

## THE LEGISLATIVE ASSEMBLY OF MANITOBA

8:00 o'clock, Tuesday, July 6, 1971

Opening Prayer by Mr. Speaker.

MR. SPEAKER: Presenting Petitions; Reading and Receiving Petitions; Presenting Reports by Standing and Special Committees; Ministerial Statements and Tabling of Documents; Notices of Motion; Introduction of Bills.

ORAL QUESTION PERIOD

MR. SPEAKER: The Honourable Member for Morris.

MR. WARNER H. JORGENSEN (Morris): Mr. Speaker, I should like to direct my question to the First Minister and ask him if the government has rescinded the regulations pertaining to the Egg Marketing Act in the light of the decision of the Supreme Court recently.

MR. SPEAKER: The Honourable the First Minister.

HON. EDWARD SCHREYER (Premier) (Rossmere): Mr. Speaker, unfortunately I didn't hear the Honourable Member too clearly. Was he referring to the rescinding of the Order-in-Council relative to Egg Marketing? Well I'll have to take that question as notice, Mr. Speaker. It would seem to me that the regulations as drafted either have to be repealed or else if they are left, they really are null and void in any case, even if they are left on the books.

MR. JORGENSEN: I wonder if the Minister would take the question as notice then and give a definitive answer perhaps tomorrow. I should like to ask a further question, Sir. I wonder if the First Minister could indicate if the government has taken any action since the decision of the Supreme Court, any action in order to further the movement of eggs into the Province of Quebec.

MR. SCHREYER: Well, Mr. Speaker, it would seem to me that once the Supreme Court has ruled, that from there on the onus is on the Government of Canada to ensure that the Court order is respected and obeyed, and simultaneously, it is up to the marketing agencies and producers, wholesalers, etc., to attempt to move products in accordance with the Supreme Court ruling. I just assume that those who are involved in the marketing of this product will now be attempting to market it in the normal way in the light of the Supreme Court decision.

MR. JORGENSEN: A supplementary question. My understanding is that there has been no movement of eggs into the Province of Quebec and I wonder if the First Minister could give some indication if the Federal Government is planning to take some action to ensure that the Supreme Court ruling is adhered to.

MR. SCHREYER: That is my understanding, Mr. Speaker, but in any case I shall have the Minister of Agriculture look at this in greater detail.

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

MR. HARRY E. GRAHAM (Birtle-Russell): Thank you, Mr. Speaker, my question is to the First Minister also. Could the First Minister indicate how many students that are employed by the Planning and Priorities Committee are working outside the Province of Manitoba?

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Mr. Speaker, perhaps the honourable member should file an Order for Return.

MR. SPEAKER: The Honourable Member for Assiniboia.

MR. STEVE PATRICK (Assiniboia): Mr. Speaker, I wish to direct my question to the Minister of Municipal Affairs. In view of the fact that many companies, insurance companies are declining new auto applications because of the short period between now and November 1st that the Autopac comes into effect, is the Minister giving any assistance to these people that have a difficult time getting insurance?

MR. SPEAKER: The Honourable Minister of Municipal Affairs.

HON. HOWARD R. PAWLEY (Minister of Municipal Affairs) (Selkirk): Mr. Speaker, this entire matter is presently under consideration and I expect that there will be a policy statement delivered within the next few days.

MR. PATRICK: Is the Minister aware, or has he instructed the Autopac people to use what one would call almost blackmail tactics to, the phone calls that they are receiving, saying to the effect - I'll be specific - wherever you have your fire insurance, make sure that they must give you. Is he aware of that or not?

MR. PAWLEY: Well, Mr. Speaker, I'm aware that the automobile insurance companies are pursuing those tactics of advising their customers that unless they undertake to insure their entire portfolio through that particular company, fire and other, that they will possibly

(MR. PAWLEY cont'd.) . . . . . discontinue their auto insurance. I'm aware that this is occurring. This along with other matters is presently under review, and all that I can say to the honourable member is that alternative plans of action are presently being developed.

MR. PATRICK: Is the Minister aware that the Autopac people are using this same approach and making the same statements?

MR. PAWLEY: . . . because I doubt that very much, however I will undertake to look into that matter.

MR. SPEAKER: The Honourable Member for Roblin.

MR. J. WALLY MCKENZIE (Roblin): Mr. Speaker, I wonder if, by leave, I could pass the hat around tonight for the Borowski campaign?

MR. SPEAKER: Order, please. I'm not aware of what procedure of the House that is. Possibly at this time, if I may have the indulgence of the House for a few moments, I would like to make a statement. The Honourable Minister of Mines and Natural Resources on Friday, June 25th, during the question period, raised a point of general order. The Honourable First Minister and the Honourable Leader of the Opposition were kind enough to speak to this same subject indicating the depth and many facets to the question.

I wish to state I have had difficulty in applying myself to the general point of order. Beauchesne's Fourth Edition, Citation 70, subsection (1) explains: "Points of order are questions raised with a view to calling attention to any departure from the standing orders or the customary modes of proceeding in debate or in the conduct of the legislative business, and may be raised at any time by any member whether he has previously spoken or not. It should be realized that support of the Speaker and the maintenance of order expedites transaction of business and the conduct of a disorderly member, if unchecked, may result in an ineffective meeting."

Also, subsection (6) of Citation 70 reads: "The Speaker decides questions of order only when they actually arise and not in anticipation. He is bound to call attention immediately to an irregularity in debate or procedure and not to wait for the interposition of a member."

The Honourable Minister of Mines and Natural Resources quoted a number of hypothetical instances. The Chair was remiss in not indicating at that time Beauchesne's Citation 71, subsection (3) which reads: "Hypothetical queries on procedure cannot be addressed to the Speaker from the floor of the House."

It may be of assistance to indicate to all honourable members at this juncture Beauchesne's Citation 71, subsection (7) which in part reads: "The Speaker is always ready to advise members of all parties who consult him privately, whether upon any action which they propose to take in the House or upon any question of order which are likely to arise in its proceedings."

Proceedings progress - and your humble servant finds himself in the circumstances analogous to Citation 71, subsection (6) of Beauchesne which says: "In all matters of doubt, the Speaker will consider attentively the opinion of members of experience, or sometimes instead of expressing his opinion on either side may ask instructions from the House or reserve his decision on the point in discussion or suggest that the House may, if it thinks proper, dispense with the rules in a particular case. In doubtful cases he will largely be guided by circumstances."

As a voice and servant of the Assembly, under the circumstances I would not wish to rule on that which is not a specific matter. However, I can at this point offer honourable members the benefit of my reflections, namely and only very briefly, on procedure in debate and matters of privilege, in the parliamentary sense, should the Assembly deem it desirable.

Shall I proceed? The matter of privilege is fairly well defined in Beauchesne's Citations 103 to 116 inclusive. Cross reference to Mays and to Bourinot will indicate similarity and substance. For our purpose, the pinpointing illumination is indicated in Beauchesne's Citation 113 which in part reads: "Members often raise so-called questions of privilege on matters which should be dealt with as personal explanation or corrections either in the debate or in the proceedings of the House. A question of privilege ought rarely to come up in Parliament. It should be dealt with by a motion giving the House the power to impose a reparation or apply a remedy. There are privileges of the House as well as of members individually. Wilful disobedience to orders and rules of Parliament in the exercise of its constitutional functions, insults and obstructions during debate, are breaches of the privileges of the House. Libels upon members and aspersions upon them in relation to Parliament and interference of any kind with

(MR. SPEAKER cont'd.) . . . . . official duties are breaches of the privileges of the members, but a dispute arising between two members as to allegation of facts does not fulfil the condition of parliamentary privilege."

At this point I would like to reflect briefly upon procedure in debate. Debate is a mutual play of opinion upon opinion expressed by speeches of members. One of the many functions of this Assembly consists in debating public issues, a function which can only be filled by complete freedom of speech. Relevancy is not easy to define. The wrong comprehension of it may have a serious effect on freedom of speech. A great deal of latitude must be allowed so every phase of public affairs can be discussed relative to the question before the House. Wilful misrepresentation or direct imputation and aspersions are contrary to our rules. A personal attack by one member upon another is an offence against the House. Repetition in debate should also not occur. Self-discipline of all honourable members will tend to reduce words which may create heat and ill-will. On the other hand, tolerance will diminish affront and grievance.

The question of privilege to a member can be raised on a point of order for explanation in a grievance respecting misquotes or misrepresentation. Points of order must be stated clearly and members must confine themselves to the subject and not refer to the general tenor of the debate. The reply on the point of order must follow the same principle.

In respect to question or explanation during debate, Beauchesne's Citation 126, subsection (1) is self-explanatory and reads: "If a member desires to ask a question during debate he should first obtain the consent of the member who is speaking. If the latter ignores the request the former cannot insist, even if he thinks he is being misrepresented. He cannot make a denial during the speech but he must wait until the member has resumed his seat and then he may ask leave to make a statement or he must wait until his turn comes to address the House."

Standing Order 12 is compulsory. No one has the right to interrupt the member who is addressing the House by putting a question to him or by making or demanding an explanation. A member may allow interruption through a sense of courtesy, but it is entirely at his or her option to give way or not to an immediate explanation. The authority and impartiality of the Chair should not be questioned although the sense of will of the Assembly may be decided by challenge to the Chair. There may be inadequacies to procedure, but as honourable members know, the Assembly is subject only to its own will and rules and the decorum and orderly procedure shall be that which each and every honourable member desires. The shortcomings of the Chair should be attributed to the office holder and not to the office of Speaker. Our rules committee in re-examining our procedure may deem it desirable to discuss and recommend refinements to our procedure. As a member of that committee I will apply myself diligently to the task.

I would like to express my appreciation to the honourable members for their indulgence. As your elected servant and voice of the Assembly, I am not unmindful of the valuable contributions to procedure and decorum of all the honourable members. Thank you.

#### ORDERS OF THE DAY - GOVERNMENT BILLS

HON. SIDNEY GREEN, Q. C. (Minister of Mines, Resources and Environmental Management) (Inkster): Will you call Bill 52, Mr. Speaker.

MR. SPEAKER: On the proposed motion of the Honourable -- The Honourable Member for Rhineland.

MR. JACOB M. FROESE (Rhineland): I have a further question before we go into the proceedings. Mr. Speaker, I would like to address my question to the House Leader. In view of the frequency to which Beauchesne is being referred to by Mr. Speaker and other members would the government not consider providing us with copies of Beauchesne?

MR. SPEAKER: The Honourable House Leader.

MR. GREEN: There are several copies located in the Legislative Library. Will you call Bill 52, Mr. Speaker.

MR. SPEAKER: On the proposed motion of the Honourable Minister of Municipal Affairs. The Honourable Member for Fort Garry.

MR. L. R. (Bud) SHERMAN (Fort Garry): Mr. Speaker, I don't plan to speak at length on this legislation other than to register my objection to it on the grounds that it adds, it seems to me, insult to injury that's already been done to an industry and practitioners of that industry and persons who have been served by that industry through the province.

(MR. SHERMAN cont'd.)

Mr. Speaker, Bill 56 from last year, the original legislation introducing public automobile insurance into this province, didn't last very long in its original form. Here we are less than a year later introducing an extensive and wide-ranging number of amendments and changes to eliminate anomalies and inequities in the original legislation and to try to shore up some of the weak points in that bill. Here we are, less than a year later, studying a piece of legislation that attempts to cope with and repair the mechanical and technical and administrative weaknesses that were contained in that original and highly contentious piece of legislation.

The fact that Bill 52 was on this session's Order Paper and is in front of us at the present time seems to me, Sir, to indicate once again, and to underscore once again, some of the arguments that were advanced from this side of the House, and indeed from many quarters of the Manitoba community in general last year, about the unfairness and the undesirability of last year's Bill 56. Whether or not bill 52 can build into the new institution of public automobile insurance in this province the kind of proper mechanics and the kind of fairness and equity that are needed and desirable remains to be seen. I would doubt for my part that the bill as it's presently constituted can do that.

