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Official Report of
DEBATES OF THE LEGISLATIVE ASSEMBLY
(Hansard)

THURSDAY, MAY 30, 1974

Afternoon Sitting

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The House met at 2 p.m.

Prayers.

HON. G.R. LEA (Minister of Highways): Mr. Speaker, because of Prince Rupert's geographic location it's not too often that I have the pleasure of introducing someone from my riding to the assembly, but today I do have that pleasure and I'd like to ask the House to welcome with me to Victoria today two officers of the Pulp and Paper Workers Union from Prince Rupert, Local 4. Angus Macphee and Nick Gardiner are sitting in the Speaker's gallery.

Introduction of bills.

DEVELOPMENT CORPORATION OF BRITISH
AMENDMENT ACT, 1974

Hon. Mr. Lauk presents a message from His Honour the Lieutenant-Governor: a bill intituled Development Corporation of British Columbia Amendment Act, 1974.

Bill 146 introduced, read a first time and ordered to be placed on orders of the day for second reading at the next sitting of the House after today.

Oral questions.

Orders of the day.

The House in Committee of Supply; Mr. Dent in the chair.

ESTIMATES: DEPARTMENT OF
TRANSPORT AND COMMUNICATIONS

(continued)

On vote 235: Minister's office, \$100,716.

MR. J.R. CHABOT (Columbia River): Mr. Chairman, just a brief question to the Minister regarding the one insurance firm which ICBC purchased, Fruit Growers Mutual Insurance. I speak for those minority shareholders of Fruit Growers Mutual, being one of the 28,207 shareholders of Fruit Growers Mutual. I have one share with a value of \$25, which hasn't been refunded yet.

I was wondering if the Minister would give me some justification and some reason as to why the government found it necessary to purchase Fruit Growers Mutual. Why Fruit Growers Mutual and no other insurance company in British Columbia?

Was there an independent appraisal of the net worth of this company prior to its purchase? If so, would the Minister tell us who the negotiator was for the purchase of this firm? Would the Minister be prepared to table in the House this independent appraisal of Fruit Growers Mutual?

What was the price paid for this firm? What was its financial position at the time that it was purchased? I have the 1972 report where this firm made a net profit of \$45,000. It has some assets — it has real estate valued at \$167,000. Is that in the neighbourhood of the price paid by the provincial government?

Interjection.

MR. CHABOT: I said real estate in 1972 valued at \$167,919. It made a net profit in 1972 of \$45,339. Did it make a profit in 1973, or was there a loss? What justification was there for the purchase of this firm and what price was paid?

MR. CHAIRMAN: Order, please. While the Hon. Minister is digging up the answer, perhaps someone else has a question, there being no speakers.

AN HON. MEMBER: Don't get impatient, Mr. Chairman.

AN HON. MEMBER: He's got about 28 advisers, and he's got to ask them all.

HON. R.M. STRACHAN (Minister of Transport and Communications): Mr. Chairman, the investments were valued at \$1,629,000, the land was valued at \$112,000, the buildings were valued at \$190,000, furniture and equipment were valued at \$24,000. We had a firm of chartered accountants make an appraisal. The excess of purchase price over assets acquired was \$13,000. The deficit in the Fruit Growers Mutual financial statement of December 31, 1973, was \$120,000.

There were liabilities off-setting the assets I listed and we finished up paying them \$107,518.

MR. CHABOT: The cost was \$107,000?

HON. MR. STRACHAN: Yes.

MR. CHABOT: What was the purchase price?

HON. MR. STRACHAN: That was actually....

MR. CHABOT: You're talking about \$190,000 worth of assets, of real estate. You are suggesting that you paid only \$107,000 for it?

HON. MR. STRACHAN: I listed the assets and indicated to you that there were liabilities...

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MR. CHABOT: Certainly there were liabilities.

HON. MR. STRACHAN: ...matching those assets. As a matter of fact, we paid \$ 13,000 over the price of the assets required, but then the liabilities were off-setting that. So we didn't actually pay for.... We accepted the liabilities too, you see.

We paid \$736,000 because the liabilities were not equal to the assets. And we paid the difference between the assets and liabilities which were \$736,000, and we paid \$107,000 over and above that difference.

MR. CHABOT: Mr. Chairman, he didn't answer some of the questions.

First of all, the 1972 statement to the Superintendent of Insurance suggested there were 28,207 shares of par value of \$25 each, paid for by each shareholder. Have you made provisions in the purchase price to reimburse all these shareholders their \$25, which is \$706,175, based on the 1972 annual statement? Did you pay \$736,000 for the firm?

Now are you suggesting you are going to refund \$706,000 more to the shareholders in reimbursing the value of their shares? In other words are you suggesting you paid \$.5 million for a company that made \$45,000 in 1972, and lost \$120,000 in 1973? If that's the situation, why did you buy this firm? Why this firm and no other firm?

HON. MR. STRACHAN: Let me answer your question before you go off on a tirade, will you?

The answer is no.

MR. CHABOT: What's no?

HON. MR. STRACHAN: As to whether or not we're going to pay another \$706,000. You see, you asked the question, you assumed the answer; you assumed the wrong answer. And then you get mad at yourself.

MR. CHABOT: That's not true.

HON. MR. STRACHAN: The Chabonic plague was in full flower. (Laughter.)

MR. CHABOT: That's worse than matkinitis, I suppose.

HON. MR. STRACHAN: All right, all right. Out of the moneys which we gave them they have to pay the shareholder.

MR. CHABOT: When?

HON. MR. STRACHAN: Well, that's up to them; you're a shareholder of that company.

AN HON. MEMBER: They take no responsibility.

HON. MR. STRACHAN: No, no, no. The company....

MR. D.M. PHILLIPS (South Peace River): Is that the way you handled Dunhill too?

HON. MR. STRACHAN: Your discussions will be with the company itself. We took over the assets and liabilities, that's what we did.

MR. CHABOT: Well, that's part of my question....

HON. MR. STRACHAN: Let me tell you the reason that this was done. It became obvious very early last year that there was going to be a problem in supplying automobile insurance to every resident in the province because of some of the attitudes some of the private companies — and I say some — were adopting, and we wanted to be sure there was an agency of some kind available to maintain the market. We asked Fruit Growers, because we had to be sure that there was some group, some existing organization, to sustain the market during that interim period.

MR. CHABOT: Mr. Chairman, just a further question. I really can't accept that that would be the reason why a small company like this, why a company located in the Okanagan, a small company of 28,000 shareholders, rather than any of the other companies....

Would it be because the vice-president, one of the directors, is a defeated NDP candidate with this firm — is that one of the reasons why you decided to pick this company, because one Robert Charles Maddocks, defeated NDP candidate in Rossland-Trail in 1963, is the vice-president and director of this firm? Is this one of the reasons why you selected this particular firm as a back-up insurance company? Or are there other socialists on that board of directors as well? Is that the reason why you spent so much money in purchasing a firm that has very little value?

In other words, you're suggesting that you paid in the neighbourhood.... Is it correct that for a company that lost \$120,000 in 1973 you've paid in the neighbourhood of \$800,000? It just doesn't make sense that you'd buy this kind of firm. You could have bought any other kind of back-up insurance agency in British Columbia rather than Fruit Growers Mutual.

HON. D.G. COCKE (Minister of Health): Where? Come on, tell us where.

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MR. CHABOT: In Vancouver.

HON. MR. COCKE: Where?

MR. CHABOT: In Vancouver.

HON. MR. COCKE: Just what insurance company? You're so full of hot air....

MR. CHAIRMAN: Order, please.

HON. MR. COCKE: How's that?

MR. CHABOT: Why don't you go see Foulkes for a while?

MR. CHAIRMAN: Would the Hon. Member address the Chair?

MR. CHABOT: The Minister of Health needs his head examined, Mr. Chairman.

But I want to know — \$800,000...who paid for the purchase of Fruit Growers, was it the taxpayers of British Columbia or was it the Insurance Corporation of British Columbia?

Interjections.

MR. PHILLIPS: Let the Minister of Highways have the floor, he wants to condemn the ads again.

HON. MR. STRACHAN: I would suggest to the Member that his usual political accusations are unrealistic, untrue....

MR. CHABOT: They're true; he's a vice-president and a director.

HON. MR. STRACHAN: I don't know whether Maddocks is a director or not. But it so happened that it did not become the firm that was the back-up agency. I would ask you to suggest to me any other company in the province who could have supplied.... **As I say, this is what we were after, a back-up. It so happened that it didn't become the back-up agency because BCAA were able to do the job.**

I want to remind you too that with the acquisition of the company, we acquired profitable book in fields other than the auto, and we acquired some staff that are very worthwhile and the goodwill that goes with the firm.

I suggest you talk to your colleague, the former Minister of Agriculture (Mr. Richter) who sits behind you, about the Fruit Grower Mutual. I think it was a firm which was a British Columbia company and performed a very useful service to the people of the Interior of this province. And I don't think he will appreciate you talking about that particular company that way.

MR. L.A. WILLIAMS (West Vancouver–Howe Sound): Mr. Chairman, I want to pose a few direct questions to the Minister, and they won't be very long.

The Insurance Corporation of British Columbia has undertaken a tremendous task, and the Minister and the ICBC have been subjected to a great deal of criticism. But I think it would certainly assist the Members of the committee and, indeed, the citizens of this province to recognize exactly how large the problem has been. I wonder if the Minister could make a note of these questions:

How many private passenger vehicles are licensed in British Columbia, and how many commercial vehicles of all types? Because this really forms the major burden of responsibility of ICBC.

Could the Minister indicate what the gross premium income to ICBC has been from those two categories, private passengers and commercial vehicles?

In addition, I just have two other short questions, Mr. Minister. In addition to the vehicle coverage, we have driver's licences. I wonder how many driver's licences have been issued in B.C., all types. Of those, how many insurance certificates have been issued which involved additional premiums because of bad driving records?

Lastly, could the Minister indicate the gross premium income to ICBC on all driver's certificates, whether they involve a premium or a surcharge or not?

HON. MR. STRACHAN: Mr. Chairman, 900,000 passenger vehicles; 250,000 commercial vehicles; 1,340,000 driver's licences; 80,000 will be subject to a surcharge.

I haven't got the breakdown on the amount of income from the different categories of drivers, but so far the income from vehicle insurance this year is \$179 million and from the driver's insurance so far it is \$7.5 million.

MR. L.A. WILLIAMS: Do I understand from the Minister that the total premium income of \$179 million is both private passenger and commercial vehicle coverage?

HON. MR. STRACHAN: Yes, it is the total vehicle income so far this year.

MR. L.A. WILLIAMS: And the driver's insurance certificate income is both those with and without surcharges?

HON. MR. STRACHAN: Yes.

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MR. G.S. WALLACE (Oak Bay): I just want to remind the Minister that he said he would follow up a question I asked yesterday to find out a reason why the carpeting on the 33rd floor of the building in downtown Vancouver has a certain layer cemented to the floor and a subsequent layer of very expensive carpet laid on top of the original layer of carpet. As I recall, I asked the Minister to look into this very serious matter and he said he would. I wonder if he has an answer.

HON. MR. STRACHAN: On the 33rd floor some cheap green carpeting was laid down in the legal office area totalling 1,038 square yards while construction was still going on in that floor. The final layout of that floor was not known.

More expensive carpeting was subsequently laid when the floor was completed. These two different carpetings met in the reception area when everything else was finished and there was an obvious clash of carpets out in the open. So 75 square yards of the green carpeting was removed from the reception area, leaving 963 square yards of the original green carpeting in the office areas. The 75 square yards were replaced with the more expensive carpeting. It wasn't laid on top of other carpeting; it was laid on an underlay, which is normal procedure with the more expensive carpeting, to protect it and make it last longer.

There are some 75 miscellaneous carpetings stored at ICBC headquarters. I was under the impression last night that that was all that was stored but there are also 8,000 square yards of carpeting worth a total of \$82,000 currently in storage at Johnson Terminals in Vancouver. However, this carpeting has nothing to do with the 33rd floor; it is carpeting that was ordered for the claims centres, all of which have been delayed by construction problems and the strike.

This carpeting only arrived during the past month and it is being stored at a monthly cost of \$250 which will decline as the carpeting is removed from storage and installed in claims centres as they are completed. The contractors will, however, share the storage costs to the same proportion that they are responsible for the delay in the claims centres.

The Member raised another question yesterday about \$500 mini-computers. Only two have been purchased, both for the finance department which has complex calculations involving interest, installment payments and other schedules of that kind.

MR. WALLACE: I appreciate the detailed reply from the Minister. I think he is being very frank and I appreciate it.

In regard to the miniaturized calculators, as a matter of interest, were they the most expensive ones on the market? I understood from yesterday that the Minister said it was a bid process and we took the lowest bid. My information is that that is the most expensive unit on the market.

HON. MR. STRACHAN: My information is that it is the only one that would meet the requirements of this particular job in the finance department.

MR. G.F. GIBSON (North Vancouver-Capilano): I have a number of questions for the Minister, mostly in connection with ICBC.

I would like to start out with what seemed to me to be a really very major policy announcement he made yesterday in terms of controlling growth on Vancouver Island by the use of the ferry system and particularly the use of reservations.

Could I ask the Minister if, when he replies, he could confirm that it really is the intention of the government to control population growth on the island by this means, whether he has any growth target, and whether he doesn't foresee that creating some problems in the rest of the province, particularly the lower mainland? Growth on Vancouver Island and particularly on southeastern Vancouver Island has been one of what I would almost call safety valves for the tremendous number of people coming to British Columbia every year. It has allowed for some dispersion of this growth away from the lower mainland so that area hasn't had to absorb the whole of the pressure. It's had to absorb the majority of it but not all of it. I would ask the Minister what he foresees on the Island by means of keeping the ferry fleet lower than it would otherwise have to be to meet natural demand and what impact he sees this having on the rest of the province.

Moving, on to ICBC questions, I have, as I said, a number of these. First of all, one arises out of the recent conference of the B.C. School Trustees Association. This was a resolution submitted by school district 59 and was carried by the meeting. I will just read the resolution:

"Whereas ICBC has stated publicly that no one will be penalized by this switch to a government insurance programme and subsequently made it clear that this would not apply to vehicle fleets, and since school bus fleets enjoy one of the safest driving records of any type of transportation, these bus fleets should not be categorized with other types of commercial fleets. Under the present system, absolutely no credit is given for a previous record of safe driving where a school bus fleet is involved.

"Furthermore, although bus fleets may earn a deferred discount on this year's safe driving record, this would not apply in the ICBC ruling to any new vehicles added to the fleet during

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the year.

"Therefore be it resolved that the BCSTA urge the Minister of Education to consult with the Minister of Communications to devise a more equitable system of insuring school bus fleets and thus reduce this unnecessary expenditure of public funds."

I hope the Minister might be able to comment on that proposal because certainly school boards need all the help they can get in their financial operations. Would the Minister prefer that I go on with some of the other questions?

HON. MR. STRACHAN: Are they related to ICBC?

MR. GIBSON: They are related to ICBC but they are each quite distinct.

HON. MR. STRACHAN: You might as well give me.... It saves having to get out some research later on.

MR. GIBSON: The next question relates to page 8 of the Autoplan Insurance Guide, 1974. There seems to be some discrimination either with respect to sex or to marital status. Item 1 mentions that, for a totally disabled person employed at the time of injury, they are entitled to \$50, subject to an annual review after 104 weeks. On the other hand, a totally disabled housewife is entitled to \$50 for a maximum of 26 consecutive weeks.

I would ask the Minister how he explains this difference in time period between an ordinary employee and a housewife who, after all, if she is totally disabled, obviously has serious continuing expenses if her disability continues beyond 26 weeks.

At the same time, if the head of the household is killed, \$5,000 is paid to the surviving spouse or other primary dependent, whereas, if the spouse of the head of the household is killed, \$2,500 is payable to the surviving head of the household. This again seems a curious anomaly. The Minister might explain the thinking that went into getting that kind of scale.

The next question is really a matter of some curiosity to me. This arises from a friend of mine who had his car registered in the name of his small company. Because of the way the ICBC rates go, he thought it to be to his advantage to transfer the car into his own name. What he had to do, of course, was to take the licence plates off his

car, go down to the ICBC agent, go through the regular paperwork, and then go back and put the plates back on his car again. But he also had to pay sales tax. He paid sales tax in a cheque made out to the Minister of Finance and the cheque came back deposited to the account of the Insurance Corporation of British Columbia.

There are really two questions that arouse my curiosity: (1) Is the ICBC an authorized agent of the Minister of Finance for the purposes of depositing and cashing cheques and handling money? (2) Is the ICBC agent paid the 3 per cent commission that I understand is paid to automobile dealers when they collect sales tax?

My next question relates to the location of the head office of ICBC in Vancouver, and again in a way indirectly relates to the problems of growth that we have in British Columbia and the lower mainland.

I think it might well be that the Minister, had there been more time available, might have preferred to see the head office located somewhere else.

HON. MR. STRACHAN: I've answered that question.

MR. GIBSON: Have you? I'm sorry, Mr. Minister, I wasn't in the House at the time. Have you answered the ongoing question, have you future plans for the movement of the head office?

HON. MR. STRACHAN: I've answered that, yes.

MR. GIBSON: Thank you. I'll look that up.

Next, a brief and simple question: has the ICBC any present intention of getting into the life insurance business?

Next, a question that is raised by a gentleman who I understand is no longer — well, he may be, it's not clear from the wording in this letter — in any event he represents himself as knowing a good deal about collision repairs. He writes as follows:

"I have personally owned two collision repair shops over the last few years and presently I am the landlord for four collision repair yards. I think that I can speak as a reasonably informed person on these types of operations.

"I think your method of claims centre estimating rather than competitive bidding will eventually cost the people of B.C. millions of dollars in excess premiums. I know now why most of the body shop owners have been giving Strachan some heat on the hourly rate. They are basically getting far more than they expected.

