

THE LEGISLATIVE ASSEMBLY OF MANITOBA  
8:00 o'clock, Tuesday, May 26, 1970

MR. GREEN: Mr. Speaker, I move, seconded by the Honourable the Minister of Cultural Affairs, that the House resolve itself into a Committee of the Whole to consider and report of the following bills for third reading: Bills Nos. 8, 9 and 11.

MR. SPEAKER presented the motion 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. GREEN: . . . hence I note that four bills were referred, but the Honourable Member for Rhineland wished to speak relative to Bill No. 15 and he's not here tonight and he asked that this bill be delayed until the next Committee of the Whole House, that's why I read these bills.

MR. CHAIRMAN: (BILLS NOS. 8, 9, and 11 were read section by section and passed.) That completes the work of the Committee. Committee rise. Call in the Speaker.

Mr. Speaker, your committee has considered Bills Nos. 8, 9 and 11 and wish to report the same without amendment.

IN SESSION - GOVERNMENT BILLS

MR. RUSSELL DOERN (Elmwood): 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. SPEAKER: The proposed motion . . .

MR. GREEN: Mr. Speaker, I'm sorry, I think that it was intended that there would be third readings now of the bills just come from Committee.

BILLS NOS. 8, 9 and 11 were each read a third time and passed.

MR. SPEAKER: Adjourned debate on second reading. The proposed motion of the Honourable Minister of Mines and Natural Resources, Bill No. 17. The Honourable Member for Brandon West.

MR. MCGILL: Mr. Speaker, I beg the indulgence of the House in permitting this matter to stand. (Agreed)

MR. SPEAKER: The proposed motion of the Honourable Minister of Municipal Affairs, Bill No. 7. The Honourable Member for Wolseley.

MR. LEONARD H. CLAYDON (Wolseley): Mr. Speaker, I beg the indulgence of the House to have this matter stand.

MR. SPEAKER: The proposed motion of the Honourable Minister of Municipal Affairs, Bill No. 56. The Honourable House Leader of the Liberal Party.

MR. G. JOHNSTON: Mr. Speaker, I suppose nearly everything that can be said about Bill 56 has already been said, and for someone to enter into the debate at this late stage is liable to be repetition, I suppose, but I run that risk.

As I examine Bill 56, I am inclined to the view that if reasonable results can be obtained by the private enterprise group then I don't think the government should enter into a business. Now it's true that private enterprise is not simon pure in all fields and it is true that some people are inclined to take advantages and it is also true that there's a place for government to oversee, and if it is found by the government of the day that in a certain sector, the private enterprise sector is not performing, then government not only has the right but they have a duty to step in.

They can do it in a number of ways. Government can give guidance by way of consultation; they can create the proper climate for discussion of a problem; they can arbitrate; there can be some room for compromise. All of these things may have to be called upon, but before government takes the final act of going into a field that hasn't been customarily gone into by government before, I believe that they should go through all these steps that I have mentioned. I don't think that any government has a right to arbitrarily step into an industry, such as being rushed into by this government by the enactment of Bill 56, without first of all trying to have a discussion and trying to reach some consensus of agreement where government and the industry affected can meet and try and resolve the problem.

As I see the problems in the auto insurance industry -- and I don't doubt for one

(MR. G. JOHNSTON cont'd.) . . . . moment that there are not problems. For example, I think that there is too long a delay in some cases in the settling of claims. However, this can't be generally accepted as the case on every law suit or every accident that happens when a law suit comes out of it. I realize that there has to be a change in the laws and a change in the attitudes of the industry, but as we look back on this field we find that government did not make any serious attempt over the years - and I'm talking now of previous governments - they did not make any serious attempts over the years to resolve some of the troublesome problems that are facing the automobile insurance industry and some of the problems that are affecting our people.

Now I know that members of this new government have had auto insurance nationalization as a party plank for many many years, but I would ask them to consider why the government of Saskatchewan of the day in 1946 and 1947 entered into the auto insurance business. As I understand it, at that time about 10 or 12 percent of the automobiles in Saskatchewan were covered by any form of insurance. There was not -- well, there was a gap. There was no industry or private enterprise automobile insurance group to fill in the gap at that time, and here in Manitoba an industry has built up over the years to fill this need. I think that this government is making a very serious mistake when they accept the doctrinaire position of those who have gone before them in their party and they have acted as if nothing has happened in the 22 year interval from 1947.

Because what has happened in Manitoba, Mr. Speaker? An industry has been created and by their own light and by the lights of many others, they thought that they were performing a reasonable, honourable, decent job. Now, I don't care what industry it is. I don't care what industry it is, there's bound to be some who take advantage, there's bound to be some who for their own selfish interest will delay and who will misrepresent. And I think this can be related to a human nature. Who are we to cast the first stones, so to speak? There are many political people who have acted the same and I think it must be accepted as a part of human nature that there are going to be some who will take advantage of the situation.

But I return now to the scene in Manitoba where it has been mentioned by other speakers, I believe, that there is an industry has been created that employs some hundreds, if not thousands of people indirectly, who contribute by way of taxes and by way of wages to the economy of Manitoba something in the order of \$50 million, whether by way of investment, by way of paying taxes, or by way of money injected into the economy. In particular we are talking about three Manitoba based companies - Wawanesa, Portage Mutual and Canadian Indemnity, and there are others with substantial operations in the province. I say again, Mr. Speaker, before these people are thrown out of the business there should be some degree of consultation, and I am sorry to say that the First Minister, who I had thought by previous statements, had indicated that there would be.

As late as about the middle of March, I thought that I had had an indication from the Premier, and so did the people in the Wawanesa delegation, where they understood him to say that the government would probably be going into the business but there would be a degree of competition with the private companies. A degree of competition with the private companies.

MR. SCHREYER: Well, Mr. Speaker, if the member is quoting something relating to some meeting with Wawanesa representatives, I think the honourable member should explain what this meeting was because I had no such meeting. The Minister or Ministers may have had.

MR. G. JOHNSTON: I'll gladly explain, Mr. Speaker. I believe at one of the first television programs of the session, which I alluded to before in this House, the First Minister and myself and a member of the Progressive Conservative Party attended and we were questioned by the interviewers at length on our views, and I myself said I thought that perhaps the government would be bringing in legislation which would allow for a degree of competition between the government Crown Corporation in auto insurance and the private insurers in the auto insurance industry. My recollection is that the First Minister at that time said that my understanding or my assumption was a fair or a near assessment, I just forget -- (Interjection) -- a fair assessment, yes.

MR. SCHREYER: Can I, if I might, Mr. Speaker, say to my honourable friend that I reaffirm that; that it is a firm prognosis on my honourable friend's part, to think in terms of a degree of competition. In terms of basic coverage, supplementary coverage, there will be a degree of competition in the latter respect.

MR. G. JOHNSTON: Then, Mr. Speaker, a few weeks later, when the people from

(MR. G. JOHNSTON cont'd.) . . . . Wawanesa met in the demonstration with the Premier and part of his Cabinet outside of the House, part of the Wawanesa brief contained the following, not statement but this will be a summation of their statement, and I quote from the Tribune of April 30th. One of the points that they made when presenting their brief was: why did you not stand by your statements as recently as ten days ago, that the government would compete with the private insurance companies?

MR. SCHREYER: Mr. Speaker, that statement must have been derived from the television program that my honourable friend refers to. I said it was a fair assessment. I made no statement at any time saying that the plan would be one of competition in the public and private firms, and I'm not responsible for whatever assumptions they care to take from a television program.

MR. G. JOHNSTON: Well, Mr. Speaker, I certainly do not wish to arouse the ire of the First Minister, but I think that to many people across the province the idea got around that there was going to be a degree of competition between the Crown corporation and the private sector in this industry.

MR. SCHREYER: There will be a degree of competition; a degree.

MR. G. JOHNSTON: Well, I suppose, Mr. Speaker, this is where the First Minister and I part ways, because the understanding that I had received during the television program was that there was going to be some freedom of competition, not a very minor degree which will exist if this Bill passes.

Now, as I understand the Saskatchewan plan, which I think Bill 56 is a very close copy except for some improvement in the coverage, as I understand the Saskatchewan program, the only savings that are going to accrue to some of the policy holders is when a levelling takes place between the good risks and the bad risks, between the rural driver and the urban driver.

