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Official Report of
DEBATES OF THE LEGISLATIVE ASSEMBLY
(Hansard)

FRIDAY, MAY 24, 1974

Morning Sitting

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The House met at 10 a.m.

Prayers

MR. D.A. ANDERSON (Victoria): Mr. Speaker, I would ask consent to have motion 11 standing in my name on the order paper withdrawn.

Leave granted.

Introduction of bills.

SUMMARY CONVICTIONS AMENDMENT ACT, 1974

Hon. Mr. Macdonald presents a message from His Honour the Lieutenant-Governor: a bill intituled *Summary Convictions Amendment Act, 1974*.

Bill 103 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.

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

HON. R.M. STRACHAN (Minister of Transport and Communications): Mr. Chairman, there were two items I didn't mention in my replies last night. One was the matter of the cheque which had been issued by mistake. This arose out of an error made by an agent inputting down the wrong licence number in a cancellation of a premium, with the result that when that licence number went through the computer the cheque was issued to the wrong person. Since that happened we are checking the name as well as the number when it comes out to be sure that there is this correlation.

Next, the Member for Chilliwack (Mr. Schroeder) raised the case of a man who had 17 points and had never had an accident. I asked the Member if he had inquired of that man as to why he received the points. Actually the individual was convicted October 16, 1971, under section 236 of the *Criminal Code* of Canada, which deals with driving with a blood alcohol level of over .08 per cent. He was fined \$350 and suspended for one month by the Superintendent of Motor Vehicles. I have a letter from him dated October 17, 1972, to the inspector of motor vehicles saying he would never do it again.

However, on July 16, 1973, under section 234 of the *Criminal Code* of Canada — impaired driving — he was again found guilty and was prohibited by the court from driving on any highway for one month.

These two offences attracted 10 points each, making a total of 20 points. Three points have been dropped through the passing of time, leaving 17 points. Now, you make up your own mind as to whether or not that individual should have 17 points and pay a surcharge, or not. In my opinion he should.

AN HON. MEMBER: Hear, hear!

MR. P.L. McGEER (Vancouver–Point Grey): Mr. Chairman. I want to ask a few questions and make a few

suggestions to the Minister regarding the ferry system.

But first of all I want to say how pleased we are to see half of the civil service in here today. They outnumber the opposition!

MR. G.S. WALLACE (Oak Bay): Big government!

MR. McGEER: I don't know where Mr. Loudon is. We thought we would have had him so that the civil service advice could be given the appropriate PR translation before the Minister adds his own individual flourish to the reply.

MR. D.A. ANDERSON (Victoria): He's probably in the galleries.

MR. McGEER: Yes, I don't know if there are any monitors up there in the galleries today to relay back and forth to the other offices the information to the Minister and so on.

There are a few things about the ferry system. I don't know which half dozen of the advisers would be familiar with the problem there, but certainly we were surprised, Mr. Chairman, that it was necessary after all the time the government had been in office to make a move to purchase a foreign ferry. Quite clearly that's contrary to one of the advantages that we enjoy in building and operating our own ferry system — namely the provision of employment in constructing the ferries and the stimulation of local industry.

I was particularly surprised at this in view of the many statements the Premier had made when he was in opposition regarding the desirability of encouraging a merchant marine fleet for Canada. In the first test of the government there was an outright failure because of lack of planning. Then, Mr. Chairman, when it came actually to ordering ferries to be built in B.C. shipyards, we find that the design contract went to a Seattle firm under

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circumstances that were questionable, to say the least.

Now I discover that some of the subcontracts — I'm talking about engines to the Krupp works and propellers to Sweden — have been arranged for in such a way as again to discriminate against firms like Hawker-Siddeley-Merley's, who have operations in Canada and who have given extremely good service to the ferries in the past, stocked the parts and provided the technical backup. Now we've gone to Germany, taking more business away from British Columbia and getting ourselves into a new sort of venture with the maintenance of these ferries that may or may not work out well over the next 30 years.

I'd like to ask the Minister these things: Would it have been possible for the B.C. ferry fleet to plan its own expansion in an orderly fashion so that it was unnecessary to buy foreign ferries? The Minister's own statement was that the growth of the ferry system was constant and predictable over the years.

Secondly, would it have been possible for the ferry system, working in conjunction with government and the shipyards, to develop its own design capabilities so that it was unnecessary to go on a crash basis to foreign firms for that engineering?

