the opinion of the commissioners, through the creation of the IBC there is, in British Columbia at least, a significant concentration of groups acting in concert. Further, the IBC has, in the short run at least, effectively eliminated price competition over a larger segment of the industry than was the case with any other price-fixing arrangement of the past decade."

Mr. Chairman, Page 213 of the same report. "To avoid such difficulty, insurers attempt to make use of large numbers. For all practical purposes this law holds that the greater number of exposures the more nearly will the actual results obtained approach the

(MR. GREEN cont'd) . . . . true probability which would be expected from an infinite number of exposures." And in this, Mr. Justice Wootton is saying, not only that they are eliminating competition, but that they have to eliminate competition, because the only way of properly insuring people is to take in the entire risk and the only way you can take into account the entire risk is to have the premium standardized over that risk.

Mr. Chairman, the honourable members have said, as well, that we should be getting the insurance industry to tell us what to do, and of course there were many attempts to do that. Now I suggest to you that if you will read the Wootton Report you will draw the conclusion, Mr. Speaker, that Mr. Wootton is saying that the figures and the statistics and the method of analysing information which the insurance industry provided to that commission, and which I submit they would provide to anything that we did, was not reliable; that it was not a good way of assessing their position. And again I'll read it from Mr. Justice Wootton.

"The commissioners are unable to conclude from the foregoing report that expenses are, in fact, properly, correctly allocated." And he's not saying this about the Saskatchewan plan, he's saying this about the private plan. "Therefore, they are unable to find that such expenses are either reasonable or unreasonable. They note that a percentage either way would have important consequences in the final result. On account of the foregoing, they have recommendations to make regarding the accounting by the industry." Not by the government plan, which they concluded had given them the best information that they got, but that they said that the industry should have different systems of accounting. I have heard the Member for Souris-Killarney say that we wouldn't know what the government is doing. What Mr. Justice Wootton says is that you don't know what the industry is doing.

MR. EARL MCKELLAR (Souris-Killarney): Mr. Chairman, can I ask the honourable member a question?

MR. GREEN: No.

MR. G. JOHNSTON: It's only quarter after eleven. You've blown your stack already.

MR. GREEN: Mr. Chairman, let's hear what Mr. Justice Wootton said about profits, because the honourable members say that the . . .

MR. FROESE: . . . the pages when you . . . ?

MR. GREEN: Yes, I will give you the pages. I'm sorry I didn't give them to you before. The last page was No. 25. Well the pages are numbered according to volume. The insurance industry came in and said that they earned 2 percent, and they were talking about 2 percent of the premium dollar, and we kept saying to them, well, that doesn't mean anything; what is the percentage return? And they said, well, that's none of your business; we make 2 percent profit. The Winnipeg Tribune had an editorial -- well that's not so bad. They could make 5 percent on government bonds but they are willing to take 2 percent. A very philanthropic and charitable organization. I say that if I had shares in an insurance company that was making 2 percent, I would tell the directors to either do something or I'd sell my shares. No company could exist. But they insisted; they were making 2 percent. What Mr. Justice Wootton said, that a 2.5 percent profit margin would produce a return on equity of between 10.2 and 11.2 percent, that that is the profit they are making, not 2 percent; that that return would produce 10 or 11 percent. But Mr. Chairman, he didn't stop there. He indicated that, "applying the lower average figure of 4.45 percent to the hypothetical well-managed and conservative company, reserving a 100 percent would add 5.85 to its earnings or a further 23.8 percent on shareholders' equity." Now just listen to this. The figures are difficult to get, but the final figure will be interesting. "Added to 10.2 percent underwriting profit, this provides 34 percent on shareholders' equity. This is before tax, as are the figures in table 10 (9)." Thirty-four percent on shareholders' equity is what he is talking about as against a two percent as reported by the insurance company.

And what does Mr. Justice -- what page is it? Page 354. This is Page 359. "The far higher expected returns on equity possible in the automobile insurance industry, relative to those elsewhere in the economy, must arise either because of difference in risk or because of monopolistic influences in price fixing." This with regard to competition and profits.

Now Mr. Chairman, I'm going to refer to Mr. Justice Wootton for only one more reference and that is with regard to increases in insurance rates, because we have always heard from the industry that the increases in the insurance rates were justified. This at page 491: "It is the commissioners' finding that . . ." -- Now this is not the finding of a Bolshevik, this is not the finding of myself, the frantic fanatic; this is Mr. Justice Wootton's finding.

(MR. GREEN cont'd.) . . . . . "It is the commissioners' finding that while the recent need for certain rate increases in British Columbia cannot be denied, rate variations actually imposed lacked justification." Rate variations actually imposed lacked justification. "Faulty judgment and inadequacies in rate-making techniques, to a considerable degree avoidable, resulted in some erratic pricing of automobile insurance. The commissioners believe that, in the presence of more vigorous competition, such a situation would not have prevailed."

Well, Mr. Chairman, I know that the honourable members, because Mr. Justice Wootton confirmed on all facts, and it's interesting to note that the Member for Ste. Rose picked out the one area, that is political judgment, which is what Mr. Justice Wootton said, that on that one area Mr. Justice Wootton said that the private plan should be permitted to continue, and while the Honourable Member for Ste. Rose would ignore all of the findings of fact that Mr. Justice Wootton made, he supports his judgment. And Mr. Chairman, isn't that what this comes down to, despite what honourable members said? That after all the facts are in there is going to be an impassable argument as between myself and the Member for Ste. Rose or as between myself and the Member for River Heights, that after the facts are in there is going to have to be a judgment as to whether the insurance industry, in automobile insurance, as far as a basic coverage is concerned, whether that should be controlled by the elected representatives of the people of the Province of Manitoba or whether that should be controlled by the private insurance industry, and on that issue it's not going to be a finding of facts that's going to change the question. It's going to be a judgment, and that judgment is something which one can't expect agreement on, and I have never expected agreement on that type of judgment. I thought that that is a judgment which really decides the issue as to whether the public will choose one set of politicians or another, and on that judgment, Mr. Speaker, there can't be an investigation or fact finding, and this is the area which I suggest has to be decided by the Legislature.

Mr. Chairman, if they don't agree with what Mr. Justice Wootton said, or if they think that he is a problem in that regard, then the First Minister and I previously both alluded to Mr. Otto Lang, who was the Dean of the Law School in the Province of Saskatchewan. I'm trying to recall, but I haven't heard him referred to as a frantic fanatic. I rather think that he is regarded as a responsible Cabinet Minister of the Liberal Government in Ottawa, and he has indicated, he has indicated that the savings of the Saskatchewan plan are everything that has been expected and that this was a good way of providing automobile insurance coverage; but Mr. Chairman, if Mr. Lang is not a good authority, then who could be a better authority than the present Liberal Minister or the past Liberal Minister in the Saskatchewan administration, Mr. Boldt? Again, I don't recall him being referred to as a frantic fanatic. I know that Mr. Thatcher has regarded him as a Minister who he would set up to control this plan, and this is what Mr. Boldt said: "By the use of simple arithmetic and applying the 20 percent to the \$25 million paid by Saskatchewan motorists into the Act fund last year, it is obvious that motorists in this province would have had to pay an additional \$5 million for the same coverage had we used the system in effect in other provinces."