MR. GREEN: Not true.

MR. G. JOHNSTON: Well, this is the Saskatchewan plan. My friend the Minister of Mines says it is not true. -- (Interjection) -- That is part of the savings. I will give to you the fact that if one company in the whole world ran auto insurance there would be a saving.

MR. GREEN: Well, that's interesting.

MR. G. JOHNSTON: And my friends have misnamed this plan a "universal" plan. I don't know whether they're thinking of spreading throughout the world, but universal is certainly not the word. So my friends opposite are certainly not doing a great number of people in Manitoba a service if they intend to bring in a program where this levelling takes place, where the good driver must accept part of the responsibility for the poor driver. -- (Interjection) -- Some of my friends say this is insurance. As I understand it, they intend to bring in a program with three levels of ratings - three - a northern, an urban and a rural area, and there's no way, if you're going to bring in three levels of ratings, that you're not going to have a levelling process take place.

MR. GREEN: Who pays for the good drivers now?

MR. G. JOHNSTON: The good driver pays through his insurance. What a ridiculous question that is. As I would like now to also go back to the Saskatchewan plan when it was first proposed in 1946 and 1947, 10 or 12 percent of the cars on the road were insured. In Manitoba today, as I understand it, about 97 percent of the automobiles are insured on the road today - trucks and autos - so surely there can be no relation between the problem that existed in a sparsely populated rural province of Saskatchewan and the problem that exists today in a province where over half the people live in an urban area.

I would think that, as I said, Mr. Speaker, the government leaders would have sat down with the industry and tried to establish some guide lines and tried to reach a degree of co-operation. On their part, the government part, I would think that they would have committed themselves to bring in some long overdue legislation. They would have tried to improve the laws; for example, to make it an offence to drive a vehicle on our roads and highways without insurance. They would have examined the driving infractions, particularly in respect with the issuance of driver's licences and registration plates. There would have been stricter law enforcement on the highways. There would have been compulsory vehicle inspection. There would have been a more intensive driver re-testing program. There could have been greater and there should be greater emphasis on the adequate highway signing and traffic safety programs and, in general, improvement in all areas where there could be found room for improvement. But my friends have taken the other course, and I would expect that after their

(MR. G. JOHNSTON cont'd.) . . . . . own plan is in operation they will then examine the need to change laws to look after their own program, but I ask you, Mr. Speaker, is this putting the people of Manitoba first? Or is this using a type of politics, after one or two years of operation, to make the government-operated plan look good? And I think this is a very serious and I think it's a very cynical approach, very cynical approach, where in this session there's been nothing come forward at all in the fields that I've just enumerated. Certainly I expect to see them flood in after they have set up their own program.

Now, while it's difficult only to confine oneself to the principle on second reading of a bill, much has been made of the statement of the Premier and other ministers and members of the back bench, that they are going to save 15 to 20 percent. Well, I warn my friends opposite that there's going to be many angry people in this province if you don't keep that promise, and under questioning, when one of the members was speaking a few weeks ago - I believe it was the Member for Winnipeg Centre - I asked him the question, "Can you give a guarantee that every insurance carrier of a vehicle in Manitoba is going to save 15 percent?" - he said, "no." -- (Interjection) -- Let him speak for himself. He's not objecting. He's not objecting. I asked him again. I said, "Can you tell us if a majority of the auto insurers in Manitoba are going to save 15 percent?" And he said "No."

MR. BOYCE: You said can I guarantee ALL will be reduced, and I said no.

MR. G. JOHNSTON: I hope my honourable friend enters the debate so that he can explain himself.

MR. BOYCE: I already did and I can read Hansard also.

MR. G. JOHNSTON: Well I tell you, Mr. Speaker, there are going to be many, many angry people when they find that this promise cannot be kept, and I'm surprised, I'm surprised that the members opposite persist in saying this when they will not produce any proof. -- (Interjection) -- No, I cannot. I do not offer that. I'll only give one example, Mr. Speaker, where I expect to see some action on the part of the government, and I will not use any loaded cases; I will not quote a 19-year old driving a Lincoln Continental and being in three accidents so his premium is quite high, like has been used at times during this debate. I'll use a 1965 Valiant, Plymouth, that is presently insured for \$81.00 which is a \$25.00 deductible, all-peril, and that is it. No-fault is included. Now, I took it upon myself to have a friend phone the Saskatchewan Government insurance office and ask what would the Saskatchewan Government minimum plan be on this car - that is \$35,000 limit Public Liability and Property Damage, and a \$200.00 deductible collision and comprehension clause, and the price in Saskatchewan, in the Town of Weyburn, which is comparable to Portage la Prairie in size, is \$63.00 for the minimum plan. The same car insured in Portage la Prairie for the same minimum coverage with the Portage Mutual is \$53.00.

HON. JOSEPH P. BOROWSKI (Minister of Transportation) (Thompson): Does that include the plates?

MR. G. JOHNSTON: No, that is extra; also in Saskatchewan is extra, \$21.00 extra. I'm talking about the insurance. The same car insured in Winnipeg, where the hazards are greater because of the heavier traffic, the same car \$35,000 deductible P.L. and P.D. and \$200.00 collision with the all-peril compensation, is \$66.00. Now my friends opposite, I hope, when they come to keep this promise, will produce a 15 percent reduction in both cases. What was \$53.00 in Portage la Prairie will be something like \$45.00 and some cents. What is \$66.00 in Winnipeg for this very modest car will be \$56.00 and some cents.

HON. AL. MACKLING (Attorney-General) (St. James): Tell us about all the other variables.

MR. G. JOHNSTON: No variables - well, the variable is 25 years of age or over and three years accident-free.

MR. MACKLING: Does he drive it to work? Does his wife drive? Come on, all of the facts.

MR. G. JOHNSTON: It's all right. It's my car and sometimes I drive it to work, sometimes my wife drives it. Anyways, Mr. Speaker, my friends are very edgy on this and I just say I hope that when they come to keep the promise, that 15 percent, there will be a vast majority of Manitobans . . .

MR. GREEN: Mr. Speaker, my honourable friend was at a meeting - would the honourable member permit a question?

MR. G. JOHNSTON: Mr. Speaker, I will entertain questions after, from my hot-headed

(MR. G. JOHNSTON cont'd.) . . . . friend. I am telling the truth. Mr. Speaker, I deny that. I have been told that I'm not telling the truth.

MR. GREEN: Mr. Speaker, the honourable member is not telling the truth when he says that we promised that every policy holder would save 15 percent. Yes. He is not telling the truth.

MR. G. JOHNSTON: Well, Mr. Speaker, how many times have the people of Manitoba read statements by my friend who made the statement at Portage la Prairie the other night, and I'll quote him, and I'm quoting the Minister and it's a paraphrasing of his words. He said it was his contention there would be a saving, a 15 percent saving on the cost of providing insurance under the government plan, and my friend who protests so much said that in Portage la Prairie last week.

MR. GREEN: Mr. Speaker, on a point of privilege. In the very same newspaper and on the very same platform where my honourable friend was present, he knows that a gentleman got up, told me his own premium rate, and I said that we could not guarantee a reduction on every single policy holder. It's contained in that very story but his position is so weak that he has to distort by . . .

A MEMBER: On a point of order, Mr. Speaker. What is the point of privilege on that side of the House? I think we should establish that.

MR. G. JOHNSTON: Well, Mr. Speaker, I hope that you will put up with me if I bend a long-standing rule not to read a newspaper in the House, but my honourable friend claims that he didn't make the statement.

MR. GREEN: I didn't make that statement. Mr. Speaker, on the point of privilege. Mr. Speaker, my honourable friend is distorting my remarks and, on a point of privilege, I would ask him not to do so. I did make the statement that there would be an overall saving of 15 percent. I also made the statement that we couldn't guarantee that every single policy holder in Manitoba would save 15 percent. My honourable friend was present when I said that.

MR. G. JOHNSTON: Well, Mr. Speaker, I'm sorry if I agitated my friend.

MR. SPEAKER: Order please. Now a difference in interpretation of remarks made by any honourable member is not something unreasonable, something that cannot be expected, but surely honourable members have ample opportunity to reply to the comments made by one member. May the Honourable Leader of the Liberal Party proceed, please.