"Your claims adjusters are throwing in lots of extra hours where necessary to keep the heat low. I'm sure it will be just like any other government-run monopoly — pay anything, just don't create problems. There is no bottom to our money barrel."

Mr. Minister, through you, Mr. Chairman, this is one of the obvious dangers in keeping proper account of the cost of claims repairs — the hourly rate really is meaningless without some way of keeping good account of the hours assigned to the job. Any amount

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of money can be put in the hands of the repair shops simply by jiggering around with the hours.

I don't say that is the Minister's intent. I ask him what control procedures the corporation is instituting to make certain that reasonable hourly assignments are in fact being made with respect to particular claims.

Another general question as to the financial affairs of the ICBC. Much of the premium income of the corporation will be from business that was formerly self-insured and didn't pay insurance premiums to anyone. I believe that would include much of the government vehicle insurance, B.C. Hydro and other agencies.

I wonder if the Minister could give the House an estimate of the ICBC income that will come from what is, in effect, a book entry and the subsidization of the ICBC by government agencies that formerly did not pay insurance

premiums. We really need that to properly adjudicate the financial efficiency of the corporation.

Finally, and I would be very grateful if the Minister would address this question first because it does relate to an issue in my own riding, and I don't want to lose track of it. It is the question of the ICBC claims centre property, the two properties, in the District of North Vancouver.

With respect to one property there is a particular problem — the storage of wrecks on the Dollarton Highway property. In that connection I would like to read a letter written May 24 to the ICBC by Mayor Andrews of the District of North Vancouver. I remind the Minister that I asked him a question in this regard in the House the other day, and this confirms that question. The letter reads:

"Dear Sir:

Re North Shore east claims centre.

"As you are well aware, the District of North Vancouver took the position last fall that the proposed claims centre on Dollarton Highway should be subject to municipal taxation, and since that time we have attempted unsuccessfully to secure such assurance from the provincial government. Despite repeated correspondence and meetings between ourselves, your office and members of the provincial government, no written commitment has been forthcoming. The subject was again discussed by my council on May 21 as a result of numerous complaints from residents in the area regarding the storage of wrecked cars on the site.

"I have been directed to inform you that before any further consideration will be given to your land at tender, this matter must be resolved, it being our understanding during negotiations for the site that the centre would be a clean operation which would not include the storage of wrecks on the property.

"Your prompt attention and reply would be appreciated."

As I said to the Minister during question period, this is a matter of some importance to the district and it was, according to the mayor, a matter of understanding during the initial negotiations that the property would not be used for the storage of wrecks. So I would be grateful if the Minister could address himself to that problem, and if he could at the same time give assurance that it will be the general policy of the government to pay taxes, full municipal taxes, on ICBC properties — not just in North Vancouver, of course, but throughout the province, and not just in 1974, as is provided for by the order-in-council, but through the years.

I think probably that plain assurance to this House would go a great distance to resolving the problem that exists with the District of North Vancouver, so I ask the Minister, with the greatest spirit of good will, if he could give those undertakings now.

HON. MR. STRACHAN: Mr. Chairman, I'll start off with the first question the Member asked regarding the statement I made yesterday with regard to the reservation system. As I recollect the statement, I didn't indicate that I was going to control the growth of Vancouver Island. I said it would give us some governor on control of the growth of the ferry system.

MR. GIBSON: Aren't they the same?

HON. MR. STRACHAN: Not necessarily. The fact that you have a reservation system means that the people who must travel, and who know ahead of time, are able to make a reservation with the result that it avoids and removes the terrible frustration that is part of the present system where business people, or people who are planning to go on holiday at a certain time, arrive and they have a six- or seven-hour wait. It brings a rationale to it and it becomes a more rational operation.

I agree with you, but I admit that I have concern, and I must have concern, about the magnet that lower Vancouver Island and the lower mainland have for people. This is not peculiar to British Columbia. It's something that is a factor all over the world. There's this tendency of people to congregate in mass humanity. Even in the most regimented societies, such as China... you must have a permit to be in the City of Peking. They check the permits once a year and they have to expel 200,000 people.

Oh, yes, it's a human factor that seems to be a part of today's society, irrespective of where it is in the world. I'm concerned about it; we're all concerned about it happening in British Columbia.

Let me tell you, the other programmes that this

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government has instituted are related to our trying to bring a balance into the Province of British Columbia by maintaining economies and developing economies in other parts of the province. We cannot allow the economies in other parts of the province to collapse. We must bring stability first of all, then build on them, which allows larger communities to develop in other parts of the province. With the larger communities you get the cultural development, the social development, the educational development, the medical development which will bring some balance into the province. So I am concerned about it, but as I say, the other policies of the government are designed to take care of that factor. My concern was getting some control on the growth of the ferry system.

MR. D.A. ANDERSON (Victoria): A very quick supplementary.

I appreciate the Minister's remarks; he's clearly thinking about future problems. Can I ask him whether this restriction is limited to B.C. Hydro's refusal to expand facilities, particularly with respect to gas? There's no way you can get gas for a restaurant in Victoria now because it's simply not there. Is that part of the government programme as well, to cut down on growth in this area?

Finally, may I ask the Minister whether or not he plans on moving members of his department up to Kamloops or Prince George or other areas to decentralize his department more so we can again move some of the people out of the town who are presently here, and get away from this crowd he talked about?

I'm not asking him for value judgments; I'm just asking him whether this is an area which is being explored by his department.

HON. MR. STRACHAN: Yes, and as a matter of fact the reorganization of the department, especially the department of commercial transport, will be moving people from the lower mainland into different parts of the province.

B.C. Hydro — I can't answer the questions about B.C. Hydro.

Now to your questions on ICBC — the one about the school bus safety driving record. We're certainly going to examine that aspect of the operation for future years — the matter of school buses, their safety records and so on. I've had several letters about it from the school boards.

Incidentally, yesterday I was asked a question by the First Member for Vancouver–Point Grey (Mr. McGeer) about this, about schools and so on.

Regarding driver training incentives, I'd like to state that drivers graduating from the recognized high school or commercial driver training course since January 1 this year can apply through the Motor Vehicle Branch for a \$50 rebate by ICBC.

So far the Motor Vehicle Branch has approved 2,070 rebates. Because of the processing time lag, ICBC had issued 1,443 cheques up to Wednesday of this week for an amount totalling \$72,150. No applicants have been refused so far and ICBC expects to pay out \$600,000 during the first year of this incentive programme.

Now the next question. The Member referred to page 8 of the Autoplan booklet and the inferred discrimination inherent in that particular wording. I want to point out first of all to him that the head of the household could be a female. I have to apologize too for the fact that this is here.

As a matter of fact, perhaps because of a time factor, perhaps for other reasons, but to give us the base on which to start, we adopted exactly the same standard as was part of the Insurance Act of the province and that

adopted by the private insurance companies. So this is exactly the same as applied under the private insurance companies' operation. Now it's been drawn to my attention several times in this House and certainly I think I can assure you that will be corrected next time around. We inherited it from the private industry and I apologize for that. We should have examined it perhaps a little more carefully.

Sales tax. The ICBC is an authorized agent for the Motor Vehicle Branch. As you know, the Motor Vehicle Branch has always accepted the sales tax. They have always handled the sales tax from the transfer of vehicles. You couldn't get the vehicles transferred unless you paid the sales tax. We have collected on behalf of the Motor Vehicle Branch some \$38 million already this year, but the agents don't commission for that particular sales tax collection.

Has ICBC at the present time any intention of getting into the life insurance business? Not at the present time. No, we have enough on our plate right now.

Claims adjusters allowing more hours than needed. Well, we've had complaints from the official opposition that we're not paying enough, that we're being too tough on them and that we're going to put them out of business. So I think there's a balance in there somewhere. We do send quality control groups visiting the different agencies to be sure that the allowances are maintained on a fair basis throughout the province.

AN HON. MEMBER: How many inspectors are there?

HON. MR. STRACHAN: We have six or seven inspectors who are checking the adjusters all through the province continuously.

You referred to the fact that some business was

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formerly self-insured and asked for an estimate of how much from government agencies. Insofar as the government vehicles themselves are concerned, I answered that question earlier in the session. I can't remember the exact amount. I think it was \$690,000 for 17,000 government vehicles. Anyway, that figure is on the record. I haven't got the separation as to how much B.C. Hydro has paid, but as I told one of the Members the other day, that becomes public information.

Claims centre in North Vancouver. Even before the Member raised it in the House, the MLA who represents that constituency spoke to me about the matter. There is a meeting taking place on Tuesday next between the corporation and the council. We're meeting with the mayor next Monday, as a matter of fact.

It is true that we guaranteed that the centre would be a clean operation. Had the municipality allowed us to go ahead and build this, it would have been in operation now and it would have been a clean operation, but for reasons best known to the municipality they decided not to let us go ahead. They posted a stop-work order.

I indicated right at the very beginning of the corporation that it was our intention to cooperate, to live with and to live up to, and to work with every municipality, to go the whole normal route for permits, for zoning, for everything else.

In some isolated areas in the province we have run into difficulties and North Vancouver was one of them. We are having a meeting next week. As I say, we followed all the proper procedures, the same as any other corporation. They asked for some assurance as to our attitude towards paying full taxes. As a demonstration of good faith I took the cabinet an order-in-council, guaranteeing to pay for this year. I have demonstrated my good faith on behalf of the corporation. I expect and hope that municipalities will demonstrate some good faith, too.

MR. GIBSON: I don't want to get into a wrangle on this North Vancouver district matter. I just want the problem to be solved.

HON. MR. STRACHAN: So do I.

MR. GIBSON: I would explain a bit to the Minister the reason for the extreme sensitivity of the North Vancouver council on this.

HON. MR. STRACHAN: Well, the MLA for that constituency has already explained it all to me, Mr. Member.

MR. GIBSON: Well, let me just explain it a little bit further in the House if I may.

The district is already losing well over \$120,000 per year in tax revenue from the fact that the B.C. Railway in its major terminus in British Columbia — its southern terminus — pays no taxes to the district at all. For that and other reasons the district has become very touchy about the intentions of the government, because the government has continually, through the Minister of Municipal Affairs (Hon. Mr. Lorimer), indicated in principle the idea of paying full municipal taxes, but when it comes down to actually putting it in writing it seems to be a little more difficult.

So while I appreciate the fact that the Minister has gone to cabinet and gotten an order-in-council for 1974, I wonder if he couldn't go back to cabinet and get an open-ended order-in-council saying that until that order-in-council is revoked it will continue to pay full taxes under the section in the ICBC Act that says the Lieutenant-Governor-in-Council may do so. It seems to me, as I said before, that that kind of action would go a great way towards solving the problem, making the council of the District of North Vancouver feel easier about this, and allowing the work to go ahead.

As the Minister knows, the council has tried to cooperate on this. Indeed, a delegation of two councillors representing a broad spectrum of political views came over to visit him and describe their unanimity on this subject. The mayor has been very consistent in his representations over the last six to eight months and I have a pile of correspondence here to indicate that. I would ask the Minister if he would consider going to cabinet and asking for an open-ended assurance of that kind over the coming years.

MR. PHILLIPS: I've just got some questions that I'd like to ask the Minister while he's here in the House, and it has to do with automobile dealers and their insurance.

When the Minister brought out a change in the regulations with regard to dealer plates, I must say I was very happy, and I discussed this and I told the Minister so, right out here in the corridor. I thought it was a change in the right direction. However, you've given dealers use of their dealer plates, but now with the change in insurance we're paying very dearly for that use.

I would just like to ask the Minister: do you plan on going into the dealers' demo insurance, making some changes in future years? I doubt there's a dealer in the Province of British Columbia whose insurance costs for demonstrators, or the use of his own cars — call them demonstrators or company vehicles, whichever you may — haven't gone up thousands and thousands of dollars. The majority of dealers were far better off under the old scheme with the limited use of dealer plates. I'd just like to ask the Minister if he had any comments on this, because there's going to

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have to be a change somewhere along the line.

It works just that much more of a hardship, Mr. Chairman, through you to the Minister, where there are no licence plates on used units. It necessitates buying more dealer plates, and when you're paying out close to \$334, I think it is, in the northern part of the province for a set of dealer plates, that's pretty costly for a set of dealer plates for use, particularly just on used units that before had licence plates on them and you could take them on the road. I wonder if the Minister would care to comment on what he plans on doing in that regard.

HON. MR. STRACHAN: I appreciate the problem raised by the Member. We did, I think, as you recollect, re-examine on the basis of the information we were given, but were unable to satisfy the wishes of the dealers at that

time.

What was happening of course was — and this applies in a number of areas in the whole vehicle insurance field — with the multiplicity of companies, the multiplicity of agents, there were umbrella coverages, different kinds of deals with different dealers. And there were some dealers who found that our operations were extremely beneficial to them. There were others who found that because of some special rate they had it was costing them more.

I think too, some of the dealers because of their umbrella coverage had an advantage which is no longer with them. I know one dealer who, for instance, in his family cars found himself paying hundreds of dollars more for his family cars with the institution of ICBC because he had his family cars, and he had a number of them, included in a blanket coverage for his business which meant he was getting two gains there, I suppose. The insurance on his family cars was a write-off on the cost of doing his business, and because it was included in this blanket coverage it was at a much lower rate. So that was the sort of thing that was happening. Now it is all separated and then paid.

But I want to assure the Member that we will take a good look at that section, and next year we hope we're able to decide the rates on an individual basis — on the basis of your experience — which again would get you back into a more rational form than what we now have.

MR. PHILLIPS: Mr. Chairman, can that be based on either payroll or gross business or something? Because right now, it depends a lot on the particular layout of the dealership how many dealer plates are required. It doesn't matter how many dealer plates you have, other than use for family automobiles which in some instances, as you said, were classified as demonstrators. It depends on the layout of the business, and I don't think you're going to use dealer plates any more extensively, other than for personal use.

It is a matter of convenience if you can have a set of dealer plates on each used car lot and for your body shop and for your different operations, but right now you just can't afford to do it because it costs you \$334. If you would get it on the basis of volume...and I think this is what the majority of auto dealer plates were based on before, so I wish you'd really take a look at that.

The majority of the dealers in the province are paying a great deal more, and what they're paying for is the convenience of having dealer plates to use in their dealerships. I know in my own case, I thought I was going to get by with a certain number of dealer plates, and the employees complained so bad because they couldn't find them, they weren't there, that I'd have to go out and spend an additional large sum of money just for the convenience. Really, I'm not getting any better coverage, it's just a case of convenience, so I wish you'd take a look at it.

Now, one other question, Mr. Chairman, with regard to the ferry system. How much do you anticipate the reservation system on the ferry system is going to cost? I was just going to ask you, prior to you announcing the reservation on the ferry system, if you would get with Ottawa and the Air Transport Commission to see if you could get an air-bus system set up between Victoria and Vancouver, where reservations wouldn't be necessary, similar to the one they have operating between Calgary and Edmonton.

That service has worked out 100 per cent. You go into the Edmonton International Airport and you jump on the plane; you don't have to have any reservations. You do the same in Calgary. There are some 16 flights each day between Calgary and Edmonton, and I'm sure that there's as much traffic between Victoria and Vancouver, although I realize it's covered by ferries and by harbour-to-harbour.

I know that PWA at one time did ask the Air Transport Commission for permission to put in an air-bus service between the Vancouver International Airport and the Victoria International Airport, and were turned down strictly because the airlines want to use this route between Victoria and Vancouver for continuation of flights, and mainly Air Canada, which is owned by the people of Canada. But in the interests of Victoria and in the interests of Vancouver and in the interest of air flight between the two cities, I think this recommendation and this offer of Pacific Western Airlines to inaugurate an air-bus system would be upgrading the service and be of great benefit to all the people — also flights at the high-density time, which now don't always work out because of extensions of other flights. So maybe the Minister would like to comment on that.

HON. MR. STRACHAN: Yes, I agree. I'd certainly be happy to take that to the Minister of

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Transportation in Ottawa, whoever he may be after July 8. It's the sort of thing I'd intended to raise with Mr. Marchand when I was due to have a meeting with him a month or so ago, but he hasn't recovered from that virus attack he had and he had to cancel that meeting that was arranged. I would certainly be happy to take that up with the new federal Minister of Transportation.

You want to know how much the reservation system will cost. That's difficult to say because it hasn't been decided, but I expect it will be somewhere between \$1 million and \$2 million per year.

Yes, we're looking at either payroll or gross receipts in that matter of the dealers. Let me assure you, as I did with the *Motor-vehicle Act* and amendments I made with regard to dealers, this is going to be my attitude right through: I want any regulations to be as simple as possible. I don't want to build up a structure of regulation and regulation. This is why I took the action I did with regard to the dealers, to simplify a lot of the red tape with which they were confronted. That's going to be my attitude as much as possible right through the whole operations of the department. I think that answers your questions.

The *Motor-vehicle Act* amendments that are before the House provide for a new type of plates too — repairer plates for body shop use. I understand this is going to be a fairly low insurance rate for the use of those plates.

Finally, applications for refunds which as of now must be made by May 31, that's very soon now, I think I'm going to extend that date for another 30 days to allow anyone who hasn't yet had their application in — give them a chance to apply for a refund during that extra 30 days.

MR. D.A. ANDERSON: I'd like to raise a question raised yesterday but not answered — the purchase of a flight simulator by the government of British Columbia, a purchase for \$400,000. This flight simulator is for an aircraft type known as the AE-90. We have some Cessnas, and apparently we're buying some Super King-Air 200s. But the particular simulator in question, purchased by the government, is for an aircraft that we don't have in our fleet.