Well, Mr. Chairman, maybe the Member for River Heights or the Member for Portage la Prairie doesn't regard \$5 million as an important figure. I know that \$5 million would pay the entire capital costs of the St. Amant ward and we wouldn't have to increase taxes if that \$5 million were held by the Province of Manitoba. I know that \$5 million would provide jobs for almost all of the residents in isolated communities in northern Manitoba. I know that \$5 million would provide for the purchase of at least all of the drugs that presently are required by victims of diabetes. I am sure that with \$5 million every diabetic who has no possibility of avoiding this cost, I know that \$5 million could provide drugs for all of them, every year, on a continuing basis - and more. I know that \$5 million could be used to build several schools in Manitoba; but the Honourable Member for River Heights, he doesn't think that \$5 million is anything - but of course I admit that he is far closer to \$5 million than I am.

MR. BUD SHERMAN (Fort Garry): . . . pretty close to \$30 million right now.

MR. GREEN: He says it's \$6.00, it's \$6.00 a person at most, and I think that's interesting though. I have been using the figures because I have been trying not to mislead, despite what my honourable friends say, I have been using the figures that we would save a minimum of 15 percent. My impression is that we will save more but I don't like to make a promise which could then not be supported; and I'll tell you how I got the 15 percent. I had taken a hundred dollar policy and I say that the present insurance administrative costs are 30 cents,

(MR. GREEN cont'd) . . . . . we could reduce them to 15 cents which is half the administrative costs. I know that the figures are closer to maybe 33 percent in private industry, 33 cents administrative costs. I know that the latest figures that Mr. Boldt gives are roughly maybe 11 or 12 cents. So, if I wanted to be really extravagant, I could say a third, but we have attempted to use, if you will excuse the expression, conservative figures so as not to mislead because we don't think that the premium saving is the part that has to be most emphasized but we do say that there will be a saving, and therefore we have tried to be cautious, not to put the thing with rose-colored glasses, but the Member for River Heights immediately seizes upon it and says, well, at most \$6.00.

Let us assume that it was. I don't agree but let us assume that it was. Let us assume that this government, this government tried to increase sales tax by one percent. There would be outcries from the members of the Opposition as to our increasing sales tax. Well, an increase of sales tax by one percent would hardly affect approximately 30 percent or 40 percent of the population by more than \$6.00 a year. Does the honourable member realize that? Because that's the kind of savings that he says don't mean a thing. Well, of course, \$6.00 probably doesn't mean a great deal to the Honourable Member for River Heights but I think that \$6.00 means to a parent who otherwise doesn't have it, that he could — yes, he could buy his child another pair of shoes or he could send his child to the movies, which he might not be able to do without the \$6.00; that there are many things that any parent, even the Member for River Heights, could do with \$6.00, and that's not the savings that we are talking about, but even if it were, it works out to \$2 1/2 million for the people of the Province of Manitoba. Ask any Cabinet Minister how he could put to good use \$2 1/2 million, what you could do for cultural affairs in this province, what you could do for education, what you could do for agriculture. — (Interjection) — Five million dollars. I presume that \$5 million would provide an acreage payment of some amount. I don't know. I'm not saying that that would be a priority, but I'm saying that the people of Manitoba could use \$5 million.

MR. CHAIRMAN: I am sorry to interrupt the Honourable House Leader. I would point out to the gallery that it is not permissible for the gallery to demonstrate their favour or disfavour of the speakers and I would ask them not to applaud or boo or hiss as they may feel, but to simply listen as best they can.

MR. GREEN: I have heard the most — and I have to be blunt — I have heard the most stupid economics coming from members of the opposite side, that if the insurance companies are not there, somehow they won't pay their taxes, somehow this won't come into the treasury. Mr. Chairman, if the insurance companies were not there — and I now refer to the previous Minister of Industry and Commerce — and the people of Manitoba had \$5 million in their pockets, I can tell you that that \$5 million would be spent, certainly spent by the people in the province of Manitoba, and all kinds of industries all over the province would have money coming into their cash registers, and as a result of that money coming into their cash registers their profits would be bigger, and as a result of their profits being bigger the amount of taxes that you'd lost from the insurance companies you would get from all of the other businesses in the Province of Manitoba.

And isn't that obvious to the honourable member, that you don't lose money by putting money into the hands of the people of the Province of Manitoba? If that's what they have been thinking all these years, then let them be corrected. You do not lose money by putting money into the pockets of the people of the Province of Manitoba, because those people spend that money and that spending of that money encourages industry, and the encouragement of industry hires jobs, and that puts people to work and they make more money. Therefore, don't regard it as being a fact that the non-payment of taxes by the insurance companies somehow hurts the province of Manitoba, because it is not a fact. It means that the money that they paid in taxes, which was not their own — and I say this advisedly and I asked the industry whether that is not the fact. I said when we increase your income taxes, do you not regard that as an expense of doing business? They said yes. Do you not put that into the premium costs? Yes. Do you not calculate your income after payment of taxes? Yes. Therefore, the insurance companies do not pay taxes. They act as collection agents to collect taxes from the people of the Province of Manitoba in their insurance premiums and then they turn it over to the people. Well, I would sooner leave that money with the people, have them spend it in more productive areas and let the money come in through taxes of another kind. And that is the fact and it's not challengeable, despite the figures that have been given as to the amount of tax income that

(MR. GREEN cont'd) . . . . . would be lost as a result of insurance industries not doing business in the Province of Manitoba. That's so much rubbish. It's not even worth consideration, but since my honourable friends have dwelt on it so long we have to talk about it, but it just doesn't mean anything.

Mr. Chairman, I direct these remarks to all of the members who seek to use ideology as an answer to this position. The Minister in Saskatchewan made a very blunt and pragmatic statement. He said, "Ladies and gentlemen, I am an advocate of private enterprise but I can't ignore this fact." The fact that there were \$5 million of savings to the people of Saskatchewan by virtue of that plan. "I am an advocate of private enterprise but I can't ignore this fact." Now, dwell on that.

Mr. Chairman, I am told, and I hope that I am not going to be making a misleading statement - maybe this story is apocryphal and I'll tell it as an apocryphal story - but I'm told that when the industry presented this plan to Premier Thatcher, that they would permit him, permit competition with a private industry, that Premier Thatcher said, "I am not a Socialist; neither am I a fool." Because that is fool's gold that the Member of Portage la Prairie is offering to the people of Manitoba when he talks about a competitive plan. And again, I won't speak from my opinion. I don't want this House to be contaminated with the opinion of a frantic fanatic. We'll talk about an opinion that was delivered which has not been challenged and which the Member for River Heights obviously didn't listen to, which was presented in the Labour Brief, and Mr. Chairman, none of the government members apparently, including myself, had the energy or the foresight to seek out these statistics, but they referred to Workmen's Compensation, and they are most interesting and all of the members of the House should hear them.

Industrial accident compensation, as operated by your own Manitoba Compensation Board, showed 1969 receipts of \$13 million-odd. It showed administrative and general expenses of \$1.5 million. This administrative cost was less than the interest received on investments and deposits from the bank which earned the Board \$1.9 million.

