



LEARNING CONTINUES at Hjorth elementary school in Richmond despite fact most of classroom wing was destroyed in fire Dec. 21. Four classes, including teacher John Pollard's Grades 5 and 6

class, are conducted in school gym and stage has been converted into library. Seven portable classrooms are also being used while damaged portion of school is being rebuilt.

## ICBC 'deficit' pure politics

By JES ODAM

Any competent businessman can tell you there is a difference between a deficit — a book-balancing term used by accountants — and a debt, which is something owed to another.

But when that businessman becomes a successful politician the difference appears to blur and he starts to use the words as if they have the same meaning, which they do not.

You can perhaps forgive a brain researcher for making a similar mistake although if he does he probably has no business being president of the largest insurance company in Canada.

The reason Premier Bill Bennett, Finance Minister Evan Wolfe and Education Minister Pat McGeer kept referring Thursday to the Insurance Corporation of B.C. having a debt of \$181 million is obvious: They have a political interest in painting the former NDP government as a

### A REPORTER'S VIEW

bunch of financial incompetents who just about wrecked B.C.

We are going to be hearing a lot about them having to pay off "the political debts of the NDP" and not only in auto insurance.

In politics, almost everything is fair. Misrepresentation and confusing the voter are the stock-in-trade of all parties.

But in this case, political zeal can hurt everyone in B.C.

What our new business-like government is planning to do, apparently, is to borrow itself to pay off this so-called ICBC debt of \$181 million. Or is it \$182 million as McGeer persisted in saying?

As Bennett and company talked about it, you could hear the spades digging what is meant to be a grave for the NDP.

Bennett and Wolfe, as successful businessmen rather than politicians, could tell you that ICBC does not have a debt of \$181 million. Or \$182 million.

There is a projection that by Feb. 29, its books will show a deficit of this amount. That does not mean that on that date it will have bills of \$181 million and no money to meet them.

Quite a chunk of that \$181 million is made up of reserves which should be set aside to pay claims which have been reported by not yet settled. Another chunk is for claims which have not even been reported but, by the law of averages, can be expected. By the time the actual bills come in, ICBC will have fresh funds from new premiums.

A few million more is a book figure, representing amortization of capital ICBC has already spent out of its first year's premium take.

The amount actually due to be paid between now and Feb. 29—without revenue to cover it—is probably something under \$30 million.

And ICBC has already arranged to get this from the bank.

So there is no financial need for the government to transfer that \$181 million on March 1, as Bennett has said it will do. And therefore no financial need for the government to borrow for this purpose.

The only need, if it can be described as that, is a political one.

The cost, to be shared by everyone in B.C., will be the interest payments on that \$181 million borrowed by the province. And its effect on B.C.'s credit rating, which could be to increase the interest on all government-backed borrowing, such as that by B.C. Hydro, municipalities and school districts.

It seems an unnecessary price to pay. Particularly as, by itself, it will save most motorists directly only \$9 to \$20 in 1976 and probably less in the following years.

## CHRISTMAS SEAL DRIVE CONTINUES

The annual Christmas Seal campaign has hopes of making a recovery from what is so far the worst year in its 75-year fund-raising history.

As of Jan. 5, donations received were \$405,000 — \$200,000 below the \$605,000 target.

Campaign officials point to the postal strike which held up their appeal letters as the cause of the poor returns.

A special mailing to regular contributors will be made on Jan. 12. The B.C. Tuberculosis-Christmas Seal Society funds are used to combat all forms of respiratory disease.

## Shortage slows grain shipments

A shortage of the high protein wheat preferred by Japanese buyers is one of the factors slowing grain shipments from Vancouver and piling up the number of waiting ships in the harbor.

"It is a factor, but not the only one," Edwin Isaac, the Canadian Wheat Board's Vancouver manager, said Thursday.

A total of 39 ships were listed by the harbor master as being in the harbor area Thursday, including 18 vessels riding at anchor.

Isaac said Japan, a major customer for Canadian wheat, usually contracts for wheat with a protein content of 13.5 per cent.