Mr. Chairman, there is a distinction between simulators and trainers. A simulator is one that is an exact mock-up of a certain aircraft, and obviously costs a great deal more. A trainer is something which has characteristics which are adaptable to a number of different aircraft. Now, what we've done is purchase a simulator for an aircraft we don't own, an aircraft which is out of production and an aircraft which apparently it's very unlikely we ever will own. I believe there are 13 in Canada, of which nine are owned by the federal government.

Sure, the aircraft simulator can be used for general training, but, Mr. Chairman, the Rolls Royce can be used for driver training in high schools if you want to waste money. I think that's pretty well what we've done.

A few quick words to show the difference between the A-90 and the Super King-Air 200, a few specifications: your gross take-off weight of the King Air is approximately one-third higher; your speed is 289 knots as opposed to 220; rate of climb is about — it's an extra 500 feet a minute — 2,000 on the one hand with 2,500 on the other; service ceiling is half again; take-off distance is half again and landing distance is once more substantially greater, 2,400 feet as opposed to 1,800 feet; the engine horsepower is 850, as compared to 500. It's a different aircraft altogether, in other words.

So I wonder why this simulator was purchased. Sure, I know the pilots want it. Naturally they want top of the line. I bet if you ask the fellows who do driver training, they'd be delighted to have Rolls Royces issued to them to teach kids to drive. But the simulator in question simply doesn't make a great deal of sense inasmuch as there are other companies which produce simulators which have characteristics much closer to the Super King-Air 200 which the provincial government is purchasing.

For them to have purchased the A90 doesn't make a tremendous amount of sense, in particular when PWA

and CP Air are willing to let them have their jet simulators at Vancouver at somewhat under \$100 an hour, and the federal government is willing to let the Province of British Columbia use its A-90 simulator at cost. I wonder whether the Minister could explain why we've bought ourselves a Rolls Royce to do the job of a Chev.

HON. MR. STRACHAN: First of all, the federal simulator will be in Ottawa. This one will be on the west coast, in Victoria. It will be available to pilots not in government service for their training. The A-90 is similar to our older turbine Beechcraft; it is a junior version of A-200 Beechcraft to come. The simulator will allow us to do certain things. It will provide advanced navigational training related to British Columbia locations.

Interjection.

HON. MR. STRACHAN: A Link trainer doesn't do that, my friend. A flight simulator is different, as you said. The trainer will not do that. It will provide intensive training in operational procedures with 27 different failures programmed into the simulator; it will train pilots and co-pilots as operational teams; and it will allow us to evaluate pilots under intensive circumstances far beyond that possible in actual flight. All of this can be carried out in an organized

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programme integrated with our regular flight operations.

Further, in this day of fuel concern, at the present time our training programme requires four hours per month per pilot. Without this operational training available, this must be done in the aircraft. The simulator will allow us to reduce in-flight training to a bare minimum and this can be worked into regular flights. The net overall effect will be to reduce the use of the aircraft with attendant savings in fuel, maintenance and depreciation, and to provide a higher level of training than is now possible.

Some may question, as you did, why we bought an A-90 simulator when we do not own A-90s. This is a one-of-a-kind simulator developed specially by and for the federal Ministry of Transport. No other simulators for this size of aircraft are available.

If we do want to have an A-200 simulator developed, another year or so will be required and the costs will be much greater. We might have costs to a total of \$1 million. Remember, we are getting advantage of development costs that the federal government put in. We save \$200,000, because that was the cost of developing this particular simulator. Anyway, there is the possibility that we can have it upgraded to simulate an A-200 if such is deemed necessary at a much lower cost than would be involved if we waited now and had an A-200 simulator especially built for British Columbia.

MR. D.A. ANDERSON: Do I understand the Minister correctly that this simulator can be upgraded to be the King-Air 200 that the government intends to purchase?

HON. MR. STRACHAN: I said it may be a possibility.

MR. D.A. ANDERSON: Well, it may be a possibility. Many things may be possible, but it is highly unlikely. The whole purpose of buying an A-90 simulator is to duplicate exactly that aircraft's characteristics, and that is why it took some time to read out the differences between the two aircraft. We don't have a multi-purpose simulator, as is implied, we have a unique one for a specific type of aircraft.

Sure, it will be useful, but whether the cost is justified is the question that the Minister has not answered. Surely at this stage we should be looking at cost effectiveness in simulators, as well as other things.

HON. MR. STRACHAN: You're being critical of me for buying it and I accept the criticism. I just happen to disagree with you, that's all.

MR. N.R. MORRISON (Victoria): I wonder if the Minister could answer some of the questions that I asked

last night. Or would he like me to ask them again? He hasn't answered any of the questions that I posed last night before adjournment.

HON. MR. STRACHAN: Oh, you asked me about ICBC's rebate time. I told you that now it has been extended.

You asked me something about if ICBC was paying an agent remuneration. For doing what?

MR. MORRISON: For assisting the customer in drawing up his rebate application.

HON. MR. STRACHAN: No.

The number of ambulance calls in 1973-74. There have been 31 air ambulance calls to date.

You asked about scheduled flights to Vancouver; there are five scheduled round-trip scheduled flights each day — two in the morning, one at mid-day, and two in the evening. The planes are all stationed in Victoria except the Beaver, which is stationed in Kamloops.

The two new Beechcraft are due June 19. I just answered the simulator question that you asked. Those were all the questions I got down. We'll see what the Pinks say here; maybe there were some others. Oh, one of the planes is coming June 19 and the other is coming July 31.

Then you asked me about air strips. I don't have the information on how many are blacktopped and how many are gravelled. I know that our Cessnas can land on all of the blacktop strips and many of the gravel strips, because they have landed on them.

Incidentally, I had May 6 set as the date on which I was going to go up and take the ferry to Kelsey Bay, look at the ferries, look at the harbour development there, and then drive east and look at the airports on the way, because I had a delegation come down from the north to talk to me about aircraft up there; I didn't make it.

However, I have a letter which I sent to every regional district in the province in which I pointed out that there is a federal programme available for developing air strips. I think 11 communities have already made use of that federal programme; applications are in from 10 more. I was asking each regional district so that I could get an overall picture of what was required, check them out, and then take that situation to the federal Minister in an effort to upgrade these smaller airports in the province to allow for greater mobility for aircraft around the province. I'm waiting for replies from the regional districts now.

MR. MORRISON: I appreciate the Minister's answer because I want to be sure that we are taking advantage of the federal government's participation in any airport programmes. I would commend to him

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that we do as much as we can to encourage municipalities throughout the province to have air strips.

One of the questions I asked that he did not yet answer was: are the aircraft insured by ICBC and how much passenger liability is carried on each aircraft?

Referring to official use, he didn't answer either about the trip in September on which the aircraft carried one Peter McNelly, who was not at that moment an employee of the government, as well as the Premier.

HON. MR. STRACHAN: I think that was answered. It was an emergency situation. I answered someone there the other day. However, it was an emergency situation. We just simply couldn't make the connection unless a government aircraft was used. As I say, he travelled under the Premier's department. There is evidently some regulation which says you can't accept payment when you are....

MR. MORRISON: How well I know that one.

HON. MR. STRACHAN: Yes. But it has happened on occasions. It happened to me once. I was explaining the other day where I sent my wife by commercial aircraft up to Prince George the day before I was due to speak to a loggers' convention. That was while the firemen were on strike and she didn't know when she could get back so I brought her back in a government aircraft.

MR. MORRISON: We'll ask you about that one next year.

HON. MR. STRACHAN: Yes, ask me about that one next year. So the odd occasion develops where there is a situation and someone else wants to go up. But it is not a practice that we intend to....

Regarding insurance, we carry \$10 million liability on both jets, \$5 million on the Beaver and \$5 million on the aircraft we use by the land service. None of it is with ICBC.

MR. CHAIRMAN: One more brief comment from the Member for Victoria.

MR. MORRISON: I'm not quite so sure that I

MR. CHAIRMAN: Order, please. The proper procedure is to recognize the Members in turn.

MR. MORRISON: It's related to the same subject.

MR. CHAIRMAN: All right, the Hon. Member for Victoria.

Interjections.

MR. CHAIRMAN: Order, please. The Chair just wants to be fair to all Members on the opposition side.

MR. MORRISON: I would like to sort of conclude that part of the discussion, then. Could the Minister advise us if there is any method whereby the department itself is charged back the use of the aircraft for those departments which use the aircraft? Does that all come out of your budget? I notice there are some departments that use it a great deal more than others.

HON. MR. STRACHAN: As a matter of fact, I asked for a use report a couple of months ago and I have that. It all comes directly out of this budget at the present time. There's no charge left.

MR. MORRISON: Well, in the same manner then, Mr. Chairman, if someone charters a private aircraft, does that come out of their budget or does that charter use — that's assuming that one of the government aircraft is not available and there's a need and the Minister then authorizes the charter of someone's aircraft — does that then come out of his department or is that charged back into your department?

HON. MR. STRACHAN: That comes out of the department that does the hiring. It is not charged to this vote at all.

MR. MORRISON: Right. I've got some other questions.

[Mr. G.H. Anderson in the chair.]

MR. H.A. CURTIS (Saanich and the Islands): I've been present for most of the debate dealing with the Minister's salary vote. I've heard some of the balance in our office and I've read the Blues — or as they are now called: "the unverified advance draft transcripts," or words to that effect. I can see nowhere a firm and definite statement by the Minister on the subject of B.C. Ferries with regard to dining-room facilities.

The Minister took me to task last week when we were speaking about this when I used words along the line of "...the stated intention of the Minister to do away with dining-room service." Then other Members have dealt with the surveys which have been conducted, one official and one apparently unofficial. But we still do not know in this committee what the Minister intends to do with dining rooms on British Columbia ferry vessels now operating.

I refer to *Hansard* for October 9 last year when the

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Hon. Member for Langley (Mr. McClelland), in a question period indicated, or directed a question to the Minister with respect to the possible phasing out of cafeteria or dining-room operations. The Minister replied by saying:

What is happening right now is the normal reorganization of staff that usually takes place when the ferries go on winter schedule. That's all that is taking place.

Later, in answer to a supplementary by the same Member:

That's what I explained when I answered you first of all. It's the normal reorganization of staff that has always taken place when the ferries move on to winter schedule. It makes a more efficient operation when you have the normal winter schedule and winter schedule crewing.

Then in the answer to a written question on March 25 of this year, the Minister indicated that with respect to the motor vessels Queen of Esquimalt, Queen of Victoria, Queen of Saanich and Queen of Vancouver, the ferry dining-room capacity, or upper dining-room capacity, had been reduced: in the case of the Esquimalt, from 104 to 72; the Victoria, 108 to 72; and the Saanich and Vancouver, from 132 each to 80 — on route 2 the New Westminster and Burnaby remaining the same.

One part of my written question on this subject was: "Will dining-room floor area or capacity be increased on any major ferry vessel for the 1974 summer season?" The answer to that question, filed by the Minister, was: "To be determined."

Well, we are now in the midst of the rush for 1974, Mr. Minister, through you, Mr. Chairman, and I note from travelling back and forth on the first route, route 1, very recently that we are still at the winter size in terms of capacity in the dining rooms. I want to know from the Minister — and I hope that he will be very explicit: is dining-room capacity going to be increased for this summer on the vessels now in operation or are dining-rooms going to be done away with altogether? Search as we can, we do not see a definitive statement by the Minister with respect to that second question.

Now the Minister has talked a couple of times in answer to questions about Gabriola Island and the wind and wave studies which are underway and which have been underway for many months. He indicated in responses yesterday that you're looking at several possibilities. You may find that one of them is acceptable, that more than one is acceptable, or that none are acceptable.

I would like to know, Mr. Chairman: is the Minister and the B.C. ferry system committed to putting a major ferry terminal on Gabriola Island? Yes or no? If the wind and wave studies which have gone on tediously, I might say, for quite some time indicate that the sites you have in mind are not acceptable, will you look for another site on Gabriola Island? Or, if there is no site suitable or available on Gabriola Island, what will happen then?

What is the contingency plan? Will you stay in Departure Bay, or are you looking possibly at a site in downtown Nanaimo to bring the vessels right into the downtown section?

Please, Mr. Minister, through you, Mr. Chairman, don't just leave us up in the air with wind and wave studies — or in the water with such studies.

But what happens if Gabriola Island is not available to the service in any way, shape or form? Are you committed to it? Do you have an alternative thought in mind to get the terminal out of Departure Bay?

And finally, for the moment at any rate, it seems to me as a layman that a number of the senior operating personnel of the ferry fleet are approaching retirement age. Many of them have come to British Columbia ferries over the years from other operations on the B.C. coast, passenger-carrying and non-passenger-carrying. They have served the British Columbia fleet very well indeed, no question about that; but looking at them, it appears to me that

they are in their late fifties, approaching retirement age.

Is there the danger that you are going to lose a fairly large block of your top people, operating people, all at one time? If this is the case, what plans does the ferry system have for some kind of in-house training, or utilizing some of the educational facilities which are available — community colleges, regional colleges — to permit those individuals, those who are younger, to upgrade their qualifications and to serve as masters and first officers and in other senior ranks when this apparently large block of men steps out of the service over the next two, three or four years, or whatever it may be?

So restaurants: may we hear something specific and definite on the service in that respect?

Gabriola Island, please; and the training of new men to take the place of those who obviously are going to leave pretty quickly.

HON. MR. STRACHAN: A definite statement on dining rooms. Dining rooms are not going to be done away with altogether. We are still examining the effect of the Nanaimo run. I have no intention of doing away with any dining rooms until we get that. I said so at the time; the Nanaimo one was an experiment to see what it was. I don't expect they'll be done away with. That's as far as I'm prepared to go. The new ferry, for instance, is coming. We'll have a dining room on it, the Danica.

Gabriola: are we committed to putting a major ferry terminal on Gabriola, yes, or no? If there's no site available, what will happen then? Are we going to have a site in downtown Nanaimo, or are we going to have a site somewhere else than downtown Nanaimo,

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or are we going to have a site somewhere else on the island? If there's no site available on Gabriola Island, then we're back to square one and we have to take a look at the whole picture.

MR. CURTIS: What is square one? Departure Bay?

HON. MR. STRACHAN: We're back to the existing situation and we have to see if we can live with it and find some other place, or what happens. But we just have to wait and see what those wind and wave studies.... There's nothing else I can tell you; that's the situation.

I agree that it takes a long time. It takes a long time, and it worries me a little sometimes. I can't do the job myself and it takes time to make these decisions. So we'll wait and see. But I'm optimistic that it will be one of the Gabriola sites that will meet our needs.

The other thing, too, about the reservation system is that it reduces the impact that any site will have in the future. As we've been getting pushed now for a number of years, we've been pushed into more and more acres of blacktop surrounding every terminal because of the waits and so on.

As we move to a reservation system it means you won't have to find places to put people for six and seven hours, because they won't have to arrive until just before their.... It will reduce that impact that the ferry terminal might have had without a reservation system.

Members of the senior operating personnel approaching retirement age. Yes, a number of them are and that's why we're developing within the service itself in-service training, moving people up in preparation for that. We are trying to get a maritime college developed in British Columbia to encourage our young people to follow the sea and come to work for the ferry. But it is something we do face, and there are people in training — some of them, but not enough. I agree with you; we need this maritime college facility.

MR CURTIS: Mr. Chairman, to the Minister, just to pursue this a little further: having shown an interest in the sea, and perhaps having a relatively minor position on board the ferries now, one doesn't become a master within

the space of two or three years. So I put it to the Minister, Mr. Chairman, that there is a very definite possibility of a shortage of top-flight personnel for a short while when these retirements take effect.

The comments with respect to Gabriola Island: I take it then that you are still committed to Gabriola Island and so Gabriola, as an island, will cease to exist because of the connection which is necessary to move traffic from the Nanaimo area over to the terminal.

The reservation system notwithstanding, I think we see at all major terminals a considerable shore side support organization required — various buildings to house catering and offices, ticketing and so on. We have to keep this in perspective. It's not going to make it an insignificant little terminal. It may not have to be hundreds of acres of blacktop, but it's still going to be pretty massive development on a relatively small island.

Finally, Mr. Chairman, to the Minister, you reduced the dining-room capacity on existing vessels as the fall and winter of 1973 approached, and you gave that as your reason for doing so in answering questions from the Member for Langley (Mr. McClelland). Are you going to, within the next few weeks, for the 1974 summer season, expand back to the point on one or more vessels where the dining rooms were at that time?

HON. MR. STRACHAN: In answer to your last question, I'll discuss it with the manager. I won't say yes or no at this time. I'll discuss it with the manager. I want to tell you that there is a shortage of deck officers and engineers right now. Ads are going in the paper across the country because we will require additional officers for the new ferry that is coming, and we will discuss the matter with the Canadian Merchant Service Guild to see what help they can give us in the way of locating personnel. There is a shortage right now.

MR. CURTIS: Will you look overseas to get them?

HON. MR. STRACHAN: We still have some names that we have from overseas who we told weren't required at that time. So in all probability if we can't get them in British Columbia, then we'll look in the rest of Canada, and then we'll look elsewhere.

MR. CURTIS: Scotland?

HON. MR. STRACHAN: Well, there's probably the odd one around Scotland. I know a few names around the present ferry captains — names like MacLeod and so on.

MR. MORRISON: Last night I also asked a couple of questions which I wonder if you could answer.

One was: do the terminals have to be altered to affect the bow on the new ferry? Is there any change required?

And concerning the reservation system: could he advise us whether he plans a penalty on a no-show? That's a man who makes a reservation and doesn't show. Are you planning a penalty for those people or not — the ones who make a reservation on the ferry system and then don't show up?

HON. MR. STRACHAN: There will be some

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changes required to the docking facilities. As I recollect, we allowed \$1 million, I think it was, for changes to the ship itself and slight changes to the docking facilities.