The administrative costs of the Workmen's Compensation Board were less than the interest earnings. In other words, according to the insurance industry, which won't take that into account, Workmen's Compensation was administered in this province by inefficient hippie civil servants for nothing. Not a cent. At no cost at all, according to the way in which the insurance industry figures. That's what they are saying. And then he goes on, even better to show the comparison, the exact comparison that the Member for Portage la Prairie is now talking about. Because total benefits paid out were only \$8 million, the Compensation Board was able to invest an additional \$3 million in 1969 - and I'm cutting off the ends of the figures; I'm rounding them out. Had there been a run on claims in 1969, it would still have been possible to disperse every cent of assessments and penalties to injured workmen and still pay the total administrative costs out of investment income. As it was, the administrative cost was still only 9.6 percent of receipts minus investment.

This is no isolated figure, Mr. Chairman. A study of reports for the 1966 Workmen's Compensation Board Association of Canada shows that the average administration costs for all provinces in Canada was around 10 percent.

Now, let us examine the year 1920, the good old days - the days that the Honourable the Member for Portage la Prairie would like to reinstitute, reincarnate in this House with his motion. These were the days . . . .

MR. CHAIRMAN: I believe the Honourable Minister has about five minutes remaining.

MR. GREEN: Fine, Mr. Chairman. The committee will presumably last a little while and I'll have another chance. But these are the days when the government had a Workmen's Compensation Board and private industry was competing alongside of it. Wonderful, the ideal situation which is now proposed by the Member of the Liberal Party. Let us examine the year 1920, the last year of the old system whereby employees had the option, the free choice of paying premiums to private insurance companies or to the Board. That year, injured workers got only \$301,000 out of total employer expenditure of \$721,000, or only 41.7 percent; 41.7 percent is what the employee got, which means that we're talking about administrative costs of roughly 59 percent - under the good old free enterprise, freedom of choice, competitive system plan now urged on this Legislature by the Member for Portage la Prairie who earlier in the debate said that it would mean red tape and duplication of services and civil servants. That's the year 1920.

Or look at the present situation. If we don't want to go back to the good old days, let's go over to the good old country, the United States of America, where everything is done

(MR. GREEN cont'd) . . . . . wonderfully, according to the Member for Fort Garry. Well, it's not really fair. I'll take that back.

MR. SHERMAN: I should say.

MR. GREEN: That's not fair. I agree you don't say everything is right in the States, but . . .

MR. SHERMAN: That's no fairer than frantic fanatic . . .

MR. GREEN: That's right. That's right. I agree with you. Let's just go to the United States which I will leave -- let's now leave without saying anything further about it because I'll get into trouble either way. Let us look at the present situation in the United States. Reporting to the Industrial Accident Prevention Association in April of this year, Ontario's Compensation Board Chairman Bruce Legge pointed out that in his province only 6.9 percent of the assessment dollar is used for administration. Despite the fact that Ontario has to pay out another 3.6 percent of the assessment dollar to enable employers associations to brag about their safety education, there was still 89.5 cents on the dollar to pay out in benefits - that's roughly 10 percent, and including safety benefits of four percent, which is 40 percent of that cost. In the U.S., an average of 38 cents out of each dollar paid into the mixed public private insurance form of compensation goes to administration, taxes and profits. Only 62 percent is left for the injured worker.

Now Mr. Chairman, this is a directly analogous situation, and how much facts and figures does the Member for River Heights want? And none of this material has been quoted by ideologists, politicians, doctrinaire socialists, frantic fanatics - this all comes from highly credible authoritative sources, and I say that it doesn't matter a whit, because I agree with the Honourable Member for River Heights and the Member for Portage la Prairie that after all of the information it is - and I said this, and apparently the Winnipeg Tribune made a big deal out of it - I said in the last analysis it's going to be a political judgment as to how one feels the service should be operated, and they flattered me; they gave me a full editorial on that statement. But two days ago they said that everything else doesn't matter. Really it now does come down to whether you believe in free enterprise or whether you agree with what they called it, state monopoly. And I say that the same Tribune who wrote an editorial saying that this political consideration was such a bad thing to say, last night or two nights ago, after the Premier had really torn the rug out from under all other arguments, they said, well, it's true; now it's a question of whether you believe in free enterprise or whether you believe in state monopoly.

Well, I don't like the juxtaposition. I say it's whether you believe that automobile insurance compensation can be best provided for the people of Manitoba through the existing industry, who are doing exactly what they should be doing and I offer no criticism - if I was running an insurance company or if I was a shareholder, I would say that we should try and do exactly what we are doing - or whether it should be run by the people of the Province of Manitoba through their elected representatives, and on that we have to exercise a judgment, and I say that in my judgment there's no question about it. I don't claim, as the Honourable Member for St. Boniface claims, to be an impartial observer to these proceedings. I claim to be directed, I claim to be prejudiced in favour of the people of the Province of Manitoba and that's how I intend to govern myself.

MR. CHAIRMAN: The Honourable Member for River Heights. Does the House Leader have a question?

MR. G. JOHNSTON: Well Mr. Chairman, the member made quite a point in his speech of remarks attributed to me and I would like at the earliest opportunity to correct the record.

MR. GREEN: Mr. Chairman, let it be clearly understood, I read from Hansard. I did not read remarks attributed to the member for . . .

MR. CHAIRMAN: I think that all members will have an opportunity to participate but I do recognize the Member for River Heights at this point.

MR. SPIVAK: Mr. Speaker, some time ago in the City of Rome a meeting was held of the various countries in the Mediterranean including the North African countries, and the Foreign Minister of Algeria in making the presentation on behalf of his country stood up and said: "For five years our country has stood on the edge of the abyss, and last year we made a great step forward." Now, Mr. Chairman, listening to the Honourable Minister of Mines and Natural Resources, one gets the same impression, because one has to be really concerned about what the great step forward is; one has to be really concerned as to where the benefits

(MR. SPIVAK cont'd) . . . . . will really come; as to who is going to benefit; as to whether this is the priority that the government should have undertaken at this moment in our history. And I want to deal with that, but I must make another general observation, Mr. Chairman.

The press have indicated, and I think correctly, that to a large extent we are debating the matter over again that was debated in the early part of May. In effect, we are coming back to the original arguments with the positions being explained and the information being supplied, and reference is being made to what has happened in the past. But there is a big difference, Mr. Chairman. The difference is that the eagerness on the other side for an election has a little bit disappeared - has disappeared; and that eagerness has disappeared for a very good reason, Mr. Chairman. The reason the eagerness has disappeared, Mr. Chairman, is because I suggest to you, Mr. Chairman, that the people in this province, given the opportunity will vote "no" to a government monopoly in auto insurance; and I suggest, Mr. Chairman, that the government is not prepared, regardless of whether the Minister of Mines and Natural Resources says that it's a question of whether one set of politicians agree or another set of politicians agree, I'm suggesting that our community will not agree, if given that opportunity, to vote for government monopoly insurance. Well, I suggest that in the discussion that has taken place in the last few days, the eagerness with which many of the members said, "We stand on principle for this, and we're prepared to go to the people," doesn't exist now. I don't hear it, Mr. Chairman, not at all.

Now Mr. Chairman, it's interesting to note that in dealing with Mr. Boldt's statement of \$5 million - and I want to deal with the two or three arguments, and I'm not going to spend too much time because I think that the Honourable House Leader of the Liberal Party should be given an opportunity to make his presentation and his rebuttal, but let me just say two or three things. Mr. Boldt made a statement, we would have saved \$5 million. What Mr. Boldt did not say is that there was no two percent premium tax for a . . . . -- (Interjection) -- Now there is. Now there is. When was it introduced?