In the first place, it doesn't deal with the basic question of the advantage for this provincial community of public automobile insurance. In the second place, since that original legislation contained inequities and difficulties necessitating this piece of legislation this year, one is left pondering the question as to whether you really can make a good thing out of a bad thing, Mr. Speaker, at this stage of the game. One is left pondering the question of the need for improvisation and patchwork of this kind when this government staked its reputation and its integrity, and its whole public posture in fact, less than a year ago on what it felt was the justification, philosophical and social and economic, of public automobile insurance.

The fact that these amendments are needed this soon points to serious shortcomings and serious weaknesses, serious holes in that original legislation, and one is left on this side of the House in a state of amazement that the kind of legislation incorporated and involved in Bill 56 of last year could have been foisted off on this Legislature and on this province in such an ill prepared state, in such a sloppy state.

Mr. Speaker, in speaking to Bill 52 I wish to speak to the concept embodied in the principle of Bill 52 which relates directly to the original principle in the original piece of legislation, Bill 56 of last year, because this bill, Sir, deals specifically with the practicability and the applicability and the mechanics of that legislation. It seems to say that legislation is mechanically weak. We for our part argued as strenuously as we could last year that it was philosophically weak, that it was socially weak, that it was morally and ethically undesirable if not unfair. Now we have a piece of legislation that says to boot, it's mechanically weak, it's a bad piece of legislation.

I think that the mere and simple existence of this Bill 52, Mr. Speaker, says volumes about public automobile insurance. It says volumes about the impracticality and the unfairness and the unworkability and the unacceptability of that original legislation. It says more than I could say or anybody on this side of the House could say, or anybody on this side of the question in the entire community of Manitoba could say about the unworkability and the unacceptability of that original legislation. So it speaks for itself without going into detail.

But on the question of the principle itself, which is what we're concerned with of course at this stage, Sir, I am impressed by the recent, or by a recent edition of the Toronto Globe and Mail and a report which it contained which indicated that by November the 1st of this year it's likely that less than one-third of the original firms, the original companies practising the business of private automobile insurance in the Province of Manitoba will be left to participate in and practice that business. The Globe and Mail story, which I don't have in front of me but which doubtless has been brought to the attention of most members of the Chamber and which appeared in the past two or three days, said that on the basis of the trends in the industry at the present time it would seem safe to estimate that by November 1st more than two-thirds of those firms who up until the past few months were practising the private business of public automobile -- practising the -- (Interjection) -- That borders on a Freudian slip, Mr. Speaker. It stems from my emotional preoccupation with the question and with the subject. I'll try to straighten my emotions out, Mr. Speaker, and take another run at that point. What the Globe and Mail story indicates is that more than two-thirds of those firms practising private automobile insurance and pursuing that private industry in this province will have

(MR. SHERMAN cont'd.) . . . . . ceased to practice and participate in that industry and will have left the province to all intents and purposes as far as that industry is concerned by the first of November.

Well, that may not be in the minds of honourable members opposite, members of the Treasury benches and particularly the Honourable Minister of Municipal Affairs who is responsible for the original legislation and indeed for the legislation before us at this moment, that may not be all that bad a thing. There may be things wrong with the private automobile insurance industry which strike the Minister and his colleagues as being so wrong as to put the industry in an indefensible position. There may be such glaring weaknesses and such glaring aspects of disfavour to the industry that members opposite feel it's not a bad thing that the number of firms in the industry is reduced in the space of a year by something approaching 67 percent.

But whether or not the argument can be made - and I don't subscribe to the fact that it can be made - but whether or not the argument can be made that there were too many firms practising automobile insurance in the sphere of private enterprise and that as a consequence there were aspects and practices creeping into the industry that can best be remedied by this kind of rationalization, whether or not that argument holds water, the fact remains, Mr. Speaker, that at the nub of this whole situation is the individual automobile insurance agent and his family, numbering in the hundreds, and his children and those who have depended upon him for employment, the one or two girls and the one or two assistants that he's employed in his office, and all of their livelihoods and all of their input into the economy are at stake when we talk about two-thirds of an industry leaving the practice of that industry. In fact in most of those cases leaving the province we're talking not just about corrections and rationalizations in an industry that from a doctrinaire point of view the government may feel is desirable, but what we're talking about is hundreds of individuals being forced out of the province, being forced out of this society and out of this economy because their livelihoods have been taken away from them. And we're talking about all those who are dependent upon them, not only from a family point of view but those dependent upon them for jobs, and we're talking about others who are dependent in a peripheral way for the input that those people and those families put into this society and put into this community.

And if you want to come right down to the basics of the thing from the government point of view, Mr. Speaker, we're also talking about sources of taxation, sources of revenue for this government or for any government charged with the administration of this province. The government, by forcing these people to run for cover, by forcing these people to leave the field of their livelihood at least in this province, is in fact robbing the people of Manitoba, robbing the Treasury of Manitoba of a certain financial and economic input derived from the contribution that that industry makes to the over-all economy. There is a loss of buying power; there is a loss of taxation and taxation revenues; there is a loss of economic effect, a multiplier effect on those in the community who depended upon the automobile insurance agents and their families for purchase and participation in the sale and transaction of goods and services and the effects, ramifications of that loss are felt in the Provincial Treasury and thereby felt in the pockets of the Manitoba taxpayer, the individual Manitoba citizen.

So in effect, Mr. Speaker, by doing what it deems in its questionable wisdom is the necessary thing to do where public automobile insurance is concerned, this government is robbing itself, and through itself the people, the taxpayers of Manitoba of economic input, of revenue, of earning capacity. There is a loss of buying power that will be felt throughout the entire economic community as a consequence of 67 percent predicted of the private automobile insurance companies in this province finding it necessary to quit business in this province and to leave by November 1st of this year. Now that is a serious and a staggering economic bind, a serious and a staggering economic difficulty for a province like ours which has difficulty enough, all things being reasonably healthy and equal, Mr. Speaker, difficulty enough in maintaining a viable and a productive economic environment for its people.

Mr. Speaker, in the debate that's raised about the amendments incorporated in Bill 52 to the Automobile Insurance Act introduced and passed last year, the individual automobile insurance agent, his wife, his children, the three or four people who work for him and the ten or twelve people in his immediate social environment who depend on him amongst their regular customers and clients are the forgotten people in the debate.

We talk about the mechanics; we talk about the practical application of the legislation;

(MR. SHERMAN cont'd.) . . . . . we talk about the different rates that are going to be available to purchasers of the public automobile insurance program offered; we talk about comparisons; but in all these clinical and academic arguments the individual agent himself has been overlooked and forgotten and the individual agent and his family has suffered now, Mr. Speaker, for 12 months or more, has suffered for 12 months or more under a cloud of uncertainty that borders on the cruel.

It's an uncertainty that borders, Mr. Speaker, on the cruel, because he's locked in and committed to a business that he has built for himself and which he's invested time, energy and money, and he's not free and flexible and able to pick up and transfer to some other kind of endeavour or activity or some other locale. He has social and family and education commitments and financial commitments as well as all the other commitments and trappings that go with making a living and raising a family and providing for a household.

He's not free and flexible and able to move about at the whim of whatever doctrinaire government may be in office at the time, and he has suffered under a cloud of cruel uncertainty for a year now, and it's moving well into the second year of that period in which he has had no direction from the government, no indication from the government as to what the future for him in practical, financial terms holds, and what that means to a person charged with the responsibility of raising a family, I don't need to describe in detail to you, Sir, or anyone in this Chamber, because most in this Chamber are in the position of being men or women charged with the responsibility of providing for families, and all here know how uncertain that undertaking is at the best of times, let alone those times when one's livelihood is threatened and when one's alternatives are left as cloudy and as uncertain as the alternatives for people in this industry have been left by this government and this legislation.

Mr. Speaker, last year during the heat of debate on Bill 56 there were two members of this Chamber, the Honourable Member for St. Boniface and the Honourable Member for Churchill, who said that there were many things about the legislation that they questioned; there were many things about the legislation that left them somewhat uncomfortable; but on balance they felt that on the basis of the legislation as presented to this Chamber last year it was acceptable and viable and practical and certainly worth trying in the interests of the people of Manitoba.

But they had one major reservation. They said that while on balance they could accept the legislation and therefore on the basis of their consciences found it possible to vote for the legislation, they raised one primary reservation. They said if the compensation, Mr. Speaker, if the compensation being offered the agents is not in our opinion fair and reasonable then - whether they said this collectively or individually, certainly the collective impression left by both of them in my opinion, in my opinion, Mr. Speaker, was that if they did not find that compensation reasonable they would move to vote non-confidence in the government; they would move to make their positions clear to the government and spell them out in terms that left no doubt that they felt that the weakness in this very important and very controversial legislation was a weakness of inadequate, unethical, unfair compensation for those being eased out or forced out of the private industry.

Now the moment of truth it seems to me, Mr. Speaker, arises at this juncture for the Honourable Member for St. Boniface and the Honourable Member for Churchill - and I'm sorry that the Honourable Member for Churchill is not here - the moment of truth arises because I think it's not unfair of me or anybody on this side of the House to ask the Member for St. Boniface and the Member for Churchill at this juncture, Sir, whether they can in conscience say to themselves that they believe the compensation being offered agents who are forced out of the industry as a consequence of this legislation is fair and equitable, and if they do think it's fair and equitable then they bring in my opinion, Sir, a strange criteria of measurement to that terminology. How the Honourable Member for St. Boniface or the Honourable Member for Churchill or anybody, even members of the Treasury Benches, could argue that the compensation thus far offered to agents who have put in a lifetime, or a substantial period of a lifetime into this industry is fair and equitable, escapes me, is beyond me, Mr. Speaker, and is beyond everyone I might say on my Party's side of the House, in my Party's section of the Chamber. I think that the moment of examining their consciences is at hand for those two particular honourable members because that was their basic reservation on the original legislation. I wonder if they can to themselves, and to me, justify that compensation as it stands at the moment.

(MR. SHERMAN cont'd.)

Mr. Speaker, regardless of what this bill says and regardless of what the members on the Treasury benches say and regardless of what the Minister, the Honourable Minister of Municipal Affairs says, the compensation still works out, still works out to \$85.00 a year for every year of service, and that's not fair, equitable or reasonable for a man and a family who have put in a lifetime, or the better part of a working lifetime in building the kind of business involved in that practice of that particular private industry.

As for the transitional allowances that are offered, Mr. Speaker, I would think that the Member for St. Boniface and the Member for Churchill would have an even more difficult wrestling match with their consciences, either with their own individual consciences or with the consciences of each other in criss-cross fashion. What the transitional allowance part of the legislation says is that you, Mr. Private Automobile Insurance Agent, forced into difficulty by this legislation, forced out of business, forced to the sidelines, you can go and borrow back the money you want, you can go and borrow back the money if you want it, and you're borrowing back the money that the government took from you in the first place and you're borrowing it back at current interest rates which may be as high as 9-1/4 or 9-1/2 percent. Now where, Mr. Speaker, in the conscience of my honourable friend from St. Boniface and the conscience of my honourable friend from Churchill is that kind of position justifiable. -- (Interjection) -- I'm sorry, Mr. Speaker, I'm trying to pick up a question from the First Minister which I didn't hear. -- (Interjection) -- Yes, I wouldn't mind.

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Mr. Speaker, if the Honourable Member for Fort Garry was referring to the moment of truth arriving for some honourable member or another, then I would simply ask my honourable friend when the moment of truth would arrive for him, if ever?

MR. SPEAKER: The Honourable Member for Fort Garry.

MR. SHERMAN: Mr. Speaker, in my brief political career I've faced three moments of truth; two of them proved successful, one of them resulted in my defeat, and I can only say that as for my next moment of truth that decision, Sir, is up to the First Minister, but I'll be ready for it when it comes.