MR. G. JOHNSTON: Thank you, Mr. Speaker. I'm truly sorry that I agitated my friend, the Minister of Mines and Natural Resources, but now he clarifies that he didn't guarantee to everyone in Manitoba. I know that, but he made the general statement; he made the general statement and he has admitted to it.

MR. SCHREYER: Mr. Speaker, I rise on a point of privilege. It is not as simple as that to say that other honourable members will have an opportunity to respond. If the honourable member persists in saying that any one member on this side made a promise that every single policy holder in the province would enjoy a reduction or saving of 15 percent, I challenge him to name that individual so that we can get down to specifics for greater accuracy. What was said, and my honourable friend must simply take my word for it, that as leader of this party I said time and again that in its aggregate, in its totality, there would be a saving of 15 percent for the aggregate of policy holders in this province. So let that much be clear.

MR. SPEAKER: Well I hope the Honourable House Leader of the Liberal Party will accept the explanation offered by the Honourable the First Minister.

MR. G. JOHNSTON: Mr. Speaker, I accept that many hundreds of thousands of Manitobans expect to save 15 percent on the general statements made by my friend.

Well, Mr. Speaker, my friends opposite remind me of the chap that . . .

MR. MOLGAT: Mr. Speaker, I wonder if the Attorney-General would make the statement he just made quietly, in public.

MR. MACKLING: Pardon me.

MR. MOLGAT: Did I not hear the Minister, the Attorney-General, say "He speaks with a forked tongue"? Well, would the Minister stand up and say that openly instead of muttering in his seat?

MR. SCHREYER: I rise on a point of order, Mr. Speaker. Normally one doesn't like to interrupt the Honourable Member for Ste. Rose, but can he tell us what he was rising on; a point of privilege or a point of order or what?

MR. MOLGAT: I most assuredly was rising on a point of privilege of this House. When

(MR. MOLGAT cont'd.) . . . . a Minister of the Crown can sit in his seat and blubber: "He speaks with a forked tongue," then I rise on the privileges of this House.

MR. MACKLING: Mr. Speaker, on that same point of privilege . . .

MR. MOLGAT: I happen to have the floor, if you will kindly sit down until the Speaker calls your turn; and, Mr. Speaker, this is the sort of chattering we hear frequently from the other side of the House. This very afternoon one of the Ministers stood up and said, "I couldn't hear the question" - that was asked by a member on this side, because of comments in the back seat there when the member was asking a question. Because -- and you were the one who was making the noise, so don't you open your mouth. And, Mr. Speaker, I think it's about time that some of the honourable members recognized the spirit of this House and the privileges of this House.

MR. MACKLING: Mr. Speaker, on this point of privilege - and I rise on a point of privilege; you can take your seat. When I participated in the debate, when I participated in the debate on Bill 56, and I trust the honourable member was either in the House as he should have been according to the rule, he would have heard nothing but an incessant chatter from that side of the House, nothing but an incessant chatter, and so let's not have the Honourable Member from Ste. Rose lecturing to me about noise coming from this side of the Chamber, Mr. Speaker, and I didn't hear him rising then on a question of privilege saying he couldn't hear me speaking, but that's about the size of it.

MR. MOLGAT: Mr. Speaker, I heard of no member on this side of the House saying, "He speaks with a forked tongue." Now that's what the Minister just finished saying. If that is parliamentary, if the Minister feels that that is sticking to his office, then the Minister can stand by it.

MR. BOROWSKI: Mr. Speaker, I rise on a point of privilege too. If the Member for Ste. Rose had been in the House for which he is being paid for, he would know what has been going on here and he would not insult this House by standing up and making the ridiculous statement he just made.

MR. MOLGAT: I don't know the point of privilege that the Minister of Transportation has, Mr. Speaker. He may have one.

MR. G. JOHNSTON: Mr. Speaker, I hope this is not being taken off my 40 minutes.

Well, Mr. Speaker, before a certain controversy arose, I was going to allude to some of the honourable members opposite as similar to the leading character in a movie some years ago, and the title of the movie was "I Can Get It For You Wholesale." It seems to me that 15 percent is the magic figure, and if it's the magic figure in auto insurance perhaps it's going to next apply to other necessities of life such as groceries, gas, cars. My friends are running up and down the province and they have their committee running up and down the province, and this is one of their selling points. They are appealing to people on the basis that "we can save you some money." Yet they won't put it in the bill; they won't put it in the regulations how much they are going to save them, but they are saying, "Well, wait. Wait until 1971 and we'll show you that we can save you some money," and the figure that I keep hearing is 15 percent; sometimes 20, but mostly 15 percent. So I would ask my friends opposite about the other part of their argument where they say that because government is establishing a monopoly, then they are duty bound to supply the service or to supply the product, because they can't trust the private enterprise sector. They can't trust the private enterprise sector to do what they think should be done, so they say that "we feel that we have to establish a Crown corporation which will make it possible to have these savings," and because it's a monopoly and they must have it, they will therefore sell it.

Well, Mr. Speaker, in jest the other day I asked the Minister of Highways, because he was bringing in a bill to make helmets compulsory for passengers and riders on motorcycles, in jest I asked him if the government was going to set up stores to sell the helmets. It's the same -- it's an analogy; it's the same thing. Sure, so they laugh, but it's the same principle. -- (Interjection) -- Yes, I can do better than that. There are laws of decency that you must wear clothing on the streets; you must have a certain amount of cover. So my friends may be now considering clothing stores because you must wear clothing on the streets. I know it's a silly thing but it's just about as silly as their argument is sometimes. -- (Interjection) -- Well, Mr. Speaker, I agree, and I think it's a liberal thought that if private enterprise is failing, or they leave a gap, then the government is entitled to take a long, hard look at whatever it is that is required in the public interest. My friends opposite say that's been done. But I

(MR. G. JOHNSTON cont'd.) . . . . . mean a fair look, I mean an honest look. I don't mean a look to dress it up. I mean a look from all sides of the question, and my friends opposite get very quiet when that is mentioned because they can't defend what has gone on with the what is called the Pawley Auto Insurance Committee. They can't defend that; there's no way. It's openly biased, openly biased. -- (Interjection) -- Well then, I would ask my honourable friends, I would ask the Minister of Municipal Affairs to table the 2,900-odd briefs he received from private citizens. The others who made briefs have made them publicly and tabled them, but my friend the Minister, who is not in his seat, says that -- and his committee said there were 2,900-odd briefs made by private citizens. I would like to have a look at them. I would like to have a look at them. I don't think this is unreasonable. So, by their silence, Mr. Speaker, my friends opposite are agreeing with me that it was a biased committee that studied this. Would one of you like to rise in debate and say that this was a very level, calm, cool look at the problems? No. I look forward to some of you rising and defending the committee and the way they operated.

MR. SCHREYER: . . . moment? I'd be quite happy to.

MR. G. JOHNSTON: During the debate.

MR. SCHREYER: Oh.

MR. G. JOHNSTON: Mr. Speaker, we hear a lot of talk about the rights of minorities in this province. It shouldn't only be 51 percent who decide for everyone but the other people should have their chance, should be heard, and I would like to quote to you a letter, and I don't know the person who wrote it to me but I accept his word and I'm sure that he would be glad to have his name mentioned as the author of this letter. This is from a gentleman by the name of Mr. Peters. It's actually a copy of a letter. One letter is sent to Mr. Howard Pawley, Minister of Municipal Affairs, and the second letter is sent to my friend from St. Boniface, Mr. Desjardins, and I would like to read the letter that was mailed to him.

"Dear Sir: Being one member in the Legislature with the important position of having that one vote for or against any policy, I would ask you to especially consider the plight of the farmer with respect to government automobile insurance. We, the farmers, happen to be a small minority in terms of the total voting public, but if the insurance program is to be instituted by the government claim to base itself on a user's pay plan when in actuality it intends to use premiums from a low risk area (farmers) to subsidize the majority of voters (urban dwellers) from a higher risk area as it does in Saskatchewan, then the credibility of the government stands in question. For you, this must be a very conscience-rendering problem, for if, by your positive vote for such a program, you sell us down the river, then all minority groups in this province need to fear being stamped out if expediency for the majority demands it. This, I think, would be the beginning of the end for our freedom in our identity. Manitoba cannot afford such a calamity, for it is composed of many small minorities each of which is a part of Manitoba. I trust that you will consider all sides of the problem prior to taking your stand. Unfortunately I, as well as many other Manitobans (according to the media reports), feel that all sides of the question have not been made known to the public. I would hope that you would feel a responsibility to have Mr. Pawley clarify the question of government auto insurance as it affects the farmer." Signed: Mr. A. Peters.