MR. GREEN: When was it introduced?

MR. SPIVAK: When was it introduced. -- (Interjection) -- Yes. Well, I would suggest to you that it has not been -- for 15 to 20 years it was not paid, and I suggest, Mr. Chairman, if you take the two percent premium tax and apply it for all the years of the auto insurance industry in Saskatchewan, you will find that there was no \$5 million savings. That's Fact No. 1. Now, Fact No. . . .

MR. GREEN: . . . say they saved five million in one year.

MR. SPIVAK: No, no. No, no. My understanding of Mr. Boldt's statement is that \$5 million . . . .

MR. GREEN: In one year! In one year!

MR. SPIVAK: Well, let me read the statement.

MR. GREEN: In one year they saved \$5 million.

MR. SPIVAK: Mr. Chairman, let me now refer to the Wootton Commission. Now the Honourable Minister of Mines and Natural Resources is too good a lawyer not to know that what counts in a judgment is what the judge decides. It is true that the information that is supplied, which forms the basis of his written summation, is pertinent and relevant, but what he decides is in fact the precedent and the decision that one must look to in examining it. Now Mr. Chairman, Mr. Chairman, we know as well that there are editors who will look at a judgment of a court and will write it up and this will form the headnote of a judgment, but that headnote in itself is not the judgment, and that headnote has no relevance in terms of a court of law. What does have relevance is the conclusion, and while all of the statements that have been made have come from the Wootton Commission, the truth of the matter is - and it seems unnecessary but I'm going to do it again - I would like to quote the conclusion of Mr. Justice Wootton, which the Honourable Minister of Mines and Natural Resources may suggest is a political conclusion, but he was not a politician appointed to make a political decision. He was appointed as a chairman of a commission to arrive at a conclusion based on the fact; and he did.

The fact of the matter is that his conclusions are exactly opposite to what the Honourable Minister of Mines and Natural Resources would like to have had it at this particular time. Now he does not preclude the idea of a government monopoly but he does suggest that it wasn't warranted at that time, and he does suggest that the industry can make the corrections that are necessary provided the government introduces those things that have to be done to regulate

(MR. SPIVAK cont'd.) . . . . It. And I'm going to quote from Pages 728 and 729, and I'm quoting: "The studies of the commission have not shown guilt or improper conduct which would warrant government taking over a business which was initially pioneered at considerable risk."

Next paragraph. "Significantly, the insurance industry has not yet had any notice in British Columbia from government of dissatisfaction with the conduct and performance of the industry. Before a takeover or entry into competition by government in the opinion of the commissioners the industry is entitled to some gesture of dissatisfaction by way of warning of notice."

On Page 729, and I'm not going to go through all the other recommendations, but let me quote one: ". . . effective competition is in fact attainable in automobile insurance and that the industry is not a natural monopoly. The injection of such competition and its preservation is possible and will result in great improvement in efficiency and fair pricing. The commission, based on its study of the advantages and disadvantages of each method outlined in this chapter, recommends that initially the opportunity be given to the private insurers solely to market in British Columbia the basic policy, the supplementary insurance and the collision coverage."

Now Mr. Chairman, let's review everything that's happened by saying in a very, very brief way, we have no evidence that would indicate in Manitoba today that the conclusions of the Wootton Commission should not be followed, because, Mr. Chairman, as I have already indicated, the government through its legislative action can regulate the industry to accomplish the results, and if the industry does not in fact adhere to those regulations, or if in fact they do other things which are contrary or in some way circumvent the legislative process and will of the people of Manitoba as expressed in this Legislature, then for sure we could enter into a monopoly; for sure we can wipe them out. There's no question.

But surely there has been no presentation or justification that says that it is necessary to have only one result, which is the result that the Minister of Mines and Natural Resources, ideologically at this time - and it is a question of ideology and I don't think there's any issue about it; sure it's a question of ideology - feels so strongly. He believes, Mr. Chairman, that the public - that is the government - can marshal the capital from the people and is in a better way, better able to distribute it rather than private enterprise.

Mr. Chairman, the only problem that I have with the Minister of Mines and Natural Resources on this, is that if he really believes this, and I believe he does, then why have they not introduced government takeover, government involvement in the real essentials of life, in the things that really count in the things where the savings will not be the \$6.00 that we're talking about, but in the areas of groceries, rent, milk, clothing, shoes? Surely, Mr. Chairman, if we accept the proposition of the ideology of the Minister of Mines and Natural Resources, that should have been entered into first, and as I indicated before when the First Minister quoted John Kennedy and said: "Let us begin," we ask ourselves, "What do we want to begin? Let us begin what?" Is this the beginning? If it is, I would say to you in terms of priorities you have taken the wrong priority. It may very well have been -- (Interjection) -- Well, I suggest again to the Honourable Member for Crescentwood, if you're going to . . . and this is your basic position, you'd better get in the bread and milk business because that's more essential to life than auto insurance, and the savings will be . . .

MR. CY GONICK (Crescentwood): Larger.

MR. SPIVAK: . . . far greater. Well, as a matter of fact, I want to tell the Member from Crescentwood, it's not a question of I'm going to support it, I don't think you could sell it to your caucus.

MR. GONICK: You're probably right.

MR. SPIVAK: That's right. You could sell auto insurance because pragmatically it was the belief of the members on that side at the time that this bill was introduced that the majority of people in Manitoba were prepared to accept it. You now know differently. You know differently now and that's why you're not prepared to put it to the test.

MR. GREEN: We're putting it to the test . . .

MR. SPIVAK: Oh, you're putting it to the test here. You're not prepared to go to the people, let me tell you.

MR. GREEN: We're prepared to go. -- (Interjections) --

MR. CHAIRMAN: Order, please.

MR. SPIVAK: Mr. Chairman, let's talk about this magical figure of \$6.00.

MR. GREEN: We did.

MR. SPIVAK: I presented some arithmetic. So far there have been five or six or seven government members who have spoken in the debate at various stages. No one has said that my arithmetic is wrong.

MR. GREEN: I did.

MR. SPIVAK: Just a second. No one has said, "I can produce arithmetic which will show that it's incorrect."

MR. GREEN: I just did.

MR. SPIVAK: Now Mr. Chairman, I'm going to suggest that there really is no answer to my presentation because, based on the information that is available and because the members on the opposite do not have any other information at all which would indicate a variation from the very simple arithmetic that anyone can arrive at, arrive at based on the premiums, the savings, the number of motor cars, and dividing the savings by the number of motor cars, you come out to an average, because no one has any other information on the other side. It's very easy to say my arithmetic is wrong, the \$6.00 savings is ridiculous. But if it is ridiculous, Mr. Chairman, I'd like them to show me where. You haven't shown me anything. Now I want to show you what you have said. You've said that the Wootton Commission indicated that there was a profit margin of possibly 34 percent before taxes.

MR. GREEN: Mr. Chairman, would the honourable member just permit one question at this point?