With regard to the reservation system, we haven't got to the point of making absolute decisions. Really, it would be difficult, under the reservation system I have in mind, to give a penalty to someone who didn't show because he hasn't paid for his ticket until he gets there. Because of the fact that you are not allowing for 100 per cent reservations — only 80 per cent reservations — then if 5 per cent didn't show up, it just means that that many more of the standby people would be able to get on. So we are not looking at penalties.

MR. MORRISON: Mr. Chairman, I also asked him if he could tell us a little bit about what happens with an individual when they are adjusting a claim. I'm not referring to an automobile claim; I'm referring to a theft claim, where the adjuster.... How does he settle with the amount of the theft claim? And when the agreed amount is settled, how is the cheque actually written?

Really, what I'm referring to and what I'm leading up to is that I understand that an adjuster on a theft claim did in fact make an understanding with an individual who was in the business of establishing a value on the claim; and then, when a claim was settled, the adjuster in fact wrote a cheque himself. In other words, everything was handled by one individual from the initiation of the claim to the conclusion of the claim, including the writing of the cheque. If that's normal procedure, I don't think it's good business. I just want to know if this is an unusual experience, or is this a normal experience for the settling of that type of claim?

The next question I want to ask — and one which I also asked last night, which he didn't answer — concerns the buildings. I'll give those to you later if you want to answer this one.

HON. MR. STRACHAN: What buildings?

MR. MORRISON: Well, the use of some of the buildings here in the city. I asked those last night.

HON. MR. STRACHAN: Well, the buildings in the city.... What we have in mind is the bringing together of the scattered sections of the department. You know, they are scattered in a number of places. This is to bring them together into the one building.

MR. MORRISON: And that will be the old Victoria Press building now?

HON. MR. STRACHAN: Yes, that will be it. We may require part of the old Gibson Bowling Alleys.

We may require part of it. It's difficult to say at this time because we are just in the process of developing the department.

Now with regard to the theft claim. Yes, as I told you, I like as little regimentation as possible, and I keep everything as simple as possible. Up to \$10,000 drafts are used and signed by the claims personnel in this priority: The adjuster can sign the cheque, and only one signature is required on a claim worth up to \$500. On any claim worth up to \$2,500 two signatures are required, that of the adjuster and the supervisor. From \$2,500 up to \$10,000 two signatures are required, the branch manager and the supervisor. Then on anything over \$10,000 cheques are signed by the general manager and the finance executive. So it depends on the value finally arrived at in the settling of the claim.

MR. MORRISON: Would it not be just as simple, even on claims up to \$500, to require a second signature? On this basis, I'm not suggesting that there's any impropriety. But it is very simple and could be.... Those of us who have been in business for many years know that it happens, in spite of people, that there can be accidents.

In conclusion, on the buildings, I wonder if the Minister could tell us — and I know you are going to combine some departments now — but is any of this for TV and for cable TV...? Are any areas permitted for that?

And could you tell us what the results of the last two days were, Monday and Tuesday, here in the city. The House has not been informed. We've read some of the reports in the newspaper, but we've never heard anything officially in the House.

HON. MR. STRACHAN: With regard to checking on the issuing of these cheques, there are review teams, as I indicated earlier. These are quality control teams. So we have review teams that check regularly to see that everything is in line and in order.

As a person involved in a claim, I think you would appreciate the expeditious procedure that is possible here. Certainly our aim is to produce satisfied customers, and this is what we are doing. But we do have the review teams

who check them out.

None of the buildings are for installing TV studios or anything like that.

The results of the last two days — Monday and Tuesday — the meeting with the other federal Ministers, I think the press agreed that there wasn't much publicity that came out of it. We did arrive at certain decisions but they're the decisions that we're going to take to the federal Minister and they are not yet finalized really.

Some of them are looking for some additional back-up equipment. It really would be frowned on by the other Ministers if I stood here today and told you

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everything.

It's a new development, let me tell you, in the development of Confederation that has been going this last 10 years where we don't sit in isolation in our own province. We meet as Ministers and arrive at conclusions, look at the problems we each face, look at how we all solve our problems. Then we meet with the federal Minister to try and get a reflection of the wishes of the provinces.

It's a great new development in Canadian Confederation. At the present time, I really can't let the House know what exactly the areas were. As I told the press, the process has been one of defining and crystallization. We're very close to a crystallization of the provincial attitude.

We said very clearly that we were unhappy with the responses we had received from M. Pelletier as a result of our first meeting. M. Pelletier then travelled from province to province meeting with each Minister in his own province. That's where he gave his individual responses and discussed the federal responses to the unified provincial requests. We examined the federal response and how we were going to meet it and what we were laying out as our position.

MR. MORRISON: On the claims centres, particularly the one in Victoria, are they going to all be of a similar design? Could you tell us how many there are and what the present plan for the claims centre in Victoria is? There doesn't appear to be anything happening in the way of construction here; you're using the old facilities.

HON. MR. STRACHAN: Well, I'm afraid there is a case of discrimination here. (Laughter.) We do have a standard plan for the claims centre. We're able to enlarge on it, depending on the requirements in the individual communities.

We thought the capital city required something just a little extra. It's going to have a design of its own which is now being done. It's on the main thoroughfare into the city and we want to do something a little extra special with that one. That's why it is taking a little longer.

MR. MORRISON: I don't want to knock it, but having viewed the one on the North Shore, as a former Cadillac dealer I couldn't afford those kinds of facilities. I would have loved to have had that kind of money to spend. I'm glad to hear Victoria is going to get a fancier one.

HON. MR. STRACHAN: It's a pretty crucial piece of property. As I say, we want to cooperate with the cities and we want to put up buildings which will fit the locale so that we can be proud of them.

MR. MORRISON: Could I ask the Minister if I could get an option on that so if at any time they give it up it would be available? It would make a great facility.

HON. MR. STRACHAN: If you want to give us \$5 million for an option, we could probably give you an option. First call. Put up \$10 million or something.

MR. P.C. ROLSTON (Dewdney): I asked the Minister a year ago about the strategy of dealing with growth.

There is at least 9 per cent growth in the B.C. Ferries. Our caucus and government has discussed it and I think our legislators here need to suggest innovative ways.

When we say the ferries are an extension of the highways, that's obviously true in the movement of people but they are not an extension of pavement. We are not here to make it that easy to drive to the mainland or to Vancouver Island without a little bit of thought.

Last year, I asked the Minister some questions and so far I haven't really had answers. I know he has been struggling with these questions. The Minister will remember I asked the following question: Could we, first of all, encourage small cars? I asked you if there could be three long lines for the small cars to ensure that the small cars would get on the ferry. The three lines wouldn't go on first but the three lines would go up the ramps....

MR. PHILLIPS: You're discriminating against the family man. You can't put six kids in a Volkswagen.

MR. ROLSTON: I know you sell cars but give me a chance. (Laughter.)

The three lines would go up the ramps much faster. We would begin to encourage people to have a small car. There are two Members in this Legislature who have many, many cars. They would be encouraged to take that small car. That was the first question I asked and I would like an answer.

Also in your planning, I asked a question and I would like an answer. I think there should be a price system. I frankly think you should be jacking up the price for the car. Please don't touch the price for the passenger; if anything, take it off. I think you need to look at an increase on the price of the car and a two-price system. I'm not going to bore you, but most jurisdictions have a differential price for the long, large, heavy car and the small car. Obviously, an LTD is one-and-two-thirds as long — certainly one-and-a-half as long — as a Datsun. There is no comparison in the cost of moving those two cars.

I would really like you to consider removing the passenger price but increasing the car price. We are interested in moving people. If the Premier is serious about car pools, we take as many people and I go

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back with other MLAs back to my riding in a car pool. We are simply interested in moving people. We need to do things to discourage people from going with one or two people in a car. The car pool obviously will help.

Charge a flat rate for the car. I suggest two prices for the large and small car. It wouldn't matter how many people are in that car. Our object is to move people.

I understand, in checking with ferries and the skippers — occasionally I go up and talk with the skippers — that there aren't that many times when you reach the full passenger capacity. There are some times but it's not that often when you reach the full passenger capacity that the DOT allows. I understand the new ferry will carry many, many more passengers.

I think we should get some kind of an answer from you. At least it should be fed into the planning process as we deal with this alarming growth in the ferry system.

I gave you a little drawing which I drew half an hour ago, suggesting, after picking up from what the Member for Vancouver–Point Grey said, that we should consider in the designs for the new ferry terminals, if not revamping the designs for Tsawwassen and Swartz Bay, something like we have at the airport. You can have the buses go up and drop people off right above the loading ramp on a deck where people can wait in the waiting room and walk 150 feet onto that ferry. Again, our object, is to move people — people, as in my case, with luggage or a briefcase. That's our main object. Those people would wait for 20 minutes; the bus would drop them off; the bus would wait for the next group of people who came off the ferry. To me, it's a simple interchange of people.

As one who goes by bus and does not bring a car to the city, I've noticed that people really travel fairly

lightly. I've noticed a very big increase in the bus traffic on those ferries. You'll notice they're not packing a lot of stuff. I'm not talking about the person who is going camping or off for a period of time. Obviously he is going to take it by car. We're talking about the regular movement of commuters.

I was hoping in your new designs on your terminals, wherever they will be, you will consider something where you can drop people off at the level, just the same as at the airport where you drop people off at a higher level. They wait 15 or, at the most, 20 minutes, they walk straight into that ferry and the same bus would take the people who come from the other direction back to their various destinations.

Those are some very basic things. I would hope that eventually you could incorporate that at Tsawwassen-Swartz Bay. You have done some work at Tsawwassen; you've got sand which you are preloading for an extension of the parking lot. It could be possible to run a ramp up there. It's an awfully long walk. We've got to make it attractive for people to get on and off that ferry to take buses or jitney transportation.

I wonder if it might be wise to consider that there might be three routes to Vancouver Island from the lower mainland. I understand it is still an alternative to have three routes — maybe Horseshoe Bay, Iona Island and, obviously, Tsawwassen.

I also asked you about federal subsidies. I understand at one time you got 35 per cent and now you only get 17 per cent on the hull capital subsidy. I would like that verified.

How about the fact that we lose \$13.9 million on the operating, presumably including some capital? Is there any hope of us getting a federal subsidy? I hope I won't get the usual answer that it doesn't go between provinces; I don't find that very convincing, when you think there are federally subsidized ferries between P.E.I. and New Brunswick and between Nova Scotia and Newfoundland. Surely we're not like Mr. Bennett and deliberately antagonizing the federal government. We are relating to them so let's hope there can be a subsidy as we extend what, after all, is simply the Trans-Canada Highway.

Finally, as a government I know we are not just responding blindly to over a 9 percent growth in the ferries. As we design new terminals and even modify old ones, which we seem to be constantly doing, we're making it attractive for the foot passenger. We have a planning process. I would like you to consider a free passenger service; the costs should go on the cars. The object is to move people so let's make it attractive to move people. Even in the big car, it would still be very cheap if you charged them \$10 and it had four passengers. That would still be very reasonable saving.

All the MLAs know we have an excellent ferry service and a very inexpensive ferry service. Contrast that to eastern Canada. Contrast that to crossing the English Channel. You know, there is just no comparison. With Scotland and England and the services there, there is just no comparison with the quality of our services.

Interjections.

MR. ROLSTON: Right. That's where we get all our skippers. I think we have an excellent service and I know it is in good hands.

HON. MR. STRACHAN: I have just a few comments on what the Member said.

Interjection.

HON. MR. STRACHAN: A year ago he raised the point and I answered his questions at that time.

Now, he suggested bus operations similar to what

they have at the airport. I would remind the Member that when you get off that bus at the airport, sure, it is only a few steps to the waiting room, but then you have a long, long walk down to the take-off point on many occasions.

However, as I indicated, we are looking at procedures for the future that will allow the easy movement of people in the ferry terminal.

Federal subsidies — 17 per cent on the hull. I expect this year there is, I think, a \$10 million operating loss. You suggest a higher price for the larger car, and a lower price for the smaller car.

MR. ROLSTON: Leave the price alone.

HON. MR. STRACHAN: Oh, leave the price alone. You suggested that the first rows be small cars, and to give them preference. If you want to get into trouble with passengers, then you just let somebody get ahead of somebody who has been waiting — no matter what size their car is — that's where you are asking for trouble. We did try it, as a matter of fact, with recreational vehicles over a certain height. We put those in separate rows and were only going to allow so many on. Then, what flak we got because some car that had just driven up got on the ferry while this man who had missed the ferry.... now if you're looking for trouble.... We do try to keep them in line.

There is a real problem attached to this business of loading a ferry. If you have too many high vehicles then you can't let the ramps down and you're going to have to leave cars behind. There are all sorts of problems related to getting maximum use out of the ferry.

As far as price is concerned I would draw your attention to the fact that the Washington state ferry — I don't know how far it is — on a run from Anacortes to Sidney, charges \$7 for the automobile alone.

You mentioned the British ferries that cross the English Channel. I have been on them and they are far inferior to anything we have operating on the coast. They have just increased the rates; with the new rates it would cost an average family with two children and their small car a total of \$115 for a return ordinary fare between Dover and Calais.

HON. MR. STRACHAN: This is an agreement among four governments, as I understand it. It is an agreement among Belgium, France, Britain, and Holland. It is a consortium that operates these ferries, and that is the kind of money that they are having to pay there. If you compare that to ours, we are getting a good bargain here.

MR. PHILLIPS: I was very disappointed, Mr. Chairman, in the remarks of the Member for Dewdney (Mr. Rolston). Several times lately we have been getting suggestions from cabinet Ministers that big families be discriminated against. Is this going to be a decree of the socialist government — to tell how many children a family can have? You try and cram eight kids into a Volkswagen or into some of these small cars. Don't tell me that I'm trying to talk for the big car dealers.

HON. MR. STRACHAN: You sell big cars, don't you?

MR. PHILLIPS: I sell small cars too; lots of them. I sell more of them than I do big cars. But that Member is discriminating!

HON. MR. STRACHAN: So you're in favour of big families and small families.

MR. PHILLIPS: Certainly. What about the family that has only two little kiddies — small kiddies — and they pack all their goods in a big ranch wagon and go camping. Are you against them? Sure, you are going to have them, with their small kiddies, sitting at the ferry terminal for hours, feeding the baby out of a bottle, heating the bottle out of a thermos jug. You're discriminating against babies! I'm surprised. I'm surprised that a man of the cloth would stand up here in this Legislature and want little babies to be left waiting at that ferry. (Laughter.)

And while we are at it, what about big dogs?

We get double standards in this government, Mr. Chairman. Here are all the new Ministers of the Crown over there driving big cars with radios — they don't drive little cars, they drive big cars. They talk out of one side of their mouth and tell the population to drive little cars, then they go and drive great big limousines themselves. How often

do they have a family in these big limousines? Ninety per cent of the time, Mr. Chairman, there is only the Minister in that car, complete with all its paraphernalia and radio system. Why don't they drive small, little cars? Why doesn't the Minister of Consumer Services drive a little car?

Interjections.

MR. PHILLIPS: Certainly.

I want to tell you, I'm glad the Minister of Consumer Services (Hon. Ms. Young) is back in the Legislature because I've got a case for the Minister of Consumer Services. I said in this Legislature yesterday afternoon that the Insurance Corporation of British Columbia was ripping off the small businessman — whether he drives a big car or a little car.

I have a letter here from a small businessman who has more than two vehicles. He has a very good case, Mr. Chairman, and I'm certainly glad that the Minister of Consumer Services is in the House because

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this gentleman is being prevented from driving two of his vehicles because of the Insurance Corporation of British Columbia.

If this isn't a case for the Consumer Services Department, I don't know what is. I'm going to read this letter, Mr. Chairman, because it is a very well written letter and it is not one-sided. It praises the Insurance Corporation of British Columbia as well as condemns it; but the man has a problem and he wants this problem straightening out.

The Minister wrote him back a letter and said he was looking into it. That man wants to use his vehicles now, and he doesn't want to have to pay two or three times as much insurance as he paid last year. I think all the Members of this House, Mr. Chairman, will find this letter very enlightening and I would like to put it in the record. This letter was sent to Mr. Norman Bortnick of ICBC, the Hon. Mr. R.M. Strachan, the Minister, and to the Premier himself. He should have sent the letter to the Minister of Consumer Services, because I know she would have taken action immediately against the Insurance Corporation. I'm going to quote you this letter:

"As per your request in your full-page ad in our local news my opinion concerning ICBC Autoplan Insurance, this letter is written for that purpose.

"Firstly, my praises: (1) I am in total agreement with the concept of every driver having compulsory liability protective insurance to protect everyone.

"(2) Also, I support the demerit point prorated surcharge. A careless driver should pay for his careless attitude.

"(3) The no-fault feature of the programme has some very good points and does serve as an added benefit for our modern society.

"(4) There are numerous other features I do approve of that do not require mention at this writing.

"Secondly, my complaints: I must say that I have been very disappointed in your attitude of meeting the March 1, 1974, deadline which you were so very obviously not prepared to do with any efficiency or expert management ability. In your haste you have displayed so vividly to the citizens of British Columbia a classic display of bureaucratic incapability and ill-thought-out policies which have created so much confusion, distrust in your plan and unnecessary waste of money through your employment of full-page newspaper ads, massive radio and television commercials, notices, and, yes, even propaganda which have offered so many excuses, retractions, promises, denials, more statements, et cetera, et cetera, that personally I feel sick inside."

I hope the Minister of Consumer Services takes that to heart.

HON. MS. YOUNG: What did you say?

MR. PHILLIPS: Well, she wouldn't be listening anyway. She wouldn't listen to anybody who has a real

complaint against one of her people's government-operated companies. Oh, no. They are above reproach according to the Minister's thoughts.

"I truly wonder if I am insured, due simply to the confusion within your ICBC Autoplan. No, I do not share your glowing statement "After all, it's your company." I have not been allowed, to date, to contribute any input into this plan, nor have any complaints to your agents, et cetera, been considered.