Thirdly, would it have possible for the ferries to arrange their contracts for engines, propellers and other maintenance items with engineering firms that operate in Canada — like Hawker-Siddeley — and have a record of continuous service in this country, so that the future will be looked after as well as the past?

I'd like to make one or two suggestions to the Minister about how the ferry system might operate a little more efficiently in this time when line-ups are long and tempers got short. In my view, the tie-up of the ferry system last summer at the height of the tourist season was a completely irresponsible act on the part of the union which negotiates for those ferries. It gave tourism in British Columbia a black eye. It wasn't something done against the government; it was something done against every British Columbian, because there's a tremendous dependence,

particularly on Vancouver Island, for the success of the tourist season.

The knowledge that the leaders of the ferry union are inconsiderate enough to jeopardize the livelihood of people here on Vancouver Island through their arbitrary actions should surely be a discomforting piece of knowledge for everyone who depends on the tourist industry in this province. We do have union leaders who will place their welfare well above that of the general public. That disappoints me, because it takes away some of the pride that we enjoy in that ferry fleet.

The Minister said, Mr. Chairman, that even with the ferry system working well the lineups are going to be long because traffic has exceeded the present capacity. Perhaps it's time to suggest how to make the equipment work more efficiently.

The airlines operate their craft 24 hours a day. You can't afford to leave a Boeing 747 sitting on the ground doing nothing for a third of the time. Perhaps we should think in terms of operating the ferries, maybe not 24 hours a day, but 20 hours a day in the summertime, so that if people don't want to wait, they know that they will be able to travel during the very early morning hours or very late evening hours.

Secondly, the buses take up a tremendous amount of space on the ferries during the busy summer season. As many as four buses will travel on each ferry, and by the time you total this up through a full day's operation, you're really running one whole ferry trip just for the benefit of buses. Why not — at least during the summertime when the ferries are crowded — operate the system so that the buses drive to the terminal, the passengers walk on, the luggage is transported by a little jitney and the buses pick up the passengers getting off the ferry on the other side and drive them back to the depot?

This would be a far more efficient use of the bus drivers, because they would be merely driving from the depot out to the ferry and back again. There'd be no wasted time while the bus driver makes the trip to Vancouver. It would be a more efficient use of the buses because they wouldn't be deadheading across on the ferry, and it would certainly make for a great deal more room on the ferries. In other words, what you would be doing in all instances is using your equipment much more effectively — not wasting drivers, not wasting buses, not wasting space that's at a premium on the ferries.

I know the Minister will discuss the problems of crewing for the ships. I realize that this is a major problem to the Minister, but I think the government perhaps might try and develop a somewhat different policy towards crewing these ships in the summer. The big time for ferry usage is during the summer months when there are large numbers of students hunting for summer jobs. Indeed, now nearly every department of the government is coming up with funds for special student incentive programmes. I certainly want to compliment the government, Mr. Chairman, on that programme. I think it's absolutely excellent and it's certainly making it possible for students to work and contribute in the summer, rather than idle their time away.

What better area, Mr. Chairman, for employment of students than on the ferries during the summer? The students could easily run all of the dining room service, could easily run most of the services on the boats — the kiosks, the cleaning and so on. Naturally you're going to have to have experienced crews for the engine room and for the bridge and for supervision of the students, but by making use of our students during the summer hours, it should satisfy the crewing problems and then when the traffic falls

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off in the winter, the students are going back to school and you're able to provide permanent jobs for those that would form the ongoing skeleton crew. With a business that involves tremendous capital costs (as the ferries do) and is highly seasonal in the nature of its traffic (as the ferries are), then we must it seems to me, come up with the kind of flexible devices which allow for the operation of the ferries and the personnel employed by the system to expand tremendously during part of the year and then shrink again when the traffic clears off.

If we get ourselves tangled up in the kinds of union agreements that make this operation inflexible and, worse than that, expose the system to jeopardy during periods of high use in order to extract concessions that will extend

into slack periods, then we're creating nothing but a bureaucratic monster. I would like to hear the Minister tell us what moves he might be able to make to reintroduce some of the flexibility into our ferry system that will eliminate inexcusable interferences to services to the public and inefficiencies that dismay those of us who travel on the ferry system on a regular basis.

