

THE LEGISLATIVE ASSEMBLY OF MANITOBA

8:00 o'clock, Wednesday, June 24, 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; Orders of the Day. The Honourable House Leader.

HON. SIDNEY GREEN, Q.C. (Minister of Mines and Natural Resources)(Inkster): Mr. Speaker, would you call Bill No. 140.

HON. JOSEPH P. BOROWSKI (Minister of Transportation)(Thompson): . . . I would like to on a point of privilege ask a correction be made on the front page of the Free Press where they stated I voted with those that wanted liquor in the hospitals last night. The fact of the matter is I voted against that resolution. I would like to have that cleared up.

MR. SPEAKER: The Honourable House Leader.

MR. GREEN: Mr. Speaker, I thought we had just passed the Orders of the Day and I want to go to Bill No. 140, please.

GOVERNMENT BILLS

HON. AL MACKLING, Q.C. (Attorney-General)(St. James) presented Bill No. 140, The Law Reform Act for second reading.

MR. SPEAKER presented the motion.

MR. SPEAKER: The Honourable Attorney-General.

MR. MACKLING: Mr. Speaker, the Law Reform Commission Act is an Act which is largely modelled from the Federal Law Reform Commission Act which was recently enacted in the Parliament at Ottawa. The bill that we have before us will establish a Law Reform Commission for Manitoba. Similar commissions have been established in other provinces in Canada; notably Ontario, Alberta and more recently, British Columbia. All of these recent developments have demonstrated the need for permanent regular machinery to constantly review existing legislation and legal practices and recommend to government improvement and updating of the law so that legislation and legal practices will truly respond to current needs in a rapidly changing society.

Mr. Speaker, one of the most important requirements to retain respect for the law in the community is that the law be constantly improved and reformed. The bill that we have before us provides for a commission to be comprised of seven persons to be appointed by the Lieutenant-Governor-in-Council, one of whom would be designated as Chairman of the Commission. The Chairman would be appointed for a term not to exceed seven years, while the remaining members would be appointed for a term not to exceed three years. All members of the Commission would be eligible for reappointment. It is intended that membership of the Commission would not all be lawyers, and I am sure that honourable members of the House would be most gratified to hear me say that. I hardly need remind myself that I'm not addressing a group of lawyers in this House. Indeed Mr. Chairman, the composition of the commission will recognize the fact that other citizens of other vocations will have an important role to play in the review of the laws in this province, as is the case with the supreme law-making body composed of the honourable members present. In my discussions with members of the Law Society and the Bar Association, they have accepted the principle that I have just enunciated.

I wish to draw to the attention of the members of the Assembly the broad jurisdiction of the Commission which is to enquire into and consider any matter relating to law in Manitoba with a view to improvement, modernization and reform. The Commission would be entitled to initiate enquiries in this regard on its own initiative, and also to enquire into all matters of law reform referred to it for study by the government. As many of the honourable members will recall, in the last several days I have indicated certain areas of the law which I felt would be areas for immediate consideration by the Law Reform Commission. A section of the bill provides for the carrying out of research in depth in connection with any subject of law and is a much needed service as a background and basis for appropriate legislative changes. A further section provides for close working relationship between the proposed Law Reform Commission and other commissions and agencies involved in the same type of work. Mr. Speaker, there exists very good communication with the various Law Reform Commissions throughout

(MR. MACKLING cont'd.). . . . Canada who supply and exchange studies that are made in various aspects of law in the several jurisdictions. The commission also will be able to deal with matters of particular exclusive interest within our own province and it is for this reason that most of the Law Reform Commission bill provides for some direction by the government to the Law Reform Commission.

In introducing this bill, Mr. Speaker, I would like to take the opportunity to extend a tribute to the many members of the legal profession who throughout the years have voluntarily given service on law reform committees established throughout the many years prior to this. Many of the Acts that we now have in the Revised Statutes of Manitoba 1970 were the basis of protracted study by members of voluntary committees who made suggestions to the governments of the day in the past in respect to particular legislation.

I want to acknowledge the cooperation that I have received from the present members of the Manitoba Bar Association and the Law Society in the meetings that I've held in discussion of the proposed legislation and the make-up of the commission. In the examination, the brief examination of some of the files that have come to my attention in connection with legislation that has been referred by the government to former committees of the Bar Association in the Law reform area, I'm satisfied that many many statutes were reviewed by these voluntary committees and excellent work was provided on a voluntary basis. But the continuation of this voluntary system has brought with it problems over the years, particularly in continuity, because members of the legal fraternity particularly become, and particularly those whose excellence is oftimes required for particular pieces of legislation, are involved sometimes in litigation that takes them out of the city, the involved life that the profession are subject to means that the holding of continuous meetings may be difficult and in the result the continuity of the effort is frustrated. What the Commission will be able to do is to proceed on a continuous basis in respect to the study and review of particular pieces of legislation which either the government of the day or the Law Reform Commission itself considers vital for consideration.

So, Mr. Speaker, I'm very pleased this evening to be able to, in these few remarks, introduce this bill for its second reading.

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

MR. J. WALLY MCKENZIE (Roblin): Mr. Speaker, with your permission, I just have one brief question of the Minister the Attorney-General. I would ask the Attorney-General how many boards or commissions are going to be appointed before this session ends?

MR. SPEAKER: The Honourable Member for Rhineland.

MR. JACOB M. FROESE (Rhineland): Mr. Speaker, I just have one or two comments in connection with the bill. I, too, would like to go on record as appreciating the work that has been done by the Law Reform Committee over the years. I know we've been quite dependent as far as the Legislature is concerned on many of the proposals that came from them, on various matters that went into law eventually. I certainly have no objection to the bill; however, I feel that the report that is being made by this commission should also come to the hands of the members of the Legislature not just to the Ministers. Does the Minister have any objection to amending the bill to that effect? I think the Members of the House should know as well as to what recommendations will be put forward by this commission from time to time. Other than that, that for the time being I would support the bill.

MR. SPEAKER: Are you ready for the question?

MR. MACKLING: Mr. Speaker, if no one else wishes to speak, I will. . . .

MR. SPEAKER: The Honourable Member will be closing debate?

MR. MACKLING: Yes.

MR. SPEAKER: The Honourable Member for Fort Garry.

MR. BUD SHERMAN (Fort Garry): I would like to speak on it, but I would like to move at the present time, seconded by the Honourable Member for Swan River that debate be adjourned.

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

MR. GREEN: Mr. Speaker, will you call Bill No. 43, please.

MR. SPEAKER: On the proposed motion of the Honourable the First Minister. Bill No. 43. The Honourable Member for Rhineland.

MR. FROESE: Could I have the indulgence of the House to have this matter stand, I just received it this afternoon? (Agreed)

MR. GREEN: Bill No. 17, Mr. Speaker.

MR. SPEAKER: On the proposed motion of the Honourable Minister of Mines and Natural Resources. Bill No. 17. The Honourable Member for Arthur.

MR. J. DOUGLAS WATT (Arthur): Mr. Speaker, could I have the indulgence of the House to have this matter stand? (Agreed)

MR. GREEN: 67.

MR. SPEAKER: On the proposed motion of the Honourable Attorney-General. Bill No. 67. The Honourable Member for Roblin.

MR. McKENZIE: Mr. Speaker, I would beg to move, seconded by the - or I beg the indulgence of the House to have the matter stand. I'm sorry, Mr. Speaker. (Agreed)

MR. GREEN: No. 61, Mr. Speaker.

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

MR. SHERMAN: Mr. Speaker, we have examined the contents of Bill 61. We've found that we're in accord with the provisions contained therein and we would be pleased to see the legislation proceed at this stage, Sir.

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

MR. GREEN: No. 81, Mr. Speaker.

MR. SPEAKER: On the proposed motion of the Honourable Minister of Agriculture. Bill No. 81. The Honourable Member for Souris-Killarney.

MR. EARL McKELLAR (Souris-Killarney): Mr. Speaker, I'll just be very brief on this bill. While attending the fair at Ninette last Saturday with the Minister of Industry and Commerce, it was brought to my attention that this bill was going to practically put them out of business. I'm sorry the Minister of Agriculture isn't here at the present time, because I'd like to hear from him what he intends to do with the C class fairs in Manitoba. The people at Ninette, Pelican Lake Fair Board are told the only fairs that will continue are those who are operating trade fairs; that they will be actually put out of business.

Now I want to know about the building grants to societies because there again too there's a number of restrictions where the Minister of Agriculture and the Minister of Finance have the full say in the numbers of dollars that the different fair boards get in the construction of buildings, purchase of equipment and the repairing and improving on buildings. In the Act that we have operated under in the last number of years, it was spelled out, it was spelled out, and I think that the government are making a very serious mistake in not leaving that particular section in the Act as was in before which spelled out these particular grants for construction and also for the purpose of operating their various fairs.

Now before the debate is adjourned or closed on second reading, I would hope the Minister will be here to clarify some of these matters because the people operating these fairs are going to be in when this bill goes before committee. Many of these people will be in.

Now another thing that is brought to my attention is the Advisory Board on Fairs have never had this bill explained to them, and one of the directors, Mr. Gordon Church at Killarney has informed me, too, that they've been after an appointment with the Minister for a long time now and haven't been able to get an appointment with him, to get an explanation on this bill before they can make a statement or make a decision on what their thoughts are.

I think that's about all I have to say Mr. Speaker, but I think that the government should give consideration to leaving in the bill the numbers of dollars of grants to the various fairs A, B and C, and also the building grants.

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

MR. McKELLAR: Is the Minister not going to close debate by making some. . . .

MR. GREEN: Mr. Speaker, I indicated. . . .

MR. McKELLAR: Well I'd like somebody else to adjourn it.

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

MR. GORDON E. JOHNSTON (Portage la Prairie): Mr. Speaker, I beg to move, seconded by the Member for Assiniboia, 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 Attorney-General. Bill No. 76. The Honourable Member for River Heights. Stand? (Agreed)

On the proposed motion of the Honourable Minister of Agriculture. Bill No. 25. The Honourable Member for Rock Lake.

MR. HENRY J. EINARSON (Rock Lake): Mr. Speaker, may I have the indulgence of the House to have this matter stand? (Agreed)

MR. SPEAKER: On the proposed motion of the Honourable Attorney-General. Bill No. 68. The Honourable Member for Fort Garry.

MR. SHERMAN: Mr. Speaker, I would like to say at this juncture for my Party that we wish to commend the Attorney-General for the legislation brought forward and incorporated in Bill 68 dealing with compensation that will - if this legislation is passed and we hope it will be in the future provide for compensation to those persons who are the innocent victims of criminal offences and criminal attack. This is the kind of enlightened and necessary legislation that I personally feel, Sir, is long overdue in Manitoba, and if I may say so, I recall that I urged this kind of legislation upon the government and upon the Attorney-General both in the debate on the Speech from the Throne that opened the session of this House last fall and on the debate on the Speech from the Throne that opened the current session. That is not to suggest that my blandishments had any effect on the Attorney-General, but I can't ignore the opportunity to note the fact that there was from this side of the House an expression of interest in this kind of legislation, and we now certainly add to that expression of interest an expression of commendation to the Attorney-General for the legislation envisaged here. It is a hallmark of our society I think that we have concerned ourselves for some time now with rehabilitation of criminals, with penal reform, with necessary and desirable reforms in the whole area of lawbreaking and crime, with attention on the felon, on the criminal, on the person who has broken the law. We don't suggest that this kind of attention, this kind of interest, this kind of reform should be minimized in any way, Sir; but it has been the case I think in recent years that there has been an overbalance perhaps in the area of consideration for and attention toward the lawbreaker, the person who has committed the crime, to the detriment perhaps and to the ignoring of the person who is the victim, and the innocent victim of the crime, so this kind of legislation helps restore the balance and helps even up the situation and helps provide for the kind of humane consideration that has long been deserved by victims of crime and long been overlooked by administrations in this province.

There are specific things in the specific measures in the legislation Sir, to which I would like to address myself when we move into Committee stage. There are some specific recommendations I would hope to make at that time. But at this point, where we're considering the bill in principle, I have nothing more to say than we think it is highly commendable legislation, substantially overdue and we congratulate the Attorney-General on bringing it forward and we hope that the House can move forward with all possible haste on the bill itself.

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

MR. SPEAKER: The proposed motion of the Honourable Attorney-General. Bill No. 96. The Honourable Member for Birtle-Russell.

MR. HARRY E. GRAHAM (Birtle-Russell): Mr. Speaker, may I have the indulgence of the House to have this matter stand? (Agreed)

MR. SPEAKER: The proposed motion of the Honourable Minister of Agriculture. Bill No. 37. The Honourable Member for Rhineland.