MR. SCHREYER: Would you permit a question at this point? Mr. Speaker, I thank the honourable member for permitting a question. It's relating directly to the letter he just read on to the record. Did he not hear it explained that there will be at least a two and possibly a three territory system? Therefore, the question of relatively low risk areas subsidizing the higher risk areas really has been taken care of.

MR. G. JOHNSTON: Well, Mr. Speaker, that's the nearest that we have come to having a guarantee that the government is going to really reduce everything by 15 percent, because at the beginning of my speech I said that I recognized the fact that there was three levels set up across the province. I recognize that. But until we see it in the regulations, until we see it in the regulations, the people hold you suspect. They don't really believe -- (Interjection) -- Yes, and I do too. I do too.

So, Mr. Speaker, I say, I say in closing, that before this government takes it upon themselves to leap in, the way they have, to shake the confidence in Manitoba the way they have, that they should sit down and consult with the industry. I know I'm speaking to deaf ears but I repeat it again. Then, after a reasonable length of trying to achieve by regulation of government and by some persuasion from both sides and some giving of ground on both sides, if it

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(MR. G. JOHNSTON cont'd.) . . . . . isn't found to have worked in a year or two, then I say that they are right. But to take the step that they have taken is unprecedented in a democratic society and I think that they are wrong. I really think that they are wrong. -- (Interjection) -- Well, the First Minister says, "After one year of operations you will say that we are right." After one year of operations will we know if you've operated at a deficit? With Bill 56, will we know? Never. Never. The only way that the people of the province will know is if the regulations are attached to the bill and they see what they are buying, and for my friends to protest that "don't worry; leave it to us; give us a year or give us two years but we'll show you;" is not good enough.

MR. SPEAKER: Are you ready for the question? The Honourable Minister of Health and Social Services.

HON. RENE E. TOUPIN (Minister of Health and Social Services) (Springfield): Mr. Speaker I wasn't going to participate into this discussion, but after the last speaker and the previous speakers that we've had in this House I don't really see that I have an alternative. The German philosopher, Karl Jaspers, tells us that there is no such thing as a final state of democratic political liberty that is satisfactory to all. The entire debate on compulsory public auto insurance, within and outside this House, seems to really confirm the wisdom of our philosopher friend, Mr. Speaker, I do not intend to add anything to the number game, the presentation of elaborate statistics to either support the government or destroy the Opposition's argument, but I do believe the government's case has already been well argued and demonstrated, and I'd say proved.

A MEMBER: Except for the Member for Morris.

MR. TOUPIN: What is troubling me, Mr. Speaker, is the dangerous irresponsibility being shown by some of the critics that are hostile to Bill 56. It is normal and responsible, Mr. Speaker, to question the wisdom of any piece of legislation . . .

A MEMBER: Sock it to them in French, Rene.

MR. TOUPIN: . . . being proposed by the government of the day. It is normal and responsible to be critical of the form, the substance, the approach, the implications, and even the motives of any bill that is being presented in this Chamber. It is not normal, nor is it responsible, to pretend that the government has no right to introduce certain legislation. It is irresponsible to imply that the government is somehow exceeding its legislative authority by bringing a bill to this House. Now I know that no one has expressed . . . in quite so straightforward an analysis, but certainly the condition which leads the Member for Fort Garry to hear the trampling and stamping of jackboots is one that strongly suggests to all Manitobans that he feels what is wrong with Bill 56 is not something wrong with the substance of the bill but with the essence of the bill and the process followed by the government sponsoring it. It is ironic that that member of the House hears jackboots threatening him. Jackboots are in history, Mr. Speaker, the characteristic of his team, the radical right-wingers. On the other hand, working men, farmers, trade unionists, small business, professionals, all professionals, these Manitobans, the supporters of the New Democratic Party, the New Democratic Party's policies, are the least likely to resort to that kind of social, physical, or even psychological violence these remarks suggested. The members of the government caucus . . .

MR. SHERMAN: On a point of privilege, Mr. Speaker; on a point of privilege. My reference to the echo of jackboots was not made during the debate on Bill 56. It was made during the Budget Debate and it had nothing to do with the context that the present speaker has made reference to. It referred to the frustration of the process of opposition and the muzzling of the opposition in this Legislature.

MR. SPEAKER: The Honourable Minister may proceed.

MR. TOUPIN: Mr. Speaker, the members of the government caucus have not and will not, Mr. Speaker, engage in the kind of doctrinaire sloganism practised by the Opposition. The public of Manitoba has not been and will not be favourably impressed with the name-calling that the Opposition has substituted for debate.

MR. G. JOHNSTON: Mr. Speaker, on a point of privilege. I wish that the Minister would name the people he's talking about instead of castigating everyone in the Opposition.

MR. TOUPIN: Mr. Speaker, and what a pity it has been, Mr. Speaker, that they have not made the effort to examine their own slogans. What a pity that they have not allowed the heat of their arguments to shed any light on their case. And the greatest irony of it all, Mr. Speaker, is that they could make a case if they tried. They could stop substituting slogans for



(MR. TOUPIN cont'd.) . . . . . thought and give a proper reasoned account of their philosophy, their perspective, if they so wished. But they choose not to. They would rather thunder out the magic words and phrases and slogans and tired old themes such as "The government should not make things compulsory," or "The government always run a more expensive program than the private enterprises," or "Compulsory public automobile insurance should include freedom of choice" or any other of the silly and self-contradictory simplistic arguments. I would even go as far as saying horror stories. And every time one of their spokesmen goes through this ritual, you will see them, Mr. Speaker, the true-blue Tories, nod their heads, bang their desks, and say a heartfelt "Hear, hear." Well if they are not willing to discuss their own philosophy, Mr. Speaker, I am. Perhaps they would have thought of the personal initiative as a value that only their party held, but this is not so.

The Province of Manitoba, as well as the nation of Canada, is the economic product of at least three broad groups - labour, big business and the guy in the middle. The guy in the middle may be a farmer, a small businessman, a professional, or anyone in a host of white collar employee jobs, including a Cabinet Minister. The quality that characterizes almost everybody in the category I've called guy in the middle, is the quality of personal initiative and it is a quality that I respect, admire and recognize as desirable in a person and for the good of society at large. Personal initiative is not a quality that is foreign to my experience. I have seen it at work in my family, in the families of my neighbours and constituents in Springfield, and throughout the years that I have been active with the Credit Union movement, and, I could add, active as an insurance agent.

I know personal initiative can be a good and productive quality. I have no wish, Mr. Speaker, to reduce it or discourage it. I reject the implications of those critical of Bill 56 that the bill is in some sinister way detrimental to the quality of personal initiative in Manitoba.

MR. G. JOHNSTON: Mr. Speaker, would the member permit a question?

MR. TOUPIN: After, Mr. Speaker. I say this because you'll throw me off of my extended notes.

MR. SHERMAN: It's all in front of you, how can we throw you off? How can we throw you off?

MR. CHERNIACK: Mr. Speaker, the Member for Ste. Rose is asking for the floor.

MR. MOLGAT: Mr. Speaker, I would ask for the floor with pleasure on a question of privilege if I heard someone use comments regarding the Minister who is speaking, saying "he speaks with a forked tongue". That was my objection, not the interruption but the language that was used which I submit is unparliamentary.

MR. SHERMAN: They don't understand us, you know, they don't understand us.