"As far as most citizens are concerned this whole plan has been unilaterally decided, initiated and enforced by a very select group in Victoria with obvious disregard for the people's wishes.

"One case in point is your basic, required coverage on category I vehicles. Unilaterally, you have decided that I must have collision and comprehensive coverage on my 1967 Mercury one-ton truck.

"This truck has been highly modified to do a special job for my requirements. I am a master mechanic; I own and manage a truck and auto service and major repair centre as well as light manufacturing and design of special machines, et cetera, which provides a needed service for many companies and private people which is not available from any other outlet in this region. I am a fully licensed and incorporated company in British Columbia.

"Okay, I built this truck with my own hands and brain power. I do not want your collision and comprehensive coverage forced on me. This must be my free choice, and only mine, to take or leave. Liability, yes; it must be mandatory. But when a person owns their vehicle outright, no loans against same or money loans to protect, then it must be their own free choice; nothing less.

"I don't appreciate your absolute and dictator-type approach to this situation. In my opinion, this is money-grabbing and rip-off in the foulest form. Simply because you are the government with less than 40 per cent of the citizen votes, you feel you must force your will on 100 per cent of the citizens. Now, again, you are double-taxing us for insurance."

This is the same type of thing I was talking about in the Legislature last night. This is the type of unilateral decision that is being made by this insurance corporation. This is why we need free enterprise and not socialism, communism as we have

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in British Columbia today.

HON. G.V. LAUK (Minister of Industrial Development, Trade and Commerce): Who wrote that letter?

MR. PHILLIPS: Well, I want to tell you, Mr. Chairman, that question from the Minister of Industrial Development, Trade and Commerce, questioning the authenticity of this letter which is from a constituent in my riding.... I want to tell you, Mr. Chairman, every time someone gets to the meat of their problems over there, they question the authenticity as only ever they were right.

That is not socialism; that is communism. That is dictatorship and that's the thing the people of this province are getting sick and tired of. I'll tell you who wrote the letter when I get through reading it.

What you are doing through your questioning, Mr. Minister of Industrial Development, Trade and Commerce — who isn't in his seat and who is known as a "do nothing" Minister in this cabinet: do nothing but bring in legislation and do nothing once you have it.... You have no right to question the authenticity of this letter. You just wait until I get through and I'll tell you who wrote the letter.

AN HON. MEMBER: Order, order!

MR. PHILLIPS: I'll continue on with the letter without further interruptions from that "do nothing" Minister.

MR. A.V. FRASER (Cariboo): Get back in your seat.

HON. MR. LAUK: Get back in your teapot.

MR. PHILLIPS: Mr. Chairman, would you tell that Minister to get back in his own seat or be quiet. He doesn't even know the rules of the House.

I'll continue with the letter: "The \$10 minimum...."

Interjection.

MR. PHILLIPS: Well, there's another source heard from. Well, you're back from your travels, Mr. Provincial Secretary (Hon. Mr. Hall). Did you have a good trip because you're not here in the House looking after the people's business? I'm surprised all of the cabinet didn't go away during this Minister's estimates because you're ashamed of what he has done. That's why the Premier is away; that's why all the other power in the cabinet is away. They're ashamed of this Minister.

Interjection.

MR. PHILLIPS: The whole bunch of them are hiding, that's right.

MR. CHAIRMAN: Will the Member continue with his speech, please?

Interjections.

MR. PHILLIPS: Well, the Provincial Secretary says he hopes it's more accurate than the last letter I read. Well, I haven't heard anything back from the Minister yet. He promised to get back to me, but it will probably be another six months before I hear from the Minister.

"The \$10 minimum driver's certificate yearly adds another \$50 to the driver's costs. Under private insurance, all of my vehicles were covered well under my one business liability policy without all your red tape, et cetera, and for considerably less premium costs.

"I remember, as do many others, your statement: '22 per cent less than private costs; you will be refunded any excess charges, et cetera.' Now your further statement that only private passenger vehicles are eligible for refund; no commercial vehicles."

The same question I asked in the House last night, Mr. Chairman,

"My 1967 Mercury one-ton was built by myself for my own private use to tow my personal trailer and my personal river boat, et cetera, but it carries commercial licence plates. As a result, I cannot afford to licence this unit that I worked on three years to build and invested several thousands of dollars which required many years of hard work to save. So I have at this time an expensive, heart-breaking dream sitting in my yard collecting snow and rust because of your Autoplan dictatorial policies. How do I tow my river boat to some beautiful river for a nice trip through the wilderness to observe nature unspoiled by myself and my fellow river boaters?

"I am 51 years of age; I have been forced to labour for myself since I was 12 years old. I have never received welfare or any aid from any government source. I have always paid taxes plus many thousands of dollars into charities. I happen to be a Shriner and contribute to Shrine hospitals for any and all crippled children. I believe our record will speak for itself.

"In short, I tell you these things just to point out to you the simple fact that I am not asking for special favours or money or anything else, except you change your attitude and allow people to choose our insurance averages after compulsory liability as we desire.

"I can take care of myself and wife. I don't

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need any or want you to be my god, conscience, morality, et cetera. I can take care of myself a devil of a lot better than you could even hope to do, and I darn well intend to do so.

"My wife and I immigrated to Canada 11 years ago to escape the total, big-boss government attitude that was prevalent in the USA. We became Canadian citizens by choice and invitation of the Canadian immigration office in Denver, Colorado.

"Please do not form an opinion that I oppose you as our government."

The man is being realistic.

"In fact, I feel you are forming many good pieces of legislation."

The man likes you and he's being fair, but he doesn't like your dictatorial, dogmatic attitude, forcing your will on the people.

"However, my observation and information and contact with many people of all political persuasions proves without doubt that you are creating many political dislikes, mainly through your brash, hasty actions and lack of dialogue with the people concerned.

"If, in fact, you would slow down and consult and negotiate before and then legislate well-planned programmes, you could save yourself many headaches and confrontations. As it is now, you have alienated many of your devoted party faithfuls, several of whom I know personally here locally."

This is exactly what we've been telling this government ever since they started bringing in the type of legislation and forcing their will on the people. These are exactly my sentiments.

"I feel very strongly that all citizens should work hard to preserve our government through praise, encouragement and constructive critiques. I truly hope you consider my remarks in context. Most of us in our society do not accept dictatorial decisions. If it continues, I'm afraid of the consequences at the next election.

"I might add this comment: I am expecting to receive your prompt reply to this letter with a definite statement of your intentions as concerns the dictatorial policies included in the Autoplan structure. Hopefully, you will see fit to delete them and create a free-choice attitude such as many of us in the past have fought and died for to defend.

"I do not enjoy confrontations but, if necessary, there are many of us who are prepared to do legal battle to protect our freedoms. My personal opinion is that you people are open to suggestions and are willing to effect change, thereby making right the wrong and thus avoiding such waste.

"In closing, I shall make some suggestions for your consideration and we will analyse your attitude and actions to and on them.

"First of all, Mr. Barrett, please direct your Ministers to refrain from comments such as follows concerning overcharges on insurance assessments, et cetera. 'The people don't mind because the money stays at home in British Columbia.'

"Mr. Barrett, such comments just serve to infuriate people and cause us to judge the supposedly responsible Minister to be void of responsible judgment, ability and compassion, consequently damages your government's ability to govern in a congenial atmosphere.

"Second, allow people their basic freedom of choice. Discontinue your dictatorial, unilateral attitudes which I feel are not necessarily intentional on your part. People consider them as such, however.

"Third, to eliminate double taxation, please deduct the \$10 driver certificate from the vehicle liability premium for those who have five or less demerit points. Disallow the deduction for anyone with six or more points, thus creating a further incentive for good driving.

"I have never had an accident or been charged in my 37 years of driving. People like us deserve consideration. I observe young people. One case 16 years old within eight months of obtaining his driver's licence, he had three accidents, causing around \$2,800 damage and his insurance premium is considerably less than mine, plus others that are hazards to society. Sometimes I feel took, so maybe reconsider some of your rate structures.

"Four, the possibility of huge increases in premiums if an accident occurs seems to be partly unfair. Fifth, I considered putting all my vehicles under your fleet programme to be eligible for the discount, but when I studied the fine print statements

stating 'If one vehicle was involved in an accident, all vehicles were subject to 100 per cent increases in premium,' well, I never had that sort of intimidation from any private company. So I have parked all but two and the irony of the whole mess is that my wife and myself are the only operators of our vehicles and I can drive only one at a time."

"Even our motor home which we built ourselves is retired. You sure have helped us have a nice vacation. No motor home. No boat tow-truck. Thanks fellows.

"I feel that the penalties on the fleet should be amended and a better rate established in a case of this sort, and there are numerous cases very similar, the same as mine.

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"Gentlemen, look around. You will find many recreational vehicles parked. You will find many special-use vehicles parked. You will find many 1967 and newer passenger vehicles parked due to your compulsory policies. In dollars, which you seem to lust for, please calculate your losses in revenue from licensing fees and liability coverage and fuel taxes and sales taxes and income taxes, plus, plus, plus, that would be derived from these vehicles being in operation, plus the cost of maintaining people you support that could be employed in the service of these vehicles, plus the revenues generated from the many people taking vacations and spending money.

"Also consider the resentments and bitterness generated within these people towards the benevolent people's government. Fellows, I know what I am saying to you as I am exposed to the frustrations of my own family unit and my friends and customers, constantly. These are facts. You are losing revenue and friends.

"I am advancing these opinions in my most sincere attitude toward helping both the government and our citizens to come closer together instead of drifting further apart in a feeling of hatred and frustration. Believe me, I don't hate nor do I become frustrated. I know what I can do and I know what I shall do as dictated by my own mind.

"Again, I shall be awaiting your reply to this somewhat extended letter, but I feel the time has come for you, as our government, and myself, and many others to bring this hassle to an end and go on with meaningful dialogue and mutual cooperation and respect one for the other and form a healthy atmosphere in British Columbia.

"I don't like to see business being pulled out of British Columbia as it is now. Please don't try to tell me differently. Again, I see it personally, plus I know many that want out. This is sad. B.C. is my home and has been for 10 1/2 years. Let's get together.

"Incidentally, I don't belong to any political party. I judge only politicians as people, not parties. Another bit of information for your consideration. The big snake in the bush is called inflation."

and he goes on to talk about inflation which is nothing to do with insurance. Signed, Thomas A. Meyer, 1565, 109th Avenue.

Now this man and many others in the province have some of their vehicles tied up because of the increased cost of insurance. But if you had been paying attention — but you never pay attention anyway, and you're not in your seat, and you're a do-nothing Minister and now you're deaf.

MR. CHAIRMAN: Order, please!

Interjections.

MR. PHILLIPS: No, I'll tell you who wrote the letter again, but this time please pay attention, Mr. Minister of Industrial Development, Trade and Commerce (Hon. Mr. Lauk) the do-nothing Minister, hear-nothing Minister, see-nothing Minister...

MR. CHAIRMAN: Order please! Would the Hon. Member...

MR. PHILLIPS: ...hear no evil, see no evil, fear nothing, think nothing, see nothing!

MR. CHAIRMAN: Order! Would the Hon. Member address himself to the vote before us, please?

MR. PHILLIPS: Well, Mr. Chairman, this is another attack on the poor little opposition over here. That Minister of Industrial Development was mouthing off all afternoon. You haven't made him take his seat.

You don't tell him to be quiet but the minute the little Member for South Peace River goes off, just goes one foot off the narrow line you draw him to order. Now is that being fair, Mr. Chairman? I ask you, is that being fair against the opposition? Why don't you bring that do-nothing Minister of Industrial Development to order?

MR. CHAIRMAN: Order please! If the Hon. Member would stop I would do just that and I would point out to the Hon. Members on the government side and I'd request that they not interrupt the Hon. Member. Every Member is entitled to be heard in silence.

MR. PHILLIPS: You told him that before and it doesn't make any difference.

But the point is, Mr. Chairman, this gentleman gets a letter back from the Minister saying "I can assure you that the complaints you list at some length will be given full consideration as we move into preparation for next year's automobile insurance."

Mr. Chairman, we don't want to wait for next year's automobile insurance. These people want action now. They want to be able to use their vehicles and they don't want to be ripped off by this benevolent Insurance Corporation of British Columbia — the people's insurance corporation.

They want action now and I want the Minister to stand up and tell me that he's going to make some changes now so that these parked vehicles can be driven this summer. So that these summer homes,

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trailers etc., can be used this summer. Mr. Chairman, are you going to allow this Minister through the Insurance Corporation of British Columbia to spoil many people's vacations this summer? Maybe the Minister will tell me what his policies are in this regard because, as I said yesterday, Mr. Chairman, as I said yesterday, if some people have been overcharged and have the right to refunds, why doesn't everybody that's been overcharged have the right to refunds? Because this government before they started the Insurance Corporation of British Columbia were going to provide insurance at less money — or at least, not more money than the private sector. Mr. Chairman, in many cases that is not the case, it is not the truth, it is not being done, and I want to know why.

Why should certain people in this society have the right to a refund and the right to a claim? Why not all people, Mr. Chairman? Why, when some people are being ripped off because they have more than one vehicle and they drive a half-ton as their family car, why should they be ripped-off by this government? Why don't they have the right to refund, Mr. Chairman? I'm sure, Mr. Chairman, that there are many in your constituency.

Now will the Minister tell me is he going to take some action? Is he going to do something? I'll resume my seat and wait for his benevolent answer, from the benevolent people's government.

HON. MR. STRACHAN: Well, Mr. Chairman, the Member just read a letter which was sent to the Premier. The letter asked the Premier to keep the letter in confidence and then by some means or other the Member gets hold of a copy of that letter and then makes it public. It makes it a little difficult to.... Well, I don't know. The letter said — he read the words. The letter sent to the Premier "Please keep this in confidence." Well, that was how I got it, but anyway it's been read.

I've indicated that we are re-examining every aspect...as I said in that letter, too. That's the only reply I can give the Member.

MR. PHILLIPS: That's the only answer? The only answer?

Interjection.

MR. G.B. GARDOM (Vancouver–Point Grey): Yesterday afternoon, Mr. Chairman, I asked the Hon.

Minister a number of questions, none of which to my knowledge he has as yet answered, and I would reiterate some of those questions with the hope that we should get answers this afternoon, and certainly answers before his estimates are over as is his responsibility not only to the Members of this assembly but to the general public.

Number one, I'd ask the Minister what is the salary schedule in the Insurance Corporation of British Columbia from the top to the bottom? How many employees are there? What are their classifications and what are their rates of pay?

I'd be quite prepared to accept this undertaking if he would give it to this House to file that as a return providing he would do it as soon as he possibly can, and certainly well before the end of this session. I would tend to think though that that information is at his fingertips or would at least be at the fingertips of Mr. Bortnick who's in the House this afternoon.

Secondly, I'd ask him what is the Insurance Corporation of British Columbia's claim pay-out projection for the 1974-1975 period? Noting that the Minister did not have any difficulty in estimating revenues but he's seen fit not to estimate claims or expenses.

Thirdly, I'd ask him what the insurance corporation's administrative expense projections for the same period are, and I would make the same comment that this too has been ignored by the Minister and by ICBC in its report.

Fourthly, I would ask him when, where and how this \$19 million of capital expenditure estimated for 1974-75 is going to be spent. When, how and in what manner?

Fifthly, I would ask him what the projection of ICBC for its net for 1974-75 is going to be both for automobile and from the other side.

Sixth, I would ask the Hon. Minister some more questions about the Adams debacle. The only statement he has seen fit to make to the Province of British Columbia was that there was a difference of opinion. Are we going to assume that everyone who has a difference of opinion with your government who happens to be under contract is going to face or perhaps, better stated, be rewarded with early retirement and receive a \$52,000 bonanza?

You say there was a difference of opinion. What was that difference of opinion with Mr. Adams? I see there is a newspaper account that he was under contract and an employment contract. Is that true or false? Would the Hon. Minister inform the House of the terms of that employment contract? If not, why not? Will he table that employment contract if, in fact, there is one and the correspondence dealing with it. And if not, why not?

Is it correct that he was receiving the salary referred to in the newspaper accounts? I'm referring to the statements from the *Vancouver Province*. I don't see the date on it but the Minister can have a copy if he wishes. Is Mr. Adams getting a monthly salary of \$2,916.67? Are you paying that salary to Mr. Adams — not you, the people of B.C. are paying Mr. Adams until April of 1975? He's not working for the people of B.C. as far as I know and as far as the people of B.C. know. They wonder why. It's not an

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unreasonable suggestion on their part to question the Minister as to why people are being paid for not pulling their weight and not doing their job.

Was he offered a lump sum at the time of departure? What did he do for ICBC at the time he was working? Was Mr. Robert Adams a senior executive? Was he dismissed for cause? If so, what was the cause? Did he quit?

In either case, if you answer those questions yes, why did he receive that most handsome settlement? Was he dismissed without just cause? Was there an error made in firing him? Did he have a good legal action against ICBC? I may say, unless the Act is amended, ICBC cannot be sued in British Columbia. I would certainly like to hear the comments of the Minister on that too.

If the settlement was arrived at and if this newspaper account is correct, how was Mr. Adams' settlement arrived at? Did he request more? Is this a compromise? I think the public is entitled to full particulars, Mr. Minister. It is not enough for you to say earlier on that there was a difference of opinion, or as of four months ago yesterday, and think the public is going to accept that as a reason for paying a person for not working.

Maybe there are justifiable reasons, but you've not indicated that fact. If you don't indicate that fact, well, the public is certainly entitled to their inference and it would certainly be an adverse inference.

