

THE LEGISLATIVE ASSEMBLY OF MANITOBA
2:30 o'clock, Monday, June 3, 1974

Opening Prayer by Mr. Speaker.

INTRODUCTION OF GUESTS

MR. SPEAKER: Before we proceed I should like to direct the attention of the honourable members to the gallery where we have 15 students, Grade 6 standing of the Faraday School. These students are under the direction of Mr. Badiuk. This school is located in the constituency of the Honourable Member for Burrows, the Minister of Colleges, Universities and Education.

And we have 60 students of Grade 6 standing of the Niverville School. These students are under the direction of Mr. Wiebe and Mr. Brown. This school is located in the constituency of the Honourable Member for La Verendrye.

On behalf of all the honourable members I welcome you here today.

Presenting Petitions; Reading and Receiving Petitions; Presenting Reports by Standing and Special Committees; Ministerial Statements and Tabling of Reports; Notices of Motion; the Honourable Minister of Agriculture.

RETURN TO ORDER NO. 2

HON. SAMUEL USKIW (Minister of Agriculture) (Lac du Bonnet): I wish to table a Return to Order of the House No. 2, on a Motion of the Member for Lakeside.

MR. SPEAKER: Notices of Motion; Introduction of Bills; Questions; The Honourable Leader of the Opposition.

ORAL QUESTION PERIOD

MR. SIDNEY SPIVAK, Q.C. (Leader of the Official Opposition) (River Heights): Mr. Speaker, my question is to the Minister in charge of the Public Auto Insurance. I wonder if he can indicate - I think he either took it as notice or he may have, he said that he was going to examine his files again. Could he indicate whether he has had more than a dozen or two dozen complaints with respect to problems of obtaining fire insurance in the province?

MR. SPEAKER: The Honourable Minister.

HON. BILLIE URUSKI (Minister responsible for Manitoba Public Insurance Corporation) (St. George): Mr. Speaker, I'll deal with it when I close the debate. I'll bring out specific examples of the type of complaints.

MR. SPIVAK: I appreciate that, but I wonder if the Minister can indicate whether the figures that he used, which I think said about two dozen, two dozen letters, would include complaints of people who had problems with insurance companies in settlements, and problems of obtaining insurance coverage as well.

MR. URUSKI: And also of agents having a difficult time in placing insurance.

MR. SPIVAK: I wonder if the Minister can confirm that in aggregate they would amount to only about two dozen.

MR. URUSKI: When I deal with that I'll give him the figures exactly because the Corporation has taken some; I have some on file as well.

MR. SPIVAK: My question is to the Acting First Minister. I wonder if he can indicate whether his Government has received more than two dozen complaints from credit unions about the Government entering into the operation of the Treasury Branch field.

MR. SPEAKER: The Honourable Minister of Finance.

HON. SAUL CHERNIACK, Q.C. (Minister of Finance) (St. Johns): Mr. Speaker, I can't speak on behalf of Government. I have seen MLAs waving telegrams around, all of which seem very similar one to the other. But I haven't read them all.

MR. SPIVAK: Supplementary, Mr. Speaker. Well I wonder if the Acting First Minister can indicate that if the Government receives approximately two dozen complaints that it's prepared to withdraw the Treasury Branch Bill.

MR. CHERNIACK: Mr. Speaker, I remind the honourable member of the number of petitions that were received from dry cleaning, on dry cleaning sales tax and the attitude of the Government. I'm not sure that one is motivated by the number of telegrams or pieces of paper that are received by any government. But his government may have been although I didn't see that kind of . . .

ORAL QUESTIONS

MR. SPEAKER: The Honourable Member for Minnedosa.

MR. DAVID BLAKE (Minnedosa): Mr. Speaker, my question is to the Honourable the Minister in charge of the Public Insurance Corporation. I have a question on the Order Paper that's been there for some months and I was wondering if we might have an answer before debate is concluded on Bill 64. It might be helpful to know what studies have been done and the results of them.

MR. SPEAKER: The Honourable Minister.

MR. URUSKI: Mr. Speaker, the information regarding the financing details were given in Committee; the other aspect is I'm still holding that.

MR. BLAKE: Supplementary question, Mr. Speaker. I understand it then that the Minister doesn't have all of the information that we requested available to him.

MR. URUSKI: That's not so. I do have it. I just haven't presented it.

MR. SPEAKER: Orders of the Day. The Honourable Member for Riel.

MR. DONALD CRAIK (Riel): Mr. Speaker, in the absence of the First Minister I direct a question to the Minister of Finance. Can he indicate what the price per kilowatt hour is of the sale of electrical energy to the United States in the recently announced agreement?

MR. SPEAKER: The Honourable Minister of Finance.

MR. CHERNIACK: No, Mr. Speaker.

MR. CRAIK: Mr. Speaker, I wonder if the Minister could undertake, or the Government could undertake, to advise the House and the people of Manitoba what the price per kilowatt hour is in this sale?

MR. CHERNIACK: Mr. Speaker, as I recall it, and there is no agreement yet, but the proposal did not stipulate a price per kilowatt hour. I'm rather surprised because I feel sure that the honourable member himself raised a question similar to that in this House and the Premier answered him about the flexibility of the formula, or the way the formula varies, and therefore I do not recall that there could be any answer that we give a kilowatt price, unit price.

MR. CRAIK: Mr. Speaker, the net amount of dollars is indicated; I'm asking for the net amount of kilowatts so that we can determine the price per kilowatt hour.

MR. CHERNIACK: Mr. Speaker, again I can only take as notice that portion of the question which can be answered, and which has not already been answered, because again I believe that the proposal, and I will not call it an agreement because it isn't one, only that Hydro has estimated the possible net revenue that could be produced from this kind of an arrangement, but that there is no actual price stated, or probably calculated, other than in the internal workings of Hydro.

MR. SPEAKER: Orders of the Day. The Honourable Member for Thompson.

MR. KEN DILLEN (Thompson): When the Minister of Finance had - I direct this question to him, if he would also determine the price per kilowatt hour that the agreement between Hydro and International Nickel provided for. It was signed during the Conservative era.

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

ORDERS OF THE DAY - GOVERNMENT BILLS

HON. SIDNEY GREEN, Q.C. (Minister of Mines, Resources and Environmental Management) (Inkster): Mr. Speaker, I would like to have you proceed with the Bill No. 64.

BILL NO. 64

MR. SPEAKER: Thank you. Proposed motion of the Honourable Minister of Finance and Amendment thereto. The Honourable Member for Sturgeon Creek.

MR. J. FRANK JOHNSTON (Sturgeon Creek): Thank you, Mr. Speaker. Mr. Speaker, we've had some very good opinions given on this bill. One of the most dynamic that we have had has come from the Minister of Cultural Affairs, Recreation and Cultural Affairs, and when he was speaking he was saying that nobody had contacted him. He hadn't had anybody contact him regarding this bill as to whether they were for it or against it, and during the time that he was speaking he had his backbenchers making comments that the telegrams that we had received were from management, I guess he would call it, not from the people, not

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(MR. F. JOHNSTON cont'd) . . . basically from the people in credit unions but from management.

Mr. Speaker, it's very easy for the Government to say, which they have said it many times, that we never hear from the people we only hear from the managers and the people in charge of the big companies. But of course, of course, Mr. Speaker, in the case of the credit unions I think that I am correct when I say that we have not only heard from the management, we've heard from the credit unions generally, and I do believe that the boards of credit unions are appointed people, and many of the directors are people who work, not for salary but who are appointed to the credit unions in their area. --(Interjection)-- Or elected. In fact, Mr. Speaker, that makes it even better that those people are elected people by the people who are members of the credit unions. So that when we hear from the credit union generally, and certainly some of the telegrams that I have received are not signed by the manager of the credit union, they're signed by that credit union. And I think if the Honourable Minister checks out he'll find that I don't think any manager would have sent those telegrams without authority of elected board members who make policy decisions for the credit union. But of course, Mr. Speaker, we are dealing with the Government and as the Honourable Minister of Mines and Natural Resources said the other day, that we are the government of the people and when he said that, the honourable members on the other side - I've seen many of them on more than one occasion say, "Yes, but we're the government". When we argue with a decision we get told the percentages of people that have elected this government in the Province of Manitoba, and they kind of sit back and ruffle up their feathers and say, "We are the government." In other words, Mr. Speaker, when you become government you don't have to listen to the people anymore; you take the attitude that the people elected you, and we no longer have to take their advice. We are here, we're going to do what we like, when we want to do it, and the way we want to do it, and, Mr. Speaker, that is really called dictatorship.

Mr. Speaker, that is really a form of government that says, "Might is right. Now that we're here we can do whatever we like and we don't have to listen to anybody." Mr. Speaker, there was a comment made this morning, you know, I think it came - I'm not sure where it came from across on the other side- it was tune in next week, was the comment, while my Leader was speaking. And this week we tune in, we tune in three years later after we've had this government, or five years later, and we find that we have lost money in probably 90 percent of the businesses that they have gone into. Autopac has lost 10 million, which I say is in the red for 16 million at least with their start-up costs. We take a look at the businesses that they have gone into under the basis of the Development Corporation, and they've all lost money. Now we have a situation where there are all the problems in the Province of Manitoba, and of course we have none according to this government. We have no more problems that are more serious than starting Treasury Branches at this time. Mr. Speaker, one would realize, or try to realize, why this government wants to have Treasury Branches. You know, Mr. Speaker, it's not too hard to figure out. We went through an election where this government went to the people on the give-backs, you know: we have given you the rebate system, which is taking your money and telling you how much you're going to get back, and when you're going to get it back, who is going to get it back. We went through an election on that basis. We had the Government say that well even after the election we did a little more in the rebate system, which is still taking more of your money and giving it back to who they want to.

But this session we have now come to a situation, especially in the last week of this government's complete policy of socialism. Mr. Speaker, we've had the Mines Act; we've had the Government now going into automobile or general insurance after automobile insurance; we have a bill on the desk this morning about the trading corporations; we have the Treasury Bench Bill; we've had the farm businesses which is the Hog Marketing Boards and all the Marketing Boards; we have the Stay Option Program which is getting control of the land; we now have a situation where they want to pass legislation so that they'll know the politics of all the civil servants. And after this legislation all that we have before us, this is the socialist year to pass this, all of this social legislation, and why. Why? Because in four years from now this government will have everybody in Manitoba on their knees, crawling to them. This government, if you read the legislation, has more control by

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(MR. F. JOHNSTON Cont'd) Lieutenant-Governor-in-Council making regulations, more control within the legislation that we've ever seen before, and they feel that well we wouldn't raise taxes, which is commonly done by a government in their first session, no, we won't do that. We'll throw out another little \$50 million bone of rebate but at the same time we will pass legislation to control the lives of the people of Manitoba.

Now, Mr. Speaker, the Treasury Bench Act - well, you know, one still wonders why they would go into this business. You know the banks are in Manitoba and have serviced people for years, and we have had the advantage of a very good credit union system in this province which has started up and which is serving people.

And of course the attitude that the Minister of Mines was speaking of is that we want to serve people. He says any institution tries to grow, any institution tries to grow, and I'd buy that. But an institution growing which can pass legislation to take control of your lives is another thing. So what do we have? We have a form of credit unions which is doing a service. We have the banks, which I mentioned, and all of a sudden this government is going into treasury branches. Now the percentage of business you're going to take from the banks is very small. They service a different market. The percentage of business you will take from the credit unions is very small. Right? You won't --(Interjection)-- It's quite all right. It's hear, hear. You won't take any of their business to any great extent. --(Interjection)-- No you won't take it. So you end up with a situation of now we're going into it. Now we're going into it, and we're going to lose money because we're overserved at the present time, and the people of Manitoba are going to lose money. Where are you going to make this money? --(Interjection)-- Where are you going - you know, they talk about, you know, they'll hire the man to run it. They'll find that one man to run it, or that two or three men to run it; they'll go out and hire that one man, or so, and that won't happen. You know they're going to have to have people that will be able to operate within a type, or have a knowledge of a banking system, and where are they? They won't take them from the credit union.

So now we have another loss situation building up. But I would venture to say, Mr. Speaker, that if the treasury benches ever make money, I'd be surprised and certainly they can't possibly do it within a ten year period. But you see the people will hear, hear; they can keep legislating more money into it, more money into it all the time. So how do they intend, or what is the reason behind it? Mr. Speaker, it's the same old control theory of the socialist.

We will find in the treasury benches that they will be selling the Autopac, will do away with the agents. We'll find that the hydro bills will be being paid there. We'll find the telephone bills being paid there. We'll find the government insurance, the co-op insurance, and everything being bought there. In this way it becomes an unfair competition to anybody. This is government control in competition. --(Interjection)-- You think it's funny. Mr. Speaker, when there is enough service being given at the present time and somebody new goes in, somebody has to go for that person to make money. What they are doing is they're going to eliminate; they're going to eliminate the credit unions with unfair competition. All of the loans --(Interjection)-- Oh yes, they won't take their customers, but you will certainly start to affect them after three or four years time by insisting that anything to do with government will go through the treasury branch, and that is the reason the Minister of Finance wants it because he wants control of the cash flow. We've said that very often and it's now proving right, all of the legislation in front of us. So with that situation you won't, as I said, hurt the credit union who has got larger over time but you will work out the small one, and you'll be able to work it out because he is fighting against his own money. He pays you taxes and you pour that tax into the treasury branch to keep it going to fight him. Now that's a lousy trick really. But this government is used to that type of trick, to unfold their whole plan to gradually get at all the businesses in Manitoba.

Mr. Speaker, the Minister of Finance in his usual sarcastic way, and I'm sure he practices he does it so well, but I'm sure he practices it, he said he wondered about the telegrams that our side got on the dry cleaning business. I don't ever recall, I don't ever recall the Progressive Conservative Government saying we were going into the dry cleaning business. --(Interjection)-- You put taxes on but did we go into the treasury bench? No. Did we go into the dry cleaning business? No. So that if he's going to start relating about telegrams let's relate them to the same thing and try not to put the people off guard, which he continually tries to do.

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(MR. F. JOHNSTON Cont'd)

Mr. Speaker, the attitude that this government is taking about going into this business at the present time is one that is a dyed-in-the-wool, as I mentioned, social situation to set up a bureaucracy, I might say. You know, Mr. Speaker, I would feel sorry — the Member from Minnedosa mentioned, you know, he mentioned his options could be opened and he could look at things of this nature — I hope sincerely that he doesn't because he'd be the only one there that knows anything about the business. And you'd probably have a lot of bureaucratic appointments, which are given to all the NDP people in this province, the place to put more jobs and boards, etc. The boards will be paid in the credit unions from now on. Very likely the directors will be paid, and certainly they are going to go after administrative staff. Did you ever try and get administrative staff from another company when the man is making a good salary and happy working there? How do you get him? You go in and you pay him a lot more money. Did you know, Mr. Speaker, that the highest salaried man in the credit union operation is \$26,000 a year? Well, I wonder what this government is going to start paying people that are in these treasury branches? I wonder what they are going to pay these people when they get them? But they don't care. We're going to have control of the cash of the province, and we're going to get it any way we can, and we're going to force the people to bow down to this form of government. And it unfolds very neatly. It has been unfolding for a long time and the people if they only realized, if they could only — and I hope sincerely that somebody will let the people know the bills that we have had put on our desk including this one, in the last part of the legislation.