Now having made these criticisms about the bureaucratic system itself, I wouldn't want to leave the impression, Mr. Chairman, that I personally don't have the greatest admiration for the ferry crews and the kinds of service they give to the public in a personal way, for the excellent manner in which the ships themselves are maintained and run. The crews are extremely courteous and the ships are clean and obviously well-managed. I think that a great deal of credit should go to the workers themselves for the jobs that they are doing. I certainly have a tremendous admiration for them.

I have less admiration for the system, the management of the ferries and the direction of the union. That's a separate question and it's to that aspect that I'm addressing my remarks. Just let it be said that the people who actually provide the service deserve our highest compliments.

MR. WALLACE: Mr. Chairman, I thought the Minister would perhaps respond to these comments about the ferries, but if not at this point perhaps I'd like to add my comments.

I don't wholly agree with some of the points raised by the Liberal leader. But I think there's one point that should be looked at in this House very carefully. I'm sorry the Minister of Education (Hon. Mrs. Dailly) isn't here, because she's as guilty as this Minister of the same kind of insult to this Legislature.

We sat through the budget debate and we subsequently passed a piece of legislation allocating money to buy, or to construct, three ferries. And while we were debating whether it should be \$30 million or \$35 million or what millions it should be, this Minister was out the back door dealing with another country to buy another ferry, built in another country, providing no employment, no jobs, to this province. Then, when he's challenged in this House, he says: "Well, it was a crisis situation."

I think that's the most insulting thing that could be said to the Members of this House, when we know very well that there's a tremendous demand for passenger transportation across the waters every summer.

When we are debating in the normal, regular, courteous way in which this House should function that a certain amount of money was being approved by this House, and supposedly considered in a constructive and informed way as to whether or not \$35 million or \$32 million or \$40 million — or whatever the figure finished up being — was an adequate amount of money.... Then, lo and behold, two or three weeks later the Minister stands up in the House and says that he spent another \$20 million or \$18 million buying another ferry that we didn't hear anything about in the debate on the budget, or the special fund or the special allocation.

In the budget the Minister of Finance (Hon. Mr. Barrett) mentioned that because this was an extraordinary or an unusual sum of money it should not be included in the normal estimates of the Department of Transport and Communications. And this was a separate allocation of money for this purpose.

I just don't think that this House was told the whole story any more that it was told the whole story by the Minister of Education. And I'm sick and tired of sitting in this House through a budget debate and being told what moneys are supposed to be needed, what moneys are going to be spent. We debated for day after day.... In fact, we argue about the length of the debate. And the whole thing's a farce, because a week or two or three weeks later the Minister of Education gives the universities another \$5 million, which they much need; and then the school boards get another \$20-odd million.

We debate ferry budgets and the money needed to provide the ferry system. Then a week or two later another \$20 million has to be spent, for a crisis situation which anyone could foresee.

I just think that's it's about time that Ministers realize that we on this side of the House are entitled to a little more respect than that, when we have to discuss very large sums of taxpayers' money.

As far as the ferry system itself is concerned, I think that it is time we did recognize that it is an extension of the Trans-Canada Highway.

MR. P.C. ROLSTON (Dewdney): Tell the federal government that.

MR. WALLACE: You tell the federal government! You're in office. I'm here to tell you what you should

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be doing. That's the function of opposition: to point out what in our belief you're failing to do as government in the leadership of this province.

I am saying that the function of the ferry system is so vital to the Island that we are not making our voices heard loudly enough or clearly enough that, in fact, it is an extension of the Trans-Canada Highway.

However important tourism is to this province — and indeed it is — I still feel that it is absolutely shameful that the residents of Vancouver Island, who simply have to do business on the mainland through the summer months, have to be subjected to the long waits and the waste of time and the sheer exhaustion which is involved in trying to go on a business trip to Vancouver during the summer months.

I know that this issue has been raised before, and the attitude of this government is that there shall be no preference shown to Vancouver Island residents. I just want to make it very plain that I don't think that that's fair. I think it's about time that particular policy position was reviewed.

There are many people on this Island — and it doesn't really matter to them whether it's June, July, December or November — that have to travel back and forth on the ferries. The fact is that certainly we have to meet our responsibilities to tourists in the summer months — I agree with that. I realize that we have to expand the actual carrying capacity of the fleet. I am not disputing that at all. Mind you, I'm disputing the way in which some of the expansion has been carried out.