MR. MACKLING: Wasn't it in the name of the Member for Rhineland - No. 68? (Right)

MR. SPEAKER: The proposed motion of the Honourable Minister of Health and Social Services. Bill No. 86. The Honourable Member for Souris-Killarney. Stand? (Agreed)

HON. ED. SCHREYER (Premier)(Rossmere): Point of order. You called a motion standing in the name of the Honourable Minister of Agriculture, the adjournment of which is held by the Honourable Member for Rhineland. The Member for Rhineland didn't indicate if he wished to speak or have it stand, Sir.

MR. FROESE: . . . would stand it . . . unless . . .

MR. SPEAKER: That was the impression of the Chair. The proposed motion of the Honourable Minister of Health and Social Development. Bill No. 86. The Honourable Member for Souris-Killarney. Stand? (Agreed)

The proposed motion of the Honourable Minister of Government Services. Bill No. 94. The Honourable Member for Ste. Rose. Stand? (Agreed)

The proposed motion of the Honourable Minister of Cultural Affairs. Bill No. 100. The Honourable Member for La Verendrye. Stand? (Agreed)

The proposed motion of the Honourable Minister of Municipal Affairs. Bill No. 110. The Honourable Member for Fort Garry.

MR. SHERMAN: Bill No. 110? Mr. Speaker, I would beg the indulgence of the House in having this matter stand. (Agreed)

MR. SPEAKER: The proposed motion of the Honourable Minister of Education. Bill No. 104. The Honourable Member for Ste. Rose. Stand? (Agreed)

MR. GREEN: Call Bill No. 56, please.

MR. SPEAKER: The proposed motion of the Honourable Minister of Municipal Affairs, Bill No. 56. The Honourable First Minister.

MR. SCHREYER: Mr. Speaker, just before I took my place at 5:30 I was dealing with the question of regulation and the likely effectiveness of attempting to make a major impact on auto insurance service and premium by means of greater regulation by government rather than by having government enter into a direct auto insurance program. Now I'm quite aware that the Leader of the Opposition in his remarks the other day claimed that a rate review board should be set up to regulate rates under his scheme and that investment income be taken into account in fixing the rates that could be charged by the companies fixing them by regulation.

Mr. Speaker, it has taken the Conservative Party more than a quarter of a century to admit that investment income is a factor that has to be taken into account in calculating insurance company earnings and profit. Because - and I do not believe it is unfair to say this, that in past years whenever the subject of insurance, insurance premiums, insurance claims paid and net earnings, whenever these matters were discussed, the position taken by those representative of the industry, by and large, was that they were making no money on their auto insurance portfolios. Very conveniently leaving to the side the fact that while claims paid might equal premium dollars taken in, there was no mention made about the earnings on the investment placement of the premium dollars in the interval. And so Mr. Speaker, if nothing else, the speech of the Honourable Leader of the Opposition last week does represent a step forward, faltering though it may be, in that the party opposite now acknowledges something which I'm sure if we search the records, ever since Hansard was instituted in this House 11 years ago, one will not find anyone on that side ever having acknowledged that investment income is a legitimate calculation of insurance company total earnings and profit.

Well anyway, the Leader of the Opposition went on to say that under his proposal there would be rate review and a regulatory body and that he would expect that agents would not be allowed to earn commissions that would amount to a gravy train for them on the compulsory portion of their insurance sales. I found that to be a very interesting statement, Mr. Speaker; I don't know how enlightening or edifying or informative that statement is but I found it to be interesting, interesting in the sense that the Leader of the Opposition was now prepared to say that there possibly could be such a thing as commissions that were higher than could be warranted or justified.

Now I have not suggested over the months that insurance companies' earnings were too high; in fact in the interview I gave in the immediate aftermath of the last election, I indicated that I accepted the insurance companies word for it when they said that their earnings were not impressive and in fact quite low. And I also accept and am inclined to accept those who would argue that insurance agents commissions are nothing out of line or out of the ordinary. But my argument is that whether or not this is the case or not, there is a more efficient way to do this which will result in cost saving to the public. So I regard as somewhat irrelevant arguments as to whether or not agents' commissions are too high or too low or just right; that is not the immediate issue before us. If the Honourable Leader of the Opposition wants to say that insurance agents' commissions should be lowered, well I find it interesting and it's probably worth some analysis and investigation, but that is not coming to grips with the main point that is contained in Bill 56, which is that by alternative form of organization of the delivery of automobile insurance service, there is a better more efficacious way that is cheaper for the motoring public.

Well, Mr. Speaker, if I may dwell just a little bit longer on the subject of regulation by government which my friends opposite are now prepared to embrace after decades of hooting and derision at arguments arguing for regulation in the public interest. I'm not aware that in decades in the twentieth century that the Conservative Party, wherever they existed in whatever province, I'm not aware that they were the great proponents of regulation. It was the reform political groups that had to fight long and hard to bring about regulation in the public interest.

But let me make this point once again because I think it does bear at least one more go at it. That I suggest, Sir, that to analyze properly and review rates and insurance classification systems it would be necessary for the proposed review board to maintain a large staff of actuaries and insurance experts with expertise at least equal to that of the insurance industry, which latter would be made up of many companies, each of which would have a large number of experts of various disciplines and it becomes very difficult for government to compete in expertise with a multiplicity of private companies. We have seen this in the field of utility, in

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(MR. SCHREYER cont'd.), natural gas distribution. We know by experience it is difficult for government to regulate effectively and on equal terms compete in expertise with the privately owned utilities, wherever they are on the continent. The conflict of interests between the government who impose the compulsory requirement and the private insurers who provide and administer the insurance program, the duplication of costs by the two entities, one providing the service, the other regulating the provider of that service, becomes quite expensive; and this problem of duplication and added expense is removed when one government agency is handling the job.

What the Conservatives have offered the people of Manitoba is in large part, Mr. Speaker, a warmed over version of the plan which the Social Credit Government of British Columbia enacted January of 1969 and which I am now advised they are not very happy with, not very happy with at all, and which they're having some second thoughts about.

Now I'd like to quote from a statement made by a Social Credit MLA in British Columbia, and I realize he doesn't represent the Cabinet or the government, but I think that his statement here is interesting enough to warrant some pondering. I read from this excerpt from the Victoria Times of April 17th, 1970, and the article reads as follows: "The Government of British Columbia will take over the provincial automobile insurance industry by 1971, Alex Fraser, MLA for Carribou predicted Thursday night. The Social Credit Member told a Chamber of Commerce meeting in this city that the government was on the verge of doing so at the last recently completed session. Fraser said that insurance firms had originally felt that they had been given a captive market through the government's introduction of compulsory no-fault insurance. The legislation became effective January 1st, 1970. Fraser said that the intent was to lower insurance premiums." Lo and behold, Mr. Speaker, increases of 5 to 35 percent were announced earlier this week, April, by some companies operating in British Columbia, so that experience with alternative measures trying to cope with the problem in the auto insurance industry have not been particularly impressive.

Now I've already suggested Mr. Speaker, that it's not so surprising nor unnatural that the insurance industry should now be finding something to praise in the plan that was put forward last week by the Leader of the Opposition. They would want to praise I suppose because the plan if it ever were implemented would provide them with a captive market because motorists would be compelled by the State to take out auto insurance and no one seems to quarrel with that. So they would be captive customers of private companies. And at the same time under the provisions of the plan they would be receiving indirectly a tax subsidy by virtue of this \$100 incentive program. Mr. Speaker, I think that the people of Manitoba would want something better than this kind of plan, namely a plan which will result in real savings for the average motorist without subsidy from the public purse, and this is what we propose.

Mr. Speaker, I'd like to say a few words about something that I know honourable members opposite find so difficult to understand, so difficult to accept, and that is the question of monopoly and competition. My Liberal colleagues opposite have taken the position that a Crown Corporation for auto insurance is desirable, and I'm glad to hear them say that, but they go on to say that it should be competitive not a monopoly. I've already Mr. Speaker, indicated what the position of my honourable friends were at the beginning of this session when they thought that this was the position we were going to take; I'm not going to repeat that. But there is one thing that I would like to repeat, Mr. Speaker, and that is -- and just because the Member for Rhineland, the Member for Portage and others opposite are my friends, because they are, I don't think it is fair of me to expect them to take my paraphrasing of an important passage which I would like to put on the record -- so assuming as I do that it would be unfair to try to paraphrase it, I will quote directly and with great care, the following article that was published about three years ago in a Law Review Journal, and I want to quote it with great care, and I quote: "It is well known that the Province of Saskatchewan has attempted in small measure to achieve for automobile losses some of the objectives discussed above. More remains to be done. Fault should be eliminated entirely as a test for a defendant's liability and payments should be made to all persons injured by motor vehicles are not only to those who happen to be involved in a fault accident. The elimination of the question who ought to pay further reduces the cost of providing insurance or compensation for those who have been injured. This can most easily be done by having one insurance company in a large area cover all motorists. The Saskatchewan compulsory government scheme has shown that through this type of monopoly, the significant agency fee for writing up insurance can be eliminated and a 10 to 20 percent cost

(MR. SCHREYER cont'd.). . . . item changed into a ten cent per policy item. The proposed use of special premiums for those drivers who engage in unreasonable conduct further indicates the desirability of having one government company."

Mr. Speaker, I want to quote further because I don't think that this particular message or analysis has quite been understood by my honourable friends opposite, so I quote further. I quote from an article written by a Canadian published in an American Law Review Journal, but no matter, it's somebody who is intimately aware and who has lived with a public auto insurance plan for most of his adult life. And I quote further: "At the heart of the Saskatchewan operation is a government owned corporation, the Saskatchewan Government Insurance Office, popularly called SGIO. This office competes in many fields of the insurance business but these activities are secondary to its operation with respect to automobile insurance. The feature that makes the Saskatchewan approach distinct from that employed in other jurisdictions in which compulsory insurance has been adopted is the additional requirement that this insurance be effected with Saskatchewan Government Insurance Office. The Saskatchewan Insurance Office is therefore a monopoly insurer in this major area of automobile insurance. The monopoly feature eliminates some disputes that might otherwise arise among parties or their respective insurers. This is true as to the vehicle itself since the same company insures the owner's possible loss as well as the liability of anyone who is at fault in regard to the vehicle. Because the insurance is automatic with the issuance of either the license or the registration certificate, there are great savings in the cost of writing this insurance. There is no special form of insurance policy, both the registration certificate and the operator's certificate indicate that insurance is included and therefore the Act is the insurance policy."

The same article goes on to say "there can be little doubt that great savings are involved in writing up costs under Part II and under the compulsory comprehensive and liability category. Less visible but logically to be expected is a saving in the adjustment cost through the removal of any question of fault from the greater part of this area. If comparisons are of small avail, resort must be had to logical expectations. The first of these, that a compulsory plan operated as a monopoly would allow great savings in writing up costs is amply demonstrated by cost comparisons. A second logical expectation is that the removal of questions of fault thereby eliminating conflict in litigation would produce further savings. Finally, the use of a schedule of compensation such as that contained in Part II would save adjustment costs by eliminating the uncertainty of the common law approach. The last two savings are amply illustrated in Saskatchewan by the adjusters' frank appraisals of situations and by the decline of litigation, by the decline of litigation in this field. Certainly Saskatchewan courts are occupied with these questions far less than 60 percent of the time, which is the percentage asserted for all of the rest of Canada. It is true that frank appraisals and diminution of litigation could be gained without compulsory or monopoly features by introducing legislation adopting strict liability in this field by introducing a schedule of damages of impersonal nature in place of the present personalized assessment. There would be some increase in adjustment expense if several companies were involved in insuring but the greatest cost increase would lie in writing up the insurance. It is this that leads to the conclusion that automobile insurance should be a natural state monopoly."

Now for all those who would contend that there is something about the Saskatchewan experience or the Saskatchewan situation, whether it be their roads, I dismiss that out of hand, but lest there be anyone who says that there is something different about, in any significant way different about Saskatchewan as compared to Manitoba's experience with automobile accidents and the like, the article goes on to say this.

"The Part II idea is completely adaptable to every area of North America." And, Mr. Speaker, we obviously think so too. Saskatchewan does not have any characteristics that cause the plan to work peculiarly well. Its road and traffic patterns may be somewhat different than ours but the savings possible in other jurisdictions would be proportionately as great and therefore much greater in actual figures because of the higher rates. I would ask all members, and especially the members of the Liberal party opposite, to take special note of this final paragraph of what I have been quoting for the past few minutes, and I quote: "The Saskatchewan Insurance Plan has been an extremely successful experiment; all of its basic ideas have not been completely implemented but even so, the savings have fully measured up to all logical expectations, fully developed with all the kinks and defects removed, it would be immensely valuable in other jurisdictions in North America. The savings from the monopoly and compulsory approach are great enough to make automobile insurance a desirable monopoly. That is, those savings

(MR. SCHREYER cont'd.). . . . more than offset the losses resulting from bureaucracy and government control."