Mr. Speaker, the Minister of Finance shows absolute disregard for this Legislature. He really doesn't care whether there's opposition here or not, he feels that he could, you know, Mr. Speaker, he can now pass warrants to supply the treasury bench with as much money as they want to without coming to the Legislature. And he enjoys doing that; we know he's done it.

Mr. Speaker, the way that this is being set up is going to be a harmful situation to Manitoba. We will all of a sudden find people saying, well, why should we want to be in the investment business in Manitoba? Why should we want to be loaning money in Manitoba, when we have a government who is going to get into that business and will be in this business? You talk about the Social Credit in Alberta. Well, how do you compare? How do you compare a Social Credit government to a bunch of socialist fellows on that side? You know, they went into the business really for a service when it was required. Now we have the service and we have a government going into the business to get more control. Because they are going to lose money. They're going to lose money at it, and in the meantime set up a bureaucracy and people working for it.

Mr. Speaker, what is, what is the reason? You know, none of the honourable members on the other side have stood up and really given a reason. You know, we have the reason that has been given to us in the Manitoba manifesto, which the Minister of Finance and the Minister of Mines were very touchy about because that's what it says. That's what it says you're going to do. You're going to set up treasury branches and use them for all the government cash flow of money in the province. That's what it suggests. Now, Mr. Speaker, would the government members please stand up and tell me, please tell me, when we have had a paper of any type presented to us by the government that it didn't really in time become law or get slipped in.

We got the White Paper on the city. We got the White Paper on the city, you know, and most people were opposed to it, but, you know, there it was, there's your warning, and there it is. We got another manifesto given to us, and it was put out, you know, with the feelers, we'll find out how the people feel about it; you know, we'll have to see, we'll have to see how the ground lies before we really move. So they put it out, and they pull it back and rewrite it in different language. But you know, we got it, we got it shoved to us, the people of Manitoba got it shoved to us.

So, Mr. Speaker, the mining, you know, we got the report from Mr. Kierans, you know, and it was brought out and during the election, the Premier went around saying, well, he didn't really believe in everything in that report; he didn't think that it would be good to implement it in the way it's written, so we get it pulled back, and then we get it shoved at us again when the time is right. In other words, we went through an election of

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(MR. F. JOHNSTON Cont'd) fooling the people, of fooling the people of Manitoba with little rebates and things, and then we have at least, at least 10 bills on our desk that are more government control, more government going into business and I get their say that if we research it we'll find that the 90 bills or so that we have before us in this Legislature right now, have the Lieutenant-Governor-in-Council making decisions without coming to this Legislature, and that's what we get the first session of the Legislature after an election. And you wonder why. Well, we know why, because the government has said, we haven't gone quite far enough. It's the old deal you know, we've gone so far and it isn't working; we're losing money. We've lost money in everything we're going into and now we're going out and we're going to rob Peter to pay Paul. We're going to go into more businesses and those businesses will help support the bad ones.

A MEMBER: Not to pay Paul, to pay Saul.

MR. F. JOHNSTON: Yeah, to pay Saul, is right. So, Mr. Speaker, then we have a situation where the treasury branches, which is the income area that they're looking for, if they're not making money, oh well, that's all right, we'll just tax the people, pass a few warrants, don't have to come to the Legislature to do it, and we'll keep them going all right. We won't have any problems. We won't have any problems. Four years from now, Mr. Speaker, everybody will be on their knees to this government.

A MEMBER: Not me. Not me.

MR. F. JOHNSTON: And I'll tell you that, they'll be standing up there wondering what happened to them. They've corrupted it. You know, the old saying creeping socialism has been happening here for the last three weeks in Manitoba.

A MEMBER: Galloping.

MR. F. JOHNSTON: Galloping, right, I'll accept that. I'll accept the word "galloping". I'll accept galloping.

So, Mr. Speaker, with the help of the members from the other side we now know that we have galloping socialism in Manitoba. Socialism, you know, is the second highest form of capitalism, you know. Well, Mr. Speaker, when you have socialism you have control by government, and those guys all have a very nice way of having it their way for themselves and living it up. You have the bureaucrats who live well. They all live it up. They have the big salary, the bureaucrats, they believe it. Everybody has a wonderful time that's either a member of the party of works for the party, and they see this is the way they keep them happy. In the Civil Service they want to know their politics. We know that already. So we have a form of complete control by the big guys. Of course the first, the very first biggest form of capitalism is communism. And we've had that proved. We have a man, and I refer you to his name, in fact I just read a little article on Andrei Sakhorov, is it, from the Soviet union, who says, "I can't stand this system because all the elite have better nursing homes; all the elite have better schools; all the people with any authority or in bureaucracy have the best of life in the Soviet Union, and the elected men are the men that have it, and the little people they control them."

So, Mr. Speaker, what have we got coming in Manitoba? We've got a group of men, a group of men who really believe that they - who got power by going out and kidding the people that they're going to do something for the poor, which they've never really accomplished yet; they've got people who went out and said, we're going to take care of all the social problems of Manitoba, and it isn't done yet. And this is what we have coming to us.

Mr. Speaker, Mr. Speaker, let me read a section of Bill 7 as to what maybe happen . . . You know, we're really wondering about what's going to happen to the honourable members on the other side, and here we have notwithstanding - "notwithstanding subsection 6, an agency of government that is engaged in commercial enterprise, may grant a person employed by it, and who is elected to the Legislative Assembly, leave of absence without pay for the duration of each session during which he sits as a Member of the Legislative Assembly, and this subsection will be deemed to have always been law." You know there's your next managers of the treasury branches while the House isn't in session . . .

MR. SPEAKER: Order please. Order please.

MR. F. JOHNSTON: . . . and we wonder what's unfolding in front of us here in this Legislature. The elite of the NDP Government gradually galloping in on the people by passing legislation with the treasury branches that will work hard, they will hire people; they will

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(MR. F. JOHNSTON Cont'd) actually go out, and they've admitted, they will hire people to run the treasury branches to take business from those that have already been set up. Otherwise what are they there for? And while they are having trouble doing it, having trouble making a profit, they will pour the people's money in to keep it going, and at the same time give the other people unfair competition because they will sell their Autopac, sell their insurance, sell their farm insurance, their crop insurance, hydro bills, telephone bills, which will be a system which is designed to harm anybody else in business. Now when you go into business into an area, are they going in to make money by killing somebody else, or to lose the people's money pouring money into it?

So, Mr. Speaker, there is no question of the belief of this government for treasury branches. They have no qualms at all, and I say to you, Mr. Speaker, and through you to the honourable members on the other side, you fooled the people the last election with your campaigns. I don't remember anybody getting up in the campaigns and talking about the Manitoba Trading Corporation, which is another kind of drastic one. And the other thing, Mr. Speaker, that the Manitoba Trading Corporation will deal through the treasury branches. So why? Why is it being done? I wish they'd tell me, tell me the reasons if it isn't to go out, when they hire people to do a job, to knock somebody else out, and that's the only thing that can happen when you're presently well served. That's what this government is intending to do, and they are going ahead with it as the members from the other side said, with galloping socialism. Thank you.

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

MR. J. PAUL MARION (St. Boniface): Thank you, Mr. Speaker. I have been listening with a great deal of interest to the debate that has preceded so far with respect to the bill that we have before us, and over the weekend I've done some soul-searching and wondered if the tried method of evaluating whether or not legislation is necessary, or should be brought before this House, were met by the government. Those criteria I would suggest, and many members of this House on this side have mentioned, they should include, is there a void in the area that the legislation that will be ameliorated by the legislation that is being proposed? Or is there an improvement in the services being proposed by the legislation being brought in? Are there innovative new programs that will deal in the area that is being affected? And finally, is it a priority item? Really, do the people of Manitoba need this kind of thing, and does it stand well up on the list of priorities?

After reflecting on those three points, Mr. Speaker, there is no doubt in my mind that I share the apprehension of, I would suppose, the entire members on this side of the House. I don't think that it meets any of those three criteria at all. As a matter of fact I think that the point, the predetermining point by the government, that prompts it to go into this kind of endeavour is but one, and that point is what they consider the tremendous kinds of profits now being realized by banking and quasi-banking institutions of our country.

I think that there is a fixation by the gentlemen opposite who feel that they want to get part of the action. They want to maximize the possibilities of making a profit in that kind of an endeavour. Well I suppose that my reaction is, it would certainly be a first if they were to embark into a program that could realize for Manitobans some sort of a yield on whatever investment is being made by the government in that field. But I'm afraid that what would really happen is that we would have another first in Manitoba. That would be a first in banking institutions losing money. I don't know how they would go about it but I think that as we explore the kinds of thinking that I've been doing over the weekend, I would think that they'd find ways and means.

Mr. Speaker, I think that I would like to take a look at some of the comments that were made by the honourable members opposite with respect to filling a void. I think that presently - and the Minister of Finance mentioned this briefly when he introduced Bill 64 - presently we have nine chartered banks competing for the favours of all Canadians - and we're specifically interested in the favours of Manitobans - nine chartered banks. Now the Minister of Finance said that frankly there is no competition in the area of banking, we're merely offering service. Well I humbly suggest that it's part of the service industry, Sir, and what else is there to offer in the way of a service? They're competing with one another inasmuch as competition is possible. The Bank of Canada is in essence setting down the kind of rates that they can charge, so where can the competition in that aspect come in? They are

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(MR. MARION Cont'd) competing for the economies of people, of Manitobans, on an equal basis. They're trying to obtain from Manitobans their savings so that they can loan them out and make money. Well, Mr. Speaker, the obtaining of moneys predicates what the loaning rates are going to be. Now I'm sure that they're innovating all sorts of services with respect to the method of payment, the length of time, and this sort of thing, and I would say that in any kind of service industry the competition in the banking segment has gone as far and is as innovative as any that you will find in any service industry. I think that the government has said, anything you can do - and this was part of their rationale I guess -- anything you can do, we can do better.

Well, Mr. Speaker, the Honourable Minister of Mines and Natural Resources, who is responsible for the Manitoba Development Corporation, has a number of times chided the gentlemen on this side when MDC was being criticized that we were happy. We were happy to see that MDC was meeting with failure upon failure upon failure, and he was saying that we would be happy to see all of the ventures that the government embarks on through MDC as failures. I would like to respond by saying to my honourable friend that this is far from being the case. If any of my moneys are being invested, Mr. Speaker, in ventures by the government, I don't wany any of them to be a failure. None. I would like all of them to be very profitable because some time in the distant future I will derive the benefits of those profits.

Now there's no doubt that I, as a number of other members of the Legislature, have criticized the kinds of actions that have been taken by the government in the area of the Development Corporation. And I think that rightly so, Mr. Speaker. I think that there was not enough forethought before leaping into some of these ventures. I'm not making a blanket condemnation, because I know that there were certain programs that come under the self-help kind of category, and for those when they met with failure I felt rather sad because I thought the experiment was worthwhile. But in the vast majority of them, Mr. Speaker, there was a great deal of lack of forethought, and we would have been well out of those businesses in the first place, so I can't help but feel that the rationale being used in that case, and I'm afraid it will be used in the present banking venture that we're going into, is one that just won't stand up under scrutiny.

I think, Mr. Speaker, that there is no doubt a number of ventures, and I'm thinking particularly of food ventures. There was a comment made this morning by someone on our side that even this government couldn't find the proper way of earning a dividend in the food business. Well that has been proven because there are a number of food endeavours in which the government has embarked on that have been a very very sad experiment indeed.

I think that if the government uses as criteria the initiation of the treasury branches in Ontario or Alberta this is certainly a very very weak situation. I think that it has been mentioned by a number of gentlemen that the impact, or the will and the desire, by citizens of the Province of Alberta to get into a quasi-bank were completely different than the situation that exists today. We mustn't lose sight of the fact that in the thirties Social Credit was making its first inroads in the Province of Alberta, and there were people that had - I won't call it funny money principles, but that had ideas on how best the citizenry of the province could benefit by a money policy, and that was the basic motive for the Province of Alberta getting involved in what was to be a straight banking operation and turned out to be a quasi-bank.

With respect to the venture in Ontario Mr. Speaker, its fair to say that the impact there is even less than the impact that was made in the Province of Alberta. As a matter of fact I'm sure that the vast majority of citizens of that province don't even realize that they have treasury branches in the province.

With respect to the total impact then in Alberta we're talking about basically six to seven percent of the total banking volume. I humbly suggest that that's notfilling a void anywhere, Mr. Chairman, and it's not making the impact on the citizenry that the treasury branches were expected to make, and I can't see how any venture on the part of this government will have any more beneficial effect and any more impact on the citizens of our province.

A MEMBER: . . . question?

MR. MARION: Quand j'aurai termine. There's no doubt, as I mentioned on the

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(MR. MARION Cont'd) outset, Mr. Speaker, that the banking industry was considered by the Minister of Finance a very lucrative industry, and he mentioned in his description of why he felt they should be going into this venture that there was legislation that favoured the banks, Federal Legislation that favoured the banks. I think that it's fair to say that many of the loopholes that he was referring to have been in essence done away with by the fact that now reserves have been brought back into line with what they are in other industries, and that the banks themselves will be paying I believe their fair share of taxation on all of the profits realized by the banks in the years to come.

I think that when the Minister of Finance mentioned the fact that there were some areas that were not now presently being served as adequately as they should be, he could perhaps have looked at other actions that might have been taken by the Government to make sure that these areas were properly covered without necessitating the Provincial Government getting into the banking industry. I can't help but say that in many service industries there is such a thing as operating on a management fee basis, and after some consultation with the credit unions and les Caisses Populaires du Manitoba, I am told that they would have been more than happy to undertake banking services or quasi-banking services to the citizenry of those areas that are not now being properly or adequately served according to the criteria set by the Government, for the Government on a management fee basis. And I humbly suggest that in the final analysis this will prove to have been a far cheaper way of going about providing the services where it was not felt they were being offered.

A recurring point throughout the debate on Bill 64 by all of the members opposite have been that the people have a right to own a bank. Now I think that the people of Manitoba, inasmuch as we live in a democracy, have the right to do anything they ruddy well please. And I think that there should be --(Interjection)-- well not quite, you're completely right. I'm not referring to things like walking down the street and shooting the first person that you meet, or running through stop lights and endangering life and limb, streaking, and other interesting pastimes that have now graced the scene.