MR. TOUPIN: I say this because in order to demonstrate personal initiative one must first have personal liberty, and it is my view that it is a key responsibility of government and its institutions to permit, promote and protect the personal liberties of its citizens. Personal liberty is the responsibility of a democratic society, but the question must be asked, personal liberty to do what? Certainly it is not the personal liberty to murder or steal or abuse a child. It is a personal liberty to be educated, informed, to express one's religious, ethnic or political beliefs, to work at jobs which are open to all, all of those with the technical qualifications to be productive to the best of one's ability. In short, if the body politic owes personal liberty to its members, and I believe it does, then these same members are responsible to their society for contributing in such a way that the maximum benefit is derived by the maximum number of people.

These, then, are some of the basic principles with which I approach the matter of Bill 56. I defy any critic of Bill 56 to demonstrate to me and to the people of Manitoba how the bill contradicts any of the principles I have expressed. Furthermore, I challenge any member of this House, especially of the Opposition, to set out his principles in the same way. If I have worked through my basic philosophy, Mr. Speaker, I make no apology; rather, I merely invite my friends opposite to do the same.

The critics of Bill 56 have constantly harped on this theme of freedom of choice. The theme was first expressed by the automobile insurance industry, and it is very interesting to note how it has since become a regular part of the Opposition's ritual critic of the bill. Fortunately, the government does not suffer from the same disadvantage as the Opposition. We are not in any industry's vest or hip pocket.

Enjoying that freedom, I would like to examine more closely this notion of freedom of

(MR. TOUPIN cont'd.) . . . . choice. The people of Manitoba are being told that today they have this freedom, but come tomorrow, with its compulsory public plan, this freedom will have been lost forever. What does the freedom of choice consist of today? It consists of our ability to go to any one of a large number of employees of a large, very large and sometimes loose private monopoly. That is our freedom today, Mr. Speaker. We are being kindly allowed to patronize a private monopoly. It is true that the automobile industry is not all under one roof or all under one company's name. Is it not also true that most of the members in good standing of this monopoly use the same, or very similar tables for determining category of driver, coverage and premium? So this is a freedom of choice -- (Interjection) -- I'll tell you if you'll just listen for a minute. So this is a freedom of choice they want us to continue enjoying, the freedom they are so anxious to preserve for us is the choice of which employee of which corporate element of the overall monopoly we will patronize.

And in this freedom, what happens when you are dissatisfied with the services you are getting? The critics of the public plan will tell you about the marvels of competitive free enterprise. They'll tell you that if you don't like the service you are getting, change your friendly, rugged, individualist, private enterprising servant. But somehow the experience of the motoring public has been somewhat different. The motorist has found that if he becomes dissatisfied with his representative of the insurance company, or should I say the insurance monopoly, chances are that it will be the customer who will be viewed as a troublemaker. It will be the customer whose record will show that he or she is unco-operative. It will be more likely for his premium to go up than down. And to secure this very, very secure monopoly just a bit more so that it commands 100 percent private franchise on a public safety and health demand, just to really put the lid on the business, the automobile insurance industry is telling the government and all Manitobans that they would not object to compulsory automobile insurance. Yes, they say, go ahead and make everybody buy automobile insurance but leave the profits to us. Leave us in the total, an out and out monopoly situation.

Of course there appears to be some question as to the profitability of automobile insurance. I understand that the industry has been claimed to incur a loss on this portion of its operations. This makes the industry appear strangely ungrateful in its resistance to a public operation of this unprofitable trade. While the industry is so concerned to keep this freedom of choice for all Manitoba motorists - not surprisingly to the profit of the industry, at the expense of the motorist. What fearful warnings are being spread around by the industry. Well, the favourite trigger word being used by the industry lobby, including the Opposition in this House, is the word "compulsory", and I confess to my support of the compulsory nature of the public plan. Yes, Mr. Speaker, I would rather be compelled to participate in a public plan than free to patronize a private monopoly. And I'll tell you why.

In the private monopoly there is no formal appeal mechanism nor - and this is most important - nor is the private monopoly accountable to me in any way, shape or form. The private monopoly is accountable only to itself, not to the public. Right now, Mr. Speaker, the insurance industry is spending my money in organizing other Manitobans to tell me I am not a lover of freedom. Well, Mr. Speaker, I am not a lover of their freedom to abuse my money.

MR. McKELLAR: What about Wawanesa?

MR. TOUPIN: No government can do that, Mr. Speaker. No publicly owned agency can misuse my money that way and that's why, Mr. Speaker, I prefer a public plan.

MR. SHERMAN: . . . the former Treasurer of Saskatchewan.

MR. TOUPIN: The public plan will be accountable to me through this very Assembly. The public plan will not be able to mount a thinly-disguised political campaign with funds collected most unpolitically from Manitobans who want an automobile insurance service and not a political propaganda machine.

MR. SPIVAK: How many government paid people are working on the citizens campaign right now?

MR. TOUPIN: Why don't you stop your chirping and wait for your turn.

MR. SPIVAK: Well, answer it. How many government paid people are working on the citizens campaign right now.

MR. TOUPIN: The public plan will offer a service to the motorists of Manitoba and not an opportunity for a private monopoly to pursue profits. The public plan takes the decision-making process out of the company's board room and into the hands of the people, where it really belongs, Mr. Speaker.

MR. McKELLAR: Who's the people?

MR. TOUPIN: You, I, everybody. While he was still President of the United States, Woodrow Wilson said the truth is we are all caught in the great economic system which is heartless. He was right, Mr. Speaker. He would be right if he said it here today, if he said it right here in Manitoba. But I suggest to you that the economic system does not have to be heartless, that there is a balance between the public and private sector which is more equitable, just, productive and more conducive to optimum services than it is at present. I suggest to you that Bill 56 is one step toward that better balance.

We here in Manitoba and around the globe are offered a choice. We may lead and direct the social and economic changes demanded by these new times, or if we refuse to act, changes we can neither predict nor control will be thrust upon us. At the same time we must all know that reforms and changes demand their price, exact their costs, generate their own new difficulties, and that these too must be met, challenged and resolved.

One trap not to fall into is the complacent attitude of Colonel Blimp, whose feelings on this matter could be summed up as "reforms are all right as long as they don't change anything". -- (Interjection) -- Yes, he was by the way. In this case, the case of automobile insurance, I believe it would be fair to say that we seek change while others appear to pay lip service to a blimp-like reform. It was a very great political leader who said, "in a progressive country, change is constant." The author of the statement was no radical red or unhealthy pink, he was the grandest Tory of them all, Mr. Speaker, Benjamin Disraeli. He did not question whether changes were inevitable; his concern was that the changes be carried out, in his own words "deferentially, that is with some reasonable concern for the impact of the changes on the current social and economic scene."

MR. SCHREYER: Would it be the Member for Souris?

MR. TOUPIN: Not quite.

A MEMBER: Souris-Killarney.

MR. TOUPIN: Mr. Speaker, it will come as no surprise to anyone when I tell you that I shall be voting in favour of Bill 56. Public automobile insurance - and I hope I don't get too much from my MLA there on the other side - public automobile insurance has been part of the New Democratic Party program for years. It was in our platform in the provincial general election of 1969. The people of Manitoba gave us a mandate to govern; we intend to do so. We will not betray those Manitobans who expect us to act responsibly, and to act responsibly is to pursue the programs you presented yourself with to the electorate.

I am quite disturbed to see our position misinterpreted by some as being anti-business. I know I am not anti-business; I am pro-business but good business. I am, Mr. Speaker, I am even pro-profit but fair profits. In the matter of Bill 56, I believe that the government is putting forward a reasonable proposal which does not warrant the hysteria it has met from certain commercial and political corners. I believe that Bill 56 fully conforms to Disraeli's definition of deferential change. Consequently, Mr. Speaker, I invite his political progeny opposite me to support the government if they wish to pursue principles, not short term and narrow political interests.

. . . . . continued on next page

**MR. SPEAKER:** The Honourable Member for Fort Rouge.

**MRS. TRUEMAN:** Perhaps he'd like to ask his question first, Mr. Speaker.

**MR. G. JOHNSTON:** Would the Honourable Minister permit a question? Is the Minister serious when he makes the very serious charge that a private monopoly has existed in the auto insurance business in Manitoba? Does he also think that a former member of this House, Mr. D. L. Campbell, would associate himself with such a private monopoly?

**MR. TOUPIN:** Mr. Speaker, yes I'd like to answer that question. I don't accuse the then Premier Campbell for associating himself with private monopoly because I have personally for many years, and you have, and all the members of the House here have associated themselves with the private monopoly if you've listened to the rest of my speech.