He said there had been a shortage of this high protein grade in Canada's 1975 wheat crop and the wheat board has to concentrate on getting wheat shipments of this grade from prairie areas.

Isaac said other factors that have slowed up wheat shipments to the Vancouver area are the recent mudslides on rail lines and the knocking out of the CN's Fraser River bridge at New Westminster.

# Picket line halts work on Habitat construction

By DOUG SAGI

Work on the Jericho Beach site of the Habitat Forum Conference was stopped today by a picket line of the B.C. and Yukon Territory Building and Construction Trades Council.

Dr. Hugh Keenleyside, associate commissioner-general of the Canadian Secretariat for the United Nations Habitat Conference to be held in Vancouver May 31 to June 11, immediately promised to meet the union.

Al Clapp, producer of the forum, which is a conference of organizations outside of government that is technically not directly associated with the main Habitat conference, said the union's activity was a complete surprise.

All work on the site was being done by 77 individuals, all of whom were either on welfare, drawing unemployment insurance, handicapped, old age pensioners or artists, Clapp said.

Prior to the first of this year, they were drawing weekly pay of \$125 paid with a federal local initiatives program grant.

Clapp, who is producer of the Habitat forum, is financing its construction with a total LIP grant of \$186,000 plus another federal grant of \$577,000.

Keenleyside said Habitat officials had met the union Dec. 15. He thought an agreement in principle had been reached that all technical work, such as plumbing, would be done by union members but all non-technical work would be done by others.

He said he asked for a memorandum from the council to set out its position in writing and had promised to hold another meeting when it was available.

He said he had not yet received the memorandum and therefore had not scheduled a meeting.

"We can meet them at any time, today, tomorrow or Sunday," he said.

"I gave them all the day off. It's not really our hassle. We're a totally separate conference from the Habitat conference and the union's fight is with Habitat, not with us," he said.

## Habitat chief shrugs off possible security problems

Habitat conference secretary-general Enrique Penalosa today shrugged off possible security problems arising from the conference to be held in Vancouver and predicted it will be completely peaceful.

Penalosa said it has been his experience that when security problems "are announced in advance then nothing happens."

He told a press conference in the Hotel Vancouver: "I am fully confident this will be a very peaceful conference and that on June 11, when the conference is over, you and citizens of Vancouver and Canada are going to be very proud that you were host of this magnificent conference."

Penalosa, a former economist and journalist in Colombia, was appointed in 1974 as secretary-general of the United Nations Conference on Human Settlements (Habitat) to be held in Vancouver May 31 to June 11.

Reassuring the press of his belief that Habitat will be peaceful, he said security problems have been "over-emphasized" in Vancouver.

He gave as an example the media concern over a visit to New York by Palestine Liberation Organization leader Yasser Arafat when security problems were highly publicized.

"And nothing happened," said Penalosa. He has completed a brief tour of confer-

ence preparations in Vancouver and said he is satisfied that facilities for the delegates will be better than at any other conference held under UN auspices.

Also present at the conference was James MacNeill, commissioner-general of the Canadian Habitat secretariat.

MacNeill said that he and his associated commissioner-general, Dr. Hugh Keenleyside plan to meet Premier Bill Bennett and members of his cabinet in Victoria to talk to them about Habitat.

He said he has "every reason to believe" that the new provincial government will give its complete support to Habitat.

MacNeill said the total cost of the conference to Canada will be \$14 million of which between \$8-\$10 million is connected with Canada's role as host of the conference.

He said Canada is preparing five films for Habitat and the major one-hour production by the National Film Board will explore the "global human settlement problems."

He said he hoped it will be ready to show to the public Feb. 29 which has been declared World Habitat Day.

He said 120 countries are completing the production of more than 250 films on solutions to human settlement problems and all these films will be shown at the conference.

## City firm used as mail drop in suspected insurance fraud

A Vancouver telephone answering service has become a pawn in a suspected malpractice insurance fraud that may have exploited many U.S. doctors.