But, Mr. Speaker, I'm thinking in the real sense of taking action vis-a-vis one's personal financial welfare with legal means, I understand. I think that if a person wanted to become a shareholder in any kind of endeavour, he had but to invest his money. If he didn't have the amounts of money required, there was nothing to stop him from dealing with a credit union where we could become a shareholder at a very nominal cost, and in co-operative movements. I think, Mr. Speaker, that saying that people have a right to do this, that, or the other, is really a facetious kind of statement and it really has no bearing on the case. I have a right, Mr. Speaker, not to belong to a bank, and I think that it is only fair that people who don't want to have things like legislation imposed on them, making them shareholders in what might prove to be a rather --(Interjection)-- nefarious scheme - thank you, nefarious scheme it is also a right that should be upheld by the Government of Manitoba. I feel, Mr. Speaker, that we all have the right of refusal, and this is a right that is now being imposed upon Manitobans, or denied Manitobans. They are having what is purported to be beneficial acts imposed upon them.

I'm sure that the majority of Manitobans, and this is a prediction I make, I've never made predictions before in the area of high finances, but I make a prediction, Mr. Speaker, I think that the majority of Manitobans feel quite satisfied with the way their financial needs are being met. And I think that this will be proven out when we get to the point of trying to drum up business for this new financial institution because you presently have so much action to be had, if I can use that term; it is presently being shared by the chartered banks, by the other quasi-bank institutions, such as trust companies and the credit unions and Caisse Populaire.

If really these people are doing the job that we feel they're doing, and we say this by having analyzed, and by having talked to people - and that was the other thing I did over the weekend, I talked to a great number of citizens in my area to find out exactly what they felt with respect to this recent venture in treasury banks - and, Mr. Speaker, I did not get any response that made me feel that the vast majority of Manitobans are going to get up and with a hue and cry state that they feel the Government is doing the thing that should be done. And I think that this will be proven out when the Government is well in process of getting this new bank in operation. I think that it will depend like everyone else in the service industry on a

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(MR. MARION Cont'd) number of customers, and I humbly suggest that there will not be a queue forming up at every treasury branch office to partake of the new services and the innovative services that are being offered. I think that if the banks are not responding then the opposite will happen, Mr. Speaker, and believe me the opposite is not bound to happen.

I can't help - and a number of members in their discourses in this debate, have talked about the 250,000 people strong who belong to the credit union movement. You know I can't help but feel that if there are 250,000 Manitobans, one quarter of our population, completely sold on the viability and the advantages of credit unions, I can't help but feel that if the Government is really jeopardizing the credit union movement, and I say it is because the pie can only be cut so many ways, and although some have said that it can be cut additionally without having any adverse effect on those presently offering the service, then I would say, Mr. Speaker, that the Government will attract to itself, or bring upon itself, the wrath of at least those 250,000 strong. And I say this --(Interjection)-- Yes after I'm through, Mr. Speaker, I will entertain questions. I don't think I will be long enough not to entertain questions at the end.

I think, Mr. Speaker, it has often been said that a Government doesn't get beaten at the polls but it beats itself. Well surely of all the actions that have been taken by this Government so far, it would seem to me that they have in the past little while brought into this House legislation that will do exactly that. Now I won't break down in tears and tell you I'm sorry to see that it's bringing onto itself disfavour by the electorate, because I think that this is great. I'm looking forward with impatience to replacing them on that side, Mr. Speaker. I really am. But I think that in the process of doing this --(Interjection)-- No, no, Mr. Speaker, my honourable friend from Radisson has been very very quiet but now he interjects, and I'm certain that he should remain quiet rather than interject in the tone that he did. It will not be a long long time, Mr. Speaker. Four years in a government's time is a very short period.

I think the credit unions themselves, Mr. Speaker - and I feel that there was some criticism of that argument being used by opposition members that all of a sudden we were the great protectors of credit unions and Caisse Populaire. Well I can say it, Mr. Speaker, that unashamedly I have been a member of the Caisse Populaire in St. Boniface for a great number of years, and I feel that there is no doubt that the motives that brought into being that sort of a quasi-bank was a very honourable motive, and it's one that helped the little people help themselves. There is no such qualities I'm afraid, at least no qualities that I can find, in what is being proposed by the Government with the treasury banks, treasury branches. I think though that what is being proposed is Big Daddyism and paternalism. And I think that the more you look at it you will see that we have a government that today is saying, "We know the things that are right to do for you, and by doing them we will serve you well." I think that this is a very dangerous step to take. And I try to say this in a constructive way, Mr. Speaker, because I don't think that a member of the Opposition has any right to criticize a program if it has anywhere near the opportunity of success, as well as the opportunity to serve the people of Manitoba. But I'm afraid that I get to the stage where no way can I accept that this measure is going to help Manitobans' lot. I think that there are enough institutions today that can do the job, and do it well, and in those areas, as I mentioned a while ago, that where it is not being done well, then the Government should legislate how it wants to have it done. And it can help, it can help. It can help by, as I mentioned awhile ago, operating on a management fee basis.

MR. CHERNIACK: Pay the losses.

MR. MARION: I couldn't help but smile when the Minister of Finance - that's right pay the losses. I couldn't help but smile, Mr. Speaker, when the Minister was introducing the bill and one member on this side of the House mentioned that perhaps with the exclusivity in the collection of utility bills this would give a cash flow that would permit the treasury branches to operate. I keep on calling them branks, and maybe that should be the innovative title we should call them, a treasury brank. We've got brunches. I couldn't help but smile, and I'm sure that the Minister of Finance responded adequately to it when he said, well that's a thought, it might give us just the cash flow that we will need . . .

MR. CHERNIACK: I didn't say that; I said, that's a thought.

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MR. MARION: . . . that's a thought. Well I'm sure, Mr. Speaker, that the impetus required to make treasury branks successful will require a great deal more than just the collection of utility bills, because I'm told that the margin that is kept by the collection agency is very nominal indeed.

Mr. Speaker, what about new services being offered? What about new revolutionary innovative banking programs? I haven't, and I confess I have looked at the brief that was presented by the Co-operative Credit Society of Manitoba, and that is endorsed by all of the credit unions as well I'm told, or the co-operative movement as well, and I have looked at the discourse by the Minister of Finance; I've looked at the bill itself, and I find nothing innovative whatever. We are merely going into an industry that we feel is highly lucrative, and we're going to come out with a first, and that will be, as I mentioned a while ago, a first loss in a money-lending institution.

I can't help but feel, Mr. Speaker, that when we talk about the people, those anonymous people, the anonymous Manitobans, who will reap all of these great benefits I can't help but come back to the quarter of a million people who are presently in the credit union sector, and who have formulated applications to obtain a Federal Banking Charter.

A MEMBER: You're not talking about the Northland Bank?

MR. MARION: I'm talking of the Northland Bank. Yes. And I can't help but feel that surely a great percentage, 25 percent of the people of Manitoba is a very important percentage; surely politicians would agree to it, because when we start talking 25, 30 and 35 percent of the popular vote, we're rather pleased and we feel accepted. It would seem to me that if 25 percent of the people endorsed the application for the Northland Bank, it would in itself be responsive to Manitobans and perhaps --(Interjection)-- I'm not again here destroying an argument I made a minute ago by saying that - and perhaps another 25 percent would form a queue and take out shares in the new Northland Bank, but I think that you have a viable base from which to start, and it would seem to me, Mr. Speaker, that there would be possibilities of interesting even further amounts of Manitobans in that particular venture.

Now if Manitobans were not interested in making up an additional percentage of the Manitoban population in the Northland Bank tell me - and I'm going to be listening with a great deal of interest when the Minister of Finance closes debate in this area - what would be wrong with the Provincial Government exercising its franchise in opting for initial purchases in an existing bank today, a bank of its choosing. We have legislation that permits the purchase of shares from the banks, of the banks, up to an amount of 20 percent. Now I realize that my esteemed friend, the Minister of Mines and Natural Resources made an interesting comment with respect to what he is interested, how he is interested in owning a bank. Twenty percent he said, is better than nothing - I'm paraphrasing - twenty percent is better than nothing . . .

MR. GREEN: Right.

MR. MARION . . . and 50 percent is better than 20 percent, but 100 percent is my goal. Well, Mr. Speaker, I would like to draw to his attention an honourable Canadian who made, he was a capitalist, and he made his mark, and he was a good Canadian, because I'm sure he put back into Canada more than he took out of it, and I'm referring to E.P. Taylor, who said, "Just give me the biggest share of the biggest share and I will run the show." And the more you analyze that criteria, the more interesting it becomes. And with the tremendous reasoning power of my Minister of Mines and Natural Resources, I'm ashamed that he is not putting to work that kind of a philosophy because with only 20 percent of the investment, or less, and guaranteed the expertise that he needs to make a bank function, Manitobans might indeed realize dividends on an investment. It would seem to me that the Minister of Finance had better get together with him and endue upon him that kind of reasoning whereby Manitobans could probably minimize their long-range investment and maximize the return.

It is not, I would suggest, to the credit of one of the gentlemen across the way - and I think again it was the Minister of Mines and Natural Resources - when he mentioned that he had been down to North Dakota and he had visited a banking institution of the people there. But he declaimed, Mr. Speaker, he declaimed the fact that probably 95 percent of the shares were owned by five percent of the people. In the --(Interjection)-- Mr. Speaker, I think that the point I was trying to make at some time during the debate, and I must have poorly qualified my notes the point I was trying --(Interjection)-- No it hasn't as a matter of fact, it's still

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(MR. MARION Cont'd) valid. Mr. Speaker, the point I was trying to make is that this is the way people exercise options. There's no doubt that all of the Canadian banks today are trading their shares on the market and anyone who is interested in obtaining these shares can obtain them. And if per chance 95 percent of the shares in any of the given banks is controlled by five percent of the people, I don't think that this in any way negates the fact that the availability is there. It merely bears out the point that those who are interested in purchasing shares, of exercising that free option, are not buying shares in a bank, but maybe they're buying fridges, or maybe they're buying General Motors stock that pays better, or maybe --(Interjection)-- Well that's perhaps a likelihood. But if they haven't got the money, Mr. Speaker, to invest in shares of their volition, why should all of a sudden, even if it is a collective measure, should they have the amounts of money required to invest in a people's bank. That argument, Sir, I humbly suggest doesn't hold water.

I'm afraid that, Mr. Speaker, if we really want to serve the people of Manitoba best I think that we should take indeed a very strong second look at Bill 64 and it's implications. I think that there's no way that we're going to recoup the honest losses, and I say the honest losses that were incurred by MDC, not to say those losses that were incurred because of foolish actions, or without a forethought before going into the ventures. I say, Mr. Speaker, that we have a financial institution that is responding in every way, shape or form to the requirements of Manitobans today, and because of that I feel that we should not be going into treasury branks and I for one, and I'm sure that the Liberal party seconds me in this, will be endorsing the resolution that we have before us that this bill be given a six months' hoist.

MR. SPEAKER: The Honourable Minister of Finance.

MR. CHERNIACK: Mr. Speaker, the honourable member agreed to answer a question, and it's just an elaboration I'd like him to make on his statement that 250,000 Manitobans are completely sold on the credit union system. That's what I recall that he said. Just how he can conceive of 250,000 out of one million men, women, and children, throughout this province, 250,000 of them being completely sold on the credit union system. Does he not have any doubt about that number that he used?

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

MR. MARION: Well, Mr. Speaker, I have no compunctions in repeating facts and figures that were given to me that should be substantiated, or could be substantiated I am told, by the people who make these claims. They say that the credit union membership in the Province of Manitoba is 250,000.

A MEMBER: 230.

MR. MARION: 230,000. I stand corrected. I don't know how the Honourable Member for Radisson can give me facts and figures that are even more accurate than those people who gave us the facts with respect to the membership in the credit unions. But I would think that people who are trying to discredit any points, or any legislation that is being brought forward by the government, Mr. Speaker, would have to be darned careful as to the figures that they use, and it would seem to me that if they use the figures it's because they can be substantiated, and I can certainly enquire whether or not they can stand behind these figures. I would also add to that, Mr. Speaker, that if the claim is 250,000 it would seem to me that most of them are adults and perhaps the representation there might even be greater than 250,000 Manitobans.

MR. SPEAKER: The Honourable Minister of Mines.

MR. GREEN: Well, Mr. Speaker, I just wanted to ask the honourable member an additional question. Would he take as a statistic as those peoples who are sold on the charter bank system, the number of depositors who use the chartered banks? Would he say that that's the number of people who are sold on the chartered bank system in this country?

MR. SPEAKER: The Honourable Member.

MR. MARION: Well, I would answer that query this way, Mr. Speaker, to my honourable friend, I would say that in a number of cases, and particularly in the business segment, banks are those which respond more willingly to the needs of the businessman, be he small, intermediate, or large, and I would say that this is why they deal with banking institutions. With respect to individuals, Mr. Speaker, there are a number of avenues open to them, and I suppose that they don't necessarily only deal with banks, but they probably

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(MR. MARION cont'd). . . with quasi-banks as well. So I can't say that I would in concrete terms say that everyone who is a depositor in a bank feels convinced that the banking institution that he's dealing with is the best means available to him. I couldn't say that, no.

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

MR. D. JAMES WALDING (St. Vital): Thank you, Mr. Speaker. I hadn't really intended to take part in this debate, Mr. Speaker, until I heard the Honourable Member for Sturgeon Creek this afternoon. I'm always interested to listen to the Honourable Member for Sturgeon Creek because he's a very lively speaker and always holds my attention. I wouldn't like to disappoint him to feel that his points were not being answered in what he had to say to us this afternoon.

The Honourable Member for Sturgeon Creek asked a somewhat rhetorical question in this House: why doesn't the government listen to the people? Why don't you people over that side listen when the people speak? I wonder if he has forgotten, Mr. Speaker, that he and his colleagues in the Official Opposition represent 171,553 persons in Manitoba because that was the vote that they got in the last election. So when we hear the members of the Official Opposition speak to us, we know that they are speaking for 171,553 persons in Manitoba.

But what do we hear when we listen to the opposition? We hear some of the members of the Conservative Party over there saying, "Look, you're spending up to \$800 million this year. Look at the taxes that are gone up. Look at the overspending that goes on everywhere". Yet we hear other members of the Conservative Party who say, "Look at the position the City of Winnipeg is in. They need more money. Give them a few more million dollars here and a few more million dollars there and then they could put things to rights. They could reduce the taxes and they could build the roads and they could do the transportation system and everything else that the City of Winnipeg wants to do." And that's what we hear when we listen to the Conservative Party.