Now, Mr. Speaker, I don't think it comes as any surprise to honourable members opposite if I tell them that the author of these paragraphs which I have quoted is someone whose name is quite familiar to them, the author is, at the time of writing, the Dean of the Saskatchewan Law School, now federal member of the Liberal Cabinet in Ottawa, and for the Member for Rhineland to say and others to say, that because I happen, or because all my colleagues happen to support public automobile insurance, to infer from that that because we do we must automatically support in the future, move forward with implementation of public ownership of other kinds of industries, is a non sequitur.

A MEMBER: We just believe what you've been telling us.

MR. SCHREYER: The Honourable Member for Portage la Prairie, I am reasonably sure, would not approach the Honourable Otto Lang and say to him, because you supported without equivocation, and there is no equivocation in these paragraphs I have read, would not go up to him and say because you've supported public automobile insurance without equivocation therefore you must be automatically in support of public ownership of production, distribution and exchange. . . .

MR. G. JOHNSTON: Mr. Speaker, because the Minister asked me a question I would say that if this is the author of the Operation LIFT, I'd be inclined to question his judgment.

MR. SCHREYER: Mr. Speaker, I find that interjection by the Honourable Member for Portage to be also quite amusingly interesting but hardly edifying with respect to the issue before us, because I say again, that because a person or a group happened to favour a particular form of public ownership with respect to a specific kind of service or industry, it is certainly a non sequitur to infer from that that they favour it with respect to all major industries or even many. -- (Interjection) -- All right. Well as long as that's understood I can expect no more from my honourable friend the Member for Rhineland.

But Mr. Speaker, I know that the Member for Portage like the rest of his provincial colleagues in Manitoba are not exactly in a honeymoon these days with their federal Liberal counterparts, they haven't been for more than a year, so I thought just in case Mr. Speaker, that I should not have to try to impress my honourable friends with a federal Liberal statement on auto insurance, so I managed to find some uttered by a provincial Liberal in Saskatchewan, and again, because I don't expect my honourable friends to take my word for it automatically, I would like to quote with some great care and at length. Because I think -- Mr. Speaker, I heard someone say that he's a Mennonite. I was going to say that it all depends whether it's general conference or Kleine Gemeinde (small congregation) if I might use that expression.

MR. HARRY ENNS (Lakeside): Touché.

MR. SCHREYER: Well first of all Mr. Speaker, I would like to make the separate point, and I'm really sorry that the Member for Assinibola got tricked into making the silly statement he made a couple of weeks ago, when he suggested here that the publicly-operated insurance plan in Saskatchewan had run a deficit every year or just about every year, or every second year, the implication being that it was operating in the red and had to be subsidized. The fact of the matter, Mr. Speaker, is that it has a surplus - it has a surplus in fact of \$8 million, a reserve. The reserve, the money cannot go into consolidated revenue, there is a non-diversion clause which my honourable friend from Rhineland likes and so do I. I think there should be a non-diversion clause. But let no one believe the suggestion that the plan has been operating in a deficit and that it has had to be subsidized from the public purse, because this is simply not correct, and the provincial Liberal Minister in Saskatchewan takes great pains to say that this is so and to express his annoyance with those who would suggest that it hasn't paid its own way. Anyway there are some statements here from his speech given last March, just three months ago by the Honourable David Boldt, and I know that honourable members will say "ah, but since he made that speech he was fired by the Premier of Saskatchewan." Mr. Speaker, may I say that nothing could make me more impressed with the integrity of a Minister in Saskatchewan than that he should be kicked about by his Premier. I mean no disrespect for the Premier of Saskatchewan; he is after all a colleague in a sense, but there is simply no lesson to be learned Mr. Speaker, there is no lesson to be learned in the suggestion that has come from one or two members opposite that because the Minister spoke out that he was transferred to a different portfolio, does that give any less credibility to his word? I suggest that there is no lessening of the credibility to his word.

(MR. SCHREYER cont'd.)

Anyway, I would like to put on the record some of the statements which he made. He was the Minister responsible for the operation of public automobile insurance in Saskatchewan for a few years, and let me put on the record the more salient statements. He began by saying that the auto insurance picture in Saskatchewan today is calm. Well it's certainly not calm here. Members will say, "well that's of your own doing." I want to say it's also not calm in British Columbia, it's not calm in Ontario, it's not calm in most of the northeastern states of the United States. -- (Interjection) -- Mr. Speaker, if there was ever a non sequitur that was it - that interjection there.

He goes on to say the picture is calm. This is in marked contrast to the situation throughout the rest of the country. He goes on to refer to the fact, I believe it to be a fact, that in New Brunswick there is also growing dissatisfaction with the automobile insurance service provided there, at premium levels as provided there.

Just in case the Member for Rhineland is a doubting Thomas, the following statement should be put on the record, coming not from me, not from me but from the Saskatchewan Liberal Minister, "The Saskatchewan Government Insurance Office receives no subsidies from any department of the government, nor does it receive captive business or handouts of any kind." The Saskatchewan Government Insurance Office pays all premium taxes -- I'm coming to that -- pays all premium taxes and most other taxes including municipal and business taxes. The latter two are paid by way of grants equal to 100 percent of the tax levy, as the Corporation being a Crown corporation is not obligated to pay this form of taxation; so they pay it in the form of a grant equal to 100 percent of the tax otherwise leviable. The only tax that SGIO does not pay, for the information of the Honourable Member for Swan River, the only tax that SGIO does not pay is a corporate income tax to Ottawa. Instead of paying 50 percent of their profits to Ottawa SGIO pays 100 percent of its profit to the provincial treasury.

MR. JAMES H. BILTON (Swan River): ... waited a long time for that didn't you?

MR. SCHREYER: Some segments of the automobile insurance industry have the audacity to still say that the Saskatchewan Government Insurance Office will never work, and he goes on to say "I say it has worked, it is working, it will continue to work." I think that is significant.

Funds have not been advanced, I know Mr. Speaker, I may sound a bit tiresome on some of these points inasmuch as they have been made a number of times before, but you know there is an old Latin saying that repetition is the mother of learning, and I don't have much hopes about many members opposite but I do about some, the Member for Rhineland, the Member for Portage, the Member for Assiniboia, perhaps the Member for Lakeside - I understand that this morning he didn't hit a moose but he hit a train -- Well anyway, Mr. Speaker. ...

MR. BILTON: It's a good thing we didn't insure him.

MR. ENNS: I haven't been able to contact my agent yet. ...

MR. SCHREYER: Mr. Speaker, I didn't want to say that because I thought I would be breaking a confidence, but since the Member for Lakeside has just said so himself, I'm at liberty to say it a little louder so that all may hear. He said that he hasn't been able to contact his agent, yet. Well, Mr. Speaker, I really -- I'm not saying what I'm about to say out of any feeling of malice toward the agent, because you know as someone said once, some of my best friends are agents; but you know, I have heard the argument - just to show you, Sir, the nature of some of the arguments that have been used against this proposal for a public automobile insurance plan, one of the arguments that I think great store was put on by some of the spokesmen who alleged to be representatives of the agents, was that an insurance agent was your best friend. You could call him at two o'clock in the morning or four o'clock in the morning in order to solicit his advice and be calmed in the event that one had an accident. Well Mr. Speaker, I don't mean to be overly facetious about it, but isn't that a bit ridiculous; just a little bit? I don't know that it is that important if a person has an accident during the wee hours or at any time between evening and dawn, that they must contact the agent immediately. I know of one or two cases where agents have been called in the middle of the night by someone who has had an accident, and I know in one case what the agent's reply was. He told him to find a place to sleep and sleep.

Mr. Speaker, this is hardly a serious argument, you know, this argument that the agent provides service during hours that would not be available by a public administered plan. Mr. Speaker, it never occurred to me until just a few days ago that if it is service during the off hours or the wee hours that is important, the fact of the matter is that it can be better provided

(MR. SCHREYER cont'd.). . . . under an integrated, coordinated, publicly administered plan than under the multiplicity of separate agencies. Has it ever occurred to those who would try to make that kind of argument that under a public administered plan with more employees of one firm, of one corporation, that there can be roster systems and the like worked out in a way that could be, if it's important — and I'm not convinced it is important to have that service available at one and two and three in the morning — but if it is deemed to be that, it can be more easily arranged under our proposal than under the existing multiplicity of separate agencies, of different companies.

MR. BILTON: Haven't had any mail for two days.

MR. SCHREYER: But I go on, Mr. Speaker, because much that was said in the speech of the former Minister of Highways in Saskatchewan, who is now Minister of some other portfolio, but I'm sure his conscience on this subject is quite good, he went on to say that the Automobile Accident Insurance Act Fund, compulsory insurance fund in Saskatchewan, had a surplus in 1969 and yet paid out 87 cents of every premium dollar in claim benefits. That is 13 cents or 13 percent for administrative and miscellaneous costs. And that, Mr. Speaker, that figure of 87 cents and 13 cents is to be compared with 65 or 67 cents returned elsewhere in Canada.

I go on, and I repeat that the surplus reserves of the fund in Saskatchewan are about the \$7 million mark so the Member for Assiniboia should take note his information was quite wrong, entirely wrong, entirely inaccurate. That does not mean that the Fund has made a profit every year, but then again who expects an insurance fund of any kind to be in the black every year. It is the distribution of risk over a generation, spread out over years, this is the whole point about the distribution of risk in insurance plans.

Mr. Speaker, one could argue or quote at much greater length from the statements made by the Liberal Government Ministers, some of them, in Saskatchewan, on this question of automobile insurance, but I hope and trust that I have quoted enough to make some impression, to make some impression on at least some honourable members opposite, particularly in the Liberal Party.

MR. GREEN: It's doctrinaire. They won't listen.

MR. SCHREYER: By use of simple arithmetic and applying the 20 percent saving in Saskatchewan's plan to the \$25 million paid by Saskatchewan motorists into the compulsory insurance 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. Ladies and gentlemen, I am an advocate of private enterprise but I can't ignore this fact. And without saying whether I'm an advocate of private enterprise I can't ignore that fact either. I don't believe that one has to be an advocate of private enterprise or an opponent of it. I think what is important, Mr. Speaker, is to be able to look at individual case problems confronting our economy, our society, and see which is the more logical, which is the more efficacious way of dealing with it in the general public interest. And that is our position.

And just one more point about this Honourable Minister's position. He has not been afraid to say that the private insurance industry has on numerous occasions misrepresented the facts. Mr. Speaker, I have some indication, I've had some lesson taught me in the past few months as to how an industry, a particular group, can muster quite a bit of muscle in misrepresenting facts. I have here something that was I think sent to all members by Allstate, a magazine of theirs called "Cavalcade" and they have on it a picture of their demonstration in front of the building. There was nothing wrong with that demonstration at all, this is an inalienable right — even the posters like "Ed the Red" and "Send Schreyer to Siberia" and so on. Mr. Speaker, I am not one given to melodrama but I think it is appropriate in the light of some of these posters about sending me to Siberia, that within my family I have had relatives that have died in Siberia in concentration camps. I don't feel very good when I'm referred to as a Red. It's always bothered me; maybe I shouldn't let it bother me that much.

But I go back to the group that have put this out, Allstate; and I became very curious about Allstate. I knew that they were hardly an indigenous company here in Manitoba, they came on the scene a few years ago and I know that they have done quite well at advertising, and through advertising more things can be wrought through advertising than most people can dream of — I've heard some expression something like that.

Mr. Speaker, I happened to look at the Consumers' Report of June, 1970, the one that just came out, and they did a rating of major automobile insurance companies in the United States

(MR. SCHREYER cont'd.). . . . and they rated 21 of them. Allstate, lo and behold, came twenty-first out of 21. If honourable members wish me to table this article I'd be happy to do so. The information of what I have just said is to be found on Page 341 of the Consumer Report for June.

MR. G. JOHNSTON: Mr. Speaker, I would ask the First Minister to table all documents he's been quoting from tonight.

MR. SCHREYER: Yes, I shall do so -- quite happy to do so, Mr. Speaker. Anyway, this is on Page 341. And I mention it because it becomes clear to me that the Allstate Company which has thrown itself into this controversy with great feeling and venom is one that hasn't done too well in looking after its own business and I'm hardly surprised therefore that they were able in their publication here to make a statement which, to use the words of the Minister of Highways in Saskatchewan, "are misrepresentation of the facts" -- I'll put it that way. They indicated that some member of the Manitoba Cabinet advocates that there should be some form of control of newspapers in the province. This is an example. Completely, but completely absurd, ridiculous, false, in every sense.

I want to go on, Mr. Speaker, to make a couple of other points. I'll just leave this Consumer Report article here -- and I would undertake to have a copy made for every honourable member of this House and also a copy of the speech by the Liberal Minister in Saskatchewan, if anyone is interested. And I go on.