**MR. SPEAKER:** The Honourable Member for Fort Rouge.

**MR. SHERMAN:** Would the Minister permit -- the Member for Fort Rouge permit. . . .

**A MEMBER:** Ladies first, ladies first.

**MRS. TRUEMAN:** Mr. Speaker, I would be pleased to yield to this one more question and then speak.

**MR. SHERMAN:** Thank you, Mr. Speaker, and I thank the Member for Fort Rouge. I'd like to ask the Minister, in his extemporaneous off-the-cuff remarks, his totally unprepared speech, whether he was seriously suggesting, Mr. Speaker, whether he was seriously suggesting to this House that he only sees potential for abuse of the public's money in private enterprise and that he sees no potential or danger of abuse of the public's money in government operations, in government enterprise?

**MR. TOUPIN:** Mr. Speaker, first of all in answer to the Honourable Member for Fort Garry's question, this is not an unprepared statement that I have made this evening; I have lived this statement for the last 29 years and that's being conservative. So far as the implications that I may have left with this House regarding the abuses that can come forth by private monopoly, the same abuses could come forth by governmentally-owned monopolies. It could. I don't say it will and I have confidence that with this government, with this party in power, it won't.

**MR. SPEAKER:** The Honourable Member for Fort Rouge.

**MRS. TRUEMAN:** Mr. Speaker, in rising to speak on this bill, it's a real temptation to me to simply take apart the speech that we've just heard. The words seemed so inappropriate coming from the mouth of a man who I regard as having a fair amount of common sense. However, he has challenged us to express our philosophy and that's exactly what I intend to do. I have gone to some trouble to sort out my thoughts and so I'm going to answer at least this one remark that he made.

To me, this issue of a government auto insurance scheme is a confrontation between two political philosophies. The government has taken the dogmatic position that it should take over the insurance industry as a government monopoly. This they are doing in an arrogant and authoritative manner, although it's obvious to all of us it's been only half researched and that you are completely resistant to hearing any further information that might possibly shake your prejudice. There is a sense of futility in trying to reason with such a government.

On the other side of this issue there are people who are genuinely concerned about the displacement of about 4,000 fellow citizens who for the most part have tried to serve the people well, insurance agents and their families. They don't claim to have been perfect in their efforts and they see room for improvement within the existing industry and under present legislation. They feel that it could easily be modified in order to control any malfunctioning in the present system.

It is preposterous for a government that insists that the recipients of social welfare must be represented in social planning bodies, that a recipient of municipal assistance must be allowed to run for public office and perhaps be elected to the body which will then be determining his welfare rates, that such a person has the right to be represented on these boards and yet the auto insurance agent was denied representation on a committee set up to disrupt his livelihood and probably to cost him his livelihood and his savings. -- (Interjection) -- They're on the wrong end of this, receiving end. Now, was the industry allowed to contribute its knowledge and experience to the discussion of the issue beyond the presentation of briefs, which were probably written off by this committee as based on self-interest. What hypocrisy this all is.

The other day one of my colleagues when he first mentioned the Provincial Superintendent of Insurance, we saw a ripple of surprise go across the NDP ranks. There was the

(MRS. TRUEMAN cont'd.). . . . distinct impression that they didn't know about this man, that this office existed. And what a wealth of information he could have provided for their perusal. It appears that in the name of the nebulous, vague people, individuals are expendable. The callous attitude is taken that the displaced insurance agents can take care of themselves and perhaps that's true. Some will end up working for the government, some will find other jobs which they will probably take away from other people who haven't worked quite as efficiently or weren't as enterprising, and those people in turn will take the jobs of other people and it will go on down the line of ability and effort until those in our society who are least well-trained, who are uneducated, will be the ones who will be jobless and then our welfare rolls will grow. These costs will have to be considered in the whole sum when the government tries to estimate what their program will cost.

Now if the government can disregard the rights of any one individual in the name of this vague group, the people, then no one is safe in their hands. They will have proved their callous indifference and readiness to ride roughshod over those who stand in the way of their ambition for power. It was the Roman Republic almost 2,000 years ago that first recognized individual rights which superseded the rights of rulers. They developed constitutional safeguards for freedom of thought and expression, freedom from cruel, abusive treatment, and freedom for accused and immunity for accused.

Now in the centuries since, political philosophers with few exceptions have upheld and added to the concept of individual rights. Martin Luther's break from Roman Catholicism established that individual rights should not be encroached upon even by the church. The Magna Carta, the Bill of Rights, are respected by all of us. The philosophers, Hobbs, Locke and Rousseau, describe constitutional government as being a social contract between people. These people created the government and gave that government only that power and authority which the people were prepared to delegate to them. If the government exceeded this authority then the people had the right to overthrow that government. In our country this is done peacefully by votes of no confidence and elections. It may be that this community feels that Bill 56, if passed, would be an abuse of power.

I'm sure that many of the members of the House are familiar with the writings of John Stuart Mill. This political economist and philosopher who wrote of democratic liberalism, small "l" liberalism, a hundred years ago. . . .

MR. GREEN: They called them a socialist in those days.

MRS. TRUEMAN: I would like to quote briefly from his essay which is a classic, the essay on liberty in which he describes the tyranny of the majority. And I quote: "The people who exercise power are not always the same people with those over whom it is exercised and the self-government spoken of is not the government of each by himself but of each by all the rest. The will of the people, moreover, practically means the will of the most numerous or active part of the people. The majority are those who succeed in making themselves accepted as the majority. The people consequently may desire to oppress a part of their numbers and precautions are as much needed against this as against any other abuse of power. The tyranny of the majority was at first, and still is held in dread, chiefly as operating through the acts of the public authority, but reflecting persons perceived that when society itself is the tyrant, society collectively over the separate individuals who compose it, its means of tyrannizing are not restricted to the acts which it may do in the hands of its political functionary. Society can and does execute its own mandate, and if it issues wrong mandates instead of right, or any mandates at all in things with which it ought not to meddle, it practices a social tyranny more formidable than many kinds of political oppressions, since, though not usually upheld by such extreme penalties, it leaves fewer means of escape, penetrating much more deeply into the details of life and enslaving the soul itself. Protection therefore against the tyranny of the magistrate is not enough. They need protection also against the tyranny of prevailing opinion and feeling, against the tendency of society to impose its own ideas and practices as rules of conduct on those who dissent from them, to fetter the development and if possible prevent the formation of any individuality not in harmony with its ways, and compel all characters to fashion themselves upon the model of its own. There is a limit to the legitimate interference of collective opinion with individual independence, and to find that limit and maintain it against encroachment, it is indispensable to a good condition of human affairs as protection against political despotism."

Herbert Hoover called attention -- (Interjection) -- We'll bring all the presidents in before we're finished. He called attention in a book he published in 1941 to the fact that there is

(MRS. TRUEMAN cont'd.). . . . a fifth freedom, economic freedom, without which none of the four freedoms, the other four freedoms, will be realized. When governments want regulation of economic life they must do so by definite statutory rules of conduct imposed by legislative bodies that all men may read and in which they may have at all times the protection of the court. No final judicial or legislative authority must be delegated to bureaucrats or at once tyranny begins. When government goes into business in competition with citizens, bureaucracy always relies upon tyranny to win and bureaucracy never develops that competence in management which comes from the mills of competition. Its conduct of business inevitably lowers the living standards of the people. Inherent in bureaucracy is the grasping spirit of more and more power. It always resents criticism and sooner or later it begins directly or indirectly to limit free speech and the press. Intellectual and spiritual freedom will not long survive the passing of economic freedom. One of the illusions of our times. . . .

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

MRS. TRUEMAN: Mr. Speaker, there is just a handful of members on the government benches who keep cadging time from other people and some of them are going to speak not just 40 minutes but 60 minutes or 80 minutes or 100 minutes on this bill, and I'm not going to entertain any interruptions or yield the floor.