We hear members of the Conservative Party, the opposition in this House, one in particular who says the government should stay out of the rural areas, stay out of farmers' affairs and let the businessmen get on with doing the . . . Yet on the other hand we hear the Member from Roblin who says "When is the government going to take over a nursery up there and help them out and give them some money?" And another member from the south-west corner who says, "When is the government going to build us a dam in our area?" And other members who say, "Put some more money into 4-H, Don't take away the home economists. Give us some help." The Member from Arthur says, "What is the government going to do to help the farmers who were flooded out?" That's the sort of thing that we hear from the Official Opposition?

One thing that we heard this afternoon from the Honourable Member for Sturgeon Creek, who complained about creeping or galloping Socialism, about how we brought in this radical bill, we brought in the insurance bill and the treasury branch bill, and we brought in the Mining Taxation Act -- galloping Socialism, he called it. Yet what was his leader saying at the beginning of this session? He says, "Where is the government action here? Where is the government action there? This is an old tired government. They've run out of steam; they're not doing anything." That's the sort of thing we hear when we listen to the Official Opposition, Mr. Speaker.

Just this morning, the Leader of the Opposition at the end of one of his speeches said, "When are you going to get down to this important matter of the very important reforms in education?" Yet not two weeks ago his backbenchers were standing up and saying, "You're going too fast in education. Let's get back to the old values. You're going too fast." That's what we hear when we listen to the Official Opposition. --(Interjections)--

MR. SPEAKER: Order please.

MR. WALDING: The Honourable Member for Sturgeon Creek had another point this afternoon, when he complained that all of these radical new ideas had come out because we brought a report out. And he says "You can tell what they're going to do by reading the report."

A MEMBER: We carry out our promises.

MR. WALDING: Yet what was his leader saying earlier on in this session? His leader came into this House with a pile of reports this size, and he said, "All of these reports that the government has brought out and they've done nothing about them. They

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(MR. WALDING cont'd). . . waste money on reports and they don't carry them out." And to prove his point he pushed them across all over the floor. That's what we hear when we listen to the Opposition.

There was one other point, too. They say why don't we listen to the people? Well, let me remind members opposite of what happened when we listened to the Opposition two years ago, a little matter called the Mineral Acreage Tax Act, I believe it was. Yes, we listened to what the members of the Opposition said when they discovered that the effect of that Act was being made applicable to other than large corporate firms. And they said, "Oh, change it. Change it so that it does not apply to farmers." So we did what they suggested and we changed it. And then they came back a year and two years later and accused us of all sorts of dastardly things, and hoodwinking and hornswoggling those poor innocents on that side. Mr. Speaker, it makes your heart bleed for them. And yet we hear the same sort of argument again this afternoon from the Member for Sturgeon Creek when he tells us on the one hand that the government in going into this new endeavour is going to lose money just like all these other inefficient endeavours that the government has gone into; that the government will lose money; it will have to hire outside experts which are going to cost \$26,000 a year—plus, according to him; but on the other hand it's not going to take away customers from the credit unions. Yet other members from that side have said how terrible it is for the government to do this; that it's going to push credit unions into bankruptcy; that it's going to destroy all the work that they've done. Well, they can't have it both ways, Mr. Speaker. If it's so inefficient and so bad, it's not going to affect the credit unions in the least. If it's that efficient and it's that good a thing to do, that it will destroy all the credit unions, they're arguing on both sides.

Mr. Speaker, there was a book that came out about 15 or 20 years ago called "1984" and the author of that had a particular method of thinking in this future society that was called "double-think". The essence of double-think was the ability of the members of the Party to hold two opposing and conflicting views in their mind at the same time and to be able to rationalize both of them. And I suggest to you, Mr. Speaker, that's what we're seeing from the Opposition is double-think, the ability to hold two opposing and conflicting views at the same time, to be able to put them forward as arguments, not realizing the contrariness of each of them. Perhaps another word for it, not only thinking but putting them forward, might be bi-oralism, which is the science of speaking with two mouths, or the science of speaking out of one mouth with two different voices.

So, Mr. Speaker, this is the sort of thing that we get when we listen to the people as represented by the Opposition, and then they wonder why we don't listen to them. (Applause)

MR. SPEAKER: The Honourable Member for Pembina.

MR. GEORGE HENDERSON (Pembina): Mr. Speaker, I move, seconded by the Honourable Member from Minnedosa, that debate be adjourned.

MOTION presented and carried.

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MR. SPEAKER: The Honourable House Leader.

MR. GREEN: Bill No. 75, Mr. Speaker.

MR. SPEAKER: The Honourable Leader of the Opposition. Bill No. 75.

MR. SPIVAK: Stand, Mr. Speaker.

MR. GREEN: Bill No. 77, Mr. Speaker.

MR. SPEAKER: Proposed motion of the Minister of Finance. The Honourable Member for Gladstone.

MR. JAMES R. FERGUSON (Gladstone): Stand.

MR. GREEN: Bill No. 84, Mr. Speaker.

MR. SPEAKER: Proposed motion of the Honourable Attorney-General. The Honourable Leader of the Opposition.

MR. SPIVAK: Stand.

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MR. GREEN: Bill No. 88, Mr. Speaker.

MR. SPEAKER: Proposed motion of the Honourable Attorney-General. The Honourable Member for Assiniboia.

MR. STEVE PATRICK (Assiniboia): Thank you, Mr. Speaker. I do rise to speak on Bill 88, an Act to amend The Liquor Control Act, and, Mr. Speaker, the amendments before us are as a result of a study made by Dr. Ed Ray, University of Manitoba, who reviewed the present Act respecting the Liquor Control Commission. I don't see anything far-reaching in this bill. I do see two main points, two very important principles involved, and one is to eliminate referendums to change, when we changed "Men Only" parlours to mixed drinking, and the other one perhaps to extend the time limits in the vendor sales. That's the two major pieces of legislation that's embodied in this bill, Mr. Speaker.

I feel the bill makes it necessary that the owners would have the right facilities before they can operate as a mixed drinking facility, and I'm sure that we have no objection to that. I know that in respect to the referendum that we had before, there has been some problems and as a result the Member for Morris had a bill, I believe last year and again this year, in respect to mixed drinking, and we all know what happened in Steinbach when a group of people did petition on the basis it was against Human Rights to not have mixed drinking facilities. So I do feel this is in the right direction, Mr. Speaker, and we certainly support that principle.

The other point in the bill that we have is the duty-free liquor store to Winnipeg International Airport, where the Commission can establish a duty-free liquor store to sell to persons who are leaving Manitoba by air, I believe leaving the country. And again, Mr. Speaker, I'm sure that everybody will welcome that. In fact I recollect that we had a resolution some years ago to that effect and considerable debate, that there would be a duty-free store established at the International Airport. But I do have some questions to the Minister. I would like to know, has he made any research at the present time to what kind of potential sales that there can be, and will there be a store or a duty-free store established, not only for liquor but for other products? The point that I would like to raise, will this store hopefully not lose money? I would like to have some idea. I know the Minister of Finance is indicating that there is a duty-free store now. When I asked him to what extent and how elaborate it will be to be able to dispense different kinds or different types of liquor . . .

A MEMBER: It's not provincial.

MR. PATRICK: I see. The Minister says it's not provincial. So all you're making is making a permissible legislation to have it taking place. But I agree with the legislation. As I've mentioned, we've had debates in respect to that before.

The other principle, Mr. Speaker, is serving liquor in rooms on trains and allowing consumption of liquor in rooms in railway cars, which was requested I understand by the railway companies, and I see nothing wrong with that. I would say that this would allow the licensee to sell to passengers in their roomettes or compartments and I would feel this would be streamlining our present legislation.

The other point, Mr. Speaker, would allow for casual gifts of beer by producers and winemakers, and we have no opposition to breweries or wineries to serve the products to their employees, and perhaps some day maybe we can get an invitation for some wine-tasting and I see nothing wrong with that.

One point that does, perhaps I could comment on, is the proof of age. A bartender may demand proof of age to see if a person is 18 years of age, and even if he has served them he

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(MR. PATRICK cont'd) still has a right to not serve them the second time if he asks the person who has been served for some proof of identification of age, and if this person refuses to furnish any proof he may be ejected from the place. And perhaps I would say that this is a good principle involved, but that I do have one point that I would like to ask the Minister, and it's that I understand it's the person that serves any minor is charged with the offence and not the hotel, and I just wonder if the onus should be put on the person, on the waiter, because I think the waiter is working for the hotel and he's selling the beer for the hotel, and surely, I think, the onus should be put on the hotel and not on the waiter alone.

The other feature that I should like to draw some caution, maybe to the Minister, and that is transportation of open liquor. I know that at least this feature will make some people happy, but they didn't clarify what is allowed and what is not allowed because at the present time it's not very clear. But I understand what we have is that liquor can be transported in open station wagons at the back and I would hope it would be in perhaps in the trunk or the compartment instead of just back of the seat. And if this is what it means, just behind the back seat, open liquor, I would just want to draw caution to the Minister because this may be inviting more trouble, because at the present time I know that there are many offences and many charges to open liquor in cars and station wagons. If he doesn't mean that it could be open in the trunk, I agree that open case of beer or open liquor should be able to be transported in the trunk of a car or in the compartment of a station wagon, which is the back compartment or trunk. But if he's saying that it can be transported just on the back of the station wagon or on the back seat, I would hope the Minister has done some studies or has some statistics as to what are the charges at the present time, because he may be inviting more trouble, as far as I could see, by being able to allow to transport liquor in the back of the car or the back of a station wagon which is open.

But the most important point I believe in this bill is the extension or the adjustment of hours, and I'm not sure that I completely understand that clause or principle in the bill because the bill was just tabled yesterday - or not yesterday, on Saturday - and we're speaking on it today, and I did go through it but I perhaps should have taken more time. My point is to extend the time by one hour from -- in the Act we have the vendor would be closed between 12:30 on Saturday and 11:00 o'clock, I believe, 12:30 to 11, that's the closing hours. So what we have is an extension of vendor sales during the week to 1:30, from 12:30 to 1:30. And the way I read it, it's only bringing in line what the beverage rooms already have. I believe that they stay open till 1:30 and all we're doing in this case is extending the vendor sales to the same time. If I read it correctly, then I have no objection, Mr. Speaker, to that principle involved. I would hope that the Minister, on closing the debate, would explain it and perhaps we can have a look at it and propose some amendments in Law Amendments Committee, but if what it means is making the beverage room sales and the vendor sales closing out at the same time, then, Mr. Speaker, I would have no objection. But I would like the Minister to clarify that section of the bill.

QUESTION put. MOTION carried.

COMMITTEE MEETINGS

MR. SPEAKER: The Honourable House Leader.

MR. GREEN: Yes, Mr. Speaker. Before calling the next bill I would like to schedule, if agreeable, a meeting of Law Amendments Committee tomorrow night at 8:00. Apparently there is sufficient material before Law Amendments to be now proceeded with. And the Committee on Economic Development to hear the McKenzie Seeds and the Report from the Economic Advisory Committee on Wednesday night if that is satisfactory. Agreed? (Agreed) I call those two committee meetings, Mr. Speaker.

MR. SPEAKER: The Honourable Member for Pembina.

MR. HENDERSON: Yes, I wonder could I ask the Minister of Mines and Natural Resources, the House Leader, which bills will be up for Law Amendments tomorrow night? Has he got them . . . ?

MR. GREEN: I'll ask the Clerk to give that information to the honourable member because I couldn't give it to him at this time. I wonder whether we can also call for Wednesday evening, because it involves fewer members, the Committee on Private Bills, which has a small number of bills before it - I believe five - but generally there are representations from the people who are presenting those bills. Wednesday as well.

COMMITTEE MEETINGS

MR. SPEAKER: Agreed?

MR. GREEN: So there'll be two Committees on Wednesday.

MR. SPEAKER: That is Private Members on Wednesday, and Economic Committee Law Amendments on Tuesday.

MR. GREEN: That's right.

MR. SPEAKER: Both at eight. The Honourable House Leader.

MR. GREEN: Yes, Mr. Speaker, could we call Bill No. 90?

MR. SPEAKER: Proposed motion of the Attorney-General. The Honourable Member for Assiniboia.

MR. GREEN: Mr. Speaker, I wonder if perhaps we should go back to the Bill No. 83 that the Honourable the Leader of the Opposition was speaking on and hadn't completed his remarks.

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

BILL NO. 83

MR. SPIVAK: Mr. Speaker, I guess the questions that we've raised in the presentation of the fire insurance provisions of the Auto Insurance Bill is really the credibility of the Government and the candor of the Government with respect to this issue, and even with its presentation. To begin with, Mr. Speaker, the Minister indicated that the industry in this country had a 132 million dollar loss. I think those were his figures. And, Mr. Speaker, that first of all sounds substantial and, Mr. Speaker, that would indicate that this business is a risky business and would indicate, Mr. Speaker, that there are problem areas within it. Mr. Speaker, there were \$3 billion of premiums sold in Canada, and a \$132 million loss - and I'm going to deal with that in a few moments - would represent four percent.

A \$10 million loss in Autopac on \$40 million, Mr. Speaker, represents 25 percent. So when the Government stands up and talks in terms of industry figures for insurance for the country, and deals with \$132 million in aggregate sums - and it sounds like a substantial sum of money - but does not relate that to the total premiums paid and the percentage of what that represents, how is it possible for anyone to believe that the Government, with a 25 percent loss provision based on the figures that they have produced on Autopac, is going to be able to meet the industry's position of four percent?

Now, Mr. Speaker, we then have to add something else, which changes even the figures and makes the position even more incredible. The \$132 million loss of the industry does not take into consideration, Mr. Speaker, the income received from investment, but in Manitoba the income received from investment is included. It's there. So, Mr. Speaker, when you take the income from investment against the \$132 million with respect to the operation, there was, Mr. Speaker, no loss. But in Manitoba we have a \$10 million loss on \$40 million, or 25 percent, and that's after investment income. The problem we have is that the Government cannot substantiate the need, the rationale, nor can it present the arithmetic to justify its entry into another business in Manitoba.

Mr. Speaker, the Honourable Minister stands up and says there's a market shortage, but he's dealing now, Mr. Speaker, with an industry that's regulated, an industry which is under the supervision of a superintendent appointed by the Government, and I ask him to indicate to this House how many specific complaints have been brought to the Superintendent of Insurance as the regulator of the industry, as the official civil servant and technocrat and bureaucrat, regulating the industry, how many complaints have been brought to his attention that there is such a market shortage and that the vacuum exists, and I'd like him to identify the areas that have been so identified.

Mr. Speaker, we're members of the Legislature; we're 57. We represent all the constituencies in the province. How many members on the opposite side have had people come to them and say that they were not able to find or be able to get fire insurance for their needs? And how many, Mr. Speaker, when an individual came to them and said that they were not in a position to get fire insurance, how many of them, Mr. Speaker, went to the Superintendent of Insurance and said to the Superintendent of Insurance, "I have a constituent; I have someone who has come to me as a member of the Legislature, and has indicated to me that insurance was not available, and I would ask that you examine this thing, or examine this matter?"