The Honourable Member for Roblin, he's been more persistent than others in wanting -- he wants the plan on the table. Well, Mr. Speaker, I know last night the Honourable Minister of Highways said that he would put certain information on the table for the honourable member and I haven't heard from him since. Remember we were debating last night certain references to the Snow Vehicles Act and the question arose as to whether or not there should be some form of required insurance on snowmobiles. And the Honourable Minister of Highways advised that in Saskatchewan where they do have legislation in force now and have had it for the last couple of years or so, that the premium for insurance coverage on snowmobiles is \$8.50 -- is that right? I'm told that's correct. And at the same time one in Manitoba can of course purchase insurance coverage on snowmobiles and the premiums are not \$8.50 but are as follows: excluding passenger hazard, if you're under nineteen -- 26 bucks -- correction -- dollars; including passenger hazard -- \$39.00. If you're 25 years old and over you say "ah ha well this is for the young driver, the higher risk." All right those that are over 25, the better risk, what do they pay? Do they pay \$8.50 such as under the public insurance plan in Saskatchewan? No they do not, Mr. Speaker. They pay \$15.00 excluding passenger hazard and with passenger hazard covered \$23.00. So it is still a ratio of either two to one or three to one depending on the nature of the coverage. -- (Interjection) -- Yes.

MR. MCKENZIE: . . . question. Would the First Minister tell us what rates he's quoting? These are different rates.

MR. SCHREYER: I'm quoting rates for the under 19, the 19 and 20 and the 25 and over, without passenger hazard and with passenger hazard, two different categories. And I've given you the premium costs under the public plan in Saskatchewan and the ratios are -- taking whichever column you wish -- two to one or three to one in terms of cost comparisons.

MR. MCKENZIE: I'm only familiar with the Portage rates and you're not quoting them. Since last night I've taken a look at them.

MR. SCHREYER: Mr. Speaker, I know full well that it is possible when you're comparing rates to be selective to suit your own argument. So the Member for Sturgeon Creek has a point there and one that is not new. But the fact remains that taking it in its aggregate as has been done by analysts such as the Minister of Highways in Saskatchewan under successive New Democratic, and Liberal Governments, and by a former Dean of the Saskatchewan Law School now a Federal Minister, the conclusions arrived at by all of them, comparison of individual and specific rates notwithstanding, there is possible in the aggregate a saving of from 15 to 20 percent -- and there can be no escaping that fact, and it is a fact. Mr. Speaker, there is just no escaping that fact. But I know that honourable members are hard to convince because they don't want to believe this. They have taken the position that they will not -- on dogmatic grounds, Mr. Speaker, there is no other word for it -- on dogmatic grounds of ideology, they're opposed to the use of government here as an instrumentality to bring about cheaper insurance, on the grounds of ideology. Certainly no one can say that we are being dogmatic about it because we do have -- we do have the statement made by -- (Interjection) -- Well, Mr. Speaker, I say this without any sense of embarrassment whatsoever, that when you have the

(MR. SCHREYER cont'd.) same position, the same analysis made by those who are not, who are not Social Democrats or Socialists but one of whom is a Liberal Cabinet Minister at the provincial level, the other a Liberal Cabinet Minister at the Federal level, by consumer report analyst and by others, what other conclusion is it possible to come to than that the position we are putting forward is one that is shared by those who are of a different ideology? So it is not ideology alone that motivates us here but those who take the position that even if it's 15 percent or 20 percent cheaper they don't want it, they don't want it, they want to set up a pretty complicated regulatory system in order to give the private sector another crack at it. And if that isn't dogmatism on ideological grounds, I don't know what is.

Mr. Speaker, I suggest that the Conservative Party in Manitoba has backed itself into a corner on this bill. They must continue to argue against it now, no matter what kind of evidence and data and rational argument we muster, they cannot change their position. Because if it passes and if the corporation is set up two years from now auto insurance will not be an issue anymore. The picture here will be calm in the auto insurance, to use the words of the Honourable David Fulton. The Conservatives know that in two years of operation of this plan the government will be able to run on the record of public auto insurance and that their claims of disaster in the operation of this plan will not have materialized. They know that what little credibility they have left now will be lost. If they are so convinced that public auto insurance won't work they should allow it to be set up and operate for a couple of years. If they are right, the people of Manitoba will use the democratic process at the next election to remove public auto insurance. What is illogical about that? If they don't like it the public after all do have the ultimate sovereignty in our system of government, and they will decide. Now this is exactly what happened in Saskatchewan. There was, after the operation of the plan for quite a number of years there was a change in government. The government could have moved to change the mode of delivery of automobile insurance, of basic coverage, and it chose after some deliberation and investigation not to. They did so even in the face of some pressure and there can be no denying the fact in the face of pressure from the private auto insurance industry from within Saskatchewan and from without Saskatchewan to put an end to public operated automobile insurance. They didn't do it because in the words of, not just the Minister, Mr. Boldt, but in the words of the Premier, Mr. Thatcher, it has worked and it has worked well. The Minister there says that after 24 years of operation of public automobile insurance, the picture is calm. The government of the day there is not changing it because the plan is too efficacious. It's working too well. And I suggest that we could proceed the same way here in Manitoba. Let it work, let it work for a year or two and then if it's not working, like all other human things, what has been done can be undone. It can be changed. The laws we pass here are not like the laws of the Medes and Persians, never changing. What laws are passed here can be changed here. That being so, what is the great, what reason for the anxiety and dread of a publicly administered and operated insurance plan?

Well Mr. Speaker, Mr. Speaker, I know that there is a pretty concerted effort being made in these days and in recent weeks to try and do just about anything to block the implementation of a publicly operated insurance plan, and I know that there is a large influence, if not influx of money, a large influence from the insurance industry from outside the province. The fact of the matter is, Mr. Speaker, that what is going on here is attracting the attention and notice of other jurisdictions. I would like to quote here from an editorial, and I do so only because there is no local editorial support, and lest anyone thinks that no responsible newspaper in this country is editorializing in support of the proposal here, I would like to quote from the Windsor Star. The Windsor Star goes on to -- (Interjection) -- Well, Mr. Speaker, I don't know if it's necessary to indicate what the political leanings are of the Windsor Star but let us say that it is somewhere between the politics of social democracy such as this government represents and the politics of liberalism of the 1850's, such as Alvin Hamilton suggests the Winnipeg Free Press is, somewhere in the middle.

Well, Sir, I quote from the editorial. It says that "The Government of Manitoba in standing fast against criticism over the government's plan to introduce provincially legislated auto insurance, is performing a genuine service for the province and Canadians elsewhere. There can be little doubt of the many present serious inadequacies in the automobile insurance business. Anyone who has had to make a claim has fought through paper work, prolonged discussion and frequently insufficient settlements. The Manitoba Government deserves every encouragement for its efforts and good wishes for the success of the scheme. Detractors of the Manitoba plan are not the citizens who expect to save 15 or 20 percent on their premiums.

(MR. SCHREYER cont'd.). . . . They are for the most part people who may find their jobs eliminated. These people deserve a great deal of sympathy, which they will receive from the Provincial Government, but the government says, "-- Mr. Speaker, I'll get to that last interjection in a moment -- "But the government says it intends to find jobs of equal value for those displaced, a move which indicates the proper concern of the government for all aspects of the program. The Government of Manitoba should not be swayed from its course by absurd criticism." I don't know how the Windsor Star could have known about the comments of honourable members opposite, but apparently it did -- and it concludes, I skipped some of the paragraphs and conclude by quoting the final paragraph that "A full step has been taken and one which should be welcomed across the country."

Mr. Speaker, Mr. Speaker, Mr. Speaker. . . -- (Interjection) --

MR. RUSSELL PAULLEY (Minister of Labour)(Transcona): Who are they?

A MEMBER: You should know.

MR. PAULLEY: Yeah, I know.

MR. SCHREYER: Mr. Speaker, someone asked earlier, you know, what the politics of the Windsor Star were, and I can say this, that the paper has over the years supported Federal-ly the election of the person who is now Senator Paul Martin, but as such the paper can be taken to be sort of on the progressive left of the Liberal Party, which unfortunately in western Canada you have to look hard to find that element, but it is to be found elsewhere in Canada.

MR. PAULLEY: They're trying to find where they are too.

MR. SCHREYER: Mr. Speaker, I would like to say a few words about the question of parameters of the plan. I know that the Honourable Member for Roblin, and I'm sorry I never had a chance to deal with his question until now, but I want to take his question now and show him what the nature of the proposed coverage is. First of all, in case he hasn't understood, it is to be a publicly administered program. It will provide insurance coverage that insofar as third party liability is concerned will provide coverage up to \$50,000.00. It will also provide for death, dismemberment and disability benefits running to the equivalent of \$50.00 per week indemnity, payable up to 104 consecutive weeks, excluding the first week, for loss of income to gainfully employed persons. So it's \$50.00 per week indemnity to those who are disabled for a maximum of two full years. It will provide a maximum \$6,000 for permanent disability, listed as amputations, limitation of movement of body joints, impairment of sight or hearing, serious facial disfigurement, etc. and will provide \$500.00 for funeral expenses. It will provide \$5,000 in death benefits for the primary dependent and \$1,000 for each secondary dependent to a maximum of \$10,000.00. It will provide up to \$50,000 in third party liability coverage and it will provide for an option of between \$100.00 or \$200.00 deductible on collision.

MR. McKENZIE: Could the First Minister repeat the last one for me please. Would you mind repeating. . . .

MR. SCHREYER: Mr. Speaker, I've been taking far too long. I would ask the honourable member to be patient and look at Hansard tomorrow where the whole thing will I hope be there in its right clarity.

It also provides for a maximum \$2,000 supplementary allowance for medical and hospital costs not covered by public plans and for other out-of-pocket expenses. The recommended plan will ensure all motor vehicles registered in Manitoba against collision and other accidental loss or damage not exceeding the actual cash value regardless of fault.

Victims of unidentified hit and run drivers would be compensated up to a maximum of \$50,000 for death or bodily injury but not for property damage. Those suffering loss through bodily injury, death or property damage through the fault of an uninsured motorist in Manitoba would be entitled to certain payment not exceeding \$50,000.00. A report - the legislation will provide that there be some provision here for the insurance premium to be collectable at the time of the issuance of the plates.

These are the basic parameters of the plan, Mr. Speaker, and in a -- Members have been provided this information before, so when the Honourable Member for Roblin says "put it on the table" - there it is. If he's talking about the detailed classifications, categorization and rates, that is something that is to be drawn up by way of regulation. It is a matter of considerable detail which is something that by all parliamentary practice I am familiar with has not been done. That is not the way we have proceeded, and I don't know why. . . .

MR. BILTON: Saskatchewan did.

A MEMBER: They put it in their bill. They put the rates on the table.

MR. SCHREYER: Mr. Speaker, I would like to show honourable members, particularly the Member for Swan River who has an interest in the parliamentary commonwealth, or the Commonwealth Parliamentary Association and our sister Commonwealth countries. I would like to show him privately, or publicly, the Act providing for public automobile insurance in New South Wales, Australia. It has a grand total of two pages, providing for the establishment of the auto insurance scheme. . . .

MR. PAULLEY: He wouldn't know about that.

MR. SCHREYER: . . . and I think the honourable member knows full well that the way we proceed in our parliamentary system is to put before members of parliament or the Legislature the principles of a proposal and the parameters of it, and they are to decide whether they are in favour or opposed to the principles and parameters. Having made that kind of decision, and if the vote be majority in the affirmative subsequent to the passage of the Act we proceed by way of detailed provision of regulations; and why there has been such a large and protracted controversy about the details of rates is something that I cannot understand, particularly in view of the repeated assurances that in the totality of its operation the plan will I am satisfied, result in savings averaging 15 percent, at least, to the motorist in our province.

I want to deal now with something which I think we cannot and should not want to leave aside, and that is the question as to how to deal with the possible problem of dislocation for those individuals that are now engaged in the industry, that might result from the introduction of public automobile insurance. I would first point out, however, that this question is quite separate from deciding which system is the best, more effective, the cheaper, for the people of Manitoba. Once we have determined that a public law is the best way of handling auto insurance we then have an obligation to assist those people who suffer dislocation as a result of the introduction of that plan.

Mr. Speaker, we're dealing with an important concept here, one that has not readily been recognized by previous governments either here or in other jurisdictions. I can think of many actions that have been taken by government over the years; in fact Mr. Speaker, in the interdependent society that we live in in our time there is scarcely anything that can be done without it having ramifications and effects, in some cases very pronounced disadvantageous effects on somebody or another. Unfortunately in past years under laissez faire government if some people suffered disadvantages as a result of government law or action, they were not always dealt with fairly and provided some form of compensation to help them through a period of dislocation and transition. But I think that in our time we have to be more humane, we have to be more compassionate, we have to be more prepared to say this, that if society enacts through its government laws that work to the general advantage of the public, then that society also has an obligation to do something with respect to those who are suffering some disadvantage or dislocation because of the passage of such programs and laws.