I would also ask you, Mr. Minister — and I know you have these figures, and if not, you could obtain them by merely snapping your fingers — how much money in actual dollars has been lost to the provincial treasury as a result of the takeover of the private sector without compensation, again referring to the insurance industry? How much corporate tax is no longer collected from private insurers as the result of your takeover? How much land tax, business tax, excise tax and premium tax?

So far we've only been able to put our fingers on one figure, and that was from the City of Vancouver. It was estimated by the mayor of the City of Vancouver that the private insurers had been paying the equivalent of \$30,000 worth of business tax in Vancouver for 1973. ICBC is not paying any. There is at least one figure.

That could be utilized and multiplied throughout the province. To what extent are there losses to the provincial treasury?

You have a responsibility to inform the public of that when you come out with misleading advertising as you have been doing. You say that's house advertising. Well, it's in-house, out-house, call it whatever kind of advertising you wish to name it; it certainly lacks propriety in every sense of the word.

I asked you questions yesterday, Mr. Minister, dealing with items that total \$6.5 million. I asked you to inform me who received the following seven amounts, whether there were tenders for the following seven amounts and could please furnish this House and the people of B.C. — taxpayers who want to have these answers and we're just here being their advocates....

Interjection.

MR. GARDOM: I'm getting a lot of chit-chat from the Minister of Health (Hon. Mr. Cocke) and it's interesting to hear that. We're talking about \$6.5 million worth of money. No answers from the Hon. Minister.

The \$6.5 million, Mr. Minister, for your own information, is more than the estimates of the Department of Consumer Services, which is \$1.2 million. It's more than the estimates for the Minister of Industrial Development of \$4.3 million. It's more than the Minister of Mines and his estimates of \$4.8 million. It's more than the Minister of Travel Industry of \$5.4 million.

We're permitted to ask those Ministers questions as to their performance and the expenditures. But we ask questions of this Minister as to how the ICBC spends \$6.5 million and there are no answers at all. You talk about public accountability! Absolute rot!

I would ask this Minister again: who received the following sums? Were there tenders? Will he have a complete breakdown?

Computer systems: \$2.9 million.

Public information: \$0.8 million.

Consulting services: \$0.7 million.

Staff recruitment: \$0.5 million.

HON. MR. STRACHAN: Not so fast, not so fast!

MR. GARDOM: I'll start at the beginning for you.

Computer systems: \$2.9 million.

Public information: \$0.8 million.

Consulting services: \$0.7 million. These are all from your report, Mr. Minister.

Staff recruitment: \$0.5 million.

Office facilities: \$0.13 million.

Furniture and equipment: \$1.3 million. Do you want to get that one too?

Leasehold improvements: \$0.26 million. Those seven figures total \$6.5 million, more than the estimates of four departments of this government. You have not seen fit to answer any questions as to where that money was spent, who received it, whether value was received, and so forth and so on.

I would mention that if this insurance corporation was under the *Companies Act* these particulars would have to be delivered to the shareholders on request. The taxpayers are the shareholders; they are entitled to that information. Otherwise, it's a double standard. It's public money and it's public business.

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Interjections.

MR. GARDOM: You can growl and groan as much as you want; remember when you used to be in opposition and you used to religiously and even sanctimoniously and continuously espouse that public funds had to be subject to complete public accountability. You're certainly not practising that since you got into government. You pull down the blinds so far as letting the sunshine in, as your friend the Attorney-General was talking about. You are practising a double standard, as the Member for Peace River mentioned a few moments ago before he took his seat in these estimates.

The public are entitled to that information. Also, the public are entitled to the information and answers to the questions that are still on the order paper by no end of Members of this House. Is it going to be the policy of this government and the policy of those Ministers who decide to take the tack of evading and avoiding that they are not going to answer questions on the order paper before their estimates come up? When are you going to do it — after we prorogue? Or will they just let them die on the order paper?

There are a lot of questions on the order paper, Mr. Minister, about the advertising programme. Who receives this money? Where has it gone and in what portions and to what size of the media? That \$0.8 million you referred to just for the one period of time: it's way over that now. The figure of \$6.5 million that I was referring to I would just guess today has just about doubled.

Still no answers.

HON. MR. STRACHAN: You don't give me much chance.

MR. GARDOM: Oh, come on — what chance? The Minister says he doesn't have an opportunity to answer. Go ahead and answer right now.

HON. MR. STRACHAN: Mr. Chairman, as I said yesterday, the Member has become very bitter, very poisoned....

MR. GARDOM: There you go: no answers, just cheap personal attacks.

HON. MR. STRACHAN: Mr. Chairman, I don't mind the Member's questions. What I do object to is the Member getting up with a little scrap of paper in his hand and reading from a scrap of paper — a newspaper — and saying: "Is this true?, is that true? Is this a fact? Is something else true? Is it a fact?" This is what upsets me more than anything else.

Not only does he think he is Perry Mason, but he keeps thinking he is a Member of this House. If he were a Member of this House he would at least read the documents.

Interjection.

HON. MR. STRACHAN: He was reading from that little scrap of paper: "Is this true? Is that true?" My goodness, gracious me. I "won't answer the questions!" March 18, 1974: look at the *Votes and Proceedings*. I was asked a question. I've brandished these papers in your face three times. You don't look at them. You get up there and pontificate and put on that silly show of unctuous, supercilious nonsense. I've just had enough of it from you, Mister.

AN HON. MEMBER: Oh, oh.

MR. CHAIRMAN: Order!

HON. MR. STRACHAN: You get up there on your pedestal — unctuous, self-righteous, supercilious know-it-all. But you don't even read the documents.

MR. CHAIRMAN: Order, please. Would the Hon. Minister address the chair, please.

HON. MR. STRACHAN: You bet your life! There are the answers. Look them up. You can read. I filed them on March 18 — all the things you were asking me from that little scrap of paper — every single answer.

Computer systems — 2.9. You know very well that I've already answered those questions. IBM are doing the computer work; you know that. Dunsky is doing the advertising work; you know that. It's public information. I've already answered the question on Johnson Associates and Wood Gundy. I've already answered that; they got that money.

You're never in the House. You just got off the plane and walked in here and gave that speech.

MR. GARDOM: Guff!

HON. MR. STRACHAN: You did. You do it all the time. You just get off the plane and arrive here almost at 6 p.m. and come in here and give a speech.

Interjection.

MR. CHAIRMAN: Order, please. Would the Hon. Minister address the chair?

MR. GARDOM: It's little wonder Berger has moved you down the line. Little wonder!

HON. MR. STRACHAN: Staff recruitment: what was the cost to ICBC of recruiting their staff?

MR. GARDOM: Who did it?

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HON. MR. STRACHAN: Who else? ICBC — our own personnel. Don't you know how anything runs?

MR. GARDOM: Those aren't answers.

HON. MR. STRACHAN: I'm just telling you that that's a cost to ICBC — of recruiting staff. Who else?

Rent, furniture and equipment. That's what it cost us to rent furniture and equipment.

MR. GARDOM: Will you file a return as to who received it? Yes or no?

HON. MR. STRACHAN: There's a question on the order paper about it.

MR. GARDOM: Oh, come on. He says: "Put a question on the order paper about it."

HON. MR. STRACHAN: I said there is a question on it.

MR. GARDOM: The Minister of evasion is right back to where he started all over again. He questions and he says he worries about the scrap of paper, referring to the article from *The Province*. He wonders why I don't read it. I'm happy to. We will give it to him verbatim because it seems to quote him. If it is wrong, why doesn't he deny it? The head says: "ICBC Man Costs Government \$52,000."

"Province Victoria Bureau, Victoria."

I'm sorry I don't have the date on this thing, but it is close by.

"The provincial government is paying more than \$50,000 to buy out the employment contract of Robert Adams..." — is that true or false? "...a former senior executive of the Insurance Corporation of B.C. Transport Minister Bob Strachan said Monday in an answer to written questions filed in the Legislature that the government is continuing to pay Adams' salary of \$2,916.67 per month until his two-year contract officially expires in April, 1975. However, Adams left the corporation last October 19, after just six months in his job."

Is that true or false? It appears to be true, doesn't it?

"The salary figure of \$2,916 per month means Adams will receive about \$52,500 from the corporation for the 18 months which remained in his contract after he left its employ. Asked by reporters why Adams is no longer with ICBC, this tell-it-all Minister, this Minister who levels with the general public — like a lot of hogwash he does! — said, "because of differences of opinion."

He says "That's right." And that is what he said yesterday: "Because of differences of opinion."

The public wants to know what the differences of opinion were. They want to know exactly why this man is receiving this money for not working. Is it going to be government policy that everyone who has a difference of opinion is going to get forced retirement at this kind of rate? Is that what it is going to mean?

Interjection.

MR. GARDOM: You treat this as a big laugh, don't you? Is he a friend of yours or something or other? Why are you afraid to give the particulars of this man's dismissal? Why are you afraid to give the particulars of this man's dismissal? Why are you afraid to give the particulars of this man's dismissal? Why? Why? What are you trying to hide?

If you are trying to hide anything, then let it out; put it out in the open. File his contract document with this House. Have you got the contract document here with you? Ask Mr. Bortnick. Have you got the settlement document here with you? Ask Mr. Bortnick; he's sitting very close to you, Mr. Minister. Ask Mr. Bortnick, if you haven't got it, whether he's got the correspondence here.

What was this difference of opinion? Should this man have been discharged and not received this compensation? Is it fair compensation? Don't you think the pensioners in this province have a right to ask that question — or any taxpayer?

Do you think it is a fair answer for a Minister of the Crown to say that there is just a difference of opinion and that that will satisfy people? Mr. Minister, that's not accountability.

MR. CHAIRMAN: Would the Hon. Member address the chair, please.

MR. GARDOM: Mr. Chairman, that is not accountability. "No speech," says the Minister of Industrial Development (Hon. Mr. Lauk) from the chair of the Attorney-General — illusions of grandeur once again on his part. I see the Minister is going out of the House. Let's hope he is going out of the House to pick up these contract documents.

MR. PHILLIPS: It is pretty hard to pass the Minister's estimates, Mr. Chairman, when the Minister won't stay in the House to answer questions.

However, again, the Minister suggested that the letter I read to the Legislature was somehow to be kept in confidence. I don't know where he got that impression, or is it just another one of his ways of trying to intimidate the little Member for South Peace River?

Mr. Chairman, I will read the last page of this letter. There's nothing in it about keeping it

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confidential, to my knowledge. The only thing that is being kept confidential, Mr. Chairman, in this Legislature are questions which we are asking the Minister. He's keeping the answers confidential. As a matter of fact, he is keeping them to himself. He doesn't want to share the answers with the Members of this Legislature, Mr. Chairman.

Interjection.

MR. PHILLIPS: There is a Member again who says that I am a windbag. Well, you know, if that Member would stop sitting over there chirping, would sit in his own chair or go to his own office and do some work for the department that he represents — a department that has done absolutely nothing since he took his office over 18 months ago.... He sits there and chirps; and you, Mr. Chairman, haven't yet called him to order.

He was chirping while the Member for Vancouver–Point Grey.... You said you would call him to order, and you just sit there because he is a Minister of the Crown. You sit there and let him chirp, chirp, chirp, chirp.

MR. CHAIRMAN: Order, please. When the Hon. Member is called to order it is important that he must obey the Chair at that moment. If he has a point of order to make, then he is entitled to rise at any point to make that point or order, and request that other Hon. Members do not interrupt. But I would repeat the request again, that the government benches not interrupt the Members while they speak.

Would the Hon. Member for South Peace River continue?

Interjection.

MR. CHAIRMAN: The point I was making, Hon. Member, was that you were straying away from the vote, and I would ask you to return to the vote.

Interjection.

MR. PHILLIPS: There he goes again, you see? Mr. Chairman, there he goes, that chirpy Minister. Now why don't you tell that Minister to take his seat or get out of the House?

MR. CHAIRMAN: Order, please!

MR. PHILLIPS: Is this a plot between you and the Minister to get me thrown out of this Legislature because I'm getting to the crux of the problems? Is it a plot, Mr. Chairman, between you and that Minister of Industrial Development, Trade and Commerce (Hon. Mr. Lauk) to get me thrown out of this Legislature, so I won't be able to ask that Minister proper questions?

Interjection.

MR. PHILLIPS: You always pick on the poor little Member for South Peace River.

MR. CHAIRMAN: Would the Hon. Member for South Peace River address himself to the vote? Would the Hon. Minister of Industrial Development, Trade and Commerce hold your peace for the rest of the....

MR. PHILLIPS: Take your seat.

Interjection.

MR. CHAIRMAN: I would point out to the Hon. Minister of Industrial Development, Trade and Commerce to read standing order 19 (2), silently.

Would the Hon. Member for South Peace River continue?

MR. PHILLIPS: Now, Mr. Chairman, if that was one of the Members of the opposition you would read that order to him, and you'd tell us to behave.

MR. CHAIRMAN: Would the Hon. Member....

MR. PHILLIPS: We wouldn't be allowed to get away with all this stuff in this House. Let there be freedom and equality for all Members in this Legislature.

MR. CHAIRMAN: Order, please.

MR. PHILLIPS: Let there be freedom and equality.

MR. CHAIRMAN: Would the Hon. Member for South Peace River continue with his discussion of vote 235?

MR. PHILLIPS: And would the Minister of Industrial Development, Trade and Commerce please be quiet?

I just want to read the last.... Mr. Chairman, my behaviour is usually very good in this House, and I'll try to continue on in that vein.

I want to read the last page of this letter from Mr. Myers:

"One example I shall point out, one businessman here in Dawson Creek had an increase in his insurance from \$700 under private insurance to \$2,000 with your ICBC Autoplan. He, being a small businessman, could not afford this cost so he marked up prices on his merchandise to cover your compulsory

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increased costs."

Mr. Chairman, this is an example, another rip-off, of the taxpayers of this province subsidizing the Insurance Corporation of British Columbia. Who pays in the long run? Who pays for the inefficiency of this government? Who pays for state socialism? That's what it boils down to, Mr. Chairman.

"The City of Dawson Creek suffered a 50 per cent increase in the cost of ICBC Autoplan due to, again, your compulsory dictated coverages which we always before managed to control for ourselves."

Mr. Chairman, I said yesterday that taxes went up. Why did taxes in Dawson Creek increase this year? Because the City of Dawson Creek had to pay a 50 per cent increase in automobile insurance to cover their vehicles. That's socialism, and that's how it works. And who pays? The little man; the taxpayers that I represent.

"What happened to the promised great benefits the people would realize from your marvellous humanitarian Utopia of the insurance industry? Is the snake enjoying a gourmet's delight? Looks like, eh?" he says.

One final statement. I want to tell you, Mr. Chairman, the constituents in Prince Rupert are probably paying more taxes to the City of Prince Rupert due to increased costs of insurance through the benevolent Insurance Corporation of British Columbia. And in many, many other areas throughout this great and vast province of ours, the taxpayers are paying more taxes to city hall because city hall has to pay more insurance costs to the great peoples' Insurance Corporation of British Columbia. What a rip-off! Some Utopia! State socialism!

Interjection.

MR. PHILLIPS: Yes, heavy handed. And you are part of that heavy hand.

I'm going to ask the Minister once again, Mr. Chairman: why is it not the policy of the government to allow people who are paying more insurance rates this year, to ask for a refund? Was it a calculated plan to make that announcement that people would receive a refund during the by-election in Vancouver-Capilano, just before the election? The Minister came out and said, "They shall have a refund." A calculated political trick, Mr. Chairman. A wisely calculated political trick.

The Minister is working a hardship on many unit owners in British Columbia, and what does he say? Well, he's going to take a look at it. These people want action now. They don't want to be ripped-off. Your big full-page ads in the newspapers didn't say anything about how many people were being ripped-off and couldn't come back for a refund.

Now the Minister hides his head; hides his head and hangs his head in shame, and well he should. He sits here in the Legislature this afternoon and hangs his head in shame and doesn't answer the question. Is it going to be possible, are you going to reduce it for next year? Are you going to give them a refund? Why should these people be ripped-off? This isn't what you promised in your ads, Mr. Chairman, and don't think it's just a person who owns one single vehicle who was misled by that misleading advertising in August of 1972 — insurance rates of 22 per cent less. Now many are paying several hundred per cent more. That isn't what this government promised. Why don't they stand up and face the facts? Why don't they give these people a refund?

I asked the Minister yesterday afternoon if the Insurance Corporation of British Columbia was going to be involved in giving assistance to drivers in British Columbia. Is that going to involve the Premier's policy statements? I would like that question answered, Mr. Chairman. Is the Insurance Corporation of British Columbia going to be involved in the Premier's plan to give assistance to the drivers of vehicles in British Columbia?

MR. CHAIRMAN: Order, please. I would point out to the Hon. Member that the second matter he raised would have to be a matter of legislation, therefore it is not a proper question to ask in estimates.

MR. PHILLIPS: Well, I want to tell you, Mr. Chairman, I must bring you up to date.

We passed the estimates of the Minister of Housing (Hon. Mr. Nicolson). Barely was the ink dry on the stamp when the Minister of Housing was running around the province making policy statements which were not unveiled or released to this Legislature during his estimates. A complete disregard for parliament.

The estimates of the Minister of Education (Hon. Mrs. Dailly) were debated and passed in this Legislature. Hardly was the ink dry on the stamp when the Minister of Education was running around to the press making policy statements about the Department of Education. I want to tell you, Mr. Chairman, we in the opposition are getting sick and tired of this government's complete lack of regard for the opposition.

If I wanted to do some more research I could find other Ministers that as soon as their estimates are passed they go out and make their policy statements. It used to be in this House that the Minister stood up and outlined his policy during his estimates. But no more. Now we've got a benevolent peoples' government, an open government.

Now, there's the Minister of Municipal Affairs (Hon. Mr. Lorimer) — he makes a few policy statements too.

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But it's a complete lack of regard for the laws and the rights of parliament.