MR. SPIVAK: No. I'm suggesting that the 34 percent which would include the investment income plus their profit before taxes. Mr. Chairman, if the industry was capable of making a profit after taxes of 17 to 20 percent, and if we are in a position to eliminate the agent, the agent in some way, in some way, of another 10 or 12 percent, then Mr. Chairman, we should have been talking about a 30 percent saving to the people of Manitoba.

And then, Mr. Chairman, we are talking about \$18, \$20, \$25 average. But the truth of the matter is this, and the Premier - and I must say this to the First Minister - the reason that the Premier has said 10 or 11 or 12 percent, at least 10 or 11 percent, is because he is attempting to be honest with the people of Manitoba - I'm not suggesting that he isn't - but he is indicating that this generally is the saving. He did not translate it nor is he prepared to translate it into the \$6.00 per car owner. But I'm suggesting, Mr. Chairman, that that's all this is all about, and the members on the opposite side can stand up all they want and say that we're doing it for the other reasons; we're doing it because we want claims to be processed better; because the delivery systems to the individual will be better in case of accidents. Well you can regulate all of that. You can change all of that. You can introduce the no-fault system. There is nothing that you can't do that will in any way prevent you from accomplishing those results. It's not necessary to take it over. And Mr. Chairman, as I've said before, you can take that investment income and indicate that it has to be part of the total package of the insurance companies and paid back by way of a loss ratio on claims, and you can accomplish that whole saving and probably more.

MR. MACKLING: . . . three points. That's all.

MR. SPIVAK: Yes. Mr. Chairman, let me say this.

MR. MACKLING: And you weren't in the House as usual.

MR. SPIVAK: We're going to have this argument. No one is going to be prepared to stand up and meet this head on. You'll argue your way . . .

MR. MACKLING: Well, we've had it head on.

MR. SPIVAK: Mr. Chairman, you'll argue your way . . .

MR. MACKLING: You make your speech and you'll run out of arguments.

MR. SPIVAK: Mr. Chairman, the average saving is \$6.00 per car.

MR. MACKLING: No, I dealt with you six-buck boys over there.

MR. SPIVAK: Mr. Chairman, let me go over the figures for the Honourable Minister of Mines and Natural Resources. The administrative costs -- (Interjections) --

MR. CHAIRMAN: Order, please.

MR. SPIVAK: Mr. Chairman . . . There will be approximately \$30 million worth of premiums sold a year. Saskatchewan's plan, basic plan is 80 percent - 80 percent of the insurance is sold under the basic plan. Let's apply Saskatchewan to Manitoba for the sake of argument. We're talking \$24 million. A 10 percent saving is \$2,400,000. There are 400,000 cars. The average saving is \$6.00.

MR. MACKLING: 40,000 cars.

MR. SPIVAK: 40,000 cars?

MR. MACKLING: 400,000.

MR. SPIVAK: Yes, I said 400,000 cars.

MR. MACKLING: 400,000?

MR. SPIVAK: 400,000, yes. -- (Interjections) -- and it's \$6.00, that's \$6.00. Now Mr. Chairman, for the Attorney-General to indicate that, and why should he know all the facts and figures? Mr. Chairman, I don't think he should know these facts and figures, but I must tell you, Mr. Chairman, before members on this side are asked to vote for a government plan, then they'd better know those facts and figures. -- (Interjections) -- Oh, you know them. Well Mr. Chairman, if you have any information that's now in the possession of the Minister of Municipal Affairs which would indicate that in effect what the rate will be, in effect the figures that will vary, the \$6.00 that I've said, then I'd like to know. I would like the Honourable Minister of Mines and Natural Resources to stand up and say: in our opinion the base-- and I'm not asking him to do it unless he has the information and statistics that will warrant it. I'd like him to stand up and say, "In my opinion, based on the information, I can basically suggest that there will be a \$25.00 saving." That's four times of what I'm saying. But he's not going to do that, and I'll tell you why he's not going to do that. Because it's not there. It's not there, and they don't know anything, they don't know anything about it; and yet you're asking we on this side to buy that, you're asking the people of Manitoba to buy that, and the truth of the matter is, Mr. Speaker, the people of Manitoba have not bought it.

So we now have another course of action and it's a very simple one. We get the bill through, we hold power for a couple of years, we get it in. What is the government going to do then? What is the industry going to do? They're wiped out. What are the people going to do? They've got it. What is the next government going to do? They're going to have to do what they did in England when they nationalized the steel mills - they're going to have to start that whole process again. Well, we'll worry about that. We'll have mixed up our system enough, because there's part of this in this, Mr. Chairman. Just a little bit of mixing up the system. We can't change it but we can mix it up just a bit, because in the course of mixing it up who knows what will happen? We'll have moved society along the lines that many of us would like, so now we have the group on the other side made up of a number of different types of people, categories. -- (Interjection) -- We have those - yes, like ours - but I'm going to try and describe to the members on the other side . . . -- (Interjection) --

MR. CHAIRMAN: I don't wish to curtail any of the comments of the honourable member, but I hope that he . . . There are limits in all these debates and it's very difficult for the Chair to try to restrain members, but I would again remind him of the specific amendment and ask him not to get too far afield.

MR. SPIVAK: Well I'm dealing now with the question of the monopoly part and I'm going to say this. The members on the opposite side are made up of those who do not mind the system being turned around a little bit. The other group are made up of those who bought this because they believe that this is what the public would want and they believe practically, as good politicians, that this was something in which there would be great public acceptance and they would be in a position to be able to ride on the coat-tails of something that the public would want which would add to the totality of the program and be in a position, when they went to election, to be able to take advantage of it. There are others who may have some general feeling that in terms of trying to move society and for the party to try and appear as a progressive party, that they had to take what they consider were the Crown jewels of Saskatchewan and implement it here. Now, as has been said, they didn't take the Crown jewels, they took the rhinestones, and what's happening here, Mr. Chairman, is that we are getting a plan that was never well thought out, that was not understood by the other members on the opposite side, and Mr. Chairman, a plan that does not have the acceptance of the people in this province; and the members on the opposite side know it; and the only difference between the debate now and the debate two months ago is that their eagerness is not as apparent and their desire. And Mr. Chairman, if we don't want an election, let's go to a referendum. Let the people themselves decide. Let the people themselves . . .

MR. MACKLING: Sit down and we'll vote, then.

MR. SPIVAK: Well we'll vote; we'll vote. I'm not worried about voting.

A MEMBER: Let's go.

MR. SPIVAK: Mr. Chairman, there is no information - there is distortion. -- (Interjection) -- All right. Mr. Chairman, there's distortion. I want the members on the opposite side to stand up and to indicate to the members on this side and to the people of Manitoba what the average saving will be in dollars.

MR. CHAIRMAN: Unless the Honourable House Leader has a question, I intend to recognize the Honourable House Leader of the Liberal Party. Question?

MR. GREEN: Mr. Chairman, the honourable member appears to have ignored the figures which have been . . . on several occasions, and I want to ask him what does he say about those figures, that the industry costs, administrative costs is roughly 33 percent, that the cost as demonstrably shown can be operated by a single agency public insurer is approximately 15 percent, that this is half the cost, that the present administrative charges would therefore roughly be \$10 million, that half of that is \$5 million. Now what does he say about those figures?

MR. SPIVAK: Mr. Chairman, I have to then pose the question in the answer to the Honourable Minister of Mines and Natural Resources: what will the savings be percentage-wise? What saving? The Premier said 10 or 11 percent.