Let me say by way of introduction to the remarks that I will make in closing, that I reject categorically the claim that 4,000 jobs would be lost if this plan comes into effect. This is precisely the kind of wild exaggeration and scare tactics which I referred to at the opening of my remarks this afternoon. You know, the same kind of mentality that would get up and say that there is something about this plan that is to be equated to the tramp of muffled jackboots; the same kind of mentality would suggest that where three or four hundred people are having their livelihood affected they would try to argue there are 4,000. This is not the magnitude of the problem we are facing. I admit that the problem we face is an important one which we cannot ignore, but not in this magnitude. One can only arrive at that kind of inflated figure by adding in an awful lot of people who have absolutely nothing to do with auto insurance, not to mention those for whom automobile insurance is only a minor sideline. The fact is that many people in Manitoba who practice either law or follow some other profession or who teach school, also sell insurance. Now, if it's a minor sideline, it's hard to see how they can argue that their basic livelihood is being affected. If it's a major component of their basic livelihood then they do have a legitimate claim and they will have in that case full consideration of their claim by a properly constituted board of adjudicators.

I want to tell honourable members that while I believe in a general way in the philosophy of social democracy, I also believe completely, in fact there is no contradiction at all, I also believe completely in the philosophy which I uttered just a few minutes ago that society has an obligation to those whom through its own laws it puts at a temporary disadvantage or otherwise disadvantage. The Freedman report, I might say as an aside, is a document which I regard as one of the more important social political documents of our time. And what does the

(MR. SCHREYER cont'd.). . . . Freedman report deal with? It deals with the problem of those who because of technological change, technological change implemented by companies, Crown corporations, governments, companies, private and public, follow a course of action which brings about greater efficiencies but which put numbers of people into a period of dislocation. Something has to be done. We are motivated by that philosophy and we intend to pursue it, and we have a proposal worked out along those lines.

Mr. Speaker, the proposal is, and here we have some guidelines and some experience to assist us -- not as much as we would like, not as much as there should in a great country like ours, in the latter half of the twentieth century -- there hasn't been enough provision made in our country, in our society to deal with problems of dislocation caused by technological change, administrative change. But they're coming and we are proud to be in the vanguard of those moving towards . . . There are some firms in Canada, I must say, to their everlasting credit, there are some firms in our country that have worked out programs similar to what I am going to be talking about, in order to help their employees through a period of transition. I don't suppose this is the time to name those companies, but as I say to their credit, there are a number. What we propose is to take that concept and apply it here because we admit that there is dislocation that will be faced by some people.

But Mr. Speaker, let it be clear that we cannot allow ourselves to be paralyzed into inaction. I daresay that there would have been no progress ever made if those responsible for decision-making had decided that because there would be some negative effects felt by some people, it would be better to sit and do nothing. You must move forward, you must take advantage of more effective means of doing things. That's what the technological revolution is all about. But if you're doing that, you must follow it up with a way of coping with the problem of individuals affected adversely. And it doesn't matter much if it's a thousand or if it's one person, there is the same obligation to try to minimize the dislocation through a transitional period. Those people in the industry who find that their employment will not continue -- first of all let us be clear that many people in the insurance industry were in general insurance, various lines of insurance other than auto insurance, so many if not most jobs in the insurance industry generally will continue -- but for those that will not, those which are directly related to the auto insurance industry, the following would apply: These people would have the right of first access to employment with the Public Auto Insurance Corporation - all other things being equal; those who are employees or self-employed, who are employed in the industry as of the date of Royal Assent, who if they do not continue in that employment and who do not take a job with the public corporation which would be open to them to do, or who do not, do not choose to, those would be eligible for a schedule of compensation transitional assistance benefits, somewhat analogous to the schedule that applies to those workers who were thrown out of work under the U.S.-Canada Auto Agreement. There a program of transitional assistance was worked out, roughly speaking amounting to one week's benefit payment for each year worked in the industry, up to a maximum of 26 weeks, to a maximum total of \$2,210.00. This is not in usurpation or in substitution of one's unemployment insurance or manpower training entitlement, should there be any.

In addition to that, this would also apply to those who are self-employed, insurance agents, claims adjusters who engaged in, worked in or were employed full-time in the insurance industry as of June 1st, '70 and who are in receipt of salary and/or commission, and who continue to engage in, work in or be employed in the industry in Manitoba, and where at least 50 percent of their total income is demonstrated to have arisen in 1969 from income from automobile insurance sales and/or servicing, and where the income of such persons can be demonstrated to have decreased following the implementation of the new plan, shall be eligible for one week of transitional assistance allowance for each full year of employment or work in the auto insurance industry to a maximum of 26 weeks or total of \$2,210; the same formula applying here as the one that I put forward earlier with respect to those who were employees.

In a general way, Mr. Speaker, these are the parameters of the transitional assistance benefits program that will be applied here. There will be a Board established for this purpose, comprised of one person nominated by the Insurance Agents Association of Manitoba, one chosen by the government, and one person which we agreed upon for this purpose.

In addition to that -- Mr. Speaker, I'm giving this information because I think it is important to have the general parameters of the way in which we shall proceed to deal with this problem of transitional re-adjustment. We are making studies and investigations to determine the practicability; at this point in time I can say that I am satisfied as to the practicability of

(MR. SCHREYER cont'd.). . . . working out other arrangements. For example, at the present time the Province of Manitoba pays 65 cents per licence per motor vehicle registration plate issued to those who issue motor vehicle licence plates on behalf of the Province of Manitoba. Those who are full-time insurance agents, will have in many, if not most cases, the opportunity to apply to be issuers of motor vehicle registration plates at one and the same time under the integrated proposal to issue the basic insurance coverage. The fee that would be payable would be that which is paid at the present day plus an amount sufficient to make allowance for the extra work involved, but it will be done in proportion to the work that is required now to issue the registration plates. I have reason to believe that this kind of opportunity will be acceptable to quite a number of insurance agents in rural Manitoba, I'm positive, absolutely positive about that, in a number of communities that I'm personally aware, and can be also adapted for use in the Metropolitan Winnipeg area. So when that has been taken into account, one can see that there will be sufficient revenue available to quite a number of agents that will enable them to make their way through the period of transition in a way that minimizes the dislocation to them.

So, Mr. Speaker, it cannot be said that we are insensitive to the problem that is being created as a result of the implementation of Bill 56. Of course we are not insensitive and we have worked long and hard in coming up with this proposal. But lest there be any doubt about it insofar as the providing of insurance coverage to the general public of Manitoba, we are so satisfied that this is the more effective and cheaper way to do it, therefore there is no alternative that we can in conscience follow.

MR. SPEAKER: Are you ready for the question?

MR. G. JOHNSTON: Would the First Minister permit a question - three questions?

The first question is: What is the total cost, the estimated cost of compensation to employees and agents?

MR. SCHREYER: Well, Mr. Speaker, it is not possible to give an estimate with any precision to it but the Board of Adjudication which we contemplate establishing will probably have a fund of something in the order of half a million to one million dollars to administer. I might add that since we do not want this plan to be a subsidized one, the money provided here for this transitional adjustment, benefits for those that will be affected, the money will be repayable by the Insurance Corporation after the fourth or fifth year of operation of the plan.

MR. G. JOHNSTON: It's usual, Mr. Speaker, to ask questions about the statement made by the Minister but I'm sure a little latitude will be allowed here. There has been no mention made of the Metro Corporation's operation. I understand they have 500 vehicles and they are self-insurers. What would be the cost to the Metro Corporation to insure their approximately 500 vehicles?

MR. SCHREYER: Mr. Speaker, this is a matter now of administrative detail. I don't know if the Minister of Municipal Affairs would care to answer this. If the honourable member is wanting to ask whether there will be provision for self-insurance of owners of large fleets, at this point in time that is a matter of detail I cannot answer.

MR. G. JOHNSTON: Before I ask the final question, Mr. Speaker, I'd like to compliment the First Minister on a very fair presentation, although he's not unlike any other politician who will sink a dart when he has the chance, but he's rather gentle. But like most political people the First Minister was not above taking a set of figures with respect to the Saskatchewan Government insurance operation, and my question is, Is it not a fact that the SGIO were monopoly insurers for schools and other public buildings and part of their surplus was because they were able to charge very substantial rates, which were found by Mr. Thatcher when they were put out to bid, when he came into power, great savings were made by giving, by bids to the private industry in fire insurance?

MR. SCHREYER: Mr. Speaker, the honourable member is on to something there which I'm not going to dispute, but one very important point I am able to answer and that is that whatever the rates charged by the SGIO general office, the moneys from those were not in any way put into the compulsory automobile insurance fund. That fund stands by itself and is not subsidized by the general revenue nor by the operations of the general insurance office.

MR. PAULLEY: That's right. And he knows it.

MR. FROESE: Could I also submit a question to the Minister? Could the Minister give us any figures as to the amount that the province will be saving in federal taxes as a result of bringing about government insurance?

MR. SCHREYER: Well I wouldn't want the honourable member to take this as a precise

(MR. SCHREYER cont'd.) . . . estimate but if he's really interested - and I suppose he is - he'd be interested enough in a general estimate. I seem to recall the figure of something like three-quarters of a million dollars.

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

MR. SHERMAN: Mr. Speaker, I was wondering whether in view of the manner in which the First Minister reaffirmed his affection for me this afternoon, whether he'd be willing to accept a question?

MR. SCHREYER: Mr. Speaker, the honourable member knows that I have had affection for him all of the time with the exception of this rather difficult-to-understand speech of his last month

MR. SHERMAN: Mr. Speaker, I'd like to ask the First Minister, Sir, if he has consulted with any experts or authorities or had the opportunity to or whether the Minister of Municipal Affairs has had the opportunity to, on the subject of restoration of an industry such as this one after it has been dismantled, and on the chances of restoration of an industry of this type after it has been dismantled?

MR. SCHREYER: Mr. Speaker, I'm advised that in Saskatchewan where the Public Auto Insurance Plan has been in operation for 24 years, the private industry has no reservations about their ability to restore the plan to private hands because they have been persistently after the government there to put it back in private hands. So obviously they have no doubts about their ability to operate it in private hands.

MR. SPEAKER: The Honourable Member for Riel.

MR. DONALD W. CRAIK (Riel): Mr. Speaker, I wonder if the First Minister would permit a question? It's with reference to the \$8 million reserve in Saskatchewan, which I assume has been built up over 20 years. Could he give us any indication or has any assessment been made of the amount of income tax paid by private companies in Manitoba, not only on insurance sales in Manitoba but whose head offices may be here, over the same period of time?

MR. SCHREYER: Mr. Speaker, in fact we have made some study on that and I can advise my honourable friend that while it is true that we would lose some income tax that would be payable by private insurance companies, if we proceed with our plan it's true we will lose some income tax that would have been payable by these private companies. On the other hand, we would realize some advantages in the sense that the publicly-owned company does not pay federal income tax. So that's a saving that can be passed on to the motorist in Manitoba.

MR. CRAIK: Mr. Speaker, to get to the hub of the question here, would the investments made - well, sticking to the income tax part of it. It has been filed here by a speaker earlier in this session I believe, that the assessment by one company whose head office is here in Manitoba amounted over the period of years to something like \$50 million. Would it not be equally as easy to determine the amount of income tax that had been paid over the 20 year period?

MR. SCHREYER: Well, Mr. Speaker, the honourable member tells me, and I don't challenge his word for it, I take his word for it, that over a period of years insurance companies have invested \$50 million in Manitoba - one company - over how long a period of time? Since the turn of the century or in the last decade or what? And was it strictly from auto insurance premiums?

MR. PAULLEY: No.

MR. SCHREYER: You see, this is the difficulty. On the other hand I can counter by telling my honourable friend that the Saskatchewan Government Insurance Office has since its advent invested over \$29 million in Saskatchewan municipal debentures, municipal debentures in Saskatchewan.

MR. SPEAKER: The Honourable Member for Flin Flon.

MR. PAULLEY: And the told us they'd lost money in Manitoba?

MR. THOMAS BARROW (Flin Flon): Mr. Speaker, as the MLA for Flin Flon, I have found

MR. MCKENZIE: . . . not be given the privilege to ask my questions of the First Minister?

MR. SCHREYER: On a point of order, Mr. Speaker, I have no objections at all to trying to answer questions but the Member for Roblin surely must agree that the amount of time that has been allowed for the answering of questions following my speech has been much longer

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(MR. SCHREYER cont'd.) than normal; in fact it probably set a record.

MR. SPEAKER: I recognize the Honourable Member for Flin Flon.

MR. BARROW: Mr. Speaker, as the MLA for Flin Flon I have found myself with the unique opportunity to compare the private auto insurance system in Manitoba with the public plan in Saskatchewan. As the members of this House will realize, Flin Flon is what you might call a border town. Indeed part of the suburbs of Flin Flon are actually part of the Province of Saskatchewan. So it is interesting to note a common practice in the Flin Flon area.