I predict the same thing is going to happen unless the Minister stands up.... The Minister knows full well that his Insurance Corporation of British Columbia is going to be involved in giving assistance to drivers of this province. I want that Minister to stand up and say yes or no. I'm not asking him to divulge the Premier's policy. I'm not asking him at this time — although I should because if it involves the Insurance Corporation of British Columbia, he should tell the opposition now, while we're estimating his estimates. We should know now.

How can we as opposition members do our job if after the estimates are passed the policies come out and we have to wait a full year to debate them. How can we do our job? How can this be open government? How can the opposition function, Mr. Chairman?

I want that Minister to stand in this House today and I want him to say yes or no, the Insurance Corporation of British Columbia is involved or is not involved in the Premier's plan to assist drivers in this province.

AN HON. MEMBER: The second team.

HON. MR. COCKE: Mr. Chairman, he needs no help.

SOME HON. MEMBERS: Oh, oh!

Interjections.

HON. MR. COCKE: My patience is running just a bit short, particularly short with that bunch over there.

Interjections.

HON. MR. COCKE: Mr. Chairman, that group were once government in this province. They were once government, believe it or not, in this province! That government, Mr. Chairman, had a number of Crown corporations. And that government, unlike this government with ICBC....

MR. CHAIRMAN: Order, please! A little peace and quiet, please.

HON. MR. COCKE: Mr. Chairman, this government makes the ICBC an open book compared to what that bunch did with B.C. Hydro. They wouldn't permit access to public accounts or even a look. Not even a glimmer, Mr. Chairman. Yet that group of politicians is asking this Minister to make every dotted "i" and every crossed "t" available to this House. They're looking for the most unbusinesslike kind of an activity that could be ever thought of, and that would be that the Legislative Assembly try to run a corporation. What nonsense! You went to Harvard Law School, I understand, or a business college. What the blazes did they teach you there?

Mr. Chairman, the Member for Point Grey (Mr. Gardom) who's here once in a while when the plane runs, accidentally got in here this afternoon and made all sorts of charges that he knows perfectly well....

Interjections.

HON. MR. COCKE: Oh, come off it — questions. They were all answered. All answered!

HON. MR. STRACHAN: I went down that list of questions as to who got paid what, and I answered them for you. You probably weren't listening. I gave you the names of the people who got the money. You asked the question; I answered it. I want to tell you I have no objection to tabling the letters that involved Adams — not at all. I undertake to file them in the House, sure.

Interjections.

HON. MR. STRACHAN: All there was were letters. I'll table them.

AN HON. MEMBER: When?

HON. MR. STRACHAN: As soon as I can get hold of them.

MR. GARDOM: I don't want there to be any misunderstanding about this.

AN HON. MEMBER: Okay, sir!

MR. GARDOM: Oh, go out and have a haircut or something. (Laughter.)

Are you undertaking to this Legislature to file all of the correspondence concerning the Adams situation, including any contract release or settlement documents?

HON. MR. STRACHAN: I have already said that I will table this. There were two letters involved and I will table them.

MR. GARDOM: Do those letters indicate, Mr. Minister, the reasons for his departure?

HON. MR. STRACHAN: You wanted his contract documents — they'll be tabled.

MR. GARDOM: Then I take it that these

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documents don't indicate the reasons for this man's dismissal, and we still have to ask you for those reasons. Do you know why he was dismissed, Mr. Minister?

HON. MR. STRACHAN: Yes, I know why he was separated.

MR. GARDOM: Are you going to inform the House of that fact? Yes or no.

HON. MR. STRACHAN: Yes. Difference of opinion.

MR. GARDOM: What was the difference of opinion, Mr. Minister? What was the difference of opinion?

MR. CHAIRMAN: Order, please! I would point out to the Hon. Member that he may not insist upon an answer.

MR. GARDOM: Oh, yes, but I'm going to ask the question again, Mr. Chairman, and I certainly have the right to do that, don't I? I think I do have the right to do that.

MR. CHAIRMAN: Order, please.

MR. GARDOM: Will the Hon. Minister, Mr. Chairman, inform the House what the difference of opinion was? Is the Minister prepared to do that? Yes or no.

HON. MR. STRACHAN: No.

MR. GARDOM: You refuse to inform the people of B.C. what the difference of opinion was. So they will never know whether or not the difference of opinion was a valid one or an invalid one. Are you suggesting it was a valid one, Mr. Minister? If it had validity, in what manner did it have validity?

HON. MR. STRACHAN: Mr. Member, I'm suggesting my position is a perfectly valid position.

MR. GARDOM: Well, I tend to think, Mr. Minister, that if you don't explain it then one could really question its validity. You just say it's a difference of opinion. Some people have differences of opinion about the weather, the manner in which three-minute eggs are cooked and so forth and so on. But this involves the public of this province and it involves \$52,000 and the person receiving that. I think the public have the right themselves to make a judgment and assessment as to whether or not it is a valid difference of opinion. If it is an invalid difference of opinion, then perhaps he should not have received that money.

If you're not going to give any indications to anyone as to the cause, Mr. Minister, the inference is against you. Make no mistake of that fact.

HON. MR. STRACHAN: Mr. Member, I accept the inference. I'll let the people of this province judge me — not you.

MR. GARDOM: Indeed they shall. They're going to judge a Minister of the Crown who is sworn to uphold the laws of the Province of British Columbia. Was an illegal act committed by Mr. Adams? Or was an illegal Act committed by the Insurance Corporation of British Columbia in paying him off? Is the public not entitled to know that? Was the difference of opinion the difference of a legal opinion? A policy opinion? A political opinion?

HON. MR. STRACHAN: I said I'd table the document.

MR. GARDOM: Oh, yes, but you indicated the document.... Mr. Minister, you nearly fast-stepped us there, but quite fortunately you didn't because of the interjections of one of the other Members of the opposition. You tried a very quick fast step there, but the documents you've already indicated to us don't indicate what the difference of opinion was. You have stood in your seat and refused to tell the public of B.C. what it is.

AN HON. MEMBER: Shame!

MR. GARDOM: Boy, what a way to run a government! The open government, they said. You remember when you talked about Mr. Bennett when you sat in this opposition seat for year after year after year until you started to look like a sieve for Mr. Berger sitting behind you. You remember what you used to say about public accountability. You've become a political chameleon, my friend — make no mistake of that.

I'd like you, Mr. Minister, to undertake to table in the House....

MR. CHAIRMAN: Order, please! I would think that the choice of words of the Hon. Member.... They were made directly to the Minister. Therefore I think they should be withdrawn.

HON. MR. STRACHAN: I don't mind.

MR. GARDOM: If the Minister finds those offensive words, it seems to me a chameleon is a person who changes colours....

MR. CHAIRMAN: Order, please. It's not the

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Minister who finds the particular words....

MR. GARDOM: He changed position.

HON. MR. STRACHAN: It's just ridiculous. A ridiculous charade, that's what it is.

MR. CHAIRMAN: I would ask the Hon. Member to withdraw the words at the request of the Chair.

MR. GARDOM: I said that he's turned into a political chameleon. If those are considered to be offensive words, I certainly shall withdraw them.

MR. CHAIRMAN: Order, please.

MR. GARDOM: I say this, Mr. Chairman, and I'd reiterate the question to the Minister: is he prepared to undertake to the House to file the salary schedule of the Insurance Corporation of British Columbia telling how many employees there are, what their classifications are, what their duties are and what their return is?

Interjection.

MR. GARDOM: A very good point. Here's the annual report for February 28, 1974, Mr. Member and it's not there. And that's why I'm asking for it. Is the Minister prepared to undertake to do that before this session is over? Yes or no.

Is the Minister prepared to indicate to this House what the claims payment projections for the Insurance Corporation of British Columbia for 1974-1975 are?

Thirdly, is he prepared to indicate to the House what the administrative expense projections for 1974-1975 are? Why isn't that information in here? Why is the only estimated projection that we find of consequence the one dealing with premiums? My friend says you're afraid of the.... Would you answer those questions?

HON. MR. STRACHAN: I'll tell you why.

MR. GARDOM: All right.

HON. MR. STRACHAN: We were able to give you figures of projected income because the year ended as of February 28. By that time we had the income in from X number of vehicles. That's why we were able to give that figure. It's very simple.

MR. GARDOM: That's all wet. You haven't even read your report.

HON. MR. STRACHAN: That's the situation.

MR. GARDOM: The Hon. Minister states that that information is in the report in the form of facts. Now, it isn't in your report, Mr. Minister. I'll read it to you. These are your figures. Here it says on page 3 — will you open page 3? "It is estimated that for the fiscal year ending February 28, 1975, a total of \$1,400,000 Autoplan vehicle policies will have issued for a total premium revenue of \$179 million." That is an estimate. I'm asking you to inform the people in B.C. what your estimate is for expense for the same period of time. What is your estimate for administrative expense? You can't tell me, Mr. Minister, and look anyone in the eye in the Province of British Columbia, that you haven't got that figure — because you have!

HON. MR. STRACHAN: This is an annual report, not a budget, you silly ass!

SOME HON. MEMBERS: Oh, oh!

MR. CHAIRMAN: I would ask the Hon. Minister to withdraw the unparliamentary expression.

HON. MR. STRACHAN: I withdraw any part of that statement that might be considered unparliamentary, no matter how....

MR. CHAIRMAN: Order, please. Just ask him without qualifications.

MR. GARDOM: Carrying on, Mr. Chairman, we find that we're able to estimate total premium revenues of \$179 million. What is the estimate of the Insurance Corporation of British Columbia, which has this figure, of claim pay-outs? Ask Mr. Bortnick. Why don't you have him come and sit up beside you? He's got the information at his finger tips, if you haven't.

MR. CHAIRMAN: Order, please. I would point out to the Hon. Member that he is becoming repetitious.

MR. GARDOM: Not as much as the Minister.

MR. CHAIRMAN: Most of the questions you are putting now have been put at least twice before.

MR. GARDOM: Well, you know, Mr. Chairman, in response to you, I really and truly think it would be a very good thing if we had in the Province of British Columbia something along the rules that they have in the Lok Sabha in India, where Ministers really and truly have a responsibility to answer questions. It's too bad we didn't have an ombudsman here, perhaps we could get that information from an ombudsman when a Minister whose duty and responsibility is to give this information, refuses to do it. And he is

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refusing to do it.

What is the estimate, Mr. Chairman, to the Hon. Minister, of the net situation of ICBC, both for automobile and all other classes of insurance in the period 1974-1975?

Well, now he's having a discussion with Mr. Mika. Let's hope that Mr. Mika can present the information.

MR. D.A. ANDERSON: Make Mika the Minister.

MR. GARDOM: Is the Hon. Minister prepared to answer any of these questions?

MR. R.T. CUMMINGS (Vancouver–Little Mountain): I enjoyed listening to a leading lawyer, the second Member for Vancouver–Point Grey. A judge once said: "The law is an ass," and he proves it.

Do you want any more proof of your wonderful profession?

MR. D.A. ANDERSON: The Attorney-General is not looking very happy.

MR. CUMMINGS: F. LaRue, J. Dean.... You know, lawyers are great when they get to the Legislature, they can't be trusted in government.

MR. CHAIRMAN: Order, please. Will the Hon. Member relate his remarks to the vote?

MR. CUMMINGS: Well, let's have a little chop of our own. These other Members don't even come close to the fact. This man brought in the finest insurance corporation in North America, in fact, in the world. And all we get out of them is cheek. You guys...you people — I don't know what to call you — you will not take a public stand against public insurance and you know it, all three parties — all one party.

Interjection

MR. CUMMINGS: Ah, let's talk about some more lawyers, some great lawyers. Haldemann, Erlichman....

MR. CHAIRMAN: Order, please! I would ask the Hon. Member to withdraw any imputations resulting from the unfortunate choice of names.

MR. CUMMINGS: Who'd I call a lawyer now?

MR. CHAIRMAN: Order, please! Would the Hon. Member continue and relate his remarks to the Minister's vote?

MR. CUMMINGS: Actually, I hate to have a lawyer criticize such a great Minister.

Interjection.

MR. CUMMINGS: At least they don't work for me, peddling my papers.

Talking about cars, small ones, big ones...

Interjections.

MR. CUMMINGS: Yes, 36 votes and we're stuck with them for...how many years?

MR. CHAIRMAN: Order, please! Would the Hon. Member relate his remarks to the vote?

MR. CUMMINGS: No! I want to defend this Minister who brought in this insurance Act which will benefit 90 per cent of the people, and defend him against a vicious attack of the legal beagles, you know — the people who shake your hand and split fees.

Interjection.

MR. CUMMINGS: Have you ever seen a lawyer with his hands in his own pockets? No. He's busy trying to get them in yours.

Interjections.

MR. CHAIRMAN: Order, please! I would ask the Hon. Member not to single out any particular profession.

Interjections.

MR. CUMMINGS: Well, basically, this Minister will go down in history.

Interjection.

MR. CUMMINGS: Hey, I'm going after big game, lawyers — the real shysters of the world.

MR. CHAIRMAN: Order, please! Would the Hon. Member confine his remarks to the vote before us?

MR. CUMMINGS: Well, shysters and insurance go together. I mean, this is what we're talking about, government insurance, aren't we? Actually, seeing you want to defend this profession, I'm going to just have to sit down and say I intend to support this Minister right to the end.

SOME HON. MEMBERS: Oh, oh!

MR. MORRISON: I wonder if I could ask the Minister, now that they've settled the agreement in Port Alberni with the body shops at \$16 an hour — we've asked the question a number of times: how

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many cars were actually removed from that area for repair?

I'd like to know who paid for the extra towing costs, whether the customer was required to pay for it, or if ICBC paid for it. I'd like to know where the cars were taken for repair. Then when they were finished, how were they returned to the owner? Was the owner requested to come and pick up his own car in another community? If so, who paid his costs, or did ICBC, in fact, have the car returned to the owner at his own home? Further than that, there are a number of other areas which have as yet not settled with ICBC.... Do you have that answer? Well, if you'd like to answer them then....

HON. MR. STRACHAN: We did not settle with body shops in Port Alberni at \$16 an hour. We adopted a new procedure under which they give bids and the lowest bid gets it. The customers didn't pay for the hauling of the cars to Victoria. I don't know how many there were. But I don't mind giving you....

MR. MORRISON: Okay, how about the return? Who paid for the return to Port Alberni?

HON. MR. STRACHAN: We would. We wouldn't ask the customer to come and pick it up.

MR. MORRISON: Can you advise the House how much the extra cost was to ICBC for that period?

Secondly, since you've now advised us that Port Alberni is working on the bid system, are the unsuccessful bidders paid for the time they take in estimating the vehicles? Because one of the savings which ICBC publicized to the body shops was that there would be a 15 per cent saving in cost because they no longer were required to do the estimating; ICBC was going to do that for them. Therefore, if the dealers now in Port Alberni are required to do their own estimating, and you're asking for three bids obviously two of them are going to be unsuccessful. Now does ICBC pay those unsuccessful bidders the time involved in doing the estimate, or is that a straight loss to the dealer?

HON. MR. STRACHAN: What we did was adopt the same system. The unsuccessful bidder gets paid just exactly the same amount he used to get paid by the private insurance companies.

MR. MORRISON: That was nothing.

HON. MR. STRACHAN: That's right. Now, because they refused to accept the claims centre system, then we went back to the old system. This is one of the advantages of the claim centre system, which incidentally, the Insurance Bureau of Canada are flaunting as the system that they're going to adopt and the one they're promoting in Ontario as a brand new proposal. Part of the future of automobile insurance in the Province of Ontario is the claim centre system.

There are savings there, no question about it. But because the body shops in Alberni refused to accept that system, we've gone back to the bid rate. It amounts to about 3 or 4 per cent of the total of the province, the areas that have refused to accept it and work within it.

MR. MORRISON: What other areas have not settled?

HON. MR. STRACHAN: Duncan was one of them; Prince George was one of them; Quesnel, 100 Mile House and either Smithers or Terrace, I think it was. But they are all back on the old system or a variation of the old system. In some cases we make an estimate, take it to them and say, "Will you do it for this amount of money?" And they say yes. It varies from place to place, but we worked out a system.

MR. MORRISON: Mr. Chairman, what areas are receiving more than the agreed \$14 and whatever...?

HON. MR. STRACHAN: We have no way of knowing because it's a lump sum. We've no way of knowing what rate per hour they're getting for it.

MR. MORRISON: Mr. Chairman, I'd like to just change the subject for a minute.

MR. CHAIRMAN: Order, please. If the Hon. Member has a new subject to bring up, I would ask him to yield to another Member.

MR. D.A. ANDERSON: Mr. Chairman, I'd like to bring up a subject which was raised earlier in the session, which the Speaker suggested I raise during the Minister's estimates — the question of appointment of ICBC agents.

Earlier in the session, on February 18, I asked the Minister a number of questions during question period about the appointment of Autoplan agents. I'll read the responses in a moment.

But in addition, at about the same time, on February 19, the president of the Insurance Agents Association of B.C., Mr. Jack Hamilton, was asked on a radio programme by Mr. Jack Webster of CJOR whether the association had made representations to either the Minister or ICBC to appoint new agents because of the attrition in those who had earlier been qualified as licensed people. I'd like to quote directly from the transcript of that programme.

"HAMILTON: No we did not, none

whatsoever." He was asked about representations — none whatsoever. "We certainly could discuss the fact that 46 agents dropped out, but we weren't overly concerned because in the majority of cases...the reason we brought that up was the paper work and the problems involved in putting this thing on the road. The 46 agencies were, on the whole, very small offices or real estate offices, with small insurance departments which were not forced in this business at all."

I think that probably means "a force in this business. "

"WEBSTER: Well, as a result of what was regarded by Strachan as your representations, six new agents have been appointed and 13 others have been appointed who were in the process of being qualified or had been dropped in error from the list.