But this is the position that it puts individual agents in, Mr. Speaker, when you talk about transitional allowance and compensation, you're really saying to them sure, if you're in trouble we'll lend you the money, we'll lend you the money. The only problem with the whole deal, the whole setup is that it was their money in the first place really because it's their businesses and their enterprises that have been forced into inactivity, that have been forced into collapse, so they're really borrowing their own money back from the government.

Now these are the questions of conscience that I'm sure keeps the Member for St. Boniface awake at night and keeps the Member for Churchill awake at night. I'm convinced that they're wrestling with those questions at the very moment, at this very time, Mr. Speaker, and I'm sure that before this session is over and before this legislation is passed we will have some soul-searching, gut-wrenching examinations of conscience by the Honourable Member for St. Boniface on this question and probably by his colleague, who really can't compare with him in that department of performance the Honourable Member for Churchill.

MR. SPEAKER: Order, please. The Honourable First Minister.

MR. SCHREYER: On a point of order, Mr. Speaker, I seem to recall, Sir, that earlier this evening you gave an exposition of your understanding of decorum and rules of this House, and one of the specific points, Sir, was that repetition in debate was not in accordance with the rules and I can swear, Sir, that the Honourable Member for Fort Garry has repeated himself many times, many times.

MR. SPEAKER: The point is well taken. The Honourable Member for Fort Garry.

MR. SHERMAN: Mr. Speaker, I can only say, Sir, that when I came into this Assembly two years ago I learned at the feet of the Honourable First Minister that repetition is the mother of learning, and as a consequence I'm patterning myself in his -- I'm patterning myself after that kind of dictum and that kind of instruction, Mr. Speaker, not after my mother or after the First Minister's mother as someone has suggested. But I do believe that the First Minister's point is well taken both insofar as the effective repetition and insofar as my repetition in this particular debate is concerned and I won't worry the point, Mr. Speaker.

Let me say in conclusion that when we talk about the position that individual private automobile insurance agents and their families and dependents have been placed in that we

(MR. SHERMAN cont'd.) . . . . . overlooked one other, one other inequity that's been forced upon them, and that is the gracious and charitable and gratuitous commission rates that are being offered to the agents under this legislation, the charitable commission rate of 7 percent. -- (Interjection) -- It's more than Allstate my honourable friend the First Minister says, and it may be more than Allstate, but I can tell him this, and he knows as well as I do that many persons individually practising automobile insurance and running their own businesses in that industry in this province have made substantially more in total in commission, through efforts of their own and through enterprise and through willingness to work long hours, substantially more than 7 percent.

A commission rate of 7 percent is not fair and equitable to an agent who, through his own efforts, has built up a rate substantially higher than that. I don't say his commission rate should be 17 percent, but I say that 7 percent is below the level attained and achieved by many people who put in the effort and the hours and the time and the sacrifice on the part of their personal lives to build themselves a high commission rate return. So these are -- (Interjection) -- well, I like long hours but I like long hours on commission, and I don't see any signs of commission in long hours arguing with the Minister of Mines and Resources.

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Mr. Speaker, just to ask this one question of the honourable member. When he refers to the 7 percent as being inadequate in relationship to what is paid by other companies, would he not agree though that the commission rate really has to be related to the expenses that the agents incur and also to the time required for the writing of policies, and if it can be shown that there will be fewer expenses and less time required because of automated arrangements, less time required to write policies, wouldn't he agree that a lower rate could be justifiable perhaps.

MR. SPEAKER: The Honourable Member for Fort Garry.

MR. SHERMAN: Yes I would, Mr. Speaker, I would agree with that. I fail to find myself convinced or to find many of the agents that I've talked to convinced that those kind of savings in terms of time and energy are guaranteed under the public plan, but I would agree with the First Minister that certainly the commission can not be considered independent of an entirely divorced from all other factors involved in that kind of work.

But, Mr. Speaker, I said a few moments ago that I was going to be brief and members opposite will be thankful that I am going to be brief. I just - from here on in - I just wanted to emphasize and underscore, Mr. Speaker, my firm conviction that you can't make a piece of good legislation out of a piece of legislation that was bad to begin with, and I suggest that the most eloquent testimony to the weaknesses of last year's Bill 56 are to be found in the simple fact that this year's Bill 52 is even on the Order Paper.

MR. SPEAKER: The honourable member will be closing debate. The Honourable Member for Rhineland.

MR. FROESE: Mr. Speaker, I should make my views known in connection with Bill 52 for those that -- if they don't know it. Certainly this is a follow-up of last year's Bill 56 no doubt because it concerns the same matter. I took part in debate last year and I don't subscribe to the fact that the government should be in business. I have said this on previous occasions, and sooner or later this very thing that the government is going into business will defeat them. Just you mark my words on that, because a business cannot compete, a Crown agency, a Crown corporation or a Crown business cannot stand competition and therefore you immediately have to acquire monopolistic powers to a Crown corporation. This is unhealthy and this certainly doesn't do the business any good; in the long run it is a big disadvantage.

And that's exactly what this bill does. This bill gives the Lieutenant-Governor-in-Council powers to make the Insurance Act apply or also make it not apply, that certain provisions will not apply, so that they can have it both ways, whereas the private companies they have to operate under the Act; they have to abide by it. Not so with a Crown corporation. So you're giving privileges to this government enterprise, and this is the case so often, and in most cases where you establish Crown corporations, a government business, they always need additional powers so that they can remain in business. There is an adage that competition is the lifeblood of trade. This is one aspect or one principle I take it that this government does not subscribe to, that they will not endorse.

When Bill 56 was brought in last year the people were led to believe that they were now going to get a superior product from this Crown corporation in the insurance field. But what



(MR. FROESE cont'd.) . . . . do we see now? Why do they have to bring in a bill at this session already after passing Bill 56 last year? Already they find themselves in a position where they need additional powers, where they can change the rules, where they can make changes to their liking. I, and so do other people in this province, once this bill comes into effect we will be subjected to buying our insurance policy from the government. However, because of Bill 52 we may not be able to collect because of the provisions that are in here. I feel that it's not fair to have these provisions apply to the Insurance Corporation that will not apply in other cases.

We find last year when the debate took place that the Minister of Mines and Resources was particularly interested in the matter of the large reserves that this will provide for the government, and I feel that there is a conflict of interest already between certain members of government. The Minister of Mines already, he is interested in the Reserve funds whereas the Minister sponsoring the bill no doubt is interested in the insurance, otherwise certainly what the -- (Interjection) -- the Minister of Finance says "what reserves?" I think the people of Manitoba will be the first to find out, because the government is so interested in reserves that they'll delay making payments on claims purposely so that they can retain the moneys. This is going to be one reason that people will be very dissatisfied with this government insurance plan, that payments will not be forthcoming so fast as people are led to believe. I certainly will watch the Corporation with great interest on this point.

The matter of liquidating the agency estates, as was pointed out by the Member for Fort Garry, certainly is one that is very tragic because I feel that if I were in their shoes, if my estate was to be liquidated just because I could not carry on my business, that -- (Interjection) -- After I'm finished, I wouldn't mind. Certainly I would object very strenuously, and we heard many many people in Law Amendments last year that are going to be affected that told us of their plight, how they had strived, how they had worked almost day and night in establishing a business of their own whereby they could make a living. Now we're, with one stroke of the pen once the bill is passed, we're going to wipe out their businesses.

The matter of compensation I think is inadequate in this respect. It's far too inadequate, because when we go back and look at Hansard and at the presentations that were made, I feel sorry for many of these people - and not all of them will be able to be employed by the government even though they may wish to because the government will not employ that many.

Secondly, the rates of commissions are set in such a way so that it will be on a declining scale. The first year the commissions will be higher, then the following year they'll already be a percentage lower and the third year a further percentage lower, and I think after that the government position will be that they will run the show themselves and they will be completely off the list.

I don't think that government can do a better way of bringing about insurance than the private companies have. For all these years we've had insurance brought about by private companies. They were the ones to develop the industry, to go into the field and to bring about the industry that we have today, and when we see companies moving out - and I'm told that there is 14 companies already pulling out employing somewhere between 40 and 50 people apiece - this is a large amount of people that will have to find employment elsewhere or move to other provinces. Or is this what this government wants? Do they want the people of Manitoba to leave for other provinces? Certainly that's not my opinion. I feel that we should try and retain people in this province, not only retain but make them willing to come here, to live here and to become residents of this province and citizens that can add to the production of this country and development of this country.

I am also surprised that the Member for St. Boniface who when sitting on this side of the House was a great free enterpriser; away back in 1960-61 when the Metro Bill was brought in, he was the chief, one of the chief opponents. He was a decentralizer, he was a private enterpriser and he really was a lion for that matter, Larry the Lion. Now it's changed, Larry the Lamb. What a change has taken place within a year or a year and a half.

MR. SPEAKER: Order, please. Order.

MR. FROESE: The matter of remembering occasions or names, for that matter, was brought out by the Member for Fort Garry and the First Minister in asking a question. I remember a certain booklet where they told us that you could remember a name better if you associated it with an event or if you associated it with a certain happening or place where it happened or repetition, and I think this insurance bill will be remembered by all members of

(MR. FROESE cont'd.) . . . . this House for years to come because it applies to all the three points; we have had a lot of repetition in debate; we can associate it with the event that has taken place last year and also what is taking place this year, so I'm sure that all members will remember the insurance bill of 56 of last year and Bill 52 of this year. Although the bill this year is not as comprehensive, it is an amending bill, but I feel that I cannot support it on the grounds that I have stated. I feel that we are giving special privileges again to a Crown corporation, we are giving added privileges to the Lieutenant-Governor-in-Council, the Cabinet, we are giving added powers to them to change the rules as they please and at the time that they please and I think this is highly improper. At least very much so, if private insurance companies will be authorized to sell the additional insurance, because it will be next to impossible for them to offer any additional insurance with the government taking the preferred position that they do when bringing in 52.

So, Mr. Speaker, I definitely do not intend to support the bill, for the principles mentioned, and maybe I should mention another one because other members are reminding me, that the matter of taking monies from the Consolidated Fund to subsidize this whole plan. That's what bill 52 does as well and in a few years we may be sticking our hands into the kitty in a very extensive way, that we will be probably drawing millions of dollars from the Consolidated Fund to subsidize this very insurance plan and I don't feel that I would subscribe to a situation of this because we find in too many areas already we are confusing the issue and bringing in a lot of side issues. This is the case in the Department of Health and Welfare as was discussed this afternoon. So many different programs, so many different side effects are brought in that we really don't know where we are going or what we are doing and what is happening, and sooner or later the same thing will apply to the insurance corporation and the insurance field. So, Mr. Speaker, with those remarks I will let the bill go.

MR. SPEAKER: Are you ready for the question? The Honourable Member for Birtle-Russell.

MR. GRAHAM: Thank you, Mr. Speaker. My remarks will be very brief and short, Mr. Speaker, in order to avoid repetition. I wanted to deal with two or three specific items in the bill that I don't believe have been discussed properly or at any length and to me they indicate some very serious problems that could arise with the implementation of this or the amendments to the Act.

The first point I wanted to raise, Mr. Speaker, was the question of the demerit point system that the Minister has introduced; and, Mr. Speaker, I fail to find in the amendment to the Insurance Act, any definition of a demerit point. It's not spelled out in the Act. I imagine that it will be in the regulations. However, we have not seen the regulations, so it must concern a lot of people, Mr. Speaker, at this time just what a demerit point is, how it is accumulated. I know the Minister has given us an explanation, however, he has not spelled it out in the Act so that we do not know for sure exactly what a demerit point is and it does cause a great deal of concern to many drivers in the Province of Manitoba.