MR. GREEN: Five million dollars.

MR. SPIVAK: You're suggesting that the saving will be \$5 million in Manitoba?

MR. GREEN: Five million dollars, yes.

MR. SPIVAK: The saving of \$5 million, Mr. Chairman, would be a 20 percent saving.

MR. GREEN: Yes.

MR. SPIVAK: All right. The Premier said at least 10 or 11 percent. -- (Interjection) -- But just one second, Mr. Chairman - that was before the compensation features that have been brought in, and I'm suggesting now, then is the figure of \$5 million still the figure that we're talking about? Is the Minister of Mines and Natural Resources talking . . . Well, you may have used it, but the Premier talks between 10 or 11 percent.

MR. SCHREYER: Mr. Chairman, do I have a point of privilege if the honourable member is making reference to statements that I make and which he interprets in a particular way? Because . . .

MR. CHAIRMAN: I would ask him also to be reasonably brief if he intends to make a statement at this time.

MR. SCHREYER: Yes, well I can be brief, Mr. Chairman, because if the Honourable Member for River Heights is suggesting that the figure or the amount which I put forward as the likely saving on premium costs, I want to say to him that surely he is not being so unfair about this as to suggest that the figure is one of absolute precision but one based on reasonable judgment on the basis of all the data that is available to us. And may I say furthermore that I always have taken the position that it is better to understate rather than overstate, but I want in the end, I want to endorse and relate myself to the basic data that is contained in the official report of the Superintendents of Insurance offices in the respective provinces across Canada. That is what I want to relate to, and I've said repeatedly that therein lies the data that is official data and I'm quite happy to have the Member for River Heights or the whole world look at that data and try to prove that it isn't so.

MR. CHAIRMAN: I do not wish to entertain a debate in the form of questions and answers.

MR. PAWLEY: . . . honourable member a question?

MR. SPIVAK: . . . instead of answering the question when the Premier made his statement. Again, Mr. Chairman, to the members on the opposite side, the Premier has indicated 10 or 11 percent. The Minister of Mines and Natural Resources is talking 20 percent. -- (Interjection) -- Mr. Chairman, I agree it's 10 or 11 at the minimum, but that's the figure we're . . . about. When the Minister of Mines and Natural Resources talks \$5 million he's talking 20 percent. -- (Interjection) -- Mr. Chairman, let me finish. If you want to debate this you can, but you said \$5 million. You said it twice already. Five million dollars is 20 percent, Mr. Chairman, and I'm suggesting that there's a great variation between 10 or 11 percent and 20 percent, and it would be interesting, Mr. Chairman, to find out from the government what they're really talking about, because I believe the First Minister, that what he's talking about is what he reasonably believes will be the savings, which is 10 or 11 percent, -- (Interjections) -- and I say to you -- a minimum -- 10 or 11 percent minimum, so it may go up a little bit, but, Mr. Chairman, Mr. Chairman, I accept that the First Minister

(MR. SPIVAK cont'd.) . . . happens to be an excellent politician and is not one -- as much as he will put himself in the position of protecting himself in the accuracy in the statements that he makes, he is going to make also the best political statement, and I would suggest when we talk 10 or 11 percent, Mr. Chairman, we're really talking effectively what the saving's going to be, and, Mr. Chairman, that's \$6.00 a car.

MR. SCHREYER: Mr. Speaker, I wish to rise on a point of privilege, because while the Member for River Heights and I are not disagreeing as to what was said, we are nevertheless disagreeing as to interpretation, because I said and I say again, that that amount is what I deem to be a minimum and, if anything, understated.

MR. GREEN: Mr. Chairman, may I also rise on a point of privilege. I've indicated, Mr. Chairman, that the figures show that the administrative costs by a single -- The Member for River Heights is not listening.

MR. SPIVAK: I'm reading one of the Government Information Services which contains information . . .

MR. GREEN: Well, I . . .

MR. CHAIRMAN: The Honourable House Leader is rising on a point of privilege. He's reinterpreting factors but presenting another argument.

MR. GREEN: Mr. Chairman, I want to rise on a point of privilege, because I have always indicated . . .

MR. CHAIRMAN: I would like to hear the member's point of privilege to decide whether it is.

MR. GREEN: The member says that I have indicated savings of 20 percent. Now how many times people have to hear -- (Interjection) -- Will the member listen for a moment? The member -- you know, I said this about the Member for River Heights, now I'll say it about you. You've got two ears and one mouth so you should listen twice as much as you talk.

Mr. Chairman, I have always indicated that the practice has shown that the administrative costs under a single agency are half the administrative costs under the private plan, so that this demonstrates that we could run the plan at half the administrative costs. I have also said that the estimated premium income, because of many factors and because there has been a new change now, and this has brought it down from 15 to 12, that the estimated premium savings, because of taking into account going into the plan and other things, would be an estimated 15 percent, and I've always said that.

MR. DESJARDINS: Mr. Chairman, on a point of order.

MR. CHAIRMAN: The Member for St. Boniface.

MR. DESJARDINS: I think that it's probably vital information to know that the members have one mouth and two ears, but I wonder if this is actually a point of order, and I think that you should rule on this. If the members are allowed on the pretext of having a point -- and I'm talking about all the members, all of us -- on the pretext of having a point of order, to start a discussion between one or two groups, I don't think that this is right. Questions are usually asked when we're in the House when the members are allowed one speech on any issue, but this is a debate and there's quite a few of us, I think, that would like to take part in this debate, and I wonder -- I think that maybe you should rule now to see if we will be able to . . .

MR. CHAIRMAN: Well, I would like to suggest to the honourable members that most points of privilege raised in this Chamber are not points of privilege. They are disagreements, they are interpretations, they are new arguments, and I would leave the matter rest there. I will attempt to control members when they go astray from the rules. It's not easy to do, but I would simply say that too often, under the guise of a point of privilege, arguments and debates are made and corrections are made, and these are not in fact matters of privilege. I would now recognize the House Leader of the Liberal Party.

MR. G. JOHNSTON: Mr. Chairman, earlier in the session, one of the members on my right suggested that if he was in serious difficulties with the law and he had a bad case, he would certainly like to have the Minister of Mines and Natural Resources for his lawyer.

A MEMBER: I still want him.

MR. G. JOHNSTON: I go further than that, Mr. Chairman. I would suggest that if I were to be caught in a bank with a gun in my hand and the money that belonged to the bank in my pocket, I would certainly want the Minister to represent me in court, because he is highly successful, highly successful at dragging in obscure points, travelling around the world to the United States and other jurisdictions to buttress his case, and I'm sure if a judge was lenient

August 10, 1970

(MR. G. JOHNSTON cont'd.) . . . . . enough to allow him to talk long enough, he could so confuse the issue and get it all balled up, that there would be a good chance that I would get off scot-free.

MR. GREEN: Mr. Chairman, I'll accept the retainer.

MR. G. JOHNSTON: Thank you. The Minister referred to the Liberal Party stand on Medicare. Well I don't think there was any way that he could misinterpret the Liberal Party stand on Medicare. The debate that took place in this House as presented by the Member for St. Boniface at that time, who was our chief critic for the health portfolio, was talking about the method of delivery and the rates that the medical profession would be allowed to charge, and for him to suggest that we fought against this and we tried to delay it because we were against Medicare, is utterly untrue and he knows it.