Mr. Speaker, the insurance industry is a regulated industry. It is capable of direction

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(MR. SPIVAK cont'd) by the Government if the Government was interested in the direction or interested in protecting the consumers. The motivation, Mr. Speaker, is not what it appears to be. The case it presented has not been presented with any degree of authority. It said, Mr. Speaker, to use the Minister's famous phrase, "that they have not lived up to their responsibilities". Mr. Speaker, if ever there was a weakness in an argument to be presented by a Government official introducing a major piece of legislation, it's to stand up and say they have not lived up to their responsibilities, and to sit down and say, "We are now going to exercise the power we have within our Government to essentially commence an action which will be detrimental to one segment of society.

Now of course the honourable members opposite say, "We are doing this in the interests of everyone and the people of Manitoba are better off because of what has happened. And besides, Mr. Speaker, we are executing public policy, and that public policy is the people's policy," and this is the argument the Minister of Mines and Natural Resources uses many times. The policy being executed by the NDP in Manitoba and by Ed Schreyer and his cohorts is the policy of Ed Schreyer and his cohorts and the NDP. The policy is the policy of the Government. It is not public policy. It does not represent the individuals at all. The individual has absolutely no say whatsoever in what this Government is doing at all. It has elected its officials and the officials have been given the responsibility of governing, but the entry into this business on the assumption that somehow or other they are carrying out public policy, public policy that is identifiable with a direction, cannot be substantiated. And, Mr. Speaker, one has to look at the statements made by them to recognize the inconsistency of the positions that they've taken even with respect to this matter, and with respect to auto insurance.

Now let us try and retrace some of the statements that have been made in the past. In 1971 in a by-election in Minnedosa, the Premier stated that Autopac rates would remain steady until 1975. He sees no rise here for three years but big boosts elsewhere. He said, speaking at the time . . .

A MEMBER: I was in Erickson.

MR. SPIVAK: You were in Erickson then, eh? The Honourable Member for Radisson was in Erickson when he said to an audience of about 50 people that Manitoba's publicly-run Automobile Insurance Corporation shouldn't have to increase rates even though private auto insurance companies operating in other provinces are expected to raise their rates by seven to twelve percent next year. Present Autopac rates were designed to remain steady for at least three years. He said that "more than 90 percent of Manitoba motorists are saving at least some money under Autopac, and sure as will be, provinces without public insurance plans will face a hefty increase." Mr. Speaker, that's the first statement, and we know, Mr. Speaker, that that statement made by the Premier has turned out to be incorrect and his forecast has been incorrect. We also know, Mr. Speaker, that a government that now can predict a \$10 million deficit in the month of June and in the month of May, last year could have predicted a deficit in the month of May and month of June.

Mr. Speaker, on July 24, 1970 -- he's either a bad forecaster or he intentionally misled the people.

A MEMBER: Ah, baloney.

MR. SPIVAK: Oh well, or he hasn't dealt with candor with the people. Or, Mr. Speaker, he was being political at the time because a by-election was there and because he had to say the things that a politician has to say when he's running for office, and he wasn't honest with the people involved.

MR. CHERNIACK: That's how you operate.

MR. SPIVAK: Well now, Mr. Speaker, I would say that the Premier at that time made a statement without any knowledge at all of what he was talking about --(Interjection)-- Well, Mr. Speaker, --(Interjection)-- I'm a failure; yes, I know. In 1972, on July 24th . . .

MR. CHERNIACK: You ain't no success, are you?

MR. SPIVAK: Well, Mr. Speaker, you know, I would measure my three years in government as a Minister against the Minister of Finance's five years, and I would say, Mr. Speaker, as a politician, in terms of accomplishment I think my record will stand fairly strongly against his. And that's a judgment and I think history will have to record that. So, Mr. Speaker, as a politician and as one who's served in government, I have no compunction about suggesting to the Minister that I have no fear in relation to my own position.

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MR. GREEN: (Inaudible)

MR. SPIVAK: Well, Mr. Speaker, let's be honest about it. I mean would the Minister of Mines and Natural Resources for once in his life start to acknowledge the truth. The fact is that the Premier said that on a by-election to influence the by-election. He didn't know what he was talking about at the time. That was the whole problem. Why don't you be honest, for once in your life be honest with yourself? He didn't know what he was talking about at the time. But I want to tell you something. When he ignored in the election the fact that there'd be a \$10 million deficit, he was being dishonest at that time.

Now in 1972 the Premier said, dealing with Autopac, and this was at Swan River, I think at a dinner for a substantial number of people. He said, "On Autopac, government-run auto insurance is financially just about bang-on on what we predicted and what our prognosis was." He said that after seven months of operation "there is a trial balance surplus of about \$750,000. We are quite confident that premiums will be maintained for the next motor vehicle year and the one after that."

Mr. Speaker, Mr. Dutton has indicated that it will be \$51 million in premiums this year. There were \$35 million at the time the Government took over auto insurance. The increase in actual premiums paid in this province amounts to 50 percent. In dollars.

A MEMBER: Who said that?

MR. SPIVAK: In dollars. Well, the Minister can laugh. He can acknowledge this by shaking his head, but the fact is there is \$17 million more money being paid in.

MR. CHERNIACK: Is that in coverage?

MR. SPIVAK: Mr. Speaker, the insurance industry's complete coverage was \$35 million. The \$51 million does not include, I would think, part of the extension that is covered by the private insurance companies. So the fact is, Mr. Speaker, that what the Premier was saying when it was bang-on, now has amounted to a 50 percent increase in actual cash outlay by the people of Manitoba, and the government keeps saying, "Oh, it's cheaper. It's better."

Mr. Speaker, I again go back to the basic arguments of the Minister. He stands up here and says the industry has not lived up to its responsibilities. He presents absolutely no arithmetic for his position, but says that because he says it and because the government says it, it's so. And their own facts bear out the facts that the increase is what I suggested.

Mr. Speaker, let's go on a little bit further to this election, and to some of the statements that the Premier made in this election. He said, and I quote, and this is from an article on June 4th, 1973. "He said Sunday his party is seeking a mandate to set up a Crown fire insurance company in competition with private enterprise." The original proposition was a Crown fire insurance Company, but now we have it combined with Autopac.

A MEMBER: Aw, be honest with yourself.

MR. SPIVAK: I'm being honest with myself. "The Premier said earlier his government might set up such a company," - not run it in connection with Autopac - "might set up such a company if it appeared that the private insurance companies were raising the rates too much." But his statement on Sunday was much stronger. I'm going to have to read most of this rather than quote it out of context.

"The Premier told a group of candidates and campaign workers at the University of Manitoba at the University Centre, that private insurance companies have increased their rates in the Tuxedo area." The first time the Premier's ever been concerned about Tuxedo. "That they have increased their rates in the Tuxedo area of Winnipeg by about 25 percent. Not only would the government not roll back its Public Auto Insurance plan, he said, but it might also go into the fire insurance. 'If re-elected,' he said, 'the government would run a second check to see if a Crown fire insurance company is really necessary. But from the present evidence, it appears that there's sufficient reason to set one up.' " I ask the Minister, did he run a second check? Did he run a second check?

A MEMBER: No.

MR. SPIVAK: The Premier said he would run -- and this is riddled in his speeches, not only in this one, this statement. "He said he would run a second check to determine whether a Crown fire insurance company is really necessary." Mr. Speaker, if the government ran even a first check, we'd like to see it. If it ran a second check we'd like to see it, and we'd like to see the basis upon which the recommendations were given and the problem areas, so that we, the public of Manitoba, can understand the necessity of the government entering into another

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(MR. SPIVAK cont'd) venture and entering into another business.

Mr. Speaker, he said that the fire insurance sales would still be on a competitive basis, not like auto insurance in which the Crown corporation has a monopoly on selling compulsory basic coverage. "He told the campaign workers that the government auto insurance plan had too much public support for the Progressive Conservatives to be able to criticize it effectively during the current election campaign."

Well, Mr. Speaker, I admit the \$10 million deficit that was hidden made it impossible for us, because we did not have that information and we weren't seized of that knowledge, to be able to criticize it as effectively as we could have, and I suggest to the honourable members that in all honesty had we known the \$10 million, the criticism would have been effective and the result would have been fairly effective.

A MEMBER: They could run a trial balance.

MR. SPIVAK: Yes, the trial balance was run a couple of years ago and it was a \$750,000 profit, when it was bang-on, I think, according to the Premier.

Mr. Speaker, the Premier went on to say, "The Conservative proposal for a public corporation in competition with private enterprise in auto insurance wouldn't work because the private companies would be able to skim the best risks at a lower premium while the government, because it is a public agency, would get stuck with all the poor risks."

A MEMBER: Right.

MR. SPIVAK: Now I want to understand this. In the case of auto insurance, the Conservative proposal of a public corporation in competition with private enterprise wouldn't work because the private companies would be able to skim the best risks at lower premiums while the government, because it is a public agency, would get stuck with all the poor risks. And I ask him, how does it work with fire insurance?

A MEMBER: (Inaudible)

MR. SPIVAK: Oh. You mean the government buildings. Ah-ha! Now we talk about the government buildings.

SOME MEMBERS: Ah-ha. Oh!

MR. SPIVAK: That's what we're going to do. Okay. Well, why doesn't the Minister say that?

A MEMBER: (Inaudible)

MR. SPIVAK: No, but on the other hand let's talk about honesty and candour. Yes, let's talk about honesty in presentation. And there is a question of truth and credibility. There really is.

A MEMBER: Don't tell me.

MR. SPIVAK: And, Mr. Speaker, every day as we've listened to the government, as we hear their presentations and requests for almost unlimited and unfettered authority to do whatever they want in every area in this province, and as they come in time and time again and ask for Cabinet discretion . . .

A MEMBER: There it is.

MR. SPIVAK: . . . we say to you, why should we give this to you? Why should we allow this to happen when there is dishonesty in manner of presentation? Because if this is the position, then that should have been expressed at the time of the proposal when their legislation was brought in. The Minister had an obligation. He had a moral obligation to stand up and say, "This is our intent and this is why in this particular area we believe it to be possible to work that out."

A MEMBER: . . . no time.

MR. SPIVAK: Well, Mr. Speaker, I don't think that we have to wait for time for you to tell us, because I see your function very differently. I don't see this as a debate in which you save your ammunition for a rebuttal. Now the Honourable Minister of Mines and Natural Resources is a debater and he knows the rules of debate. But this isn't a debate. We're dealing with legislation. The Minister of Finance stands up on the treasury branches and says, "I'm going to make my presentation and I'm looking forward to your argument, then I'll respond." He doesn't lay a case at all for what he's doing. The Honourable Minister in charge of Public Auto Insurance stands up, does not present any case, does not give us information - we find this out in debate - and you're going to respond, and you think that that is the proper way government should be handling itself. You think that this is the moral and correct way. Well,

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(MR. SPIVAK cont'd) Mr. Speaker, your credibility has been shot by the way in which you handled it because, you know, how can anyone trust you at this point? How can anyone trust you with this kind of presentation? Now, Mr. Speaker, the reason why the First Minister's statement doesn't apply in this case is because all the government agencies and all the government buildings within those agencies are going to be insured by the government.

Well, Mr. Speaker, I want to go back to the -- well, I want to go back to the situation of what happened in Saskatchewan. During the CCF government when fire insurance was introduced by the CCF government in Saskatchewan, they insured their own public buildings. They insured their own public buildings, Mr. Speaker, and they provided their own insurance. But I'd like to, if I may, Mr. Speaker, quote from an editorial dated October 22, 1965, in which the heading is; "Competition Paying Off," and I quote: "Shortly after the preceding government launched its socialized insurance venture, the Saskatchewan Government insurance office legislation was passed to compel schools, hospitals, universities and other institutions receiving grants from the provincial government to purchase their fire insurance directly from the SGIO. When this legislation was passed and subsequently, in attempting to answer criticism of this monopoly arrangement, spokesmen for the preceding government justified it on the alleged ground that institutions supported by the government received their insurance at the lowest possible cost. Saskatoon this week proved a case in point. The Saskatoon Collegiate Board, no longer required to place its business with the SGIO" - this was after the government changed - "advertised for tenders for coverage on eight collegiates. The Board received seven tenders, one from the SGIO and six from private companies. The SGIO's bid of \$18,695 to insure the eight collegiates for 39 months was the lowest of the seven. The Board was shocked to discover that the SGIO under the preceding monopoly arrangement had assessed a premium of \$37,000 for coverage on seven collegiates for 36 months. The myth that the government agency enjoying a monopoly may be relied upon to provide a service at the lowest possible cost, has been exploded."

Now, Mr. Speaker, let's understand what took place. The government started to insure the public buildings through the government insurance agency. No competition was offered and the suggestion was that that insurance rate was competitive. And Mr. Speaker, in order to be able to handle the insurance problems with respect to administrative costs and in order to essentially be in a position to provide the degree of subsidization that I've already referred to, they in fact insured their own buildings at a higher rate than was competitive had they offered in the open market. And, Mr. Speaker, when it was offered in the open market they then had to come competitive, and they went down from the \$37,000 level to \$18,000 at a period of time when costs were increasing rather than decreasing. And, Mr. Speaker, let's understand correctly what we're saying. What we are saying is that there is no check on the government agency, who does not have to answer to anybody, on any premium rate that it will charge to the government buildings and to the government agencies who are going to have to insure their buildings and their equipment through the Auto Insurance Corporation and the fire insurance component part of that.

And, Mr. Speaker, here we now open up the danger area. Here we open the possibility for an unscrupulous government and a group of unscrupulous ministers, who are prepared to hide their waste and inefficiency in mismanagement, to provide rate structures which will give them an opportunity to skim off, to skim off money from a variety of different sources. And this, Mr. Speaker, is the way in which they will operate to be able to cover their situation. So let's go back -- (Interjection) --

Well, Mr. Speaker, until, you know, until this competition, the degree of honesty that is in the operation with the auto insurance will be questioned; and until this competition, the degree of honesty that should be offered in the fire insurance will also be in question. It has been proven in Saskatchewan that where the government insured the public buildings and where no competition was allowed, the rate was higher than when competition was provided, and in this way the government was able to use the agencies to funnel in additional money to be able to do the degree of subsidization of the insurance corporation, and Mr. Speaker, to be able to essentially fuzz up and to provide records which will not be accurate in really reflecting the actual true costs.