But as far as a greater respect and sense of responsibility to the people who live on Vancouver Island is concerned, I think that that should be a very high priority in the future planning of the policy of this government in relation to ferry service.

Another point which relates in the same way but not quite to so many people is the whole question of trying to provide better service for the handicapped who travel, on the ferries. I had some notes...and I think that the tremendous disadvantage to people travelling who are handicapped has not been taken into account. If you consider people in wheelchairs travelling by bus on the ferry, these people are literally trapped in the bus once they're on the ferry. I don't know of any particular consideration or facilities which are to be available to these people in the case of any kind of an emergency.

The cars are jammed so close together that when handicapped people get on the ferry, they have great difficulty getting out of their car. Particularly, again if the person is in a wheelchair, once they get in a bus or the car and they're on the ferry deck — the hold of the ferry — it is very difficult for them to get out.

One of the other points that has been brought to my attention is that the catwalks are only 16 to 20 inches across, which again is not enough for a wheelchair. And usually an adult wheelchair measures 24 inches or more.

The whole question of the spring-loaded doors on the washrooms is just another one of these rather simple things but a very important obstacle to a handicapped person. The size of the cubicles, of course, also can be a very real difficulty.

While I'm not suggesting that you can perhaps change what already exists on the old ferries, I'd just like to ask a very simple question on the planning of the two new ferries: could the Minister tell us, for example, of some of these very basic points in relation to handicapped travelers and wheelchair patients and some of these points that I've

tried to outline as being deficient in the existing ferries? Can we be assured that some consideration will be shown for the handicapped traveler in the designing of the new ferries?

The only other point I would like to mention at this time is that I would like the Minister to respond particularly on the ferry system. Maybe I should keep my comments on automobile insurance until later.

HON. MR. STRACHAN: Mr. Chairman, the Member for Oak Bay (Mr. Wallace) asked about provision of facilities for the handicapped in the design of the new ferries. I can assure him that we have had correspondence and meetings with the society that represents these people.

Every consideration will be given to the revision of facilities in the new ferries to meet their needs.

But I think the Members should know that even in the existing situation, there is no need for any handicapped person to have any problem of any kind. It's a standing rule that when they get to the wicket if they notify the individual there, they'll be pre-loaded before anyone else is loaded and the car will be placed in a position close to the elevator. They will be assisted so they just have to get out of their car and get into the elevator so they don't get trapped. That's all they have to do, and that's a standing rule.

You may recollect a letter which I sent to you last October about pre-loading. You may recollect that was included — that handicapped people would be pre-loaded. So we're doing the very best we can in that situation right now.

MR. WALLACE: That should be publicized to let the public know.

HON. MR. STRACHAN: Yes.

You raised the point of preference for Vancouver Island residents because they have to get off the Island. Let me tell you, I've given this serious consideration. Now what happens when the Vancouver Island resident is on the mainland and wants to get back when there are mainland residents who have to get to the capital of the province? Do the mainland residents then get preference coming

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this way?

MR. WALLACE: Yes, I would think so.

HON. MR. STRACHAN: You would think so. Well, you see how involved it becomes when you start to differentiate between who is who in the Province of British Columbia. I take the attitude, after serious consideration, that we're all taxpayers in this province and we have equal access to the facilities that the taxpayers have provided. There are people who must come to Vancouver Island, just as there are people from Vancouver Island who must go to the mainland. It's a very difficult situation. I know that won't satisfy everyone. But after serious consideration, that's the attitude I take.

With regard to the ferries as part of the Highways department, and not making our voices heard in Ottawa regarding the ferry system, well, I do wish that the Ministers involved in Ottawa were of the same opinion as you. I was at the meetings with Mr. Marchand, and just two weeks ago met with Mr. Stanbury, the Minister of Revenue. We definitely raised the whole matter of the ferries — assistance for the ferries, the failure of the federal government to accept its responsibility and make the same contribution to the ferry system of British Columbia that they make to ferry systems in Ontario, Quebec and eastern Canada. I took with me a stack of documents that high substantiating the position that British Columbia has taken. Now this is an ongoing fight — the previous administration had exactly the same difference of opinion.

MR. WALLACE: What excuse did they give, Bob? What did they say?