Mr. Speaker, many people who come from the Saskatchewan side to live and work in Manitoba, do everything they can to keep their cars registered in Saskatchewan so they can buy public insurance there instead of private insurance here. Thus a person who moves to the Manitoba side of the border will keep his car registered in the name of his parents, his uncle, his cousin, on the Saskatchewan side, so he can qualify for the lower premiums under the public plan in Saskatchewan. The fact that numerous Manitobans go to all this trouble to keep their cars registered in Saskatchewan is more proof than any words that the public plan is more efficient, more humane, quicker and much cheaper.

Last fall, along with a number of other New Democratic MLA's I mailed a report from the Legislature to my constituents. That report had a questionnaire attached to it. One of the questions asked Mr. Speaker, if my constituents would favour government automobile insurance. Of those that replied some 400 more or less, 89.5 percent voted for it, 8 percent against it and 2.5 were undecided. When I compare these results with my fellow MLA's I discovered that the Flin Flon response was the highest in the whole province. I would suggest Mr. Speaker, that the fact that the people of Flin Flon and area can compare the public and private plans firsthand is the reason for that result. Mr. Speaker, I would invite any MLA who has questions about the advantage of a public plan to visit Flin Flon and the people will tell him which plan is better.

The people of Flin Flon can see firsthand the failings of the present private auto insurance system. Measured as a way of compensating for personal injuries suffered through the roadways, the system we have falls grievously short. Some injured persons received no compensation, others received far less than their economic loss. Part of this gap is due to the role of fault in the system, to the need for the injured person to assert both that another was at fault in causing the accident and that he himself was legally blameless. In advance of these contentions a traffic victim faces severe problems of proof.

Mr. Speaker, another major factor contributing to the gap between amounts of loss and amounts of compensation is that a person legally responsible for injury may be financially irresponsible, uninsured and with inadequate assets of his own available to satisfy a claim. The present system is cumbersome and slow. Prompt payments of compensation for personal injuries is extraordinary indeed and delays of several years before final payment in some cases, or determination that no payment is due are common, especially in Metropolitan areas. The backlog of automobile personal injury cases presents a serious community problem of delay in the courts affecting other cases as well. Often justice delayed is justice denied. An injured person needing money to pay his bills cannot wait as can an insurance company through the long period necessary to press and recover his claim and he may be forced to settle for an inadequate amount in order to obtain immediate recovery.

The present system is loaded with unfairness. Some get too much, especially for minor injuries. To avoid the expenses of litigation insurance companies tend to make generous settlements of small claims. This largesse just comes out of the pockets of all who are paying premiums and insured motorists. Others among the injured get nothing or too little and almost often it is the neediest who get the lowest percentage of compensation for the loss, Mr. Speaker. The larger claims are more vigorously resisted and their more pressing needs induce them to give up more in return for prompt settlement.

Operation of the present system is excessively expensive. It is burden enough to meet the toll of losses that are inescapable when injuries occur. It is intolerable to have to meet the additional burden of administration, waste that is built into our methods of shouldering inescapable cost.

Mr. Speaker, to some extent it is true the costs of administration are part of the inescapable burden but because of the role of fault in the present system, contests over the intricate details of accidents are routine. Also these contests are also exercises in futility, since all drivers must continually make split second judgments and many accidents are caused by slight lapses occurring at unfortunate moments.

(MR. BARROW cont'd.)

Mr. Speaker, such contests and all the elaborate preparations that must precede them, wastefully increase the cost of administration. All the expense, of course, is added to automobile insurance costs and together with a markup to the insurers through whose treasuries the premium dollar must pass, is reflected in the premium of every insured.

Mr. Speaker, when we view the performance of the present automobile claims system we see it provides too little, too late, unfairly allocated and at wasteful cost. We also see a system where real competition has ceased to exist. In 1964 the Insurance Bureau of Canada was formed, having about 86 percent of the premium volume in Canada. One of its major objectives is to collect statistical data from its members and subject this data to statistical and actuarial analysis so that the results as published may be used as a guide to the calculation of premium rates. Mr. Speaker, the Insurance Bureau of Canada was set up to provide guidelines to prevent the industry from cutting its own throat by excessive competition.

Check insurance rates anywhere in Manitoba; there is very little difference between agencies and companies. It is interesting that the rates are going up this year almost uniformly across the country. Statistics on all accidents are kept and recorded. The industry publishes a reference guide commonly termed the Green Book. Actuaries for the different companies use this Green Book as a guideline to determine what premium rate they should charge. Generally speaking, rates don't vary greatly from company to company; providing the person is in the same classification, the difference at best would amount to a very few dollars.

Mr. Speaker, now competition is ideally supposed to keep prices low but when monopolies enter the picture this is not the case; prices go up uniformly and only the companies are satisfied. The public are the unhappy recipients of this kind of program. In the Antitrust Monopoly subcommittee of the United States Senate a report was presented by Richard Norgaard and George Schick, two statistics professors of the University of Southern California, Graduate School of Business Administration. The report stated "It is our unqualified opinion that major property and liability insurance companies have earned a high rate of profit over the last 15 years. The large multi-line underwriters and the companies which specialize in automobile insurance are making exceptional profits. Those profits come from the high premiums that come from our pocket." So much for the competition that doesn't really exist. What about the question of making auto insurance compulsory for everyone? It is not surprising that the insurance agents will be in favour of the government legislating compulsory insurance to be sold by private insurers. In this way the public is forced to come to the private agents and companies and the agents become mere order takers and collectors. No hustling for business, just sit in the office and process orders for insurance and duplicate the work done by the companies themselves.

The Social Credit Government in B. C. passed legislation making automobile insurance compulsory, instituted a no-fault system and left it in the hands of the private insurance companies. Mr. Speaker during second reading of the bill, the Attorney-General Les Peterson, the man in charge of the legislation, announced that the average motorist would pay \$24.00 less under the new rule, in faith that the industry would act in a responsible manner. Just 20 days before the date the new regulations would take effect, the industry announced that it was going to jack up the rates \$22.00 to completely remove the proposed benefits that were going to be had by the motoring public. What in fact the Social Credit government did was to enact legislation that gives the insurance industry the opportunity to cash in on a captive clientele without the responsibility or opportunity to keep costs within reason.

Mr. Speaker, the claim that government should enter into competition with private companies is a result of a very superficial analysis of the industry and the benefits of a government monopoly. First the private companies would most probably do everything possible to drive the government out of business; they would probably lower the rate for a good risk, even take a loss for a short interval and grossly increasing the rate for bad risks. The government could not refuse to give coverage and the result would be to drive all the bad risks to the government's companies. By thus taking the cream of the risk, private companies would drive the government out of business. Mr. Speaker, I would have little faith in any regulating agency set up to pro rate bad risks, if the membership of the agency could be influenced by a Conservative Party that needs insurance company donations at election time.

But the most cogent argument against the government going into competition with private companies is that it will not reduce the costs. This is what happened in France and the government companies became just another competing company with no reduction in rates. The very

(MR. BARROW cont'd.) reasons for the government being the sole supplier of compulsory no-fault coverage in addition to making it responsive to public needs and remedy the present abuses, is that this plan would cut administration costs substantially, estimated about 50 per cent from 30 cents on each premium dollar to 15 cents on the premium dollar. This difference, Mr. Speaker, would come about as a result of no longer having to pay agents' commissions, advertising costs, duplication of services, collection fees and, of course, profit now accruing to the industry as a result of captive consumers.

I would conclude, Mr. Speaker, by repeating my invitation to the members of this Legislature to come to Flin Flon and ask the people what they think about the relative merits of each insurance system. They will find that people who have an opportunity to compare the two systems firsthand are overwhelmingly in favour of a public plan. Thank you, Mr. Speaker.

MR. SPEAKER: The Honourable Member for Portage la Prairie.

MR. G. JOHNSTON: Would the member who last spoke permit a question? The member went to some length to say that a company that has the monopoly position can produce a lower rate. Is that not correct?

MR. BARROW: That is correct.

MR. G. JOHNSTON: Well, does he agree with the Minister of Highways who said in a news release last week that because the highway is now being completed, Highway No. 6, the CNR reduced the rates and he suspected that it was because they no longer had a monopoly position?

MR. SPEAKER: The Honourable Minister of Municipal Affairs. The Honourable Minister will be closing debate.

HON. HOWARD R. PAWLEY (Minister of Municipal Affairs)(Selkirk): Yes, that is correct, Mr. Speaker. I had considerable notes and data which I was intending to deal with but the First Minister has -- (Interjection) -- yes, quite frankly, has stolen my thunder this evening. He has done a monumental job of dealing with the various points. I note in fact, the majority of the members of the opposition have left the Chamber and the hour is fast drawing onto - it's after 10:00 o'clock in fact, so that I do not want to be at all repetitious or accused of being repetitious this evening. I think that the debate in question has done a great deal for the politics of the Province of Manitoba. It has involved the public in the Province of Manitoba in probably one of the most intensive and healthy debates that we have seen in many decades and I think that any fervent believer in the democratic process cannot help but respond to the fact that people have shared views, they have had a frank exchange of views. Last week in Dauphin when the Member for Ste. Rose, the Member for Roblin and myself and representatives of the insurance industry participated in a joint debate before a large audience in that town, you could not help but feel after that debate that people, human beings, felt that for probably the first time in many years, that people were becoming involved in the decision-making in this province.

Most of the items and details have been covered very well by the First Minister's address this evening, so that I would be repetitious at this point if I should simply become involved in repeating that which has already been said so well during this debate. I think that all members have shared views in this House and I look forward to the debate in committee, the submissions that will be made from all parties, both pro and anti, the debate on third reading and I expect, Mr. Speaker, and I look forward to becoming involved in a detailed conclusion insofar as the debate on third reading. With these few words then, Mr. Speaker, I close debate in respect to Bill 56.

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

MR. CRAIK: Ayes and Nays, please, Mr. Speaker.

MR. SPEAKER: Call in the members.

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

YEAS: Messrs. Allard, Barrow, Borowski, Burtiak, Cherniack, Desjardins, Doern, Evans, Fox, Gonick, Gottfried, Green, Jenkins, Johannson, McBryde, Mackling, Malinowski, Miller, Paulley, Pawley, Petursson, Schreyer, Shafransky, Toupin, Turnbull, Uskiw and Uruski.

NAYS: Messrs. Beard, Bilton, Claydon, Craik, Einarson, Enns, Ferguson, Froese, Girard, Graham, Hardy, Henderson, G. Johnston (Portage la Prairie), F. Johnston (Sturgeon Creek), Jorgenson, McGill, McGregor, McKellar, McKenzie, Molgat, Moug, Patrick, Sherman, Spivak, Watt, Weir and Mrs. Trueman.

MR. CLERK: Yeas 27; Nays 27.

MR. SPEAKER: I vote in support of the motion and I declare the motion carried, and I also wish to Order please. As is provided for in the rules I wish to indicate my reason for voting in support of the motion. My reason for voting in support of it is the same or rather my reasons are the same as they were for voting against the amendment to the same motion during the last previous sitting.

The Honourable Member for Winnipeg Centre.

MR. BUD BOYCE (Winnipeg Centre): Mr. Speaker, I was paired for the Member for La Verendrye. Had I voted I would have voted in favour of the motion.

MR. SPEAKER: The Honourable the First Minister.

MR. SCHREYER: Mr. Speaker, I wonder if you would call Bill No. 85. An Act to amend The Consumer Protection Act. Business as usual.

MR. SPEAKER: The proposed motion of the Honourable Attorney-General, Bill No. 85. The Honourable Member for Rhineland.

MR. FROESE: Could I have the indulgence to have the matter stand? I am not prepared. (Agreed)

MR. GREEN: Mr. Speaker, Bill 93.

MR. SPEAKER: On the proposed motion of the Honourable Minister of Labour. Bill 93. The Honourable Member for Fort Garry. Stands? (Agreed)

MR. GREEN: 96 - no - 37.

MR. SPEAKER: On the proposed motion of the Honourable Minister of Agriculture. Bill No. 37. The Honourable Member for Rhineland.

MR. FROESE: It was already called.

STATEMENTS

MR. GREEN: That has already been called, I'm sorry. Mr. Speaker, I just want to make an announcement of some importance to the members of the House, that Public Utilities Committee is being scheduled to meet Friday morning at 9:30 and we're hoping it will also meet on Saturday. Friday morning at 9:30 will be the first meeting of Public Utilities Committee to consider Bill No. 56.

MR. GILDAS MOLGAT (Ste. Rose): Mr. Speaker, I wonder if I might ask the Minister a question? Will there be other matters before the Public Utilities Committee at that time or will we be going directly into Bill 56.

MR. GREEN: Directly to Bill 56.

MR. SPEAKER: The Honourable Member for Rhineland.

MR. FROESE: Does this mean we will not be proceeding to the House first? That we will just . . .

MR. GREEN: No. No, Mr. Speaker, I don't think that we should prevail on honourable members to be here and I think that with the concurrence of everybody we would not meet in the House so that members who are not on Public Utilities Committee could sleep in if they wish.