According to the explanation that the Minister has given, Mr. Speaker, he has told us that approximately one-third of your demerit points will be reduced any year when the driver has a twelve month accident-free driving period. I would suggest, Mr. Speaker, that while we are not positive what type of traffic infringement caused demerit points to be assessed against your drivers licence, I would suggest, Mr. Speaker, that there may be a case where failing to stop at a stop sign or coming to a full stop at a stop sign could cause two demerit points to be assessed against your drivers licence. And I would suggest, Mr. Speaker, that if a driver had 12 or 14 or 16 points on his record and had successfully driven for 11 1/2 months without any accident or without any traffic infringement, and suddenly because his car failed to come to a complete stop at a stop sign, he may have had an automatic car or something like that or it might have been just a little bit icy, he could conceivably be charged with failing to stop at a stop sign which would mean that in the case of say 18 points against his licence, instead of having six of those points taken off his licence he would get another two points added which could cost him considerable money towards his insurance. It would also cost him the additional penalty that is normally imposed by a magistrate in the courts when he is charged with failing to stop at a stop sign.

I wonder if the Minister has fully explored all the possibilities that could occur and the impact and the effect that the so-called double penalty system would have on the motoring public as well as on the officers who are charged with the responsibility for enforcing the

(MR. GRAHAM cont'd.) . . . . law in the province. Mr. Speaker, I have taken the time to speak to some of those officers who are charged with the responsibility and they have expressed privately to me some concern over the implications that would occur if they were familiar with a person's driving record, the amount of demerit points he had and some minor traffic infringement coming to their attention and the ultimate effect it would have on the person's -- not only his driving record but the extreme financial penalty that would be imposed on him. Mr. Speaker, those same law enforcement officers have expressed their concern that the motoring public might have a sense of deep resentment towards the officer who was fulfilling his duty in such a case rather than expressing their resentment against the system that is imposed by the passage of the amendment to this bill. I think it's sufficient, Mr. Speaker, for the Minister to reconsider some of the implications that are inherent in the demerit point system that he has instituted or intends to institute with the passage of the amendments.

I notice also, Mr. Speaker, that while there seems to be adequate safeguards built into the bill with regards to appeal, the right of appeal and the methods of appeal, I wonder if the Minister has really considered some of the possibilities that exist in the impositions that he has placed on the Rate Appeal Board where he has put a time limit, Mr. Speaker, on the time for a hearing after the notice of appeal has been filed, when according to a section in the amendment -- and I believe I'm all right in quoting Mr. Speaker, when he says that the time and place of the hearings, that the time appointed for the hearing shall not be sooner than ten days nor later than twenty days after the date on which the notice is posted.

Mr. Speaker, last year, I understand that very close to 20,000 driver's licences in this province were rescinded for some reason or another for various lengths of time. Now, Mr. Speaker, I think it's inherent in any person who has had a privilege taken away from them to have some doubt as to the validity of the case that is placed before them, and I would suggest, Mr. Speaker, for argument sake that maybe half of those that had lost their driver's licence might want to appeal. Now I'm not taking into consideration any other traffic infringements which would add demerit points to a person's licence at all but just those who have actually had their driver's licence revoked. So if we just took half of those that had their licence revoked, Mr. Speaker, that would be 10,000 cases. And if the Appeal Board, Mr. Speaker, sat on 250 days out of the 365, that would mean that they would have to hear 40 cases per day, Mr. Speaker, and I know that, while I am not a lawyer, I know the Minister charged with the responsibility for this is a lawyer and has a great respect for a proper assessment of the situation before a decision is handed down, and I wonder, Mr. Speaker, if a board such as the Rate Appeal Board were hearing 40 cases per day, if there would be sufficient time for them to fully assess the situation and make a sound assessment before they handed down their decision on whether it would be proper or fitting that additional penalty points be assessed against a driver or whether some of them should be in fact removed. These are some of the questions, Mr. Speaker, that come to my mind when I look at some of the amendments proposed in Bill 52 and I would ask the Minister if he has considered some of these possibilities and considered the effect that it would have on the motoring public.

Now there's another point that has been brought to my attention, Mr. Speaker, and this deals with the question of the uncertainty in the motoring public mind about the process that will be used for the appraisal of costs arising from an auto accident. I know the Minister has told us, told us last year, that there would be centres set up throughout the province, Mr. Speaker, where the proper appraisal would be done by well-qualified insurance adjusters, but in rural Manitoba, in certain areas in rural Manitoba anyway, Mr. Speaker, there has been a great deal of concern expressed, not only by the motoring public but by business people as well, with regard to where the appraisal will be done, at what cost to the individual it would be to move his vehicle to the place of adjustment and if that cost is rather exorbitant there would probably be a tendency, Mr. Speaker, for the person who had towed his vehicle maybe 60 or 70 or 80 miles to have it fixed in that area, and the result, Mr. Speaker, is a genuine concern expressed by some of those small body shops throughout the province who feel that unless they are within a 40 or 50 mile radius of the adjudication of accident costs that they will be denied, or they will be too far away to expect to get their normal rate of business in the process of repairing the automobile of the insured person.

These are questions, Mr. Speaker, that I wish the Minister would in due course answer; and at the same time I would ask him to consider one other aspect that has been brought up, and this is the no-fault clause in the insurance and its inherent possible effect on the demerit

(MR. GRAHAM cont'd.) . . . . . system, whereby if an accident report is filled out and there is the automatic no-fault principle, it still remains the responsibility of those who are involved in the accident to make proof of responsibility for the accident in order to protect their driver's licence - not to protect their auto but to protect their driver's licence; so in a sense, Mr. Speaker, the no-fault principle is really not as important as what the Minister has indicated because there's still the onus of proof left on the individual to prove that he was innocent and the other person was guilty or else he will be assessed demerit points against his driver's licence, which automatically means that his insurance could possibly go up. These are some of the questions that I see, Mr. Speaker, questions that have been brought to my attention by constituents, and I look forward, Mr. Speaker, to the time when the Minister in closing debate will be able to answer some of these questions.

MR. SPEAKER: The Honourable Member for Brandon West.

MR. EDWARD MCGILL (Brandon West): Mr. Speaker, I have only a few observations to add to those of my colleagues in respect to Bill 52, the Act to amend the Automobile Insurance Act. What started as a very serious debate a year ago on the relative merits of private enterprise and public enterprise in the field of automobile insurance was colored and enriched by the many observations and forecasts of what the savings would be in the way of premiums to the people of Manitoba by adopting public enterprise in automobile insurance. Well right now we've come to the point where we've been able to compare the rates of the public enterprise, Autopac, with those published by the private insurance firms in Manitoba, so it's possible to move a little way from conjecture and get down to facts. The claims were that the savings would be anywhere from the very conservative 10 percent to about 35 percent, in that area. In fairness, Mr. Speaker, I think we should admit that you can find a class of customers that would save about a third -- those would be the under 25 who admittedly in the private insurance system are going to be subsidized by the older drivers, but no one has really disputed the fact that about 60 percent of the owners and operators of private passenger vehicles in Manitoba can buy insurance at a lower cost from at least two of the companies in Manitoba than the rates that are being offered by Autopac. So here we are down to the real facts of the situation and was it all really worth it for the savings for one group in the province. Is it worthwhile that more than 50 percent of the people in the province are going to pay more not really including the extra penalties that are going to be applied through the demerit system in the driver's license? I think it's rather a sad ending as we come to the ending in the debate on the second reading, at least, to this discussion because much of the damage that had to be done to make this transition has been done; many of the companies that were operating in Manitoba have now ceased and are no longer active, and what are the savings? Were they really worth all the trouble?

Mr. Speaker, it's a little difficult to take some of the activities of the government side very seriously. I really wonder if they are responsible people capable of running a responsible efficient business. We have the case, as an example, of the government which passed the Human Rights Act, an excellent bit of legislation, but we have now the office of the Attorney-General writing letters to several of the Manitoba based insurance companies suggesting that they may be contravening the Human Rights Act by offering lower premiums to under 25 females. Now it's pretty hard to take this kind of thing seriously when the office of the Attorney-General will write to an insurance company and say we suggest that maybe you're contravening the Human Rights Act. The company concerned has written back and assured the office of the Attorney-General that there's no discrimination here, that what they're doing is basing their rates on facts, not on sex. But, Mr. Speaker, it's rather difficult to be serious about this sort of thing when the Minister of Transportation goes busily about the job of sex-rating his drivers' licences, and there doesn't seem to be any complaint from the Attorney-General about that sort of discrimination.

Mr. Speaker, this does place the whole activity, the whole ability of the government to provide a serious approach to this business of providing automobile insurance to the Province of Manitoba. The savings are now pretty obviously rather illusory, a few people will pay less money, but more than 50 percent are going to pay more money than they could have paid had they taken their insurance to at least two of the Manitoba insurance corporations now offering insurance in the private field.

MR. SPEAKER: The Honourable Attorney-General.

HON. A. H. MACKLING, Q.C. (Attorney-General) (St. James): Mr. Speaker, I rise on a point of order because the honourable member is suggesting that my department has been

(MR. MACKLING cont'd.) . . . writing to insurance companies advising them that they were in breach of the Human Rights Act. I can assure you that the Human Rights Commission, although I am responsible for it, is not part of the Attorney-General's Department as such.

MR. SPEAKER: The Honourable Member for Brandon West.

MR. MCGILL: Mr. Speaker, in view of the Attorney-General's remarks, I think I should perhaps read the letter and table it for the House. This is dated from the Attorney-General, "Winnipeg, May 31, '71, The Wawanesa Mutual Insurance Company, Winnipeg. Dear Sirs: Re: Manitoba Human Rights Act. It has recently come to the attention of the Manitoba Human Rights Commission that a traditional practice in the auto insurance industry has been to assess drivers' premiums which differ according to the sex of the applicant. Generally, women drivers have been assessed a lower premium rate compared to men. Enclosed is a copy of the Human Rights Act. We refer you to Section 6, which reads: 'No person shall in making available to any person a contract that is offered to the public generally (a) discriminate against any person or class of persons; or (b) include terms or conditions in any such contract that discriminates against a person or class of persons on the basis of race, creed, religion, sex, colour, ethnic or national origin of that person or class of persons.' The commission has reviewed this question and feel that there may be a violation of the act involved where differential rates based on sex are offered. We understand that your firm is engaged in offering automobile insurance in Manitoba. Consequently we would like to meet with you to discuss this matter further. We would appreciate hearing from you at your earliest convenience in this regard. Yours sincerely, Trevor W. Barry, Executive Secretary."

Mr. Speaker, I will conclude my remarks by merely saying that the variety of the positions taken by the government opposite and the practical comparisons we've been able to make of insurance in the private enterprise field in Manitoba with those offered by the public Autopac, would lead us to the conclusion that the savings as forecast have not been achieved and that the losses to the province in respect to employment, in respect to the companies who will no longer be able to do business in this province competitively, are going to be a great loss to the province. It would seem to me that in this comparison it should now be the position of the government that they would be prepared to compete with those companies who are offering rates lower than those which they have advertised as being offered to the people. Thank you.

MR. SPEAKER: The Honourable Minister of Municipal Affairs -- on a question? -- (Interjection) -- The Honourable Member for Radisson.

MR. HARRY SHAFRANSKY (Radisson): Mr. Speaker, I've been listening to the debate this afternoon on Bill 52 and it seems obvious to me that there is nothing new in their arguments; they're just as invalid now as they were a year ago. One of the things that the Member for Fort Garry seemed to have spent considerable time and that is the amount of money that was going to be leaving the Province of Manitoba, or is going to be leaving the Province of Manitoba as a result of the auto insurance. He seems to have forgotten that the insurance companies, the majority of them are not based in Manitoba, that the bulk of the money leaves the province, and that with the public auto insurance some \$30 million will be working for the people of Manitoba. The Honourable Member for Rhineland is correct in one sense when he says there are added powers, but these powers are added to the people of Manitoba.