HON. MR. STRACHAN: It's an unbelievable situation. They say that it's a profit-making operation, you

see, therefore they can't provide any subsidy. Now, if it was a free ferry system, then they wouldn't tax us. They even make us pay federal sales tax on bunker oil and all the supplies for the ferries and the terminals. This is what we are seeing Stanbury about. He said it was a free ferry system, and he wouldn't pay the tax. Now you can imagine what would happen if it was a free ferry system. Every citizen in the province would have the right to go down and drive his car aboard on a Sunday afternoon, take a two-hour cruise and go back. The whole system would break down. That's why we must have a charge.

At one time A examined the possibility of removing all charges because it is part of the highway system, but you must have a charge as a deterrent, otherwise everybody would just go for a Sunday drive and take a cruise at the same time. The whole thing would just collapse because of the number of people. We're having a little trouble getting through to them now on both issues. But Mr. Marchand, the present Minister of Transportation.... I think and I hope that the next federal Minister of Transport is as understanding as he has been, because I think we're on the way to getting a recognition from him that there must be help to British Columbia in maintaining an adequate ferry system. But I can assure you our voice is being heard.

Your comments about Bill 7, which went through the House, and the \$35 million capital — you said it was an insult to the Legislature, That \$35 million is what we're going to require this year. The ferry hadn't been purchased at that time. We were looking for a ferry, certainly, but we didn't know that the ferry would be available. Why go through the whole process of debating, discussing, when we didn't even know whether we could find one?

MR. WALLACE: You knew you needed one.

HON. MR. STRACHAN: Oh, we knew we needed one. Oh, sure.

Interjection.

HON. MR. STRACHAN: Yes, it has to be a boat that meets certain specifications. There were other ships available that we wouldn't have touched with a 10-foot pole. But that was the reason it wasn't raised, because we didn't have it at the time. Once we had it, as quickly as possible I announced it in the House before I announced it anywhere else.

But there's no doubt about it, we'll be back next year asking you for more capital to continue with the ferry development programme.

MR. WALLACE: That's all we're asking; just tell us.

HON. MR. STRACHAN: I told you. I told you before I told the press or anyone else, as soon as it was available. Look, if we came to this House, and there's a bill here that something may happen, are we going to debate every "maybe" or "if" in the House.

MR. WALLACE: Oh, that's a pretty weak answer.

HON. MR. STRACHAN: No, no, no. That's a reasonable answer, and a reasonable man would accept that answer.

MR. WALLACE: You knew you were going to get a ship; you knew you were going to be spending another \$20 million.

HON. MR. STRACHAN: We did not know.

MR. WALLACE: You did....

HON. MR. STRACHAN: Had that ship not been available, there would have been no ship because there was no other ship available. Recognize that as a fact. Don't get off on your high horse as you were the only person

with any rectitude in this House.

MR. WALLACE: It's you that's on your high horse because your answers are so weak, that's why.

HON. MR. STRACHAN: No, no. It's not my answer that's weak, it's the receptivity of the individual. How do you like that? Come on now, display your knowledge.

MR. WALLACE: I don't understand all these big words; just stick to the facts.

HON. MR. STRACHAN: Come on, come on.

Anyway, that was the reason for that. There was no sense to reporting it because it hadn't happened. It might not have happened.

MR. WALLACE: Use another \$40 million.

HON. MR. STRACHAN: Now, the Member for Vancouver–Point Grey (Mr. McGeer) was surprised it was necessary to purchase a foreign ferry. I explained that, and he said "lack of planning." He may recollect that the first thing we had to do was examine the planning that had been done when we came into office. He will recollect that two of his colleagues, in our very first session, were insisting that the planning that had been done be re-examined or reversed.

AN HON. MEMBER: Don't shout.

HON. MR. STRACHAN: I'm not shouting, I just want to be sure you hear me. If you want me to shout, then I'll start shouting.

MR. WALLACE: Don't get him started, for goodness sakes.

HON. MR. STRACHAN: Come on, quiet your remarks and let's get to work.

That was the first thing we had to do, and two of your Liberal colleagues were demanding that the existing plans be re-examined and reversed. We did re-examine them and we did change some of the decisions. Then we had to proceed from there to the planning of what would happen. That's the reason we arrived at the situation, and it took that length of time — this lead time for the concept and everything else.

You raised the issue of Hawker-Siddeley. Now I have listened to demands and questions, from that Liberal group especially, about tenders. Did you call tenders? Did you call tenders? Did you call tenders? Why didn't you call tenders? And the Leader of the Opposition (Mr. Bennett) has harassed us or asked us: did you call tenders? Then we called tenders and accepted the lowest tender, they said, "why did you accept the lowest tender?"