"The Conservative proposal of a public corporation in competition with private enterprise in auto insurance wouldn't work, the Premier said, because they would be able to skim the best

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(MR. SPIVAK cont'd) risks at lower premiums while the government, because it is a public agency, would get stuck with all the poor risks. Fire insurance is different, and a Crown corporation in competition with private enterprise would be effective in keeping premiums down." I ask the Minister: is he going to allow competition with respect to public buildings? I ask the Minister and I ask him to acknowledge at least by shaking his head, yes or no?

MR. URUSKI: No.

MR. SPIVAK: Is he going to allow competition with respect to government buildings?

MR. URUSKI: No.

MR. SPIVAK: With schools?

MR. URUSKI: No.

MR. SPIVAK: Is he going to allow competition -- Fire insurance is different, he said, and a Crown corporation in competition with private enterprise will be effective in keeping premiums down. I again ask the Minister, I ask him to acknowledge that they are going to allow competition in insurance for public buildings, for schools.

MR. URUSKI: No. It's not compulsory. . . .

MR. SPIVAK: So, Mr. Speaker, we don't have competition with respect to government agencies; we have competition with respect to the others. Now, let's see what the Premier said: A public corporation in competition with private enterprise in auto insurance wouldn't work because the private companies would be able to skim the best risks at lower premiums. So here the skimming will be done by the public corporation. They're going to be able to skim the best risks, and so therefore the competition that really is being offered isn't real competition whatsoever.

MR. CHERNIAK: We'll get the best risks.

MR. SPIVAK: Yes, you'll get the best risks and you'll be able to charge them whatever you want and nobody's going to be able to know the difference.

A MEMBER: We'll still get the best risks.

MR. SPIVAK: Sure you're going to have the best risks. You'll have the best risks. You know, I'm almost tempted to go to the other provinces that the Premier talked about because they have some bearing on other bills, but we'll deal with that on another occasion.

Mr. Speaker, on May of 1973 the Premier said they're going into the fire insurance field strictly in competition with private insurers - strictly in competition. But obviously it's strictly in competition only up to a certain point. So let's now understand what the presentation is. This is not competition in all areas; this is competition in some. And, as I say, with respect to the question of candor and honesty, the question that has to be raised even by some of the members opposite is: if you've got nothing to hide, why not be honest in the first place in your presentation? You know, why not stand up like honest men and say your position and sit down? But that's not what happened with the Minister and that's not what's happening with the government. If there's going to be competition, there should be competition all the way. You know, if you say and argue that in connection with auto insurance the problem area is that the government will be stuck with the bad risks and the industry would skim off the good risks, then I say to you, you know, if that's your position but you're going to go into competition in the other, then I can't see you now taking the position that you have to take all the good risks - which is what you're basically saying - completely uncontrolled, without any competition, without anybody being in a position to be able to criticize, with the ability to be able to turn the tap on whenever you need more money into your fund. You know, completely unfettered, uncontrolled. With a \$10 million deficit last year that was not told to the public - you know, it was hidden - does anyone think on the other side that you're not going to hide some problem areas if it arises here? Now, I predict that it will arise here.

Mr. Schreyer said a second check will be made of the premium increases that caused him to raise the possibility earlier, but he said he is sure it will show justification with the government involvement. Well, Mr. Speaker, was there a second check? How extensive was it? Did the second check consist of reading the two dozen letters that the Honourable Minister has in his possession?

A MEMBER: Nine letters. Get it right. Nine letters.

MR. SPIVAK: Yes. Well, when there's two dozen, let's give him the generosity of two dozen letters. I'm being very generous on this. You've got the check there? You made a

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(MR. SPIVAK cont'd) check. I must say that I would think that all the Minister of Mines and Natural Resources would have to do to be convinced that he should enter in and take over the fire insurance field, would be to think about it for one second. I don't think he'd have to do anything else. I don't think there would be any concern on his part at all.

A MEMBER: . . . call a second check. Then he had a second thought.

MR. SPIVAK: On May 28th in 1973, the Premier in Thompson said, "The government may move into the field of fire insurance on a competitive basis if escalation of premium costs warrants it." Well, I wonder, is the Minister prepared now to say that the escalation of costs have warranted it? And does he have the information which he can put on the table before this Assembly asking us to prove what the government is doing and asking the people of Manitoba to buy the position that the government's taken? And if that information is available, why was it not presented at the time that the bill was here, and if it's not available why is the bill here? I mean, is there any honesty or any truth to be perceived or discerned from the statements that the Premier makes about what the government action will be? Or are we supposed to accept that he can say one thing at one time, something else at another time? The Ministers can say one thing at one time and something else at the other time because it really doesn't make any difference, because they have the power and they can execute it in the name of the public because they are the people? I mean, are we down to this point where everything that they do is right? That there's no necessity for them to try and substantiate the position. I wonder if the honourable members opposite in their caucus ever ask - you know, before we enter into this

A MEMBER: Have you ever had a caucus?

MR. SPIVAK: Yes. Before we ever entered into this, do you have proof of all the statements that have been made? Is there - you know, are you sure of your ground?

A MEMBER: Unwarranted increases.

MR. SPIVAK: Are you sure of your ground? Are we going to be able to compete fairly so that the question would never be raised that we were unfair in the way we were entering this field? Are we going to be able to at least hold our heads up as honest brokers, political brokers in this case, who basically are going to say to the public, "We have acted morally and correctly, and what we have said in the public platform and in this House has a basis and our judgment has been based on reason, and that the execution of the policy will be consistent with the policy declarations that we've made." Are you all convinced of that? Do you really understand the implications of what the Minister says? And you're convinced that without question it's so.

Well, I asked, the Member from Thompson's shaking his head - and yes, maybe the Member from Rupertsland. I wonder, and I ask them as MLAs from the north, and the north was mentioned, how many specific complaints have been brought to their attention about people who had difficulty of acquiring insurance. The Member from Thompson has suggested that there are some. Did he ever talk to the Superintendent of Insurance about this? Did he indicate to the Superintendent of Insurance the problem areas he had? Did the Superintendent of Insurance bring that to the attention of the companies involved? Was it more than one or two examples?

Addressing an NDP Government meeting he said he's just as soon leave it alone. Who's kidding who? The Premier says he'd just as soon leave it alone. But premium costs have risen 25 percent in some areas of Winnipeg in the last year, and I think that area was Tuxedo. And I think the people in Tuxedo really have some -- (Interjection) -- Yes, I ask for solicitude for Tuxedo. Any government move into fire insurance would not follow the government monopoly pattern, would not follow the government monopoly pattern of Autopac. Car insurance is a utility unlike fire insurance. The intellectual stretching that has to be done by those who suggest that auto insurance is a utility in the first place and then secondly can now rationalize the position that fire insurance is different, you know, really almost boggles the imagination. -- (Interjection) -- Well, the Honourable Member for Radisson, I don't expect him to be able to understand the ramifications of this. I'm sure that the kind of blind acceptance that he has in his faith that the members opposite know what they're doing is something that has kept him going as long as he has.

But you know, Mr. Speaker, for those who consider that they have some basis to believe that their arguments come as a result of study and reason I'd like them to be able to define a position that would say that fire insurance unlike auto insurance is not a utility when the concept

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(MR. SPIVAK cont'd) of auto insurance being a utility was the basis and the reason for a government monopoly position. That is absolute garbage as an argument. We all know that. It's the most dishonest and most incredible kind of assumptions to make on a part of the members opposite. It's beneath the dignity of those who believe that they intellectually at least have some, you know, basic understanding of the concepts and the ideology that's been responsible for the motivation of the CCF movement and its involvement into the NDP Party. You know, it just does not wash. It does not wash, it is one of those futile efforts, futile efforts blowing in the wind; blowing in the wind because of the attempt to respond to an intellectual argument and because of the inadequacy and bankruptcy of the argument itself. And, Mr. Speaker, the presentation with respect to the justification for fire insurance has been a bankrupt argument on the part of the government. There has been no significant complaints about present private fire insurance until the increase in some parts of south Winnipeg in the last few months. And it would be interesting to know whether the Premier got one complaint, two complaints, or the Minister got three complaints, and who complained to him. Was it at a cocktail party as a result of a study? Was there a memo written to him? Was there a letter written to him? Did he investigate the complaint? Did he talk to the Superintendent of Insurance? Did he discuss with him what was taking place before he made this statement, or did he just make this statement like he made the statement in Erickson, that Auto Insurance would be firm for three years, that there would be no premium increase? Did it just not suit his position at the time because he was in an election, to basically say what would be appealing to the electorate and to try and at the same time, you know, present a reason and the basis for it? I think there's been too much of what the Premier has said that has been less than candid. And I think there's been too much that in its interpretation has gone far beyond the actual reality and the actual set of facts to put too much credibility in anything that he has said and particularly in this area.

On risk insurance in general he said he can think of no better insurer of risks than the Crown, and the government would react to solid evidence of unjustified premium increases. Well, Mr. Speaker, unjustified premium increases, where are they? The Government said that he can think of no better insurer of risk than the Crown. Why is the Crown no better insurer of the risk? We have a Provincial Auditor who will not certify the Insurance Corporation in the same way as a private insurance corporation because he says that no matter what happens, how much money they lose the government will stand behind it and the government will pay and kick through. So unlike a private insurance company, a public insurance company can't go broke.

A MEMBER: It's an investment.

MR. SPIVAK: So therefore he doesn't have to certify in the same way. -- (Interjection) -- Oh yes. Now let's follow this through, because the Honourable Minister doesn't seem to acknowledge this. The Provincial Auditor's position of the way in which he provides the accounting certification for the Auto Insurance Act is that because it is a government agency he does not have to certify as if it was a private agency, because a government agency cannot go broke - because no matter what happens the government has to stand behind it and the taxpayers' money will have to ultimately come in to pay whatever obligation it has. Now, Mr. Speaker, that's his position, he's basically -- (Interjection) -- let's understand that, Mr. Speaker. So the auto insurance is not the same as a private insurance corporation because government will always stand behind it and there's no way in which any bankruptcy proceeding will in any way prevent auto insurance from living up to its obligation.

INTRODUCTION OF GUEST

MR. SPEAKER: I wonder if I may take the time of the House and my apologies to the honourable member on the floor - I'd like to introduce the Honourable Don Cody, Minister of Co-operatives of the Province of Saskatchewan in the Loge to my right.

The Honourable Leader of the Opposition.

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MR. SPIVAK: I should welcome the Minister. I would only hope that he had the figures of the exact loss that the SGIO will have this year particularly with respect to flood insurance and to sewer backup -- (Interjection) -- Well I think that the honourable member acknowledges

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(MR. SPIVAK cont'd) it in the spirit that it's given, and I think that, you know, unlike the Minister of Finance he has a sense of humour. So I think that . . .

A MEMBER: Understandably those two Ministers are a little uptight.

MR. SPIVAK: He appreciates that. But I know that the conditions . . .

A MEMBER: You should apologize to the Minister of Finance.

MR. SPIVAK: . . . Mr. Speaker, with respect to sewer backup have been severe, and problems of flooding, I guess, particularly in Saskatoon, and I have some idea of the exact extent of the obligations the corporation will have to bear there. On risk insurance in general, he said he can think of no better insurer risk than the Crown. Well, Mr. Speaker, it's true. The Crown will pay and pay and pay. -- (Interjection) -- Yes. The Crown will pay. But who is the Crown?

A MEMBER: Not St. James anymore.

MR. SPIVAK: The Member for Point Douglas is convinced of the logic of the argument, convinced of the position - and there's nothing I'm going to be able to do to convince him differently. I don't think I'm going to be able to convince the members opposite, because they know what they're saying is correct. But, Mr. Speaker, what the Provincial Auditor basically said is that the taxpayers through the government will pay and pay and pay and pay and pay, no matter what the losses are. So in this respect when the Premier says on this insurance in general, he said he can think of no better insurer risk than the Crown, that's true, except that the taxpayer is going to have to pay it and is going to be dunned in the end.

All right, Mr. Speaker, let's now deal with what the member said. The Minister is a quiet person. In many respects he's an engaging person, and I cannot say that about all the Ministers on the opposite side. He sits there with a smile, almost a smirk on his face, with the fact that he's presenting - he sits with a smile, and I say almost a smirk on his face, with the thought that he's presenting a major piece of legislation. -- (Interjection) -- It's not petty. It's not petty at all. -- (Interjection) -- Well I'll talk about smirks, and I'll talk about smirks for a very good reason. He stands up and makes a presentation, does not support any basis for any conclusion, makes general assertions and assumptions, and sits down and says, we're going to bring the Act in. And I have a perfect right, Mr. Speaker, to suggest that the smirk and his smile only reflects the fact that he knows that as a majority government they can do whatever they want. And that's exactly what they're doing here. There's no achievement in what they're doing. If anything, this is a misleading position that the government has presented. -- (Interjection) --

Well, Mr. Speaker, the problem we have is that there are no good arguments to be presented of the need. The problem we have, Mr. Speaker, is that we can't in our own mind find the rationale that would say; in fire insurance compete, in auto insurance no. Nor can we find you know, the credibility in the statements made by the Premier and others, because as we learn more and more and more and more about this, we find that it really is less and less than what they say. Because when they talk about competition, they exclude one area now obviously, the government agencies with their buildings, and that involves a substantial part in this province. When they talk of competition, and we eliminate that, who puts the check on them for the insurance rates to be charged? Who's going to protect the public interest in this respect? They are? They are going to protect the public interest with respect to what's happening? They protected the public interest with respect to Autopac by not releasing the information of the loss of Autopac before the election so that the choice of the people, the shareholders in this province could be made correctly. Now I want to make that point again. If the government consists of the people who are the directors of the corporation in the execution of public policy, then the directors responsibility to shareholders is to present the shareholders with all the facts before the endorsement of their position is accepted. And for them to stand up and say we have a mandate because we went to the shareholders - and we now know that the information was not accurate that was presented to the shareholders - weakens any ability they have to present the argument except by force, that they have the kind of mandate as Board of Directors to go ahead and execute the policy. Now, Mr. Speaker, I'm not even accepting that as a premise because I think that the time has come to say that when Sid Green stands up in this House he represents only Sid Green.

MR. SPEAKER: Order please. I should like to indicate to the honourable member that I have allowed a very great latitude in respect to parliamentary expression and parliamentary

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(MR. SPEAKER cont'd) debate. To begin with, in the area of the words that we use, the inferences that were made - and I would certainly hope that the honourable member is aware that he has been transgressing to a certain degree, yet I've allowed it to go hoping that he would correct himself. But he is also aware that one does not name members; he has named a number of members by name a number of times and I would certainly hope I can get the co-operation from him. Let me also indicate that my tether in this regard has become very very short. I'm going to ask the Clerk to issue another copy to every member of this House of the prohibitions, sanctions and usages of Parliament. I would hope that you will all have a good look at these and then in the future, since we are into the area where we are all getting a bit short tempered, use your self-discipline when you are debating and follow the usages which are parliamentary. Thank you.