One of the things that has been happening in the past is people of Manitoba have always felt that they have been influenced by things which have been going on in the United States. I'd like to read an article from the Madison, Wisconsin, The Capital Times, Tuesday, April 13, 1971 -- I think it will be of great interest to show that what the people of Manitoba are doing is really looked upon by all parts of North America with great interest. This article is written under the byline, "Hello Wisconsin" by Miles McMillan, and the article reads: "Wisconsin might do well," - and I don't know whether The Capital Times, what the editorial viewpoint is on the editorial page, but I understand that Madison is about comparable to Winnipeg, so I would imagine that it is not a socialist newspaper. However, the article goes on to say, and I quote: "Wisconsin might do well to take a look at some of the things being done by the provincial government of Manitoba. Our Canadian neighbors have already moved to provide the citizens with an answer to the knotty problem of auto insurance. On November 1st, government auto insurance will go into effect and will take over where private carriers have hitherto had the field to themselves in basic liability and collision insurance. The growing arrogance of the private carriers in this country has already piled up a huge reservoir

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(MR. SHAFRANSKY cont'd.) . . . . . of public dissatisfaction. The arbitrary personalized qualifications imposed by the carriers are especially repugnant." The article goes on: "There are no insurance practices today that have aroused as much criticism as those of the auto carriers. The situation is aggravated, of course, by the auto insurance industry's refusal to build automobiles for safety and durability. Authorities in the field insist that the auto industries emphasis on . . . and . . . is a deliberate strategy aimed at selling new parts. The hapless consumer finds himself gouged on one side by the auto industry and on the other side by the insurance industry. It is obvious that unless Ralph Nader can force the government into a show down with Detroit, there is little hope for durable cars. Manitoba is showing the way for consumer protection on the side where the insurance industry is doing the gouging." That is the end of the article. It's the end of the article as far as the auto insurance but if members are interested, it continues on another aspect which seems to have generated much debate, and that is the unification or reorganization of the urban government -- if you wish. "The New Democratic Party of Manitoba is moving toward solution --

MR. SPEAKER: Order, please. The honourable member may carry on but not on the uni-city bill.

MR. SHAFRANSKY: I shall conclude this quotation: "The New Democratic Party of Manitoba is moving toward solution to another vexing problem in modern society, that is the flight to the suburbs, and I can say that this has added to the congestion of all the automobiles and have added to the many accidents, have added to the knotty problems which we are all faced with: This New Democratic government is proposing to consolidate the 11 suburbs in Greater Winnipeg with the urban governments. The purpose, of course, is to remedy the imbalance which puts an unfair tax load on the central city while the well-to-do in the suburbs get tax advantages. This is a familiar problem in this country, resulting from the flight of the wealthy to the suburbs. Chances for enactment of the legislation improved when the New Democratic Party added two more legislative seats to its majority in the provincial government." I just wanted to read this article, the fact that the United States is now looking to Canada with some of the problems which they are facing. Thank you.

. . . . . Continued on next page

MR. SPEAKER: The Honourable the Attorney-General.

MR. MACKLING: Mr. Speaker, I rise not to participate in the debate on Bill 52, only to reflect on the argument that was advanced by the Honourable Member from Brandon West who quoted from a letter which does have the letterhead of the Department of the Attorney-General, and I want to put on record, Mr. Speaker, and for honourable members of the House, that the Human Rights Commission as organized composed of the citizen members, has a staff of two people, the executive secretary, Mr. Trevor Barry and one female inspector. They have been operating without their own letterhead, I understand that the Queen's Printer has been requested and is preparing letterheads for them. In the interim they have been using, obviously, the letterheads of my department. I am not, fortunately, the signatory of this letter. I want to put on the record that I think the Human Rights Commission is entitled to make representations on its understanding of what they believe to be questions of human rights within the province. They have a wide scope of authority to make enquiry and to make recommendations.

I do not necessarily recommend that their decisions and their evaluation is necessarily correct. It's a matter for them to vocalize what they consider to be problems, human right problems, bring them to the attention of the persons involved and it may be that in some circumstances there will be times when they will embarrass or that we will be embarrassed by the fact that they may discover within existing legislation or government programs some aspects that they believe to be a violation of the Human Rights Act. And where they find that, I say all power to them.

In respect to the letter that the honourable member read from, it speaks for itself. They believe that there is a discrimination involved. I personally disagree with their assessment but that is beside the point, but I want to make it clear that that is not a request from my department to any insurance company that they have violated the terms of the Act.

MR. SPEAKER: The Honourable Member for Morris.

MR. JORGENSON: I wonder if the Attorney-General would answer a question. Does he know whether or not the Minister of Highways received a similar letter to the one that was received by the insurance company?

MR. SPEAKER: The Honourable the Attorney-General.

MR. MACKLING: I don't know about the Minister of Transportation, but I know that my colleague the Minister of Municipal Affairs has had representations made to him in connection with the provisions of Autopac and the rating there as well.

MR. SPEAKER: The Honourable Member for Brandon West.

MR. MCGILL: Mr. Speaker, I have a question for the Attorney-General in respect to the letter tabled. Can he say - is Mr. Barry, Executive Secretary to his deputy Attorney-General?

MR. SPEAKER: The Honourable the Attorney-General.

MR. MACKLING: No, Mr. Speaker, in answer, Mr. Trevor Barry is Executive Secretary to the Human Rights Commission and reports to the Human Rights Commission from day to day for the overseeing of his effort. I am the Minister responsible to report to the Legislature in connection with the Act and the Commission itself, but from day to day, he is not one of my immediate staff in the Attorney-General's Department at all. He is not a Deputy Minister or anything like that. He is Executive Secretary to the Human Rights Commission.

MR. SPEAKER: The Honourable Member for Morris.

MR. JORGENSON: In the light of that statement, may I ask the Attorney-General a further question then. Is it appropriate then for the Executive Secretary of the Human Rights Commission to be using the letterhead of the Attorney-General in sending correspondence?

MR. MACKLING: I assume that out of - knowing the frugality that I maintain in the administration of my department and the concern to eliminate waste in the spending of public dollars, that they assumed that it was quite appropriate to use letterheads until they could get the regular printing by the Queen's Printer.

MR. SPEAKER: The Honourable Member for Roblin.

MR. MCKENZIE: Mr. Speaker, I have a question of the Attorney-General. Are there any other groups that have access to your office or your stationery besides the Human Rights group?

MR. SPEAKER: The Honourable Attorney-General.

MR. MACKLING: I don't believe we make letterheads available to the Honourable

(MR. MACKLING cont'd) . . . . . Member from Roblin.

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

MR. PAWLEY: Unless there are others that wish to speak, I wish to move, seconded by the Honourable Minister of Transportation adjournment of this debate.

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

MR. SPEAKER: The Honourable the House Leader,

MR. GREEN: Would you call Bill No. 36, Mr. Speaker.

#### GOVERNMENT BILLS

MR. SPEAKER: On the proposed motion of the Honourable Minister of Finance and the amendment thereto by the Honourable Member for Morris. The Honourable First Minister.

MR. SCHREYER: Mr. Speaker, Bill No. 36, the City of Greater Winnipeg Act comes before this Assembly after a long period of discussion and detailed consideration by quite a number of persons in the government, both in the public service and at the policy level. I think it is fair to say that consideration of the various sections of the bill have occupied the time and the attention of my colleague the Minister of Urban Affairs, others of my colleagues, a number of senior public servants in the Department of Municipal Affairs and elsewhere for a period of many months.

The reason that we are asking this Legislature to approve in principle the legislation contained in Bill 36 is because we really believe that after 11 years of experiment with a particular kind of form of urban government, that we have all of the information necessary to draw the conclusion that it is necessary to move away from a two-tier system such as we've had. And I know that members opposite, many of whom, I assume, many of them have read the bill in considerable detail and they will base their opposition, some of them will, base their opposition on the detail, various sections of the bill, and perhaps some of them will base their opposition on the fundamental principle of the legislation. I found that in the course of the public discussion that has taken place with respect to Bill 36 and the government White Paper last winter, that there is a basic kind of division of opinion here between those who favour integration, those who would favour keeping things separate, those who favour moving towards unity, those who would be in favour of keeping the severality, if I may use that expression, a number of different and distinct municipal units all within the confines of a single urban area. I suppose that this basic kind of difference of view has existed as long as man has had any kind of philosophic view. There is a basic difference among humans. Those who look towards unity and those who look towards keeping distinctly separate units.

Now it is my view that this country would never have been founded if those who were more interested in the local and the parochial had prevailed in 1867, and the years leading up to 1867. There must be those who are interested in looking to the broader and further horizons and whose eyes look more to the more distant future. There are some people who are sort of predisposed to preoccupying themselves with the local and the detail and there are those who are looking to build a unity to try and join people together, trying to bring people together. And in a sense this is the basic motivation that lies behind this legislation. We happen to live at a time, the post-war era, when there has been a relatively rapid trend towards urbanization and we have come to realize in the past ten years, if not more, that it takes really effective urban government in order to cope with many of the really massive problems that are besetting urban government these days. We have to be very sure to the extent that it is within our competence that we have legislation with respect to urban municipal government that does not hinder and hamper urban government from bringing about the most efficient and effective urban zoning: land use, planning, urban development. But no one can honestly say that we have the most effective and efficient possible form of urban government when we have a multiplicity of separate municipal organizations all within the bosom of a relatively small urban area and stretched over the top of all that a second tier of Metropolitan form of government.

Honourable members opposite cannot say that a two-tier system of urban government did not cause problems, because if that were true then they would not have bothered in the period between 1960 and 1971 to set up four Royal Commissions to study urban government in the Winnipeg area. I sometimes have the impression that urban government in the Greater Winnipeg area has been subject to more Royal Commission studies, more public commission



(MR. SCHREYER cont'd) . . . . studies than the City of Los Angeles or Philadelphia. You start with the Cummings Commission, the Blake-Goldenberg study, the -- (Interjection) -- no, I mentioned Cummings, the Blake-Goldenberg study, the Michener study and then the Royal Commission on Local Government Boundaries. And each one of those studies, Mr. Speaker, became progressively more expensive, culminating in a royal commission study that approached something very close to a million dollars.

Now, Mr. Speaker, I rather think that if we were not to bring forward legislation such as is contained in Bill 36, if we tried to maintain and perpetuate Metro form of government superimposed over 11 municipalities, that three or four years from now we would be setting up a fifth royal commission to study the problems of urban government in the Greater Winnipeg area. All because there are some who refuse to admit a very simple and fundamental point, which is that the Greater Winnipeg area is one urban community; and there is no need for any kind of federal system in an urban neighborhood. Insofar as city council is concerned, in our time especially, with the great demands on city government these days, it is important to avoid causing city councils to bog down in ineffectiveness because of a conflict of jurisdictional authority between the regional government and the local municipal government; and that is why we have introduced here a new form of government for an urban area that is in many ways novel and unique in Canada and even in the continent.

Mr. Speaker, perhaps the most astonishing thing about debate on Bill 36 so far is that a number of members opposite have demonstrated a significant lack of understanding as to just what is being proposed in the bill. Some members, such as the Member for Assiniboia, choose to refer to the proposal of the legislation as total amalgamation. He nods his head in agreement. There are others, judging from their remarks, who regard the community committee to be a continuation of the present municipal council. Now clearly one of those two men must be wrong. The fact of the matter is that they're both wrong. Because what we have here - the Honourable Member for Assiniboia smiles but I say for his edification, that what we are proposing here is in many ways novel and unique and it requires some mental adjustment in order to fully comprehend the basic concept that is before us.