MR. D.A. ANDERSON: You can tell us. It's a legitimate question, and requires an answer.

HON. MR. STRACHAN: In this case Hawker-Siddeley are not being driven out of the province. They supply the engines for a substantial number of existing ferries. There will be a place, a continuing place for Hawker-Siddeley in the Province of British Columbia.

If the Member is suggesting that we should not have allowed the propulsion unit to be part of the call for tender, then let him say so; say that he wants us to abandon the tender system and say, just tender for the hull, but we will buy a specific form of engine. If that's what he's suggesting, then let him say so.

Interjection

HON. MR. STRACHAN: Selective tender. If he wants a selective tendering system, let him say so. But we asked for tenders on the completed ship. The report came to us from the shipyard with a tender on the completed ship, including the engines. The specifications were written and we accepted the tender as it was supplied to us by

the shipyard.

I couldn't see any other way of doing it. There were nine separate submissions on the propulsion unit, from nine different companies. It was a fairly substantial order. I forget, it probably runs to \$8 or \$9 million. And the eight who didn't get it are all upset because they didn't get it. They're all giving all kinds of reasons — they want to introduce with the one or that one or somebody else to try and get it reversed. But these are the recommendations and the tenders as they came from the shipyard. And that is the way it should be when a tender is called for and presented.

MR. McGEER: You didn't answer my question.

HON. MR. STRACHAN: Yes I have.

MR. D.A. ANDERSON: Read the question as asked.

HON. MR. STRACHAN: That was your question?

MR. McGEER: You don't even know what the question was about — continuing service and content.

HON. MR. STRACHAN: Well, Hawker-Siddeley

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will have their place, and B.C. content.

MR. McGEER: Yes, Canadian service....

HON. MR. STRACHAN: How much B.C. content is there in the Hawker-Siddeley...?

MR. D.A. ANDERSON: In servicing.

MR. McGEER: At least they maintain service here.

HON. MR. STRACHAN: Well, yes, they maintain service. And I say that that business will still be here for the existing Hawker-Siddeley interests.

MR. McGEER: Was that part of the tender? That's my point.

What is the amount you expect to be made for service? The contract to turn the ferry over to you.... If there's no service, you're stuck....

HON. MR. STRACHAN: No, no. Well, I'm assured that the service will be available, and that's the way it should be. Anyway, we called for tenders and we accepted the tender. If we had gone some special route and given some special preference, you can imagine what would have been said in this House.

So let's accept the fact that we did the fair, square, to p-of-the-t able thing to accept the recommendation without any fooling around.

MR. McGEER: I'd have said "Good for you." That's what I would have said.

[Mr. Liden in the chair.]

HON. MR. STRACHAN: I can imagine. "Good for you." It wouldn't be very good for me.

Airlines operate their craft 24 hours a day and you say that perhaps we should operate ours 20 hours a day. Well, as a matter of fact, on route 2 — and you have to remember that it takes X number of hours to make a return trip on each side of the run and you have to return to your home port, and that has to be worked out — as a matter of

fact, route No. 2, the summer schedule, does use that ferry 18 1/2 hours.

MR. McGEER: What's route 2?

HON. MR. STRACHAN: That's Nanaimo to Horseshoe Bay. That ferry actually operates 18 1/2.... No, it's more than 18 1/2 hours; it's almost 21 hours.

MR. McGEER: What about Tsawwassen to Swartz Bay?

HON. MR. STRACHAN: No, it doesn't operate that long because you have a shorter shift, you see. They have a choice of either extending the ship length.... And let me tell you that the crews are not anxious to go on those 10-hour shifts or 12-hour shifts.

MR. McGEER: Let summer students do it.

HON. MR. STRACHAN: But then with summer students — I was going to come to that — you're faced with the lifeboat requirements and the lifeboat certificate requirements. You're faced with that question.

MR. McGEER: What are crash courses for? (Laughter)

HON. MR. STRACHAN: You try and get the DOT to accept crash courses. You can only get your lifeboat certificate by having spent a number of hours actually on a vessel on the water operating. That's the only way the DOT you grant a lifeboat certificate. That's one of the problems we face. But we do utilize students as travel counselors, and some of them do go to work in the dining rooms and so on. We do our best to use as many as we can of the summer students.