I call Bill No. 94, Mr. Speaker.

MR. LAURENT L. DESJARDINS (St. Boniface): Mr. Speaker, if I may. May I suggest to the House Leader that maybe he should pay a visit to the press room and inform the press that they will meet because it would be unfortunate if the people were not here because they don't know.

MR. GREEN: That will be done.

MR. MOLGAT: Mr. Speaker, if I may on the same point. There is a possibility, at least, that there may be a number of presentations before the Committee. Would it be the intention of the government to come back in the House that afternoon or will the committee continue sitting until presentations are finished?

MR. GREEN: Well, Mr. Speaker, my impression is that the committee would meet continuously on Friday and go into Saturday and it's my thought that the House need not meet but I may have to discuss that with the various Whips. I hope that that will be the case because if members needn't be here at 9:30 in the morning, I would hope that that can take place and I'll have to see whether that is possible and announce it tomorrow. In the meantime I would certainly expect that Friday all day would be occupied although I would hope to get it over with in the morning if we could.

MR. G. JOHNSTON: A question to the House Leader. Would this mean that if the action were continuous we will sit Friday night and Saturday night?

MR. GREEN: Mr. Speaker, we'd hope to meet Friday all day and the evening and hopefully Saturday but we've left the closing time on Saturday for discussion with the members of the committee. Mr. Speaker, there is one question about whether we have to sit in the House on Friday morning and I'd like to discuss that tomorrow.

GOVERNMENT BILLS (Cont.)

MR. SPEAKER: The proposed motion of the Honourable Minister of Labour, Bill No. 94. The Honourable Member for Ste. Rose.

MR. MOLGAT: Mr. Speaker, might I have the indulgence of the House to have the matter stand? (Agreed)

MR. SPEAKER: The proposed motion of the Honourable -- the Honourable House Leader.

MR. GREEN: Mr. Speaker, if you'd just follow the bills seriatim.

MR. SPEAKER: The proposed motion of the Honourable Minister of Cultural Affairs. Bill No. 100. The Honourable Member for La Verendrye. Stands? (Agreed)

The proposed motion of the Honourable Minister of Municipal Affairs. Bill No. 110. The Honourable Member for Fort Garry. Stands? (Agreed)

The proposed motion of the Honourable Minister of Education, Bill No. 104. The Honourable Member for Ste. Rose.

MR. MOLGAT: Mr. Speaker, I have no major objections to Bill No. 104 and I'm prepared to support it going to committee. I have a general question which doesn't really apply specifically to the bill but in view of the fact that it is included in the bill, and that is some actions that can be taken by the Lieutenant-Governor-in-Council with regards to reports from the Local Boundaries Commission. While I realize the bill does not make any material change in this regard, I wonder if the Minister would not consider, in the process of making some changes in the bill, of insuring that before any changes in boundaries are made that there is a further opportunity at the local level for hearings to be held.

I recognize that there have been opportunities for the Boundaries Commission to go around and so on but, Mr. Speaker, this has a very major bearing on the reaction of people in local areas to the structure of the school districts and in many cases what is being proposed can make major differences in the local economic and social conditions and I submit that it would be in the interests of the people in the areas, as well as in the interests of good government, to give them an opportunity at least to be heard and give them a form for expressing their views prior to a final decision being made. I think too frequently the feeling of people in the local areas is that these decisions are made from the centres of government here in Winnipeg, either here in the Legislative Buildings or over in the Norquay Building or at some other government building instead of really having participation by people at the local level. I think the feeling that they have very frequently is that this is something that is virtually imposed upon them by some experts who are looking at the situation from long distance and that they at the local level can frequently offer some excellent suggestions, based on the local situation, based on the geography of the area, the social-economic structure of the area and that these should be carefully listened to by the Minister himself prior to a final decision being made.

So I will not hold up the bill. I support the bill going to second reading but I would ask the Minister to give serious consideration to giving an opportunity for any local people who want to appear at a hearing within the area to have that opportunity before the Minister makes any final decision, regardless of the recommendations of the Boundaries Commission.

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

MR. ENNS: Mr. Chairman, I don't wish to prolong the debate on this bill but I certainly wish to support just very briefly the comments made by the Member for Ste. Rose. And perhaps in anticipating a reply by the Minister, the very obvious one and I could just about recognize it or read it on his face as the Member for Ste. Rose spoke that if anything, there have been all kinds of meetings on boundaries in public forms to discuss these things but I think, Mr. Speaker, it's very significant that we should keep this in mind. These were meetings held to talk about possible changes, about possible solutions to the educational system and educational boundaries within given areas. We are now talking about the government having arrived at or the Boundaries Commission having arrived at set conclusions and set boundaries and that these in themselves have not had an opportunity to be discussed locally at the local level.

Without further prolonging this, Mr. Speaker, I have a great interest in this particularly as it affects the Interlake country generally wherein which probably lie the boundaries that will

(MR. ENNS cont'd.) be changed first, that I think it's of utmost importance that these specific suggestions and recommendations that are now possibly going to be made into law be given an opportunity by the people of the Interlake to have a thorough examination of. I think it's of no news to the Minister that the people throughout the Interlake are very much concerned generally with the shaping up of the various boundaries that have plagued them in the past to some extent. They should be commended in their very active participation in terms of the educational problems in their area, and that while the Minister may well indicate that nothing is going to be done other than what's being recommended by the division boards themselves, I think the implications of this Act are such that the final decisions will be made for them as the Member for Ste. Rose said, without the benefit of local consultation. So Mr. Speaker, I would want to support the Member for Ste. Rose in this respect.

MR. SPEAKER: The Honourable Member for Emerson.

MR. GABRIEL GIRARD (Emerson): Mr. Speaker, I'd like to make a few comments on this particular bill and some of them I suppose would be again brought forth in committee. Part of the bill, part of the bill makes it obvious that from here on in the school boards will have to refer to The Elections Act, which is the new Act with regard to elections. Now this is quite proper and I am certain this is the thing that is expected. I would like to point out to the Minister though, seemingly Section 96 (1) speaks of a 20 years old and that might be looked at as something that should be changed because there is no reference in this particular section about The Elections Act.

I would like to commend the Minister on the part of extending the lending or borrowing of money from the credit unions as well as banks for the operation of school board financing. I think that's a step in the right direction and something that might have been hampering in the old Act to some localities in Manitoba.

I am not in agreement, Mr. Speaker, with the part of the Act which says that in the future it will not be necessary for school boards to tender for certain requirements that are more than \$500.00. This is changed now to be \$1,000.00. I know, Mr. Speaker, that there is some inconvenience to school boards when they are purchasing, making purchases of somewhere in the vicinity of 500 to \$1,000 but I must remind the Minister that it is very important for the public relations that school boards must be concerned about, that they keep the public informed, and one very efficient way of keeping the public informed is tendering when purchases are made, as well as advertising by tender when sale of property is also made. I think that there is nothing more damaging to school boards than to be accused of favoritism in their sales, and I would suggest that by decreasing the amount, we might well be encouraging the kind of friction that sometimes exists.

There is one section of the Act that is no doubt going to be quite controversial and no doubt will be talked about in committee and that is the part dealing with the regulation of religious instruction time. I for one, Mr. Speaker, cannot understand why it is that religious instruction must be restricted to the last half hour of the day or to the first half hour of the day. I can well understand that religious instruction ought to be restricted in time, and I, for one, would even like to see the kind of instruction that's given very much changed so that it is not an indoctrination kind of course but rather a philosophy or historical kind of course. However, I think that as politicians, we must realize that school administrators are shackled by the kind of Act that says you must, you must teach religious instruction at a given time in the day. Everyone knows that in our schools today we have teachers who tend to specialize in one subject or another, and if you have all classrooms being taught religious instructions at the same time, this dictates that all classrooms must have an instructor of religious teaching, and this is hardly possible. I look forward to changes in that particular part of the Act because frankly, Mr. Speaker, I think it's irrational to have it the way it is. I'm not advocating in any way an increase in religious instruction; I'm simply suggesting that for administrative reasons it's imperative that this particular section be changed.

With regard to the increasing power of the Lieutenant-Governor-in-Council, I would suggest, Mr. Speaker, that there is really no alternative way possibly of regulating the size of school boards, and even the wards. However, these are very far reaching powers because when this Act is passed, it gives the authority to the Minister to increase a school board to the number he feels ought to be. There is really no restriction. There are far reaching consequences if you think of difficult situations that will require him to do so. I am not opposed to this section. However, I am concerned that it has to be done in that way.

(MR. GIRARD cont'd.) . . . With regard to the outlining of the duties of the superintendent, this again, Mr. Speaker, is risky business in that when you start outlining the duties of some officials, such as the superintendent, it's hardly possible unless you make them in very broad terms, to include them all. But I suggest that the outlined powers or duties that are stated in this Act are not at all unrealistic. They're not unrealistic because in fact, Mr. Speaker, if a superintendent in today's system is doing his job, is assuming his rightful responsibilities and if he's co-operating with his school board and if they have confidence in him, the duties that are outlined in this Act are already being performed by him. I'm a little curious, however, as to why it is that it requires two-thirds of the school board and what are the consequences of a situation where you would have less than two-thirds of a school board. I would suggest, Mr. Speaker, that very frequently when there are problems arising in this domain, in the area of granting of responsibility to the superintendent, that the real problem arises with a lack of understanding of each other's roles and a lack of information on the part of the trustees as to what exactly their responsibilities and their roles are. In this domain I think that better, far better than stating it in the Act, far better than regulating it, would be to make efforts - and I'm speaking of the department making efforts as well as the Trustees Association and the other associations involved - making efforts to educate the sincere people that we have today in the position of trustees. They are dedicated, sincere, trying to do their jobs, but in many cases very short of the kind of information that is important to have.

Lastly, I would like to suggest to the Minister that the powers given him by this Act to change the method by which textbooks are now provided to schools is probably a very wise one because this is an area in which I would suggest there is lack of efficiency or there is a rather - in some cases - drastic waste. I suggest to you that there are sets of textbooks in some schools that have been purchased and never used, and I would suggest to you that there are textbooks that are being purchased over and above supplies that are already there and are not being used. I wonder though, Mr. Speaker, if the intention of the Minister is to move away from the business of paying 100 percent of the costs or not. If it is so, that again brings in other issues.

On the whole I would like to support this Act, but I hope that before it gets through committee stage that there will be some amendments made to it.

MR. SPEAKER: The Honourable Member for Rhineland.

MR. FROESE: Mr. Speaker, I'm really not quite prepared to speak on it and I wonder if I could have the indulgence of the House to adjourn this. I move, seconded by the House Leader of the Liberal Party, that debate be adjourned.

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

MR. GREEN: Mr. Speaker, will you call Bill 117, please.

MR. SPEAKER: Second reading, Bill No. 117. The Honourable Member for Assiniboia.

MR. STEVE PATRICK (Assiniboia): Mr. Speaker, can I have the indulgence to have this matter stand? (Agreed)

MR. GREEN: Bill No. 98, Mr. Speaker. Page 4, top of Page 4. Bill No. 98.

MR. SPEAKER: The proposed motion of the Honourable Minister of Health and Social Development. Bill No. 98. The Honourable Member for Fort Rouge.

MRS. INEZ TRUEMAN (Fort Rouge): Mr. Speaker, I would ask leave to have this matter stand. (Agreed)

MR. GREEN: Bill No. 111.

MR. SPEAKER: Second readings. Bill No. 111. The Honourable Member for Fort Rouge.

MRS. TRUEMAN: Which one?

MR. SPEAKER: 111.

MRS. TRUEMAN: Mr. Speaker, I didn't see my name on it on the agenda.

MR. SPEAKER: I wish to apologize to honourable members. It may be rather difficult following the morning's Order Paper because that is the only copy we have before us, but since then this is the third sitting since this morning.

MRS. TRUEMAN: Yes.

MR. SPEAKER: But the Order Paper's changed somewhat.

MR. FROESE: On that same point of order, Mr. Speaker, we don't know where we're at. The Order Paper shows this morning's names of those people who adjourned it and we don't know who's on the list.

MR. GREEN: . . . unusual suggestion, that the person who adjourned doesn't know that he's holding the debate. I can understand other members not knowing but I would think that the

(MR. GREEN cont'd.) person who adjourned should know that.

MRS. TRUEMAN: Mr. Speaker, I have very few comments to make on this bill. I was a little, took a little personal exception to the provision that the government is in a position to prescribe treatment for a child when its parents have not necessarily agreed to this. I think that while this is not my particular type of religion, yet I respect the fact that some people do have serious reservations about such matters as blood transfusions, and I respect their opinions in this regard. However I don't feel that I have to be their champion in this particular case. No doubt they'll have an opportunity to speak for themselves. But it does offend me that apparently the state, if this passes, has a prior right over parents to the child. I think that this is a very serious intrusion into personal freedom and I think that if and when a Bill of Rights is considered for this province then I think if we pass the particular principle here that we'll have to think twice about including freedom of religion as one of our basic rights, because this certainly contravenes the rights of individuals in this respect.