He talks about someone's stand 50 years ago on public education. Well what nonsense! Whatever was done 50 years ago or in 1920 is no concern at this time and in this House. He also spoke about his fighting for his rights to -- for the vision of what he wanted for this country 70 years from now. Well, as far as I can recall, there was only one being on this earth who had supernatural powers to think ahead and they crucified him 1970 years ago; and I don't think any human being can stand here and say righteously that he is fighting the battles for 70 years ahead. What nonsense!

Now, the Minister referred to remarks of mine made in the Throne Speech, and it was alluding to remarks made by the Premier on a television show. I might remind my friend that Bill 56 was not before us; we did not know what was in the Bill, but we had an indication -- whether I interpreted it rightly or not -- I thought we had an indication from the Premier in his remarks that evening on television that there would be a degree of competition, and I believe that his response to my remarks was that this was a fair assessment but then from there on there was a difference of opinion of what the remarks meant. So to suggest that this was a stand I took on Bill 56 in the first few days in the House when we didn't have the bill before us is nonsense.

The debate that has gone on between the Member for River Heights and the Minister once again proves to the people of this province that the government has not proved a case as far as reduction of costs go, other than they stand on the principle that with a monopoly they can force some economies of scale because it's a monopoly, and other than the broad statement such as that we have not, either in the bill or in the speeches made by government members, anything to back that up.

MR. SCHREYER: . . . question?

MR. G. JOHNSTON: Yes.

MR. SCHREYER: Well, when the honourable member says that we haven't backed up our contention about these significant savings, I would ask him whether he does not regard the official reports of the Superintendents of Insurance in the respective provinces as being official documentation.

MR. G. JOHNSTON: Well, Mr. Chairman, I will try and answer that later in my speech.

Now, there was an indication by the First Minister, before the session I believe, or certainly in the early days of the session, before Bill 56, that he was willing to sit down with the industry and discuss the matter. Now, the Minister of Mines has twisted that all around and says that we're not going to sit down and allow the industry to tell us what to do. There's been no suggestion that that should take place at all. We have suggested on this side that the Cabinet, or the First Minister, should sit down with the industry and discuss the problems and discuss proposed solutions, but from the debate that's gone on and from the harder position taken by the First Minister is not answering to that request, it's quite apparent that the government don't want that course of action to take place. They don't want to give the industry a chance. They don't want to say what they will do. They don't want to spell out any guidelines to the industry. They don't wish to say what they would do by way of legislative action to work on the problems that exist -- and I admit that there are problems in the auto insurance industry.

So what has happened? We now have a bill that, because of public opinion and because of evident mistakes in the drafting of that bill . . .

MR. SCHREYER: Mr. Speaker, on a point of privilege -- I believe it to be a point of privilege which you may rule on, I suppose -- and that is that the Member for Portage la Prairie has just said in a flat assertive way that the government had not been prepared to meet

(MR. SCHREYER cont'd.) . . . . . with the industry, and in reply to that, and it becomes a matter of fact that should have to be accepted, it seems to me, the government has through the Minister of Municipal Affairs met with representatives of the industry on earlier occasions, and in addition to that I have - and this has been put on the record already - an exchange of correspondence between the agents and myself, in which exchange of correspondence a meeting is requested to which I replied in the affirmative. So can the Honourable Member for Portage say that the government was not prepared to meet with representatives of the industry?

MR. CHAIRMAN: I would like to interrupt to read a statement about this matter of privilege for the clarification of members, and I would ask them to pay attention. I would also attempt, perhaps, to rule out certain objections made once I read this or attempt to be a little tougher. I read from the Rules and Orders of this Assembly an appendix thereto from 1951, two paragraphs: "Members sometimes raise so-called questions of privilege on matters which should be dealt with as personal explanations or correction, either in the debates or the proceedings of the House. A question of privilege ought rarely to come up in the Legislature. It should be dealt with by a motion giving the House power to impose a reparation or apply a remedy." And this is the key paragraph: "There are privileges of the House, as well as of members individually. Wilful disobedience to orders and rules of Parliament in the exercise of its constitutional functions, insults and obstructions during debate, are breaches of the privileges of the House. Libels upon members and aspersions upon them in relation to Parliament and interference of any kind with their official duties are breaches of the privileges of the members." And probably the key sentence: "But a dispute arising between two members as to allegations of fact does not fulfill the conditions of parliamentary privilege." The Honourable House Leader.

MR. G. JOHNSTON: Well, Mr. Chairman, in reply to the First Minister's point, I would suggest, first of all, that his letter and his correspondence with the agents has nothing to do with the industry. We are talking about the people who are selling a product. Now this is not the basic industry and whatever discussions he's had with him, I don't consider this the moot point of what -- the point I'm trying to make. The point I'm trying to make is, and I'm willing to use the name of Mr. Earl Brown of the Portage Mutual who has said that he had tried to arrange a meeting with the Premier. I don't know whether the Wawanesa Mutual president has or not, but the feeling in the industry is that they haven't had a chance to sit down with the First Minister and discuss the problem.

Now, he alludes to a meeting between someone in the industry with the Minister of Municipal Affairs. I don't know about that. But the feeling is abroad that the bill was brought in and there was almost an attempt to avoid any sort of a serious discussion. Now this is my impression as related to me by Mr. Earl Brown of the Portage Mutual. -- (Interjection) -- Well, if you wouldn't mind waiting for the end.

Now, the Minister of Mines has made a great to do and waved and quoted at length the Wootton report from British Columbia, but he doesn't talk about what British Columbia has tried to do. He doesn't talk about the legislation that British Columbia has passed, based on the Wootton Report. -- (Interjection) -- Now I know he's going to say it's not working, it's no good, and we're not going to go through that step. But I would like to refer to some of the legislation that has been passed by British Columbia, and I don't know if it'll surprise my friends opposite or not, but in my opinion the Province of British Columbia now has the authority to go into an insurance plan if they wish to. But they are not trying to correct an ill by killing the patient, such as is going on here. I refer my friends to Bill 74 of the 1969 session of the British Columbia Legislature. The Bill has about 60 pages in it and I will try and be as brief as I can. I would like to refer to Section 250, subsection (1): "It is the duty of the Superintendent or the Automobile Board, after due notice and hearing before him, or it, to order an adjustment of the rates for automobile insurance whenever it is found by him or the Automobile Board that any such rates are excessive, inadequate, unfairly discriminatory, or otherwise unreasonable."

Now this is what I'm talking about what government can do by regulation. The B.C. government now has the power, much as we have suggested by way of a Rate Review Board. They have the power to call in those in the industry who they consider are profiteering or being excessive in their charges. They have this power now. I refer again to Section 250 (p), subsection (1) - and I won't quote the whole section, it's quite lengthy, but I'll quote paragraph 2 - and they're talking about the Automobile Insurance Fund. "The purpose of the Automobile

(MR. G. JOHNSTON cont'd.) . . . . Insurance Fund is to provide all or part of the motor vehicle liability insurance prescribed under Part 7 of this Act - to every person entitled there-to in the event that the insurance so prescribed is not otherwise obtainable at a cost that is, in the opinion of the Lieutenant Governor in Council, commensurate with the risk."