Perhaps I should at this point digress, Mr. Speaker, to simply inform the Member for Assiniboia that he is quite wrong, you know, when he suggested in his speech that what we are proposing in this legislation is a complete divergence from - a complete reversal of the concept that was outlined by me at the time of the election campaign of 1969. Now I happen to have here a statement that was made on our legislation, on our proposal by a Metro Winnipeg councillor. I see no particular harm in mentioning his name, he is certainly not a member of the New Democratic Party, and I refer to Mr. Wolfe. But the reason I wish to make reference to him is that he has quoted me in the statement that I made back in June of 1969 when I was elaborating on the nature of the change that we would attempt to bring forward in urban government for Winnipeg, if we formed the government. And may I then, Mr. Speaker, for the edification of members opposite quote from Mr. Wolfe's statement, which is in turn a quote of what I had said at the time. "Speaking at the noon news conference at the Union Centre in Winnipeg on the 24th of June, 1969 the Premier pointed out that the new regional urban council would not necessarily be the first step towards total amalgamation of government services in Metro. He stated that moving towards regional government is the logical step to take at this time but that total amalgamation is the kind of drastic change which cannot be done well." This certainly summarizes the concept that we were putting forward. The only difference between what we are putting forward here and the concept as I was trying to articulate it at the time - and I want the honourable member to understand that there were new elements here which were difficult to define. But we were aiming for regional government which would remove the ever-present difficulty of having two levels of government within a single urban area and yet we did not want to move to simple and total amalgamation. I used the term in June of '69 of borough councils, and if you substitute the term "community committees" for "borough committees" one would be very close, it would be a very close similarity to what was being talked about then and what we are proposing now; and that we would not necessarily move towards total amalgamation, the Greater city, the regional council will decide and they will have the authority vested in them by this legislation to decide the nature, the scope and the pace of unification of services. And if in the wisdom of the Greater City Council they decide to move more quickly in respect to the unification of services, then the pace of amalgamation of services shall simply be taking place at a more rapid rate.

(MR. SCHREYER cont'd)

If the honourable members opposite can find for us a more fair and a more democratic means of making these kinds of decisions I would like to hear from them. We are not going to predetermine for the regional city council, the greater city council, just what and when they shall unify, by what date, and so on; they will decide.

MR. SPEAKER: The Honourable Member for Assiniboia.

MR. PATRICK: Would the Minister permit a question? I believe it was a couple of days prior to the election, or one day prior to the election, you stated that the policy of the government would be a "drastic change," a real drastic change from the original NDP policy on total amalgamation. I see very little change. What is the change? Can the First Minister explain? Because by your own words, you stated "a drastic change" from the original plan, that's your own words.

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: I must confess that in the period of May and June of 1969 when I came back on the provincial political scene, I had to do some reading of Hansard to find out in detail just where the respective parties had stood on a number of issues, including this one of urban government; and you know, Sir, it was very interesting reading to find that the Liberal Party of Manitoba was in favour of pure and simple amalgamation, a matter which they have repudiated since. It seems that when they change their leader they change their policies in toto. It's rather convenient to be able to operate a political party in such a way — in order to change your policies 180 degrees you simply changed your leader, that's about the degree of continuity to party policy that one finds in their respect.

But anyway, the debate in this Legislature back in, I believe it was May of 1968, did focus on city government — alternative forms of city government. As I understand it, my colleagues at that time in the New Democratic caucus were taking a position of favouring unification of services and the Liberal Party at the time was in favour of total amalgamation. Isn't that right? Basically that is correct; there were certain nuances perhaps which escape me. And in the election campaign of June 1969, I'd indicated to the people of Manitoba and the people of the urban area through the news media that if elected we would be finding our way towards a new form of regional government that would get rid of a two-tier system — I made that very clear — that would get rid of a two tier system without, however, committing us to a total amalgamation position, because I was confident then and, of course, we have demonstrated now that it is possible, that it is not beyond man's ingenuity to come up with some completely novel and new concepts once in a while, and in a way that's exactly what we've done here with the introduction of legislation to establish a greater city council but also making provision for the existence of community committees. Now they would not have by-law passing power, they would not have tax levying power, but they certainly will have a direct relationship and role to play with respect to the political process in the local neighborhood, and the greater city council will be able to function with respect to the sort of commanding heights of urban development; that is to say that if they have to cope with problems in respect to land use and planning, zoning, all of the things that really relate directly to urban development, they will be able to do so, exercising their judgment as determined by the majority of the council and they will be free of the kind of bickering and backbiting that is almost inevitable when you have a two-platoon system, two separate levels of government each with a certain amount of sovereignty trying to co-exist within — to use Lord Durham's expression — the bosom of a single community.

Now honourable members opposite smile — they think that they know better. I can't pretend that I'm an expert on municipal government, I've never served on local government, but a number of my colleagues have. I recognize nobody opposite who has ever served on either Metro council or city council — (Interjection) — I apologize, I apologize to the Member for Sturgeon Creek, he has served on St. James-Assiniboia Council. But we do have the views — (Interjection) — All right. All right, I recognize that. The point I'm coming to is that those who have been most intimately connected with problems of urban municipal government, the councillors of the Metropolitan Corporation, the chairman, the vice chairman and a majority of the council, the Mayor of Winnipeg and the council of the City of Winnipeg have made it very clear that from the basis of the experience that they've had to live through in a two-tier system of government, they are firmly endorsing the basic concept of legislation in Bill 36 that is before honourable members at the present time. In addition to that — well, I didn't suggest that every single member of the city council was in favour, but, Mr. Speaker, in

(MR. SCHREYER cont'd) . . . . . addition to the stated position of the Metro Council, the City Council, there is also I think very important, very important statements to remind honourable members about on this issue coming, coming for example, from the Association of Architects. They have stated their position in favour of the basic concept of the legislation before us, because they have been aware in their professional capacity of the drag on urban development that results from a two-tier system of government. We also have the view of the Winnipeg and District Labour Council; we also have the view of the Chamber of Commerce, although the Chamber of Commerce it must be said, they delayed stating their position until after the by-elections were fought, but after the by-elections were over they stated their position; and the position is one that is in basic agreement with the fundamental concept of the legislation that is before us.

There is also organizations like the Greater Winnipeg Welfare Planning Council, the Urban Planning Association, and the list goes on. In the meantime the honourable members opposite do have the alliance of a number of locally elected municipal officials and it is obviously their right to express their opposition. They have done so and they have had ample opportunity to express their opposition, and most of the opposition has centred on the question of cost and local identity. With respect to the latter, it's because, I am convinced, they really do not appreciate adequately the possibility for the retention of local neighborhood identity through the aegis of the community committee; that is one of the many purposes of the community committee. But again, Sir, it is necessary to repeat that this is a novel and in many ways unique concept which some people are either unable to grasp or unwilling to grasp, but I shall keep repeating it as often as is necessary in keeping with the dictum taken to heart by the Member for Fort Garry that repetition is the mother of learning.

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. SPIVAK: Would the First Minister be in a position to indicate what community, or what area has a community committee now functioning and what investigation the government has made of such an area?

MR. SPEAKER: The Honourable the First Minister.

MR. SCHREYER: Mr. Speaker, the Leader of the Opposition demonstrates by his question that he has had legal training, he is assuming that one doesn't do something unless he has a precedent upon which to go by, the principle of stare decisis, or whatever the Latin term is, to go by things gone by, that's the term, Mr. Speaker, to go by things gone by, and if it hasn't been gone by then don't do it.

I've made it very clear that this concept is in many ways novel and unique and I'm not sure at all that there is any precedent to go by. In a sense, we are pioneering, in a sense we are travelling through unchartered waters; and, you know, it takes a certain amount of courage to travel through unchartered waters. If the Honourable Member for River Heights, the Leader of the Opposition, is too fainthearted for that, he needn't accompany us on the ship.

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. SPIVAK: I wonder if the Honourable Minister would permit another question? Is it not a fact that the community council concept was taken from the City of Hamburg?

MR. SCHREYER: That is not correct to my knowledge. It may be but it would be a coincidence. I can say to the Honourable Leader of the Opposition that as far back as 1969 we have -- Hamburg? --

A MEMBER: Hamburg, New Jersey.

MR. SCHREYER: Hamburg? That just proves, Mr. Speaker, that we didn't get it from there because I thought the honourable member said Hamilton, and I was saying that we didn't get it from Hamilton, and to my knowledge not from Hamburg either. However, that's beside the point. We believe . . .

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. SPIVAK: I wonder whether the First Minister can indicate whether in his discussions with Mr. Feldman and Mr. Brownstone he ever determined from them whether the proposal of the community council came from the experience in the City of Hamburg?

MR. SCHREYER: Mr. Speaker, let me explain to the Honourable Member for River Heights that the concept when it was discussed, when the full measure of it was understood, then we felt confident enough about the propriety and efficacy of it that we went ahead and we did not care, nor to my knowledge did we enquire whether there was ever any such system in any other jurisdiction; and we are quite prepared, as we are in the case of many other decisions that we have taken, we are quite prepared to stake the future of the government on the

(MR. SCHREYER cont'd) . . . . future operation of that which we legislate into law and into existence. The same applies to automobile insurance, it applies to the construction of certain works with respect to Manitoba Hydro, it applies to highway construction, it applies to the reorganization of a city government. We are responsible for our actions and we will be held accountable. May I add that we feel quite confident, Mr. Speaker, as to the propriety and the future efficacy of the city reorganization legislation that is before this House.

Honourable members — before I was interrupted by the Leader of the Opposition, I was saying that a number of honourable members and some local municipal officials were spending a great deal of time on the question of cost and our alleged inability to project with certainty and guarantee just what future operating costs would be. Well, Mr. Speaker, as has been said so many times by my colleague, the Minister of Urban Affairs and others of my colleagues, there is simply no way in which any guarantee can be given about the future operating costs of this or any other municipal corporation. My honourable friends surely are aware that the budget of the City of Winnipeg and every local municipality has increased each year practically without fail for the past 20 years. It increased each year before the inception of Metro and increased practically each year with the advent of Metro. Do they want now a guarantee that as soon as we establish a greater city council form of government that taxes will miraculously and dramatically freeze or go down?

The City of Burnaby, British Columbia — I received just for information's sake tax bills for the last six years — an increase of 600 percent in local government taxation; particularly property in Burnaby without any improvements, land being in the same condition as it was six years ago and yet a tax increase of that magnitude. No Metro form of government, no uni-city, taxes have gone up inexorably. What we are saying is that this form of government need not necessarily add to the cost of local government in the Winnipeg are one cent, it need not. The decision as to whether or not it will be determined by the council in its wisdom when it decides the extent to which it wishes to extend enriched services and so on. But I say this, that while it is impossible to say what the totality of taxation will be, because that will be determined by the new council, if we're going to tie their hands then we need not pretend that they will really have any full scope. But I make this clear to the honourable members opposite, that it is simply incorrect for them to suggest that taxation will go up in the same manner, the same degree for all the residents of the urban areas, because with the establishment of a common mill rate, equalized mill rate, there will be some municipalities where we know now that the levy will be increased and there will be other municipalities where the levy will be decreased. And may I say that this is something for which we do not apologize at all, inasmuch as we are convinced that it is unfair, there is something not only unfair but illogical about having 12 municipalities in one urban community, some of them enjoying the benefits of industry that happened to locate in their particular bailiwick, the residents taking full advantage of certain services that are offered only in the core area, the cost of which has to be borne only by the residents of the city proper, suburban municipalities not having to pay — all kinds of anomalies of this kind; and we are saying in order to try to simplify things and help make them better understood, one urban community, equalized mill rates, services that are available to the residents of the area-wide community shall be paid for in equal proportions.

I do not propose, Mr. Speaker, to go into the detail as to what services might be unified first and what services held in abeyance, because I want honourable members to be impressed by this one point: that there is nothing impossible about the timing of this legislation; let no one suggest that there is something impractical, that we're trying to rush this through in a frantic way which will make it impossible for the new council to deal with, because the legislation is so drafted that the new council, if it decides that it will go slow with respect to the unification of services, then it can exercise all the caution and prudence it wishes. And the first year of the new government may pass without the forced amalgamation of anything. The administration, the administrative apparatus will have ample time in which to be properly structured. The senior administrators will have ample time — can have ample time in which to make all of the necessary preparations so that — the important thing however, Mr. Speaker, is that we proceed with the legislation, not hold it off for another year, so that we can continue into the 12th year of indecision.