I don't believe that this particular problem is of such magnitude any more that a measure like this needs to be taken. I think that most doctors have arrived at their own agreements with the parents of children who have this particular religious belief. To the best of my knowledge the parents if they are told that the doctor will look after their child only if he has the authority to do whatever he needs to do, that most parents are quite prepared to go along with this. So as I say, I think as people who would take exception to this will have a chance to speak for themselves, yet I do feel that we are intruding on one of the basic rights. I think that when this matter is discussed in committee I would like to hear from the Minister what deaths have occurred in this province that would justify this intrusion. I realize that frequently there is great publicity to the effect that a child's life may be threatened, but I'm not aware of just exactly how often a child's life has been caused by this particular religious problem. Of course if we look back through the centuries - perhaps it's gone out of fashion by now to die for one's religious beliefs - but if we look back over the centuries we know that many people have in the past done exactly that, and that their beliefs have been so strong that they were not prepared to see them pass, no matter what price they had to pay.

Apart from that particular item, Mr. Speaker, I don't believe there is anything else I wanted to speak to at this time. Perhaps there will be further items in committee.

MR. SPEAKER: Are you ready for the question?

MR. PAULLEY: Mr. Speaker, may I ask my honourable friend a question? Has not the child the right, even though that right is only through the adjudication of a judge, to life or an existence, and I would also, Mr. Speaker, ask my honourable friend, is not that provision also at the present time contained within the laws of the Province of Manitoba and of the Dominion of Canada that the child has a right to an existence and that this particular amendment does not abrogate those rights of the child to continue its existence after having been born naturally.

MRS. TRUEMAN: Mr. Speaker, I did say that I would like the Minister to tell us when this is discussed in committee just whether any lives have been lost and if they have how many, or whether it's just been a great big blow-up which has not come to its worst conclusions in most instances. I might say further to this, blood transfusions are not that safe. A bad blood transfusion can cost your life, too.

MR. PAULLEY: Well, Mr. Speaker, if I may again ask my honourable friend, statistics notwithstanding, would she kindly answer the question that I posed to her. Has not the child the right to exist, even though the right to exist may have to be through the adjudication of a judge rather than the natural parents?

MRS. TRUEMAN: Mr. Speaker, I don't believe that I took a strong stand saying that I was for this or against that. What I'm trying to point out is that this is a complex matter and there can be arguments on all sides. I don't feel that I should be a champion for the people whose religions prohibit this sort of thing and as I say, they'll have an opportunity to speak for themselves, but I do think that we should have in our hands any information which justifies giving the state prior claim to the child over that of its parents.

MR. PAULLEY: May I ask my honourable friend another question? If statistics prove that only one out of a hundred children died as a result of the non-application of the intent of this, then it would be okay, statistically?

MRS. TRUEMAN: Mr. Speaker, we haven't been told yet that one child died. We haven't been told yet that one child died or five children died.

MR. PAULLEY: I didn't ask my honourable friend that. Mr. Speaker, I asked my

(MR. PAULLEY cont'd.) honourable friend that if statistically it was proven that only -- (Interjection) -- Oh mind your business, you poppycock. I asked my honourable friend a question that -- the question . . .

MR. SPEAKER: Order please.

MR. PAULLEY: if statistically it was proven that it was only one. I'm sorry, Mr. Speaker.

MR. SPEAKER: I'm wondering whether some of this information cannot be brought out in another form of debate rather than . . . Are you ready for the question? The Honourable Member for Birtle-Russell.

MR. HARRY E. GRAHAM (Birtle-Russell): Mr. Speaker, I beg to move, seconded by the Honourable Member for Emerson, that debate be adjourned.

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

MR. SPEAKER: Bill No. 117. The Honourable Member for Assiniboia.

MR. GREEN: No, that's been called, Mr. Speaker, and stood. The next one is 39.

MR. SPEAKER: Bill No. 39. The Honourable Member for Wolseley. Stands? (Agreed)

Bill No. 108. The Honourable Member for Souris-Killarney. Stands? (Agreed)

Bill No. 122. The Honourable Member for Gladstone.

MR. J. R. FERGUSON (Gladstone): I wish to have this matter stand, Mr. Speaker. (Agreed)

MR. SPEAKER: Bill No. 113. The Honourable Member for Riel.

MR. CRAIK: I would ask that this stand. (Agreed)

MR. SPEAKER: Bill No. 121. The Honourable Member for Souris-Killarney. Stands? (Agreed)

Bill No. 123. The Honourable Minister of Mines and Natural Resources.

MR. GREEN: May I have this stand, Mr. Speaker? (Agreed)

MR. SPEAKER: Bill No. 126. The Honourable Member for St. Vital.

MR. JACK HARDY (St. Vital): stand, Mr. Speaker. (Agreed)

MR. SPEAKER: Bill No. 127. The Honourable Member for Virden.

MR. MORRIS MCGREGOR (Virden): stand. (Agreed)

MR. SPEAKER: Bill No. 116. The Honourable Member for Lakeside. Stand? (Agreed)

MR. PAWLEY presented Bill No. 130, an Act to amend The Municipal Board Act, for second reading. (To be referred to the Municipal Affairs Committee)

MR. SPEAKER presented the motion.

MR. SPEAKER: The Honourable Minister of Municipal Affairs.

MR. PAWLEY: Mr. Speaker, this is a very short bill and the principal purpose of this bill is to accommodate some changes that have been made in The Real Property Act through the amendments that are contained in Bill No. 126. The authority of the Municipal Board is extended in one aspect. This legislation will permit the Municipal Board to dispense with the signature of an owner of land that is contained within a new plan of subdivision which is submitted to the board for its approval. This action, however, may be taken by the board only after it has notified the owner of the land and given him an opportunity to be heard.

MR. SPEAKER: The Honourable Member for Riel.

MR. CRAIK: Mr. Speaker, I beg to move, seconded by the Member for Arthur, that debate be adjourned.

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

MR. PAWLEY presented Bill No. 133, An Act to amend The Municipal Boundaries Act, for second reading.

MR. SPEAKER presented the motion.

MR. SPEAKER: The Honourable Minister of Municipal Affairs.

MR. PAWLEY: Mr. Speaker, there are three boundary changes involved in this bill. The one is in respect to the Municipality of Hanover in which the same is required after the incorporation of the Village of Niverville which took place in 1968. The second change is an adjustment in the boundaries of the Rural Municipality of Rosser due to amendments made in 1969 in respect to the boundaries of St. James-Assiniboia. The third change involves a fractional quarter section which is being transferred from the Municipality of Strathcona to the Municipality of Roblin where it can be better served due to geographical location.

MR. SPEAKER: The Honourable Member for Emerson.

MR. GIRARD: I beg to move, seconded by the Member for Riel, that the debate be adjourned.

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

MR. SPEAKER: Adjourned debate on second reading Bill No. 132. The Honourable Member for La Verendrye. Stand? (Agreed)

Adjourned debate on second reading, Bill No. 134. The Honourable Leader of the Official Opposition. Stands? (Agreed)

Bill No. 140.

MR. GREEN: Mr. Speaker, I believe that's already been called during this evening's sitting so if you would move to the proposed resolution of the Minister of Agriculture on Page 5.

GOVERNMENT RESOLUTIONS

MR. SPEAKER: The proposed resolution of the Honourable Minister of Agriculture.

HON. SAMUEL USKIW (Minister of Agriculture)(Lac du Bonnet): Mr. Speaker, I beg to move, seconded by the Honourable Minister of Youth and Education, that

WHEREAS the use of farm machinery in Manitoba continues to be of major importance to farmers and the agricultural industry, and

WHEREAS it is necessary to assure that farmers can purchase machinery and repairs at reasonable prices and under satisfactory terms and conditions, and

WHEREAS farmers and farm organizations have repeatedly asked for a review of existing legislation relating to sale and use of farm machinery and repairs, and

WHEREAS on May 26, 1966, the Federal Government established the Royal Commission on Farm Machinery to inquire into the costs of farm machinery and repair parts, and

WHEREAS the final report of the Royal Commission on Farm Machinery is to be presented to the public in 1970,

THEREFORE BE IT RESOLVED that the House Committee on Agriculture, consisting of Hon. Messrs. Burtiak, Pawley, Uskiw, Messrs. Allard, Barkman, Boyce, Einarson, Ferguson, Gottfried, Henderson, Johnston (Portage), Jorgenson, McBryde, McGregor, Shafransky, Turnbull, Uruski, Watt, be appointed to investigate and report on all aspects of farmer-dealer relationships and company-dealer relationships which have a bearing upon the sale and use of farm machinery and repair parts in Manitoba, and

WHEREAS in September, 1967, the Federal Government appointed a Task Force to make a comprehensive assessment of agricultural goals and policies, and

WHEREAS the report of the said Task Force was made public in May, 1970, and

WHEREAS the recommendations contained in the report of the Task Force have major implications for the agricultural industry in Canada, and

WHEREAS farmers and farm organizations have undertaken to review the recommendations of the Task Force on Agriculture, and

WHEREAS the recommendations of the Task Force on Agriculture are likely to have major implications for agriculture in Manitoba, and

WHEREAS the changes which are taking place in agriculture are having major effects on all people in rural Manitoba,

THEREFORE BE IT RESOLVED that the House Committee on Agriculture be instructed to hold hearings to provide farmers, farm organizations, and other interested organizations and individuals an opportunity to present their views on the recommendations of the Task Force on Agriculture, and

BE IT FURTHER RESOLVED that the House Committee on Agriculture include in these hearings an opportunity for any interested organizations and individuals to present their views on the problems of and opportunities for rural adjustment and development,

And that the House Committee on Agriculture have power to sit during the present Session of the House and after the House prorogues to hear all representations and to review any and all documents relating to the sale and use of farm machinery and repairs which may be on file with the Clerk of the Legislative Assembly or as may otherwise exist, and to report to the House at the next Session of the Legislature on the subjects referred to the Committee.

And that the Minister of Finance be authorized to pay out of the Consolidated Fund, to the members of the said Committee, the amount of expenses incurred by the members in attending the sittings of the Committee, or expenses incurred by the members in the performances of duties ordered by the Committee, in recess, after prorogation, as are approved by the Provincial Auditor,

(MR. USKIW cont'd.)

And that the Minister of Finance be authorized to pay out of the Consolidated Fund all other expenses of a kind and nature required to assist the said Committee in carrying out the provisions of this resolution.

MR. SPEAKER presented the motion.

MR. SPEAKER: The Honourable Minister of Agriculture.

MR. USKIW: Mr. Speaker, the resolution is self-explanatory. It does deal with three phases of our rural community. The question of farm machinery has been one that has been referred to committees of this House since 1966, has not completed its hearings, has had a number of interruptions, one of them the election campaign which resulted in a new administration which I'm convinced is prepared to more completely deal with that problem. Therefore I am recommending that we continue the work that was begun and that we broaden the scope of those investigations to also include the dealer-company relationships and that hopefully by the next time this House meets that we will have some positive recommendations coming from that committee on that subject matter. Also the fact that the Barber Commission Report will be available this year, it will provide the committee with an opportunity to base its recommendations on that report as well.

There are two other aspects to this resolution, Mr. Speaker. One has to do with the question of Manitoba's position relative to the recommendations of the Task Force, the Federal Task Force on Agriculture. I feel strongly that the best way to approach the problem is to involve very directly the people that are concerned and for that reason I think that this committee should provide that opportunity to the various points in rural Manitoba so that we have complete participation on the part of the industry as a whole, the farmers, the agribusiness people, people in communities that depend largely on agriculture so that we indeed can take a position and establish a kind of policy on behalf of the Province of Manitoba that could be presented to the Government of Canada and in the knowledge that it does represent the feelings of the people in Manitoba.

The other aspect of course is something that will take a great deal of time. I don't anticipate that we are going to have a complete report on it by the time we meet again in this Chamber. I, in fact, anticipate it will take a couple of years and that is the area of opportunity for rural adjustment and development as distinct from what may be dealt with under the Task Force Report.

I feel strongly that this government ought to pursue regional development, rural adjustment, in a way which will take into account the necessary changes that must take place in rural Manitoba and that we can best accomplish this by involving the towns and villages or the cities in Manitoba that might have some representation to make on that particular subject matter. I could go at some length, Mr. Speaker, on this subject. I don't think members opposite want me to. I have said the resolution does speak for itself and I want to leave it there. I trust the members opposite will appreciate the point.

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

MR. WATT: Mr. Speaker, I beg to move, seconded by the Honourable Member for Riel, that the debate be adjourned.

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

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

MR. SPEAKER presented the motion and after a voice vote declared the motion carried and the House adjourned until 9:30 Thursday morning.