Can my friends say that they have tried to make some corrections in the industry? No. No, they had the easy solution. Step in. Did they consider the jobs? Did they consider the home based companies here?

MR. GREEN: Yes.

MR. G. JOHNSTON: My friend the Minister of Mines now has come and say Yes, they have. But he doesn't give a damn.

MR. GREEN: Oh, that's ridiculous.

MR. G. JOHNSTON: Or you wouldn't come forward with legislation like Bill 56.

MR. GREEN: That's ridiculous.

MR. G. JOHNSTON: Well you just said yes you have considered the jobs.

MR. GREEN: Yes.

MR. G. JOHNSTON: So I interpret that as saying you've considered the jobs but that's just too bad.

MR. GREEN: No, that's your interpretation. That just shows the . . .

MR. G. JOHNSTON: Well I can remember my friend, sitting in a seat interjecting as usual a few months ago, and he didn't mutter it, he practically screamed it: "The agents are redundant." And he knows he said it.

MR. GREEN: You said it.

MR. G. JOHNSTON: Now my friends opposite keep relating to what has happened in Saskatchewan. This morning we had the Minister saying that there was a \$5 million saving every year, if I understood it.

MR. GREEN: No - that year.

MR. G. JOHNSTON: Well then, he said "that year". I would like to quote to the member, and this is a Canadian Press report from Regina, December 6, 1969, and I haven't heard anyone dispute the words in this article. The article relates to a statement made by Mr. John E. Lowe who is at Peterborough, Ontario, President of the Ontario Insurance Agents Federation, and he said something that aroused the ire of one of the Ministers in Saskatchewan, namely Dave Boldt, and Dave Boldt had some very forceful replies to make which have been quoted to us at length from members of the other side, but they didn't say anything else that was in the same article, and I'd like to quote, Mr. Chairman, what the Canadian Press report says. I hope I'm not quoting out of context - if any member wishes to . . . -- (Interjections) -- I'll read the part my friends do not wish to hear. I quote: "Government Insurance Office officials said recently there is about \$5 million in surplus funds accumulated since the plan began in 1946." Is that five million a year?

MR. GREEN: The savings to the people are five million a year.

MR. G. JOHNSTON: Or any year?

MR. GREEN: The honourable member just doesn't understand.

MR. G. JOHNSTON: I'm sorry. I've aroused my friends, but they'll have a chance. If I've misrepresented, they can get up and produce their information. If they think I've quoted out of context I'll table this or pass it across.

MR. SCHREYER: . . . asking for us to clarify, would he . . . ?

MR. G. JOHNSTON: No. -- (Interjections) -- This article is written in the third person and there's no direct quotes, but at the end of the article, the last paragraph, and I would like to put this paragraph on the record: "Drivers pay \$65.00 a year for a \$35,000 package with \$200 deductible for collision and comprehensive claims. Most buy extra insurance from private companies or government insurance offices, but the total rates compare favorably with most regions in North America." Now I think that is an objective statement. It doesn't praise the plan or it doesn't damn it. It states it the way the author of the article sees it, and my interpretation of "most favorable" means it's probably a good operation, as good as any, but it doesn't say it's "better than" any; so when my friends opposite quote to me Saskatchewan and I find that what the Minister of Mines once again has said about the savings there, I'm inclined to doubt them. I'm inclined to doubt them.

Mr. Chairman, I won't take any more of your time now. I hope that I've made some impression that there should be an attempt by way of legislation to regulate the industry. There

(MR. G. JOHNSTON cont'd.) . . . . . should be some attempt by legislation to correct some of the problems that government rightly are able to step into. But at this stage of Bill 56, it's highly unlikely the government will be taking any advice. They have made some amendments to do with compensation because of the hue and cry, but it's apparent that there will be no more changes made, and I suppose, Mr. Speaker, when the debate is over and the votes are taken then we will know where we stand.

MR. SCHREYER: The honourable member indicated he would entertain a couple of questions.

MR. CHAIRMAN: The Honourable First Minister.

MR. SCHREYER: I would like to ask him these two questions, then, if I might. When he uses the figure of \$5 million surplus, which I agree is accurate, a \$5 million surplus accumulated over the past 24 years, is he aware that there is a difference between accumulated surplus and the amount that the Minister responsible in Saskatchewan has indicated is the annual savings in terms of premiums, total premiums, paid by motorists in Saskatchewan because of the differential and the ratio of the costs, miscellaneous costs, etc., to the premium dollar? The two figures are entirely two different matters within the operation of the plan. That is Question No. 1. Perhaps the honourable member would care to answer.

MR. G. JOHNSTON: Well, Mr. Chairman, if I can recall the figures from the Saskatchewan plan, when the basic monopolistic package is put together with the package plan that most car owners take to supplement the basic package from the government, that the average cost to the motorist, the dollars returned by way of premium, is not that far off what is going on with the companies that have good practices in this province.

Now, it's my understanding that when the averages are made that there's a payback of about 75 percent, 76 percent, and my friends opposite had talked initially that they were going to return 85 percent from their plan, but when you put that 85 percent together with the other plan and its administration, that there's no 85 percent saving, it's considerably lower and not that far off what's going on right now.

MR. SCHREYER: In that case, Mr. Speaker, may I ask the honourable member whether he's aware that according to the official report of the Superintendent of Insurance office in that province, that after you take the combination of both the basic compulsory coverage and the supplementary package coverage, and when you take the weighted average of both together, that the ratio of administrative and miscellaneous cost to premium dollars is in the order of 82 percent instead of 85 percent and still shows a substantial differential over that of alternative approaches to auto insurance coverage, a differential of something in the order of 17 to 18 percent even after taking into account both basic and supplementary coverage costs.

MR. G. JOHNSTON: I recognize the fact that there is a difference in percent. Now what it is I'm not prepared to say because I don't know, but I'm suggesting to the members of this House that the situation in 1970 in Manitoba, with three home-based companies and hundreds of employees working in the industry here, is far different to the situation in Saskatchewan when their legislation was introduced in 1946, and I don't think for one moment that any government would come along and dismantle an operation that has been working, that has five or six hundred employees and nothing there to fill that void excepting the fact that in Saskatchewan there is no insurance industry other than some agents selling supplementary plans.

MR. CHAIRMAN: The Honourable Member for St. Boniface.

MR. DESJARDINS: Mr. Speaker, I was going to start saying that this morning when I left, I told myself "Larry, try to keep your cool today." Now I think I'll have to at least keep my cool till 2:30, but I hope the fact that I stood up that maybe I'll have a chance to participate this afternoon.

MR. GREEN: I move the committee rise.

MR. CHAIRMAN: Committee rise. Call in the Speaker. Mr. Speaker, the Committee of the Whole House begs to report progress.

#### IN SESSION

MR. DOERN: Mr. Speaker, I move, seconded by the Honourable Member for Kildonan, that the report of the committee be received.

MR. SPEAKER presented the motion and after a voice vote declared the motion carried.

MR. GREEN: Mr. Speaker, I move, seconded by the Honourable Minister for Cultural Affairs, that the House do now adjourn.

MR. SPEAKER presented the motion and after a voice vote declared the motion carried and the House adjourned until 2:30 Monday afternoon.