One of the illusions of our time is that we have totalitarian economics and the personal freedom. Ten nations on the continent of Europe have tried it and wound up with dictators and no liberty. I want to quote Mr. Hoover: "The fifth freedom is that men must be free to choose their jobs and calling, to bargain for their own wages and salaries, and save and provide by private property for their families and old age, and they must be free to engage in enterprise so long as each does not hinder his fellow man, and that requires laws to prevent abuse." A reasonable man will recognize that it is not necessary to take such radical measures as government takeover in order to take care of possible abuse. This is merely an excuse for power hungry socialists who feel they are so omniscient that they should tell everyone how to live his life.

No valid comparison can be made to public education facilities, Medicare, hospital, telephones and roads and so forth. In these fields, just using Medicare as an example, no one was put out of work. The buildings and facilities were purchased. In fact, this worked in reverse. More work was loaded on the medical profession with the unlimited use of a limited resource. This is also true of hospitalization. As for such public utilities as telephone, hydro, roads, hospitals and schools, only a government can marshal the enormous financial resources necessary for their development, but this is not true of the auto insurance industry. People are paying premiums now and they know exactly what it costs. That will no longer be true when this government takes over and starts hiding costs, as we see the hidden taxes that they have used to cover the Medicare costs. There is no rationale in this government's wish to set up a monopoly in the auto insurance field which could possibly justify the disruption of lives, the wiping out of savings of many years that were invested in a business about to be redundant, valueless in the market place, or the anxiety that's caused by loss of security for families.

There is talk of an administrative saving and yet, because the liability coverage is so low and the deductible is so high, a person to be adequately protected must have another policy as well as the government plan, so that he will be paying two administrative costs. The university student taking four or five passengers in a car pool to the university, will have to have another insurance policy in order to protect him in case of injury to his passengers. The young man who is a careful driver and is accident free will be subsidizing the bad driver who has had accidents, and this is unjust; he will pay more under the government plan.

The man who lives next door to us travels as a manufacturer's agent through the province of Saskatchewan, and some years ago he had an accident. He was covered by his insurance policy under a private company in Manitoba. However, in Saskatoon, a woman driving a Saskatchewan car ran into him. Now he phoned the company with which he was insured and they said to take the car to a repair shop and pick up another car. He did this and he continued on with his work at the cost of the private company, and in 48 hours his car was completely repaired and he was able to continue on with his business, but it took between five and six years to get that case settled, so that the Saskatchewan scheme would pay. His company handled the whole matter. -- (Interjection) -- No, but it does happen and I think you have to recognize it.

I have had a little chat with two women whose husbands are auto insurance agents. One of them has a husband who is 48 years of age. He worked for 25 years for a private company, took

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(MRS. TRUEMAN cont'd.). . . . all his life savings and put them into a private agency. This auto insurance agency paid 85 percent of his salary, and now of course his business is redundant and this man really is not equipped to take on any other kind of business, so where does a man turn when he is 48 years of age?

The other woman was in her late 20's. She had four children. Her husband sold auto insurance which paid about 75 percent of his salary. Her husband was about 30 years of age and had a Grade 9 education. Now how are these people going to face the future? I really doubt that they will be adequately compensated or that the man will be as happy in some other line of work.

There are so many remarks being tossed at us from government benches about the low or non-existent profits. They completely ignore the fact that profits aren't figured until after the costs are already paid, including salary, so that whether they are making any profits or not, the men are earning their living, and I think the profits may be very low and this is not an important thing to them.

Now it may be that if there is a small extra cost to private insurance that it's worth it to us for the service that we would get. I don't think any of us want bureaucratic efficiency at the cost of destroying the livelihood of any segment of society. I have come to regard this government as continually grasping for more power and more money to finance other socialist schemes, and I do think that this proposed takeover is another vehicle for hidden taxes. We have already had myriad examples of this government's willingness to avoid its proper provincial responsibility by placing them on municipal property tax. You have deluded yourselves that there is any economic justification for this interference in private enterprise between individuals. By the time the government has borrowed the capital to buy a building, compensate to some extent for the redundant businesses, it will be a decade or more before they break even, and meanwhile the taxpayer, who is supposedly saving a lot of money in administrative costs, is actually going to be paying the costs of servicing this capital debt.

MR. GREEN: Nonsense. You are paying for the buildings now. Do you know anybody who doesn't put their buildings into account?

MRS. TRUEMAN: To me this is an iniquitous, a damnable piece of legislation, one on which I feel this government must have second thoughts or give the people a chance to express their wishes now that they know what a socialist government means. This loss of individual right is too high a price to pay.

MR. SPEAKER: The Honourable Member for St. Matthews.

MR. WALLY JOHANNSSON (St. Matthews): Would the honourable member permit a question? In view of the fact that the Honourable Member for Fort Rouge quoted as one of her philosophic guides, Herbert Hoover, the former President of the United States, would she mind telling the members here what were the economic effects of the implementation of his ideas during his presidency? Tell us what the economic effects were upon the American economy.

MRS. TRUEMAN: Mr. Speaker, I could give another 40 minutes speech on that. I think that Mr. Hoover was highly respected as a man who helped to feed the world's hungry people before he became president. He was a president with a minority. . . .

MR. SPEAKER: Order. If it is the intention of the honourable member to give another speech on this topic, may I remind the honourable member that our rules prohibit her from doing so.

MRS. TRUEMAN: No, I simply would conclude by saying that I'm certain that Herbert Hoover has at least an equal standing to Karl Jasper, was it?

SOME MEMBERS: No, Marx. Karl Marx.

MR. MACKLING: Mr. Speaker, I wonder if the Honourable Member from Fort Rouge would answer a question? In your remarks, you seem to indicate an abhorrence for compulsion of any kind, and I am wondering whether you would indicate whether or not you, together with most of your colleagues who have spoken, are in favour of compulsory automobile insurance.

MRS. TRUEMAN: Mr. Speaker, I never did use the word "compulsory", I don't think. I think that everyone should have auto insurance and I think this is possible without a government monopoly, which I do not. . . .

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Mr. Speaker, I wonder if I could ask the honourable lady one more question. Inasmuch as she mentioned, she referred to with such approbation of John Stewart

(MR. SCHREYER cont'd.). . . . Mill and the great works that he had written on civil liberty, could the honourable lady say if she is aware of the fact that John Stewart Mill, before his death, took the position that the logical extension of liberalism was democratic socialism?

MRS. TRUEMAN: That's a statement, not a question.

MR. SPEAKER: Are you ready for the question?

MR. MCGILL: Mr. Speaker, if no one else wishes to speak at this time, I move, seconded by the Honourable Member for Gladstone, that debate be adjourned.

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

MR. SPEAKER: On the proposed motion of the Honourable Minister of Mines and Natural Resources, Bill No. 65. The Honourable Member for The Pas.

MR. RON MCBRYDE (The Pas): I beg the indulgence of the House to have this matter stand. (Agreed)

MR. SPEAKER: On the proposed motion of the Honourable Minister of Finance, Bill No. 66. The Honourable Member for St. Vital. Stand? (Agreed)

On the proposed motion of the Honourable Attorney-General, Bill No. 67. The Honourable Member for Birtle-Russell.

MR. GRAHAM: Mr. Speaker, may I have the indulgence of the House to let this matter stand. (Agreed)

MR. SPEAKER: On the proposed motion of the Honourable Minister of Agriculture, Bill No. 53. The Honourable Member for Arthur. Stand? (Agreed)

On the proposed motion of the Honourable Attorney-General, Bill No. 72. The Honourable Member for River Heights.

MR. SPIVAK: I would like the indulgence of the House to have this matter stand. (Agreed)

MR. SPEAKER: On the proposed motion of the Honourable Minister of Labour, Bill No. 77. The Honourable Member for Lakeside. Stand? (Agreed)

On the proposed motion of the Honourable Attorney-General, Bill No. 78. The Honourable Member for River Heights.

MR. SPIVAK: I would like the indulgence of the House to have this matter stand. (Agreed)

MR. SPEAKER: On the proposed motion of the Honourable Minister of Finance, Bill No. 74. The Honourable Leader of the Official Opposition. Stand? (Agreed)

On the proposed motion of the Honourable Minister. . . .

MR. CHERNIACK: I indicated to the House yesterday and to the various members of the House that it would be appreciated if we could move this bill forward a little more quickly than usual, so at least can we not have the opportunity given to any other member who is ready to speak, to speak.

MR. SPEAKER: The Honourable Member for Fort Garry.