Mr. Speaker, there was a lesson that we could have learned in this province and this city from the City of Edmonton or Calgary. And the City of Edmonton in the mid 1950's, late 1950's, they took steps to avoid the problem of a multiplicity of proliferation of municipalities around

(MR. SCHREYER cont'd) . . . . a major urban centre and they dealt with it by means of annexation. Well, Mr. Speaker, what was possible here in the 1940's or 50's is hardly possible in the late 1960's or 70's. But at least in Edmonton they avoided the completely - how shall I say - I was going to say inexcusable, perhaps that would be unfair. But the completely illogical arrangement that in a city of 550,000, twelve municipalities and two tiers of urban government. — (Interjection) — When? In 1959 or '60? Because it was an improvement. Obviously, in 1959 it was clear to anyone who wished to look, it was clear that you could not continue on blissful ignorance anymore. Twelve municipalities and there was need for an intermunicipal co-ordinating authority for certain services — (Interjection) — Nineteen, I don't know if there were nineteen municipalities or fifteen or whatever. The fact is that in Edmonton and Calgary they have taken definitive action, and here in Manitoba we had to wait until 1971.

I say to honourable friends opposite that we do not apologize for appearing to rush with this. If anything, we apologize for not having acted last year, because this state of affairs is untenable.

Honourable members opposite would like to close their eyes to all of the shortcomings, all of the negative aspects of a two-tier system of urban government. They try to dismiss some of it as being the result of bad boys on the Metro Council, and bad boys on the City Council, and the Mayor of Winnipeg is a bad boy, because of the friction between the two levels of government. And I say, Mr. Speaker, that 11 years have shown us that men of the best of goodwill are put into these difficult circumstances because of the very nature of the positions they occupy when you have a two-tier system of urban government. And trying to blame it, pawn it off as being the result of the personalities of the particular incumbents who happen to hold office is - that's not the reason, Mr. Speaker. So we are moving forward with this legislation.

I want my honourable friends opposite to know that we have no preconceived notion as to whether this legislation will result ultimately in the unification of virtually all services, or whether it will result in the unification of about half of these services, or whether it will result in the unification of only some of these services, the bulk remaining at the community committee level. We have no preconceptions on that point. But we are quite prepared - we think it is defensible in every respect to leave this to the judgment of the Greater City Council, which after all will be elected by the people in the respective wards of the city.

Now there is some suggestion that the size of the council will somehow automatically introduce party politics into municipal government. And here again, Mr. Speaker, there is no preconception. Those areas of the city where there is a practice, a habit, and a history of engaging in municipal elections through organized parties, that no doubt will continue. But in the other communities and wards where in the past this has not been the practice and habit, it needn't be now. There can be ad hoc alliances of urban voters and candidates - and I rather suspect that there will be some kind of amalgam of both phenomena, at least in the formative year. The community committees, Mr. Speaker, I have every confidence will provide a useful role and forum for the citizens in their respective neighborhoods. We are providing in the legislation for more systematic arrangements, or citizens to meet with the elected, and the elected to meet with the citizens, and providing for dialogue that approaches more closely the ideal of democracy than any legislation that my honourable friends ever conceived of.

Whether it works out in practice is to be seen, but it is certainly an objective that is noble enough that it is worth trying and we are trying and we are seeing to it that there will be a systematic effort by providing for it in the legislation.

I suppose I have to say in a rueful way, Mr. Speaker, that nothing much that would be said at this stage will change the minds of my honourable friends opposite. The Honourable Leader of the Opposition is preoccupied with a number of detailed specific questions as though this was really the main consideration before us. What is before us is a very simple fundamental question when after 11 years evidence accumulates to show that there is need to move away from an untenable form of urban government organization. Do you then close your eyes blindly, or do you accept the fact and embrace new alternatives?

MR. DEPUTY SPEAKER: The Leader of the Opposition.

MR. SPIVAK: I wonder if the First Minister would submit to a question. I wonder whether it would be the intention of the government to answer the 35 questions that were asked by me with respect to this bill.

MR. DEPUTY SPEAKER: The First Minister.

MR. SCHREYER: Mr. Speaker, the Minister of Urban Affairs will be answering most of these questions.

HON. SAUL CHERNIACK, Q.C. (Minister of Finance)(St. Johns): Those that are worth answering.

MR. SCHREYER: Yes, that's an important caveat to register, Mr. Speaker, and also during the committee stage of the bill this is when details are entered into as well. So that I am satisfied that my honourable friend if he insists on being preoccupied with the details at the expense of overlooking the fundamentals, he will have that opportunity.

MR. DEPUTY SPEAKER: The Member for Assiniboia.

MR. PATRICK: Would the First Minister permit another question? Is it not true that the Minister mentioned, that the debates took place in the House some years ago that most of the Liberal Party were in favour for total amalgamation -- that's not necessary that I was in favour, it's not necessarily true at the time. But the question that I wish to raise, is it not also true that most municipal people have also changed their minds since that time, since the tabling of the Boundaries Commission Report, because the report has definitely stated now that the per capita costs on total amalgamation is that much greater once a unit gets bigger? Is it not true?

MR. SCHREYER: Well, Mr. Speaker, it's really not possible to answer all of the honourable member's questions. I would make it clear to him that I would not consider it a negative reflection on my honourable friend if he had changed his mind. I mean, my God, what would be the point of ever learning if one was not going to change his mind about anything in the future? So that wasn't the main point of my criticism. The main point of my criticism was that the Liberal Party was clearly on record as being in favour of total amalgamation. The concept here is not one of total and simple amalgamation so that there has been some adjustment to which I had hoped my honourable friends could adjust in turn. — (Interjection) —

Mr. Speaker, with respect to the Boundaries Commission Report on per capita costs, I'd simply repeat a statement that has been well explained by my colleague the Minister of Finance that the question of total cost is something that cannot be predicted with any certainty at this point in time, and there is nothing inherent in the legislation that we are putting forward. There is nothing inherent in it that means that it must necessarily be more expensive per unit of service than a two-tier system. In fact, I am confident that the passage of time will show that our proposal will result in lower cost per unit of service.

MR. SPEAKER: Order, please. The Member for Assiniboia.

MR. PATRICK: I believe the First Minister misunderstood my question. I meant the Boundaries Commission Report has stated when they studied the cities across the line in the United States, the larger the city the higher per capita cost was for services. Would this not be true, the same thing in Winnipeg?

MR. DEPUTY SPEAKER: The Member for Sturgeon Creek.

MR. FRANK JOHNSTON (Sturgeon Creek): Thank you, Mr. Speaker. Mr. Speaker, I had a great amount of notes ready for the second time that I have the opportunity to speak on Bill 36 but I can almost throw them all away because the First Minister has given me ample ammunition to probably prove to him and many others that the plan conceived in Bill 36 is probably one of the most backward steps we have ever seen.

Now the honourable members are saying here we go again, but let's just listen to what the Minister said, First Minister said. He said it could maybe be half changed; it could maybe be fully changed; it could maybe the council will decide this or decide that, so now we're all of a sudden going to change the City of Winnipeg into a by-hit and by-God situation, and hope it works. Nothing planned. The Minister has — the First Minister has also stated that the two-tier system of government is not working, and granted we've had 11 years of two-tier system of government, and the Metro people have talked about the two-tier system of government with what they say, but they do not oppose a regional system of government, Sir, where the representation comes from the local council, and you basically move from two-tier when you make that move. You now have communications with your local government when your representation on regional government comes from the local council. So your two-tier system of government starts to displace when you go into the regional system with that representation.

The Metro councillors have also stated, and they always did say that the one big city concept — maybe we should look at a one big city concept. But the Metro councillors have also stated,

(MR. F. JOHNSTON cont'd.) . . . . and their administration have also stated, that this concept won't work. Now the Boundaries Commission Report which is stated, is a two-tier system of government with regional representation; which is what most people agree with. It has been proven to work in many areas; it is proving to work in Toronto. Amalgamations in the Ontario area are not forced upon the cities and municipalities by the provincial government in Ontario, and they have something like \$11 million worth of reports available to them, and Ontario has found that amalgamation in cities are better done, much better done by having two groups get together, sort out the problems and then amalgamate.

Mr. Speaker, I want to also refer to the article in the Tribune of last Saturday under Bill Burdeny, but it was mainly the comments of Mrs. McConaghy, who has 33 years in the municipal experience in this province. There's one thing she also said to me other than this letter, she also said you know, years ago we used to have to countersign the cheques of all the cities and municipalities in this area. We worked our way out of that situation. We put ourselves in a position where cities and municipalities were running efficiently in this area, and now you're going to go back to a system where you're going to have complete control over people in the community areas where they were basically in a situation of autonomy and if you wanted to live there you could.

There's no secret about mill rates and I might say that as long as assessments are the same, if a mill rate is different in an area it's only different because that's what the people want in that area. So as long as your assessment -- Charleswood, Mr. Speaker, mention a few of them, they want to live there, that's the way their mill rate is. Assessment's a different thing. Don't get confused with assessment.

The other thing, Mr. Speaker - the other day when the Minister of Mines and Natural Resources was speaking, the House Leader, he named, you know, the ones there that have had municipal experience, and he went over them very carefully and he looked at my leader and said, you know, really his experience in municipal or civic affairs are as much as his practical experience is in law and that's zip.

Well he should have been talking to the First Minister because the same situation is there. I heard the First Minister make a statement one time - and I can't quote it. I can't quote it. But the First Minister once said, you know, I represented 10,000 people, I don't really see any problem with it. He represented 10,000 people provincially or federally, one or the other. And federally, you hear different problems; provincially you hear different problems; the country boys hear different problems than the city boys because the roads that go by the houses are usually provincial roads. Now, Sir, the roads that go by the houses in the city are usually city taken care of. The provincial man has a different situation and he gets calls about curbs; he gets calls about the day the sweeper goes down and messes up the lady's laundry on Monday morning, he gets all of these calls. So let's not start talking about representation of 10,000 people because the First Minister has not experienced civic government, and the government and the problems involved.

The House Leader - one day when I was at Metro we were talking about parking along Portage Avenue, and I can't quote it, I'm sorry, it wasn't in Hansard, but I'll do my best. We were sitting talking about parking. Mr. Huband, who was chairing the committee, walked in in his usual cocky way and we sat down and we listened to him, and some way or another we got talking about ice cream stores on Portage Avenue and we discussed it for a while and the parking, and on the way out, the House Leader said to me, you know, I'm here to make a policy. I don't know that I want to be worried about where the ice cream stores are. We'll take care of the zoning and the policy, you fellows in the local areas will take care of whether that building should be by that bunch of houses or not. Well, Sir, that's the way I remember it and he disagrees with me. I want to say that right now he disagrees and I haven't got any Hansard, so we make it clear that he disagrees. But that was what was said in Metro. Strangely enough, on June 17th, 1:00 p.m. in the afternoon in Ottawa, the Mayor of Winnipeg started out to speak to the Federal Government Ministers by saying: "There is no government closer to the people than the local municipal government." It was a marvellous statement and a good statement and he believes in it and he still believes in it - he believes in one city. We are a little different in ideas, but the Mayor of Winnipeg also believes that local government should be close to the people. And your committee, community committee concept, will not work; it is total amalgamation. Gentlemen, you find on this sheet the diagram which is laid out from this bill the way the community councils will work. You have up here the council, executive policy,

(MR. F. JOHNSTON cont'd.) . . . . committee of finance, committee of environment, etc., then it drops down to sub-committee, board of commissioners, commissioners; and you know over here damn near on the back of the page, or as far out in left field as you can get, you find over here something called "community committees".