"HAMILTON: Nothing to do with any representations by our association, and we've been in touch with them on a daily basis for a year and a half.

"WEBSTER: Just wanted to get that clear."

The Minister of Transport and Communications said in reply to my questions which I referred to earlier — and I quote him again, quoting *Hansard* :

Here are the facts with regard to the appointment of insurance agents. Approximately 45 agents for one reason or another have dropped out of Autoplan since obtaining designation last year, leaving a total of 830 private agency firms and their staffs, supplemented by Motor Vehicle Branch and government agents' personnel.

While this is a relatively small attrition rate, nevertheless the insurance agents of British Columbia did express concern to the ICBC board of directors about it. The board subsequently gave authority to Autoplan's management, not to the Superintendent of Motor Vehicles, to appoint new agents, but only if they were qualified to handle general or auto insurance as licensed by E.P. Cantell, Superintendent of Insurance, on the basis of his examination.

Now, Mr. Chairman, I took that statement to mean that the decision was taken — a decision to appoint new agents — upon the recommendation of the Insurance Agents Association. This view was confirmed when the Hon. Minister of Health (Hon. Mr. Cocke) — the Minister of defence, who's not here at the moment — in answer to a further supplementary question said: "When, on the recommendation of the agents association who said there would not be enough of them to do the job, they came to us at the end of the year indicating quite clearly that they just couldn't handle it, ICBC at that time made a decision to expand the number of agents who would qualify."

The operative statements are: "HAMILTON: No we did not make representation, none whatsoever." — nothing to do with any representations by their association, and a statement by the Minister of Transport and Communications plus the statement by the Minister of Health saying exactly the reverse.

Now I'd like to know where the truth lies. There's no way that on the one hand the agents association's president can be telling the truth and on the other hand the two Ministers can be telling the truth.

Interjections.

MR. D.A. ANDERSON: The question of truth by Ministers is important.

Now I wonder whether the Minister could at this time indicate to the House where the truth in these two matters lies?

I might add that I put forward a resolution calling for a motion on the order paper calling for an inquiry into this at the very time that the matter was raised. But it has since been withdrawn, in view of the fact that the government and the Premier have indicated they are no longer going to have inquiries into the truthfulness or otherwise of Ministerial statements. Therefore, I withdrew it from the order paper.

I would like at this stage to have the matter rationalized or made clear by the Minister who is responsible for

the appointment of the new agents — and, in particular Mr. Don Sharp, who moved from Vancouver to Kamloops on January 20 and opened an agency in the Brockelhurst shopping centre at that time.

The reason I do this is that the Motor Vehicle Branch was unable to understand the situation. I'm now quoting from the story of *The Vancouver Sun* on February 21 of this year where it says, by Jess Odam at Kamloops:

"*Vancouver Sun* investigation in Victoria, Vancouver and Kamloops found the original plan was to appoint Don Sharp to the Motor Vehicle Branch because he could not qualify as a direct agent for the ICBC. The attempt was upset when the MVB found out about it, sources within the branch said.

"The branch, which already had a sizeable office in Kamloops, rejected the scheme. Later Sharp was appointed by ICBC which administers Autoplan by its board of directors, January 9" — et cetera, et cetera. "The 49-year-old former life insurance agent was told by the ICBC in October that he did not qualify to sell for it under rules laid down by the government and approved by the Legislature.

"Sharp has said he then wrote to Health Minister Dennis Cocke, a long-time friend and business colleague, asking for help." And it goes on to say:

"Around Christmas time, according to

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Sharp, there was some talk of him being appointed to the MVB because the rules still did not allow ICBC to take him on. At one point Sharp phoned the MVB and asked where his licence plates and decals were.

"During the conversation he said that he was going to be an agent for the branch. This was the first the branch had heard about it, as they had heard of the plan to have Sharp represent it rather than ICBC directly.

"The branch sources said that considerable surprise was expressed at the idea, partly because of the existing MVB office in Kamloops, which is handling Autoplan applications through full-time government employees who do not receive the commission paid to agents. And the branch, unable to understand the situation, told Mr. Sharp he'd better write them.

"When the letter was received, the department filed it without answer because of a strong feeling that such an appointment should not be made.

"In the meantime Sharp carried out a move from Vancouver to Kamloops and then was granted, through the influence of his friend, the agency."

Now I wonder whether the Minister would like to explain the discrepancy between the statements of Hamilton of the insurance agents, and himself and the Minister of Health.

HON. MR. STRACHAN: First of all, Mr. Hamilton, who has got an excellent job representing the agents with whom we have good relations.... They brought up to the directors, as he says, a complaint about the amount of paper work the agents had to do. They drew our attention to the attrition rate among the agents. I don't think that anywhere in my answer did I say that the agents had recommended an increase in the agents' force. I don't think I'd say that.

I was looking for my answer here but I can't find it. I don't think I said anywhere that the agents had recommended an increase in the agency force. Is that a fair assumption? I can't find the....

MR. D.A. ANDERSON: Well, I will quote for the Minister. The operative sentence in his reply was: "While this is a relatively small attrition rate, nevertheless the insurance agents of British Columbia did express concern to the ICBC board of directors about it."

HON. MR. STRACHAN: Yes, that's right.

MR. D.A. ANDERSON: Now I'll just read the statement of the Minister of Health....

HON. MR. STRACHAN: May I answer? I was quite sure that I hadn't said the agents had recommended it, but they drew our attention to it. They were expressing concern as related to the paper work. They expressed some concern: let me put it that way.

I want to remind you, Mr. Member for Victoria, what I was going through in this Legislative Assembly for some considerable time. It concerned the ability of the agency which was forced to produce by the end of February. There were fears expressed from all sides of the House that it was impossible to make it. We were getting that feedback, that criticism, from all kinds of places that it would be impossible to meet the February 28 deadline.

As I say, the agents had complained about the paper work. They drew our attention to the attrition. There had been unfairness in the original decision that if you hadn't applied by October 1 you wouldn't get an agency, because some people had been in the course of getting their training.

There had been at least one insurance company who had told their agents that if they applied for an agency to sell automobile insurance they would be in trouble with that particular company. Subsequently, some of them wanted to come in and sell automobile insurance. So the decision was made by the directors; it wasn't made by the Minister, although you said it was. It was made by the directors, to increase the sales force.

MR. D.A. ANDERSON: Mr. Minister, those are interesting comments. Apparently you are stating that the unfairness in the original decision of the lack of people who were able to put this plan in operation... was high in your mind, and yet the Motor Vehicle Branch filed the application without an answer, because of the strong feelings that such an appointment should not be made. You've taken a contradictory position to that of the Motor Vehicle Branch at the time which felt that there should not be such appointments in view of the fact that they were perfectly capable of handling it.

It is an interesting suggestion of yours that you felt they were inadequate and unable to do it and therefore you were in favour of having new people appointed.

HON. MR. STRACHAN: I didn't say that.

MR. D.A. ANDERSON: No, you didn't say that.

HON. MR. STRACHAN: Don't put words in my mouth.

MR. D.A. ANDERSON: The words you used were "the unfairness in the original decision." Yet the Motor Vehicle Branch felt that the application.... It

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was not a question of unfairness; their view was that they filed it without an answer because of the strong feeling that such an appointment should not be made. If that was an unfair decision....

HON. MR. STRACHAN: I didn't say it was.

MR. D.A. ANDERSON: Well, the fact is then, that the Minister is right, as I indicated earlier, in his statement regarding his own comments in reply to a question as to why the man was appointed. He said that while this was a relatively small attrition rate, nevertheless the insurance agents of British Columbia did express concern to the ICBC board of directors about him. Your colleague in reply to a question, in the House, presumably showing some cabinet solidarity as well as information from you, said this. "On the recommendation of the agents' association, which said there would not be enough of them to do the job, they came to us at the end of the year indicating quite clearly that they just couldn't handle it. The ICBC at that time made a decision to expand the number of agents who would qualify."

Mr. Minister, you're quite correct in your own statement, but how do you explain the total contradiction between that statement of your own just given and that of the Minister of Health and director of ICBC which he gave

back in February.

HON. MR. STRACHAN: First of all, you keep referring to a statement made by the Motor Vehicle Branch. The Motor Vehicle Branch never made any such appointment — never. As I say, you're making this statement now, and it is obvious, as I listen to what you say, that when the Motor Vehicle Branch said it wasn't necessary because we already had a motor vehicle agency force operating in Kamloops, they were talking about the fact that the Motor Vehicle Branch required no further representation. That was the way I took it; but I don't know, I wasn't a party to it. I don't recollect that coming to me. I would say that they were indicating that the Motor Vehicle Branch force was adequate in Kamloops and that they didn't require any addition to the Motor Vehicle Branch personnel or appointments within the orbit or the jurisdiction of the Motor Vehicle Branch. That's how I would take that.

MR. D.A. ANDERSON: I can see the Minister's desire to limit it to that but let me point out in the same article....

HON. MR. STRACHAN: The Motor Vehicle Branch can't talk for any other department, nor can they talk for the Insurance Corporation of British Columbia. They can only talk for the Motor Vehicle Branch.

MR. D.A. ANDERSON: Perhaps I should repeat again the quote: From the same article of February 21, 1974:

"The branch sources said considerable surprise was expressed at the idea, partly because of the existing MVB office in Kamloops, which is handling Autoplan applications through full-time government employees who do not receive the commissions paid to the branch."

That's right, that's fair enough. I'll go on with the article:

" A survey of the auto insurance outlets...."

HON. MR. STRACHAN: Now you are moving away from MVB.

MR. D.A. ANDERSON: Of course.

MR. CHAIRMAN: Order, please.

MR. D.A. ANDERSON: That's a thing you should have been talking about yourself instead of....

HON. MR. STRACHAN: No, you were quoting a Motor Vehicle Branch letter.

MR. D.A. ANDERSON: That's right. They are responsible for knowing whether or not there were adequate.... Anyway, the survey of the automobile insurance outlets in the Kamloops area found that no trouble was being experienced in handling the number of applications to date, and in some offices staff are waiting for customers. As well as independent agents and the MVB, the area is also serviced by a BCAA office specially geared to handle large numbers. Several of the agents appointed under the regular Autoplan rules are running advertising campaigns to attract more business.

The regular rules restrict Autoplan agencies to people already in the automobile/general insurance field; they also prevent agents from opening additional offices to cope with the pre-March plan.

In light of the fact that both the branch and the private agencies had adequate staff and adequate facilities in the area to handle the question of the Autoplan at that time, I still wonder where the statement came from the Minister of Health that the Autoplan agents were increased at the request of the agents' association which said: "There would not be enough of them to do the job. They came to us at the end of the year indicating quite clearly that they just couldn't handle it." The agents came saying it is clear they couldn't handle it and yet Mr. Hamilton, and I quote again from the transcript....

HON. MRS. DAILLY: Would you accept adjournment?

MR. D.A. ANDERSON: Certainly.

The House resumed; Mr. Speaker in the chair.

MR. CHAIRMAN: Mr. Speaker, the committee reports progress and asks leave to sit again.

Leave granted.

MR. SPEAKER: Hon. Members, His Honour the Administrator will be approaching the chamber very shortly. I would ask the Hon. Members to keep their seats for the moment.

His Honour the Administrator entered the chamber and took his place in the chair.

DEPUTY CLERK:

Elderly Citizen Renters Grant Amendment Act, 1974

Probate Fees Amendment Act, 1974

Social Services Tax Amendment Act, 1974

Legal Professions Amendment Act, 1974

Fair Sales Practices Amendment Act, 1974

Prejudgment Interest Act Transit Services Act

Criminal Injuries Compensation Amendment Act, 1974

County Courts Amendment Act, 1974

Hospital Amendment Act, 1974

Farm Products Industry Improvement Amendment Act, 1974

Lotteries Act Sewerage Facilities Assistance Act

Emergency Health Services Act

Special Provincial Employment Programmes Act

Regional Hospital Districts Amendment Act, 1974

Forensic Psychiatric Services Commission Act

Agricultural Credit Amendment Act, 1974

CLERK: In Her Majesty's name, His Honour the Administrator doth assent to these bills.

His Honour the Administrator was pleased to retire from the chamber.

PLACER MINING ACT

Hon. Mr. Nimsick presents a message from His Honour the Lieutenant-Governor: a bill intituled *Placer Mining Act*.

Bill 144 introduced, read a first time and ordered to be placed on orders of the day for second reading at the next sitting of the House after today.

Presenting reports.

Mr. Cummings from the Select Standing Committee on Standing Orders and Private Bills presents the committee's fourth report which was taken as read and received. (See appendix.)

Hon. Mr. Hall files the annual report of the Department of the Provincial Secretary.

Hon. Mrs. Dailly moves adjournment of the House.

Motion approved.

The House adjourned at 5:56 p.m.

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APPENDIX

The following report is referred to on page 3583:

REPORT NO. 4

LEGISLATIVE COMMITTEE Room,
May 23, 1974

MR. SPEAKER:

Your Select Standing Committee on Standing Orders and Private Bills begs leave to report as follows:

Your Committee has considered the several matters referred to it under Motion 29 passed on May 6, 1974, and recommends an amendment to Standing Orders as follows:

By inserting after Standing Order 45 the following as Standing Order 45A:

"45A. The maximum period for which a member may speak on any subject indicated in this Standing Order shall not exceed the period specified opposite to that subject in the following schedule

IN THE HOUSE

Address in Reply

Mover and seconder	60 minutes
Leader of Government or designated member	No limit
Leaders of recognized opposition parties or designated member	No limit
Any other member	40 minutes

Address
Debate
six days.

(1) Provided that the proceedings on the *Orders of the Day* for six days. presenting and debating the motion for an Address in Reply to the Speech from the Throne, and on any amendments and subamendments proposed thereto, shall not exceed six sitting days,

comprising not less than eight sittings.

Amendments
and sub-
amendments
disposed of
on fourth
day.

(2) On the fourth of the said days, if an amendment or a subamendment be under consideration at 30 minutes before the ordinary time of daily adjournment, Mr. Speaker shall interrupt the proceedings and forthwith put the question on any amendment and (or) subamendment then before the House.

Main motion
disposed of
on sixth
day.

(3) On the sixth of the said days, at 15 minutes before the ordinary time of daily adjournment, unless the said debate be previously concluded, Mr. Speaker shall interrupt the proceedings and forthwith put every question necessary to dispose of the main motion.

Budget Debate

Minister of Finance	No limit
Leaders of recognized opposition parties or designated member	No limit
Any other member	40 minutes

Budget
Debate
10 days.

(1) Provided that the proceedings on the *Orders of the Day* for debating the motion 'That Mr. Speaker do now leave the Chair' for the House to go into Committee of Supply and on any amendments and sub- amendments proposed thereto, shall not exceed 10 sitting days, comprising not less than 14 sittings.

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Amendments
and sub-
amendments
disposed of
on eighth
day.

(2) On the eighth of the said days, if an amendment or a subamendment be under consideration at thirty minutes before the ordinary time of daily adjournment, Mr. Speaker shall interrupt the proceedings and forthwith put the question on any amendment and (or) subamendment then before the House.

Main motion
disposed of
on tenth
day.

(3) On the tenth of the said days, at 15 minutes before the ordinary time of daily adjournment, unless the said debate be previously concluded, Mr. Speaker shall interrupt the proceedings and forthwith put every question necessary to dispose of the main motion.

Time limit
on Bills.

Public Bills

Public Bills in the Hands of Private Members

Private Bills

(Second Reading)

- | | |
|---|------------|
| (i) Mover (except as otherwise provided in (ii)) | 60 minutes |
| (ii) Leaders of recognized parties or designated member | No limit |

	(iii) Any other member and a leader who shall have designated under (ii)	40 minutes
Other proceedings.	All Other Proceedings in the House not Otherwise Specifically Provided for:-	
	(i) Mover (except as otherwise provided in (ii))	60 minutes
	(ii) Leaders of recognized parties or designated member	No limit
	(iii) Any other member and a leader who shall have designated under (ii)	40 minutes

COMMITTEES

Supply

	Each Member	30 minutes
Sittings in Supply.	(1) The proceedings in Committee of Supply shall be limited to not more than 45 sittings, to be extended in accordance with the following provisions of this Standing Order.	
Extension of time for Supply.	(2) Provided that if, at the conclusion of the 45th sitting, 135 hours have not been utilized for debate in Committee of Supply, the Committee shall sit again for such additional time as may be required to bring the total of time for Supply to 135 hours.	
Conclusion of Supply consideration.	(3) At the conclusion of the 45 sittings or the conclusion of the 135 hours contemplated under this Standing Order, whichever shall last occur, the Chairman of the Committee of Supply shall forthwith put all questions necessary to carry every vote and item of each Estimate, such questions not being subject to amendment or debate.	

Time limit on Bills in Committee.	<i>Public Bills</i>
	<i>Public Bills in the Hands of Private Members</i>

Private Bills

(Committee)	
Each Member	30 minutes

With reference to Item 4 in the said Motion, your Committee recommends that Mr. Speaker be authorized by the House to arrange for amplification and control of the Chamber sound system and that cut-off buttons presently installed by the Speaker's chair and at the table of the Chairman of Committees be removed.

Your Committee further recommends that the Hansard operators in the Chamber be instructed by Mr. Speaker to cut off all voice amplification other than that of the Speaker or Chairman when the Speaker or Chairman rises. When the Speaker or Chairman has risen, no words spoken by other than the Speaker or Chairman shall be recorded

or transcribed by Hansard.

With reference to Item 5 in the said Motion, your Committee recommends that the present practice relating to Public Bills in the Hands of Private Members and Motions be continued, and that some suitable advisory mechanism be considered to assist members requiring advice on the drafting of Bills and Motions.

All of which is respectfully submitted.

ROY CUMMINGS, *Chairman*

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