TASCO Telephone Answering Exchange Ltd. is being used by a Los Angeles-based firm calling itself Condor Trust Company as a mail drop for applications for cut-rate insurance, provincial superintendent of insurance Tom Cantell said Thursday.

Cantell said in an interview that brochures were mailed to U.S. doctors offering malpractice insurance premiums at 78 per cent of current rates and asking for a \$500 deposit to be sent to Condor at 444 Robson — TASCO's address.

There is no such trust or insurance company registered in B.C., he said.

The brochures had been mailed from Los Angeles, he said, adding that TASCO told him all mail to Condor is forwarded to that city.

"It has every element of a fraud," he went on. "TASCO is a reputable company and all they're doing is transmitting everything they get on to their customer."

Cantell said he learned of the case when he received calls earlier this week from doctors in Vermont, Nebraska, Arkansas and Virginia and Las Vegas lawyer Charles Johnson, representing a doctor there, enquiring about Condor's legitimacy.

A subsequent investigation traced Condor to Dan Payne, 1734 Silverlake Blvd., Los Angeles, he said.

But there is no listing for Payne in the Los Angeles directory.

A TASCO employee confirmed Thursday that the company provides the service for Condor but refused to give names or telephone numbers.

Johnson said in a telephone interview from Las Vegas that the four-page brochure consisted of "promotional-type material" soliciting malpractice coverage at 78 per cent of "whatever the doctor pays now."

"The fourth page is an application form to be filled out by the doctor to be returned to British Columbia with \$500," he said. "It seems to try to aim at the doctors hardest hit by high rates."

Johnson said he was approached by his client, whom he would not name, to call Cantell to check if Condor was registered.

He was told Condor did not exist and that doctors would be "unwise" to send money here.

Las Vegas Sun reporter Jerry Cox said in an interview Thursday that Johnson called a press conference after he spoke with Cantell to "tell doctors not to spend the \$500."

Cox said the wording of the brochure appeared to prey on the current U.S. malpractice-insurance situation involving huge increases in premiums.

"It said: 'This is the way to beat the malpractice-insurance crisis,' but the pitch didn't appeal to anybody's intellect," he said. "At face value, it looked suspect, but then doctors are notoriously bad for business sense."

Cox said the only way Payne could be charged with a criminal violation would be under the state insurance law if it was found he was not licensed to sell insurance.

"And he couldn't be charged with mail fraud unless it was proven he received the money by mail and didn't use it for insurance purposes," he said.

Cantell said he has sent his findings about Condor to the California insurance department to investigate and warned doctors to check with business or insurance authorities before replying to the brochures.

He said he has referred the case to the Co-ordinated Law Enforcement Unit, but a CLEU spokesman said the matter probably would be turned over to the RCMP's commercial fraud section.

## Hotel manager fails to show

Sun Staff Reporter

BURNS LAKE—A hotel manager failed to appear at a racial discrimination inquiry here Thursday after telling a human rights branch officer to "go to hell."

The board of inquiry hearing a complaint that the Tweedsmuir Hotel refused a room to Jean Sam, a native Indian from Houston, found hotel manager Paul Tymchischin "recalcitrant" and proceeded without him.

The board, under the chairmanship of Vancouver lawyer Joe Wood, is expected to give a decision within 10 days.

A number of witnesses testified to Tymchischin's attitude and one said the manager told him to go to hell when he requested removal of a notice to desk clerks

stating that the hotel does not rent rooms to Indians or intoxicated persons.

Human rights branch director Kathleen Ruff said Tymchischin sent a note saying he could not attend the hearing because Thursday was Ukrainian Christmas.

The board ruled the statement wasn't genuine or sincere, since Tymchischin was seen at work in the hotel across the street Thursday and Ukrainian Christmas was Tuesday.

Miss Sam complained that she was refused a room last May 30 because of her race. She was taking a course here on logging truck driving and asked for a room for three weeks, but Tymchischin told her he would not rent to Indians because previous Indian tenants had damaged things, she testified.

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