Now, Mr. Speaker, I want to say something - and there isn't one of the municipal men in this area or this room can argue with me; if they do, they've forgotten or they're not telling me what they know. Mr. Speaker, when a problem comes before a council, or when a budget comes before a council, we turn around and take that budget to the committee, and if we have citizens - the citizens' committee or the people on the recreation or Parks Board can't tell us if they disagree if we've cut the budget. The Attorney-General asked me this question. But when they come back and they disagree with us they can take it to us as a committee and come before council who can make the decision. Now what have we got? We go back from the citizens' advisory group sub-committee to the community committee; they have to go to the main council because the community committee has no authority, they're not constituted, they're not anything really, they have no power over budget whatsoever, they come to the 50-man council, who probably won't be talking to one another in two months, then you move from there, then you move from there to the executive policy committee - and every man here knows that a council will refer the problem to committee for report - and in this case it'll go to finance, environment or works or operations and they'll get a report from the commissioner in charge of that; the report will come back up the chute again and all of a sudden, maybe two months later, the people will get an answer. Now you call this close to the people? And everybody knows how that works. It works on every council; it'll work the same way on this council and that's what'll happen to the people with this concept.

We've now had another shot of the syrupy sarcasm, but nevertheless we have here a plumbing diagram which is absolutely followed from the book - I'm quite willing to table it, there it is if you want it - but that's the way it'll work and you will not be closer to the people.

-- (Interjection) -- No, I'm not answering any questions. Mr. Speaker, . . .

MR. SPEAKER: The Honourable Minister of Finance on a point of order.

HON. SAUL CHERNIACK, Q.C. (Minister of Finance) (St. Johns): Did I understand the honourable member to say that he's prepared to table that document he was waving around? If so, I'd like him to do it.

MR. SPEAKER: The Honourable Member for Sturgeon Creek.

MR. F. JOHNSTON: Now if the -- (Interjection) -- Well, I did. Oh, I've got other copies of it. Mr. Speaker, now we talk about costs. The community councils can't work. They won't work. We're going into it blindly. We're taking away identities and the First Minister says identity. That's our big argument is it? Edmonton grew as one city. -- (Interjection) -- They're right. I know what the Minister said. They changed back a while ago so that they would grow as one city; they took it in. But right now you aren't sitting with 12 cities and municipalities in the Greater Winnipeg area, and rather than just eliminate it now - and you are going to total amalgamation cause the community committees will not work; they have no authority; they can't work, the people cannot become involved; they'll become disgruntled because of that system that you're looking at over there, and it'll all of a sudden be total amalgamation. They have no power. Now you're going to turn around and you're going to say, you're going to take 12 cities and municipalities that have been established for a hundred years, eliminated overnight. -- (Interjection) -- That's right. We created Metro. And, Sir, there are times when we all make mistakes. I have had my problems with Metro as an alderman; and Metro can, Metro can work, Metro can work if you use the two-tier system of government with representation from the local councils and you define the authorities between the two. And also, you'll cure up many of the problems in this area if you'd stop loading the back of the City of Winnipeg. I'm the first one to admit they've carried a hell of a load for a lot of years and they deserve a better break. In the city I come from we always did agree with it. We amalgamated in our areas, we know what it's like and we know what can happen in amalgamation.

Mr. Speaker, let's talk about costs. The First Minister says costs don't necessarily have to go up. Well, I would like to be sitting at the council meeting next February when the group from Fort Garry suggests that the group from St. James policemen make more money than the policemen from Fort Garry, if you're going to categorize them. I would like to hear the holler from the West Kildonan group when they're told that the City of Winnipeg people are



(MR. F. JOHNSTON cont'd.) . . . . still going to earn more money than the others. This classification doesn't work; you're making it one -- I am saying to you, Sir, that you will see a fight on a 50-man council like you've never seen before when you start out to tell one area group or one committee council that his people aren't going to earn what the rest do. And you are saying that it's not going to go up? It doesn't make sense; it's impossible.

Now we come down to putting this bill together. I've said this before, there still in the last two months has not been any communication with the people from this area. If you're going to take this mess here and you're going to see if it will work, or if it can be implemented, you almost have to check the charter of every city that's going to become involved. It's damn near a necessity to sit down with the treasurers, engineers, recreation people of these areas, or else you're sticking something down their throats that won't be able to be implemented by that time.

Mr. Speaker, there hasn't been any effort made to talk to these people. The First Minister says this is our new concept; this is a unique new planning situation. It's change for the sake of change. It's unique all right in that anything this government does has to be different and won't listen to anybody else. He mentions the architects, the engineers, and everybody that go with it; he mentions all these people. The architects and engineers have written a report that they don't know that the community committee system is that good -- I have a copy of the report. I believe the one that he's speaking of as far as the university group is concerned, they have certainly said that the one city concept is probably the best if it can be accomplished, but they don't feel that this program can work the way it's been set up. All the research that's been done by the people that live and work in this area in civic affairs have pretty well decided that, you know, we're not opposed to trying something new -- they're not opposed to trying something new, but they want to sit down and work it out. They said, here let's take a look at Bill 36 and they all looked at it and they say it won't work, it can't be implemented.

Mr. Speaker, the Minister of Urban Affairs has tried to say that the cost cannot be estimated and what have you, but yet when he brought out his first White Paper on this subject he said, well if we use the same formula as was used last year and apply it to this year, the cost will go down here and go down there. Then everybody got together, they realized what he was saying and they pointed out his mistakes, that the costs would be higher and there's no way you can estimate it, and now he's come around and saying, "no, we can't estimate it". Now we're coming along and the government is saying, you know, there's no need for the cost to go up. Well, they can say that, they can say that to the elected members, there's no need for the costs to go up, but if they sat there themselves and tried to implement this plan the costs would have to go up. They don't have the responsibility of trying to make it work -- and they know it can't work.

The taxes in the areas, overall areas, are such that you have an increase in Winnipeg at the present time, that you will have probably a more frustrated group of people in this area. You know, if one didn't have any conscience you might say we should probably not point out these things in this bill because they're going to be in such a mess three years from now over it, but unfortunately the people of Winnipeg are the ones that are going to be in a mess. There's no way that the community councils can work; there is absolutely no way that the costs will not go up; there's no way that we can come back. Once this is implemented the only thing that I assure you, given the opportunity, the power would go back to the communities and they'd amalgamate gradually.

I can assure you, Sir, that the only good way to amalgamate this city is to have men sit down in their areas, sort out the problems, talk it over, come before the Legislature and present it and you'll find you will have orderly amalgamations of 12 cities that have been in operation for a hundred years. But no. There's a plan for you if you want a plan; it will work, it's been proven to work. It's been proven to work in Ontario; it's even been proven in Manitoba twice. It can work; and I assure you there'll still be problems even when they do it that way. I'm not going to dwell on those points, I've made them before, Mr. Speaker. But they choose, in the Minister's words -- and I will look it up in Hansard -- maybe they'll take over all the services; maybe they'll only take over half of the services; maybe they'll do this or maybe they'll do that.

So we're walking into this one city concept which is total amalgamation in this area. It can't be any other way; you cannot say that you're not in total amalgamation when your budgets

(MR. F. JOHNSTON cont'd.) . . . . basically and your policies are controlled from one area, and I assure you that it is total amalgamation. It has been written by people who don't understand this area. In fact, Mr. Speaker, we do have sitting around this country some generations who haven't taken the time to stick their head up and look around. Total amalgamation, centralization has been proven in the past two years to be one of the most inefficient situations that we've got. We found that we had people that were coming along saying that the concept of total amalgamation, or the concept of one bigness, the concept of centralization was the way to save money. This went on for about the last ten to fifteen years and in the last two years it has proven the most inefficient situation that we've got. It's proven that way in the cities that have got it; it's proven that way in large organizations that have got it; it's proven that way in communities that have got it. For the sake of a political promise we now are going to throw this area into a situation of amalgamation or bigness, if you want to call it that, or centralization if you want to call it that, that is wrong, it's proven wrong.

Sir, I can only say that when this bill does get to committee I know that there will be many people coming forward with very concrete and detailed explanations of their presentations. They will be asking questions, Sir, that will demand answers, and I don't hold much hope for them because we certainly haven't got them in second reading from anybody, because they haven't got them. They have got exactly what the First Minister said, "maybe it'll work this way and maybe it'll work that way", and it's a disgraceful thing to have happen to this Greater Winnipeg area. There's no necessity for it, Sir. There's no necessity for the wasting of money to set this thing up the way it's going right now. It can be done more efficiently and it can be done in a sensible way. But really, because the Minister of Urban Affairs once was with the City of Winnipeg and he thought the suburbs all stole from him; and it was an absolute sin to disagree with him when he was on Metro because he said the mayors used to come up and fight there - and after all the mayors and councilmen have a right to defend the people - so the Minister all of a sudden says we're going to have one big city, we're going to have a great big 50-man council that can't get anything done, that will have control over the people of this area. It's a disgrace, Sir, it's a disgrace because the money that is being wasted right here in the basement of this building to try and put this thing together - and it's being done without even asking anybody or talking with anybody or bringing anybody in from this area to discuss it with them - so you'll waste more, and this government doesn't seem to care. They're going to go blindly ahead, as the First Minister has said, and ram this thing through, which will cost the people of this Greater Winnipeg area, and the people that will really get hurt are the people in the rural area.

You know, they joke about it over there, they joke about it the same as when my colleague was talking about the soil last night.

Here you have a Brandon Sun article here that says there's five of them, five Ministers here opposed to the Metro report -- and all five of them are going to sit down and pass something that'll make this Greater Winnipeg area twice as big, twice as powerful, and harm the rural area. You know, say one thing and do another -- that's the policy of this government. -- (Interjection) -- Mr. Schreyer, Mr. Borowski, Mr. Evans, Mr. Uskiw, Mr. Howard Pawley, all disagree with the great big Metro report. The Metro Planners Report. You all disagree with Winnipeg being the industrial area. Yes. -- (Interjections) -- None of them have ever read it and yet my leader pointed out on the first page of that report, and the first page of the White Paper the same, it's written by the same fellow. And now we've got a group over there - now we've got a group over there that are opposed to that report and now they're going to vote for the one big city. Consistency? Consistency, that's right. -- (Interjection). -- That's right. I can only repeat again, I said it yesterday, Mr. Speaker, because I like it -- it's one of the few things the Minister of Transport has said that was sane -- when you got a pig and you want to find out how much fat it's got, and you stick the needle in and it starts to squeal, boy you know you're there, and we're getting there right now. Right there, right now. No I've heard a comment, Mr. Speaker, and I know that it's proper to address you. The Attorney-General wants me to take off on him again -- (Interjections) -- I can only say that the Attorney-General can live with his own conscience . . .

MR. SPEAKER: Order please.

MR. F. JOHNSTON: . . . and that's entirely up to him.

MR. SPEAKER: Order please. The Honourable Minister of Finance.

MR. CHERNIACK: Could we request the honourable member to file the document from

(MR. CHERNIACK cont'd.) . . . . . which he read dealing with the . . .

MR. F. JOHNSTON: Very happy to. There was one in all your mailboxes, and they read that about as carefully as they've read any of the other reports that they've had on one-city. So, Mr. Speaker, I do not intend to dwell on it.

MR. JORGENSON: . . . filing a public document that's available to anybody in this Chamber.

MR. SPEAKER: The Honourable Member for Sturgeon Creek.

MR. F. JOHNSTON: So, Mr. Speaker, just finishing off. I have to mention that the rural area will suffer. The people in the rural areas are worried. This government will find it out very soon and -- (Interjection) -- Yeah, that's right. But you'll put it in. The House Leader has made the statement - governments defeat themselves, and they're going to do it faster than anybody else has ever done it before.

So, Mr. Speaker, that's all I have to say. Again it's a disgrace to see the money wasted. It's a disgrace, Sir, to see the don't care attitude on that side of the House regarding this problem. There's 500,000 people involved and we're going into it with, maybe we'll do it this way and maybe we'll do it that way. Thank you.

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

MR. LAURENT L. DESJARDINS (St. Boniface): Mr. Chairman, I'd like to move, seconded by the Honourable Member from St. Vital, that the debate be adjourned.

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

MR. SPEAKER: The Honourable the House Leader.

MR. GREEN: Mr. Speaker, the Member from Sturgeon Creek having put us in a cheerful mood, I move, seconded by the Minister of Labour that the House do now adjourn.

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