The Honourable House Leader.

MR. GREEN: Well, Mr. Speaker, I don't know whether the honourable member has concluded. -- (Interjection) -- No. Well then I rise on a matter of privilege, Mr. Speaker.

Mr. Speaker, I placed myself before the electorate the same as the honourable member. I did so on three occasions, in 1966, 1969 and 1973. In each case -- (Interjection) -- Mr. Speaker, I'm not debating. The honourable member says that when I stand up I represent only Sid Green. Well, Mr. Speaker, on a matter of privilege I represent the constituency of the electors of Inkster, and I suggest to you that I am entitled to that degree of status the same way as any other member of this House is entitled to that degree of status. My electors have represented me and I do my best to represent them, and I am entitled to be referred to as their representative.

MR. SPEAKER: The point of privilege. The matter of privilege is the particular last straw that gave the Chair the occasion to rise because it is unparliamentary to refer in that manner to any member. It is also unparliamentary to cast any kind of aspersion upon members unless one has actual total proof and presents it and makes a substantive charge in that regard. There has been a tremendous amount of innuendo which I have let go hoping the honourable gentlemen would steer a straighter course, but unfortunately, I've had to rise to my feet. And I ask for his co-operation that he really consider how he's going to conduct the debate; and secondly, that he conduct it in the fashion that is not personal towards anyone. That it would be as is normally done in parliament. Thank you.

MR. SPIVAK: Mr. Speaker, I rise first of all on the point of privilege if I can.

MR. SPEAKER: Order please.

MR. SPIVAK: First, Mr. Speaker, I think that I have attempted, and in fact I believe I have attempted to conduct myself in a way that would be consistent with our rules, and further in a way that would be parliamentary. I recognize that in this debate there is a tendency on the part of - and will be and has been in the past when we dealt with the auto insurance area - to be impersonal. My reference to the individual, the Honourable Minister of Mines and Natural Resources in terms of his own name, was done as an example and not in a disparaging way. The only way that I can make my point, Mr. Speaker, in this House, because I am drawing an inference which is very different from the election that the Honourable Minister referred to, is to indicate a position with respect to where government stands in the direction of public policy and as to really the kind of mandate that was really given to the individual who stands there or sits there as a Minister. And, Mr. Speaker, I did that in a specific way to highlight a point, not in any way as a disparaging matter. I have referred to the Premier in his first name because I think that there was a tendency in the last election to refer to the government in the name of the Premier. And I don't think, beyond talking about the Premier in his own name in this particular matter now that I'd like to be able to deal with in debate, and I think I have a right to deal with in debate, that I've made any particular reference by name to any other members opposite.

MR. SPEAKER: To begin with, the prohibition is clear. A member, while speaking, must not refer to a member by name, make personal charges, abuse his right of speech. The honourable member has transgressed on three or four occasions in this particular address this afternoon, but as I said, if he will correct his manner, I have no objections. He can proceed. The Honourable Minister of Mines.

MR. GREEN: I think, Sir, that you are correct in raising that point, although I will admit that I'm not that much of a traditionalist that I would have bothered. That is not my point, but I acknowledge that you are correct in raising it. My matter of privilege is that the

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(MR. GREEN cont'd) honourable member stood up and said that when Sid Green stands up in this House he represents nobody but Sid Green, and I say that I am entitled to the respect of having been elected by the constituency of Inkster, just as the honourable member is and that is the only point of privilege that I was raising.

MR. SPEAKER: The point is well taken. The Honourable Leader of the Opposition.

MR. SPIVAK: Mr. Speaker, when the Honourable Minister of Mines and Natural Resources stands up and states policy with respect to government policy, he is announcing a policy that is government policy. It's public policy. It's the public policy of the government, not the public policy of the people. Mr. Speaker, I

MR. SPEAKER: Order please. The honourable member is again transgressing. He's imputing a false or unavowed motive to a member of this House.

MR. SPIVAK: For the life of me, Sir, I do not believe that anything that I have said in any way violates any of the parliamentary rules. Not one iota, Sir. I think it's important that we, in this debate, understand specifically that the point that has to be mentioned, because it's been mentioned so often in debate, is that -- well, this is a pretty basic argument, Mr. Speaker. It's a pretty basic argument. Yes, well it's a pretty basic -- it's not only according to myself

MR. SPEAKER: Order please.

MR. SPIVAK: . . . this is a very basic argument in debate in democratic societies today, is whether the policy of a majority government, whatever majority that may be, necessarily means that the actions that it represents are the actions of the people, and I suggest, Sir, that they are not the actions of the people, they are the actions of the government. And that's a very clear, that's a very clear issue and a clear matter to be debated, because, Mr. Speaker, the argument will be advanced that governments have mandates. They have mandates to govern, but their actions are the actions of a government. Their actions are not the actions of the people who elected them and gave them the mandate. -- (Interjection) -- Well, all right, Mr. Speaker, and Mr. Speaker, the reason I bring this up is because I have heard in the past, as I expect that I will hear again, this basic position of a government in acting on behalf of the people has the will and has the obligation and has the legal authority to represent - the legal authority - to represent the people in the execution of a policy which is the people's policy. It's the people's policy. And I suggest, Mr. Speaker, it is not the people's policy, it is the policy of the government of the day. And, Mr. Speaker, what that means is that while the policy becomes the law and while the policy is the policy that it will be executed as being that of the law on the basis that it is approved in this Legislature by its majority, the fact is that the individuals have no moral right to stand up and say that what is happening is what the people themselves have asked for.

A MEMBER: Well, sure.

MR. SPIVAK: And I say that what they are saying is "These are the policies that we ourselves have enacted."

Now, Mr. Speaker, let's go to the whole question of the mandate for fire insurance, because they could argue that we have a mandate for fire insurance. It was mentioned. Well, Mr. Speaker, what was mentioned on fire insurance? The Premier mentioned that premiums were going up, and that was one reason. He mentioned, Mr. Speaker, that there would be a separate Crown corporation. That was another reason. He mentioned that he was going to have a second check, and, Mr. Speaker, I don't know whether that second check has been made; seemingly there's no evidence of it. He basically said that the competition would be -- there would be free competition. Well we now know, Mr. Speaker, that it's not going to be free competition because one area is going to be excluded. So the kind of mandate that would sort of justify, even along the terms that the Honourable Minister would like to argue that what is happening is what the people want, I suggest to you cannot be argued.

I suggest to you what really we have here and what we have with a government, is government enacting legislation which reflects the legislation of the government, which becomes the public policy but it's the public policy of the government. And it is, you know, I think, Mr. Speaker, a question of debate whether than can be argued. Because if it can be argued, Mr. Speaker, that it really is the legislation of the people and the people themselves are making the legislation, then I suggest to you, are they seized of the information upon which their judgments could be made? Are they in a position to be able to judge the mandate that's claimed for for

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(MR. SPIVAK cont'd) fire insurance based on the performance of auto insurance? Well, Mr. Speaker, it's obvious that there was knowledge within the government that was not available to the people at the time the so-called mandate was to come. And how at this point it can be argued that the people have now given a mandate, when that mandate was requested, on the basis of either no information, lack of information or misinformation, is a question that has to be raised. So what we have is legislation, introduced by the people who are in this House, on that side, who claim as a government that they have the consent of the majority to do what they're doing. And, Mr. Speaker, I'm not in any way suggesting that they do not have the consent of the majority, but I will quarrel with them when they say that this is the will of the people. Mr. Speaker, this then becomes the situation. There's no question of a vote. We'll have a vote here in this House. There's no question of a majority on this. -- (Interjection) --

Well, the vote in June is the point that I'm trying to make. No, the people didn't make the mistake. The people didn't make the mistake. The people did not have the information that the government was seized of at the time that the vote took place. The information was misleading. It was misleading. -- (Interjection) -- Well, the Honourable Minister says he'll show us our ads. Show us our ads. Well, Mr. Speaker, let's talk about our ads. Did we know at that time, Mr. Speaker, about Autopac's position? Were we in a position to be able to argue on the facts as the government could have been? Or that the government had to be. Someone within the government had to know what the position is. It's inconceivable that no one in the government knew, that they were not seized with the information that was obviously available at that time if it could be available now. And yet, Mr. Speaker, the mandate that's claimed is claimed on that basis.

So let's now review the position. The government has not produced data, statistics which would warrant the entering into the fire insurance. It has not explained the policy in any detail. As a matter of fact, if I can now understand what the government is saying, the public buildings will be excluded. I don't think that's in the legislation; that would be in the regulations. The exclusion of the government buildings, is that in the legislation? It'll be in the regulations.

SOME MEMBERS: No.

MR. SPIVAK: We're selling the insurance on a competitive basis? Well are you going to sell them insurance on a competitive basis?

MR. SPEAKER: Order please. Again, we are having a dialogue.

A MEMBER: No competition.

MR. SPEAKER: And I've asked

A MEMBER: No competition.

MR. SPEAKER: I ask of the honourable member that he not conduct a dialogue, that he debate the question before the House. If he wishes to have a discussion, I would hope that he would find another opportunity to do that, but I hope he'll address the House in the proper parliamentary fashion and not ask questions which engender heat and argument from across the floor of the House. The Honourable Leader of the Opposition.

MR. SPIVAK: Well, Mr. Speaker, the Honourable Minister's going to prove that it'll be the best insurance; obviously the cheapest. Well, let's go back to the situation in Saskatchewan. Dealing with the question I dealt with specifically, "Indications are that the SGIO enjoyed a premium income of around a million dollars a year from the monopoly business in Saskatchewan. If the Saskatoon experience provides" - and I'm reading from the editorial - "provides a pattern, the costs of this coverage should be cut almost by half, or approximately \$500,000, under the new arrangement. Free and open competition is saving taxpayers a large sum in the aggregate on the taxes they have to pay to maintain these insittutions."

You know, Mr. Speaker, the members opposite say, or the Minister says that he'll prove it to us. Well I must tell you that when one examines the losses of all the corporations the government has to handle, when one examines the problem areas with respect to every undertaking that they've commenced, one realizes, Mr. Speaker, that their argument that somehow or other they're going to provide the cheapest, can't wash. It just can't wash. It's not borne out by their performance or their track record. So, Mr. Speaker, they can say it, but the question is, how will we know? How are we going to be protected? Mr. Speaker, is there going to be any way in which we are going to be protected? All right. Are we going to have the Provincial Auditor be given authority to be able to get competitive premium rates from the private insurers to determine

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A MEMBER: From the Public Works Department.

MR. SPIVAK: Yes, are we going to be able to get some external body to examine the information on the rates? How are we going to know? Well, of course, the public will know because the government will know and the government's in charge and at this point they have a mandate to do what they're suggesting. Mr. Speaker, the fact is at this point that the government isn't in a position to even guarantee that the rates will be cheaper. They don't know.

Mr. Speaker, \$10 million in auto insurance this year; \$10 million for the next year; \$10 million the year after; \$10 million dollars the year after; and the question is, what additional amounts are hidden? Mr. Speaker, the government goes into this business on the assumption that the blending and the camouflaging of the information will basically hide the weakness of their Auto Insurance Corporation and the record which seriously destroys any original argument for the entry into the business. The failure at auto insurance will be blended with the administrative and cost and premium income to be blended together so that in a couple of years when election time comes, the combined statement will be presented as a statement which will be impossible to discern and to be able to distinguish the actual costs. It will be done in such a way, Mr. Speaker, and fuzzed up in such a way, that the argument about auto insurance at that time will be a difficult one to make.

And the Honourable Minister laughs, the Honourable Minister laughs . . .

A MEMBER: (Inaudible)

MR. SPIVAK: No, I'm not a good comedian; not a comedian. I impute to the government the kind of motives that I suggested, and I think that on auto insurance again the track record would support the position. And so we face the situation, Mr. Speaker, we will accept that the government should enter into the fire insurance business in competition, including government buildings, on the assumption that they'll enter into competition in the auto insurance field, and prove that their experience and their knowledge that they have gained in this field will make them good competitors and make them, or develop them into the position that when people are given the choice they will choose the government because it is cheapest, it is the best coverage, it is the best to deal with. And, Mr. Speaker, if a government was really convinced of its position, it would open itself up to the competition in the auto insurance field and would provide the kind of regulatory system that would protect themselves and others from being involved in a situation where there could be a cutting of premiums, an undercutting, so that it would be a subsidization from income from any other province, but they would give themselves the opportunity to allow people to be able to compete.

But, Mr. Speaker, at this time, at this stage in the session, with so many losses occurring in almost every endeavour that the government's undertaken, it would be impossible and is impossible for us to sanction and to approve the government entering into another business. All we're going to do is lose money, Mr. Speaker. All this is going to mean is costing the taxpayer money. All this is going to mean is deception on the part of the government in its presentation, and the deception's already occurred even in the presentation of the bill. And all this means, Mr. Speaker, is there is another vehicle for the government to waste its time and energy in attempting to justify the actions that it's done, and postponing the initiative that should be undertaken in the whole range of social reforms that remain untouched by the government. There, Mr. Speaker, is no achievement in the government entering into the fire insurance field. Mr. Speaker, there's been no achievement of the government entry into the auto insurance field. And the great contribution that the members opposite thought it would be to the socialist millennium that was going to occur in this province; and the great reform that they thought that was going to take place for the people of Manitoba has failed. It has been a miserable failure. It has not, Mr. Spivak -- Mr. Speaker, I have to indicate that I was looking at the next bills to come forward. Mr. Speaker, it has not lived up to the remarks and to the assertions that were made at the time of the presentation. As a matter of fact, it would have been better had the government used its majority, or the House, when we dealt with this, and not argued in favour of the bill, because what they placed on record will be damaging, not just to them now in the months and the years to come, but for history, because history, Mr. Speaker, will not record data and information that will support the original positions that they've made.

So we enter into another business activity by the government, and we have to question why, and we come back to the single feature that as far as the government is concerned this is one industry that's vulnerable; it's easy; the government can enter and take over the monopoly on its

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(MR. SPIVAK cont'd) own buildings and its own undertakings, and in this way provide a basis for support. It has the added values I've suggested, of camouflaging and of being able to hide the true facts as they will come forward in the years to come. And so, Mr. Speaker, the mandate that the members opposite suggest they have, we believe they do not have. They do not have a mandate to introduce this bill. They do not have a mandate because the information upon which a judgment would have been made could not be made because it was hidden by them, but the government, Sir, was seized of that knowledge.

MR. SPEAKER: The Honourable Minister of Mines.

MR. GREEN: Mr. Speaker, given the length of the honourable member's address and its content, I think that the honourable member should be the last on advising other people as to how they should use best their time and their energy. And I think, Mr. Speaker, that is worthwhile saying, just so that the honourable member will hear it in his ears, that when the Leader of the Opposition gets up and speaks he represents nobody else but the Leader of the Opposition; that he represents himself alone. I just said that, Mr. Speaker, so that he will hear it, so that it will ring in his ears, and that he will see whether it is an acceptable statement.

