

### 19.3.4 Government insurance

#### 19.3.4.1 Federal government insurance

In recent years, various insurance schemes have been adopted by the federal government or undertaken co-operatively by the federal and provincial governments. Information on unemployment insurance, hospital insurance, veterans insurance, export credit insurance, etc., will be found in the appropriate Chapters on Labour, Health and welfare, Foreign trade, etc.

**Deposit insurance.** The Canada Deposit Insurance Corporation was established in 1967 to provide, for the benefit of persons having deposits with a member of the Corporation, insurance against the loss of deposits up to a maximum of \$20,000 for any one depositor. Membership in the Deposit Insurance Corporation is obligatory for chartered banks, Quebec savings banks and those federally incorporated loan and trust companies that accept deposits from the public. Provincially incorporated loan and trust companies that accept deposits from the public are eligible to apply for membership if they have the consent of the province of incorporation. The definition of deposits, as set out in the general by-law of the Corporation, might be summarized as money received by a member institution that is repayable on demand or notice and money that is repayable on a fixed date not more than five years after the date on which the money is received. Deposits not payable in Canada or in Canadian currency are not insured.

#### 19.3.4.2 Provincial government insurance

**Manitoba.** The Manitoba Public Insurance Corporation is a Crown corporation established under the Automobile Insurance Act. The Act was proclaimed on September 21, 1970, and the Corporation was created by order of the Lieutenant-Governor in Council on September 29, 1970. The Act and its Regulations provide for the establishment of a universal, compulsory automobile insurance plan and of other plans of automobile insurance within the province.

The plan, known as Autopac, provides the following basic coverage on Manitoba-licensed motor vehicles: (1) bodily injury (including passenger hazard) and property damage liability to \$50,000; no-fault all-perils coverage with \$200 deductible and nil deductible for total loss covered by fire, lightning or theft of the entire vehicle; if a vehicle is stolen, the owner may be reimbursed for transportation expenses up to \$8 a day for up to 30 days; and (2) no-fault personal injury benefits (paid automatically without limiting the insured's right to seek a larger settlement); death benefits to a maximum of \$10,000; funeral expenses to a maximum of \$500; benefits up to \$6,000 for dismemberment, disfigurement, or impairment; loss-of-income payment of \$50 a week for total disability and \$25 a week for partial disability, beginning one week after disability; for a total disability, payments continue for the period during which the insured remains totally disabled, with no time limit, and for partial disability, payments continue up to 104 weeks.

Revenue for the plan comes from two sources — premiums on driver licences and premiums on vehicles. Premiums on driver licences recognize driver responsibility; a driver is allowed to accumulate five demerit points (based on driving infractions) before being assessed an additional driver-insurance premium. Premiums on vehicles are based on such factors as year, make, model, use and rating territory, based on the address of the vehicle owner.

The plan was inaugurated November 1, 1971 for an initial four-month period; thereafter, it operates concurrently with the 12-month vehicle registration period which is March 1 through the following February 28.

**Saskatchewan.** The Saskatchewan Government Insurance Office, a Crown corporation established by the Saskatchewan Government Insurance Act, 1944, commenced business in May 1945. It provides all types of insurance other than sickness and life. The aim of the legislation is to provide residents of the province with low-cost insurance designed for their particular needs. Rates are based on loss experience in Saskatchewan only and the surplus is invested, to the extent possible, within the province. Premium income for 1972 amounted to \$21.2 million and earned surplus amounted to \$44,294. The total amount made available to the Saskatchewan Government Finance Office from 1945 to December 31, 1972 was \$10 million. Assets at the latter date were \$55.5 million of which \$28 million was invested in bonds and debentures issued by the province and by Saskatchewan municipalities, hospitals and schools. Independent insurance agents, numbering 554, sell insurance throughout the province on behalf of the Office.