MR. SHERMAN: I simply rise, Mr. Speaker, to say that as far as the leader of my party is concerned, that would be acceptable. He's not able to be present tonight but that would be acceptable if anybody else wishes to speak.

MR. CHERNIACK: . . . close debate.

MR. SPEAKER: Stand? (Agreed) On the proposed motion of the Honourable Minister of Health and Social Services, Bill No. 80. The Honourable Member for Fort Rouge.

MRS. TRUEMAN: Mr. Speaker, I would ask leave to let this matter stand. (Agreed)

MR. SPEAKER: On the proposed motion of the Honourable Attorney-General, Bill No. 61. The Honourable Member for Fort Garry.

MR. SHERMAN: May I have this matter stand, please? (Agreed)

MR. SPEAKER: On the proposed motion of the Honourable Member for St. George, Bill No. 81. The Honourable Member for Lakeside. Stand? (Agreed)

On the proposed motion of the Honourable Minister of Agriculture, Bill No. 82. The Honourable Member for Morris. Stand? (Agreed)

On the proposed motion of the Honourable Minister of Health and Social Services, Bill No. 83. The Honourable Member for Birtle-Russell.

MR. GRAHAM: Could I have the indulgence of the House to let this matter stand? (Agreed)

MR. SPEAKER: On the proposed motion of the Honourable the Attorney-General, Bill No. 76. The Honourable Member for River Heights.

MR. SPIVAK: Mr. Speaker, could I have leave of the House to have this matter stand? (Agreed)



MR. SPEAKER: Second Reading. Bill No. 25. The Honourable Minister of Agriculture.

MR. GREEN: Mr. Speaker, will you call Bill No. 68, please.

MR. SPEAKER: Bill No. 68. The Honourable Attorney-General.

MR. MACKLING: That would take 40 minutes, so. . . .

MR. CHERNIACK presented Bill No. 84, an Act to amend The Income Tax Act (Manitoba), for second reading.

MR. SPEAKER presented the motion.

MR. CHERNIACK: Well Mr. Speaker, I won't take up too much time of the House because I am sure other members would like to have an opportunity to go ahead and develop some of the program before us. The bill before us incorporates a series of technical amendments. Certain of the amendments have been introduced to prevent the new Manitoba 13 percent levy on taxable corporation income from being applied retroactively to portions -- does the Honourable Member for River Heights. . . . ?

MR. SPIVAK: Mr. Speaker, I just wanted to know if that was the NDP levy he was referring to?

MR. CHERNIACK: Mr. Speaker, the honourable member has given me an opportunity to stress the fact that it was with a great deal of pride that the New Democratic Party government was able to make the most massive transfer of taxation from regressive, flat Medicare premium tax instituted by that government, to a progressive tax, and the Honourable Member for River Heights, who makes speeches day in, day out when he is in the House, on the same old job story, should have known by now that, given an opportunity, I would be glad to speak with pride of the fact that we were able to reduce taxation levelled by the previous government against the small income person, that person that that side of the House is now crying about when it comes to a reduction of real property tax, that person for whom we have made the most massive transfer of taxation in the history of this province.

MR. GRAHAM: Mr. Speaker, on a point of privilege, Mr. Speaker.

MR. SPEAKER: Order please. Order please. The Honourable Member for Birtle-Russell.

MR. GRAHAM: Thank you, Mr. Speaker. On a point of privilege, I think that the Minister should correct that statement when he said that the small person was going to be relieved of tax. . . .

MR. SPEAKER: Order please. I don't believe that the honourable member has a point of privilege by asking an Honourable Minister to correct a statement. The Honourable Minister of Finance may continue.

MR. MCKENZIE: Mr. Speaker, I had a point of privilege, if you'd permit me. I'm wondering, Mr. Speaker, is the Honourable Minister not feeling well?

MR. SPEAKER: Concern about an honourable member's health is not a point of privilege. The Honourable Minister of Finance may continue. The Honourable Minister of Finance.

MR. GREEN: I do rise on a point of privilege. Mr. Speaker, I don't think that members of the House are to take these proceedings lightly, and when a member obtains the floor on a question of privilege, he -- Mr. Speaker, when a member obtains the floor on a question of privilege, he takes the most drastic measure available to him to interrupt debate, and that member, Mr. Speaker, if the Speaker could presume from what he has said that he has in effect fraudulently obtained the floor, then the member should be called to task. The Member for Roblin got up, asked for the floor on a point of privilege, and then asked the Minister of Finance whether he was feeling well. Now, Mr. Speaker, I suggest that the member fraudulently obtained the floor; he had no point of privilege and he knew he had no point of privilege, and he should be called to. . . .

MR. G. JOHNSTON: Mr. Speaker, I rise on a question of privilege. I rise on a question of privilege. I entirely agree with my honourable friend when he spoke as he did a moment ago, and I wish that he had paid attention to his own advice when I was making my speech.

MR. SPEAKER: May I remind the honourable members that I have granted the floor to the Honourable Minister of Finance.

MR. CHERNIACK: Mr. Speaker, I introduce my remarks by saying that this bill incorporates a series of technical amendments, and I did not expect to rise to any great height of emotion, happiness or otherwise, in regard to the amendments, but if anybody else wishes to interrupt me except for the Honourable Member for Fort Rouge, I would certainly bow to any request to answer a question.

(MR. CHERNIACK cont'd.)

The corporation tax, which was instituted by this government at a 13 percent levy, should not have to be applied retroactively to portions of corporations' 1970 taxation years which preceded January 1st, 1970, the effective date of the new tax rate. This is designed to make absolutely clear that there was no intention to tax any income of corporations earned in that portion of the fiscal year which was prior to January 1st, 1970. Under this legislation, tax at the new rate will be assessed proportionately according to the number of days of a corporation's 1970 taxation year which falls within the 1970 calendar year. Thus, if a corporation's 1970 taxation year began July 1st, 1969, and ended June 30th, 1970, that corporation would pay the 13 percent tax on 181/365ths of its taxable income for the taxation year. This represents, of course, a proportion of that taxation year which falls within 1970.

The remainder of the amendments, Mr. Speaker, deal with acceleration of monthly corporation income tax installment payments. These changes in our Act that I've described, are necessary under the terms of the Canada-Manitoba tax collection agreement in order that our legislation and federal Income Tax Act conform in this area. Previously, Mr. Speaker, corporations have been required, both under federal and under provincial legislation, to begin to make corporation income tax installment payments in respect of a particular taxation year in the third month of that taxation year. Now corporations are required to begin installment payments in the first month of their taxation year. This change follows exactly an acceleration in the federal corporation income tax collection schedule which was introduced in the October, 1968, federal Budget, which finally became law when Royal Assent was given to Bill 191 on June 27th, 1969, although the Federal Government did not complete its administrative arrangements in this connection until early this year. And, Mr. Speaker, the wording of this bill is the wording provided by the federal solicitors in the Income Tax Department, who drew it to provide for this conformity, and the delay in bringing it forward until now is due to the fact that we were waiting to make absolutely certain that our Legislative Counsel and the tax lawyers for the department in Ottawa were in agreement on the words, and now I'm informed they're in agreement. I might also say that having read them I didn't quite understand them, but since I'm not practicing law at the moment I don't have to make any apologies or explanations in that respect.

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

MR. SHERMAN: Mr. Speaker, I'd like to adjourn the debate and I'm wondering if that precludes my asking the Minister a question at this time.

MR. CHERNIACK: I'll be glad to try and answer any question of the honourable member.

MR. SHERMAN: I wonder, Mr. Speaker, if the Minister would confirm that the bill does nothing to alter the fact that Manitoba has the highest rate of corporate and personal income tax in Canada?

MR. CHERNIACK: The bill confirms the fact that we have passed a tax increase, which is the most massive shift of income taxation, from the regressive tax that was.....

MR. SHERMAN: Mr. Speaker, I move the debate be adjourned.

MR. CHERNIACK: .... imposed by the government that formerly -- was that a motion to adjourn? If the member wishes to stifle me with a motion to adjourn, I'll be seated because it's not debatable.

MR. SHERMAN: No, I move, Mr. Speaker, seconded by the Honourable Member for River Heights, that debate be adjourned.

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

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