MR. SPIVAK: On the point of privilege of what I said

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. SPIVAK: Mr. Speaker, I made my remarks and then, Sir, you interrupted me, and then I had the opportunity of explaining them afterwards, and I think, Mr. Speaker, that the remark that I made has to be understood in the context of what I said afterwards. Now there is no question the Minister can say whatever he wants and debate as he wants, but I indicated, Mr. Speaker, that in talking of government policy at this point, government policy that's executed and legislated in this House - and that's what I referred to - that what I was talking about, Sir, was talking that the policy was that of the government and not of the people.

MR. SPEAKER: The Honourable Minister of Mines.

MR. GREEN: Mr. Speaker, we've heard that. We've heard that. And I guess that there is a difference of opinion. There is a question as to whether the Leader of the Opposition believes that the democratic process is an effective way to giving implementation to the will of the people in its majority or whether it is not. And I have proceeded in politics on the basis that it is the best effective way that I know of. It is possibly not a perfect way, as Winston Churchill said, but is the best way. But that, Mr. Speaker, is beside the point. I wanted the honourable member to hear in his ears to see whether I am too sensitive, what he said with respect to representing himself and himself alone. But, Mr. Speaker, I said that I was going to prove something, and that is I was going to prove the competitiveness of the automobile insurance industry in the Province of Manitoba, and I'm going to prove it out of the mouth of the honourable member the Leader of the Opposition. I've told this story, Mr. Speaker, before in the House but it's long enough to know that maybe some will have forgotten it and I'll tell it again. Often we say something with the view of putting across a point, not realizing that inherent in the statement is another fact which is far more significant. The honourable member said that there are \$3 billion in automobile insurance sold in this country; \$3 billion.

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. SPIVAK: Three billion dollars of insurance.

MR. GREEN: Mr. Speaker, he gave the figure of \$3 billion in insurance and then said that we were using a bad figure when we talked about 138 million in Auto. The figure that the Minister in charge of Autopac was giving when he said that there was a 138 million dollar loss, he was talking about automobile insurance. -- (Interjections) -- No, I'm not talking about him. No. . . .

MR. CHERNIACK: There's no point.

MR. SPEAKER: The Honourable Member

MR. SPIVAK: The honourable member's a little bit excited. I think - I know what I said. -- (Interjection) -- No I did not. Mr. Speaker, I did

MR. SPEAKER: Order please.

MR. SPIVAK: So the record will be clear, Mr. Speaker, I said that there was general, in which we include automobile insurance, of \$3 billion; that the Honourable Minister had indicated a 132 million dollar loss.

MR. GREEN: In auto.

MR. SPIVAK: Yes, which represents four percent, Mr. Speaker. -- (Interjection) -- Mr. Speaker

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MR. SPEAKER: Order please.

MR. SPIVAK: Well, Mr. Speaker, will he let . . .

MR. SPEAKER: Order please. Order please. Order please. I would like to indicate, or are the honourable gentlemen interested in having a discussion? I would like to state that it was not a point of order; that the honourable gentleman have a genuine difference of opinion and they won't be able to settle it at this particular moment. It is not a point of order. The Honourable Minister of Mines.

MR. GREEN: I thought the honourable member was being more honest than he was.

A MEMBER: Right.

A MEMBER: Deliberate.

MR. GREEN: I thought that he was saying -- Mr. Speaker - You talk about honesty.

MR. SPEAKER: Order please. Order please. Order please. Would the honourable member state his point of privilege?

MR. SPIVAK: Well, Mr. Speaker, the Honourable Minister mentioned my name and mentioned honesty. And, Mr. Speaker . . .

MR. CHERNIACK: They got . . . (inaudible)

MR. SPIVAK: Well, I wonder if the Minister of Finance is prepared really to say that.

MR. SPEAKER: Order please.

MR. SPIVAK: I'll sit down if he's prepared to say that.

MR. SPEAKER: Order please. I wonder if I may have the attention of the honourable members. Will they stop having a discussion amongst themselves and act like parliamentarians? Now I really mean that. And if you do have a point of order or a matter of privilege, I wish you would state it and not start a discussion with someone else. The Honourable Leader of the Opposition state his matter of privilege.

MR. SPIVAK: Mr. Speaker, I am trying to state my matter of privilege and I think I should be allowed to state it. Sir, the Honourable Minister stood up, made a statement, and talked about honesty with reference to myself. Mr. Speaker, the figure I used and the information that I had available to me was supplied as a result of the statements of the Honourable Minister involved in the auto insurance, who made that statement this morning. And, Mr. Speaker, all I did was quote his figures, and so if there's a question of dishonesty, then it's the Honourable Minister's involvement, not mine.

MR. SPEAKER: Again I see we have a difference of opinion in respect to what is being stated. Let me infer and let me state to the members that they all have been using innuendo in respect to the word "honesty" in this House and that's why I rose in respect to parliamentary procedure and practice when the Honourable Leader of the Opposition was speaking. I would hope all members would conduct themselves honourably. The Honourable Minister of Mines and Resources.

MR. GREEN: Mr. Speaker, I was trying to indicate that in listening to the honourable member I was trying to give him credit for being more honest than he actually was. Now the Honourable Leader, I would say that two out of three hours of what he has said has been a charge against the members of this side for being dishonest: for cooking books, for mixing up figures, for camouflaging, and I thought that when the honourable member compared - and this was his comparison and if I am wrong I will ask to be corrected - he said that we had \$50 million in automobile insurance - just a minute - \$50 million in costs, that there were \$10 million out of \$40 million in premiums, that is 25 percent. That's what he said 25 percent. Then he took the figure of \$3 billion and said that they lost \$132 million and said that was four percent. Isn't that right? And I took it that nobody would take the two figures, that is 50 million over 10, and 3 billion over 132, and say that they were comparable if they were not the same thing.

MR. SPIVAK: I didn't say they were.

MR. GREEN: Well, Mr. Speaker, the honourable member got up and -- (Interjections) --

MR. SPIVAK: (Inaudible)

MR. SPEAKER: Order please. I'm going to suggest that the Honourable Leader of the Opposition have the patience, unless he is being misquoted, to at least listen to the argument that is being presented, and if he is being misrepresented I will entertain that, but if he just thinks that the opinion is not being expressed as he thinks it should be, I will not entertain it. Now let's have some parliamentary debate. The Honourable Minister of Mines.

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MR. GREEN: Mr. Speaker, because the honourable member was less honest than I thought he was, and which I gave him credit for, I came to an unwarranted conclusion. I thought that when he compared the 40 million with a 10 million loss and said that that was 25 percent, and then took the three billion and said there was \$132 million loss, I thought he was talking about auto insurance in each case. Now what he says -- (Interjection) -- He didn't say it. Well, Mr. Speaker, here's an honourable member, here's an honourable . . . The honourable member has spoken for over three hours and will now not let somebody else take the floor and at least discuss it. Mr. Speaker, here's an honourable member who was lecturing on honesty. He was lecturing on honesty and he was saying it's not what you said, did you tell us? It's not as if you . . . He said that the Honourable Minister didn't tell the people that there was a \$10 million loss in Autopac. And I think I commented he didn't say that there wasn't, and he didn't say it's not, that he didn't say that there wasn't, the dishonesty's in his not saying that there was. And now I take the two figures and I thought, I really believed, Mr. Speaker, that the honourable member would not take those two figures, three billion as against 132, and compare them with 40 million and ten, if they were not automobile insurance figures. -- (Interjection) --

Well, Mr. Speaker, then the honourable member would have to take the 132 million - if he wants to then make an honest argument - an honest argument; he would take the 132 million and compare it with the automobile insurance figures underwritten, and then compare the two figures - or would that be a dishonest argument? Because if, Mr. Speaker, the honourable member in demonstrating what he thinks is honest and what we do is dishonest, then I say that when I compare automobile insurance losses to global losses, I will not make the comparison unless one loss is comparable to the other loss. But the honourable member got up in this House and said our loss was 25 percent and their loss was four percent, without indicating -- and when he did that I thought, "My God, now I've got the Leader of the Opposition. Now I can prove that our automobile insurance program is not as good as we said it was but four times as good as we said it was. Because if we took the three billion dollars and said that in Manitoba one million people pay \$50 million for automobile insurance and the other 20 million people in Canada pay \$2,950 million for automobile insurance, it would mean that we are paying one third of what other people in other parts of the country are paying. Although I expected that we were doing good in the automobile insurance field, I never believed that we were doing as well as what the honourable member seemed to suggest by his figures.

Now, Mr. Speaker, I said that I was going to tell a story and I'll still tell the story because he said something else.

MR. CRAIK: Mr. Speaker, on the point of . . .

SOME MEMBERS: Oh, sit down.

MR. SPEAKER: Order please. Order please. The honourable member have a point of order?

MR. CRAIK: My point of privilege, in view of the fact that a case is being made of this, is the Minister now to clarify for the House saying that the Canadian losses in automobile insurance were \$132 million?

MR. SPEAKER: Order please. Order please. That is not a matter of privilege. The Honourable Minister of Mines.

MR. GREEN: Mr. Speaker, that was my understanding, and if that figure is correct I would be happy to accept the correction, but that was - - Mr. Speaker, the honourable member asked me to verify it. I received that figure from the Honourable the Minister in charge of Autopac. If the Honourable the Leader of the Opposition didn't like that figure, my understanding was that the industry-wide loss in automobile insurance over this country is roughly \$130 million. Mr. Speaker, one company -- (Interjection) --

MR. SPEAKER: The honourable member state his matter of privilege.

MR. SPIVAK: The Honourable Minister keeps referring to information supplied to the House by myself. That information came from the Honourable Minister for Public Auto Insurance. That information was passed on by him this morning and that's the information that I used. If it's incorrect, let him go back to him.

MR. SPEAKER: The Honourable Minister of Mines.

MR. GREEN: I must say, Mr. Speaker, that I am being interrupted by really unwarranted points of privilege. The figure that the Honourable Member the Minister in charge of

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(MR. GREEN cont'd) Autopac got, he tells me he got from the Globe and Mail. To that extent it is -- (Interjection) -- The honourable members now say that the honourable member's figure from the Globe and Mail should not have been presented to the House. Mr. Speaker, I think that the kinds of interruptions I am getting indicates the degree to which the Leader of the Opposition has put himself in an impossible position vis-a-vis honesty representing figures. Because he used that figure, Mr. Speaker. He used it. He didn't question it. He didn't say that this is an inaccurate figure. He used it to show that whereby our losses are 25 percent, the total industry losses are four percent. That's what he used it to show.

Now, Mr. Speaker, in doing it, he then went to the industry, he then went to the industry and he said to them, "Well, you know, they claim you lost \$138 million," and apparently the industry told him - or if it's wrong, and I don't know where he got the information; perhaps he doesn't care, perhaps he got it from the Globe and Mail. He said that was not including investment income; that if we took the investment income they didn't lose anything. They made a profit.

Now, Mr. Speaker, this reminds me of a rural story that some of the rural members will be happy to hear about how something slips out. This fellow was having -- he wanted to buy a bull for the purpose of breeding his cows, and he went and he bought a prize-winning bull and he brought it home, and the bull did nothing but sit around and eat daisies like Ferdinand. The cows stood there waiting expectantly and the bull didn't do anything. So the farmer was very annoyed -- (Interjection) -- Well I'm glad that you're finding it so amusing already, but I think that if you wait a little while you'll find it even more amusing.

So the fellow went and got the veterinarian and he said, "The bull is a prize-winning bull. I paid good money and it doesn't perform." And the veterinarian said, "Well, that's all right," He looked at it and he says, "It's the change of atmosphere. It's nothing. A perfectly healthy bull, but you have to give it these hormone pills. Give it one every three hours and after a little while it will perform wonderfully."

So he gave it the pills and sure enough, after a day or two the bull not only serviced his cows but serviced the neighbours' cows and still appeared to have a big appetite. And the neighbour came over and he congratulated him on the wonderful bull that he had. And he said, "Yeah, it's a wonderful bull but it wasn't good at the beginning." He said, "Well, what was wrong?" He said, "Well, it was really nothing. It was just a change of atmosphere and the Vet gave me these pills." And he says "What kind of pills are those?" So he says, "Oh, they're just ordinary pills. They come in a little round box. They're oval-shaped; they're about three-quarters of an inch long; they've got a green glossy cover and they taste like peppermints." (Laughter)

Well, Mr. Speaker, we talk about camouflaging figures. When the auto industry came to the various committee meetings that we had in the Province of Manitoba they always showed that they weren't making anything on auto insurance, they were losing money on auto insurance.

A MEMBER: Yes.

MR. GREEN: They lost money on every policy they sold, you know, they made it up on the volume. But the fact is that they always said that they're losing money. These people who don't camouflage, honesty, no problem. We said what about the investment income? We said what about the investment income, and then they said, well, the investment income's got nothing to do with this. It's what we make on the policies that you've got to take into account.

But now, Mr. Speaker, we have indicated, the Province of Manitoba, that we've taken the projected losses of the people in the auto; we've taken the actuarial rates; we've made a projection of them; we figured that this should be the amount of the premium, including the investment income, which has got to be to their credit, and we come out with a figure; and we showed a \$9,300,000 loss or thereabouts. But that's a loss. Now, do you mean to say that that is less honest than the automobile insurance companies of Canada going across the country saying that we lost \$138 million. Look at us, how difficult we are, how much we haven't made. Mr. Speaker, the Honourable the Leader of the Opposition has told us that that's not a loss at all, that they made money, and that is not camouflaging a figure. That is perfectly honest presentation of figures. Well the honourable member said that that is a safer situation -- (Interjection) -- okay. Yes, that they made money. That if you take that into account, they made money.

MR. CHERNIACK: Well, what did he misquote? What did he misquote? What did he misquote?

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A MEMBER: What did he misquote?

MR. SPEAKER: The Honourable Minister of Mines.

MR. GREEN: Honesty at showing the people what it is costing them and what they are getting for their money, and the honourable member says that dishonesty is showing an actual loss of \$9,300,000, and honesty is showing a loss of \$132 million and making money - that's honesty, Mr. Speaker.

Now, Mr. Speaker, that is what we are . . . side by side, and that is what the honourable member is trying to sell when he accuses this group of misrepresenting because we have shown that there was a \$9,300,000 loss.

Now, Mr. Speaker, I think it's 5:30 and I have many things to say about what my honourable friend has said, and I will get to them.

MR. SPEAKER: Order please. I should also like to indicate to the honourable member who had the floor I have made allowances for the interruptions.

The House is now adjourned and stands adjourned until 10:00 a.m. tomorrow morning.
(Tuesday)