Buses — you suggest that the buses unload their passengers and the passengers walk aboard. We have an arrangement that has been fairly operative. There is the problem of older people. The other Member was mentioning older people. The question of older people walking aboard....

MR. McGEER: Get a jitney to drive them with the baggage.

HON. MR. STRACHAN: Well, we'll take a look at that. We'll take a look at that.

MR. D.A. ANDERSON (Victoria): Mr. Chairman, I'd like to ask a few questions of the Minister about the pricing policy for ICBC. In the Minister's statement regarding motorcycles he made a number of statements about costs of servicing and costs of accidents and he sent out a form letter, of which I have a copy here, to people who have written in on the motorcycle premium question.

In it he says: "Accidents involving motorcycles carry an extremely high risk," et cetera, et cetera. He talks of accidents: "...loss ratio averages and accident benefits ranging from 230 per cent to 292 per cent." That was in the years '70 to '72.

I don't know how he arrived at those figures because he keeps on telling us that the private companies didn't give him any information. Yet those were the years of private motorcycle insurance. However, he goes on to say: "Under our system of

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trying to provide insurance at cost, any favour shown to one group would have to be paid by another.

That is a direct quote from the Minister's letter.

HON. MR. STRACHAN: That's right.

MR. D.A. ANDERSON: Candidly, I think it's not a bad quote. My personal belief is that you're right. You

should have in your ICBC system each group paying the cost of the insurance that they have. In other words, the loss ratio average on accident benefits, to use the technical term that you've got in this letter, should be closely connected with the premium involved. I think you're right in stating that that should be the case.

In this letter, Mr. Minister, you go on to say: "It is our intention to provide insurance at cost." He says: "There have been anomalies in the past but it will take a year or two to overcome them and provide fair insurance to everyone at the cost and claims attributable currently to each group." Those again are direct quotes from your letter.

My question to you is this, and I've asked you this question before, once in the House after the Minister of Highways (Hon. Mr. Lea) challenged this approach that you've put forward in the letter. My question to you is this: are you seriously going to abide by your written words as sent out to many thousands of British Columbians of providing insurance at cost — related to the group that the people are in; related to the area that they are in; related to the type of vehicle they drive, be it automobile, motorcycle or whatever type of automobile or truck — or are you going to depart from that?

You've stated that it's your intention. You've stated that this is a firm thing of policy, and you've put it in writing and you signed your name to thousands of these letters. But we still have doubts because of the statements of the Minister of Highways, among others. I'd like you, Mr. Minister, if you could — just before I go on to other points I'd like to mention later in this debate — simply to get up and state what is the policy. Unless we have some clear policy guidelines, confusion obviously is going to be fairly substantial in this area. I wonder whether you could reply.

HON. MR. STRACHAN: Well, you mention the motorcycle pricing policy for ICBC. I think I indicated earlier, as you said, that we had arrived at our figures largely on data supplied by the private industry. The figures I'm using in that particular letter, as I recollect it — I'd have to check this.... But as I recollect it, they were the figures supplied to me by the motorcycle dealers association when they were meeting with me. That's my recollection of where those particular figures came from — the motorcycle dealers association themselves.

You asked about costs attributable to each group. You ask if I'm seriously going to provide insurance to each group territory and so on....

MR. D.A. ANDERSON: As stated by you.

HON. MR. STRACHAN: Yes, it's certainly my ideal expectation that we should provide insurance on the basis of the experience of each group.

MR. D.A. ANDERSON: The Minister has stated that he stands by his letter, but he's stated it in a very brief and not exactly convincing way. Are we going to get pricing? Are you really working towards it or are you saying to me now: "Well, that was a letter dealing with motorcycles." If your colleague, the Minister of Highways (Hon. Mr. Lea), succeeds in muscling a little more in the cabinet, is there going to be a change of policy? Or, indeed, if the Premier decides that he's going to give back or unveil this tremendous plan to save motorists the cost of that extra 8.8 cents a gallon, are we going to have a cut in insurance rates and thus have the whole principle of relating costs to benefits and to risk tossed out the window?

I don't know, where we're concerned, because when we ask questions of the government — and I asked you this question in the House not so long ago — we don't get clear answers. We have the Minister of Highways making contradictory statements — also, incidentally, making statements that he thinks the Minister of Transport and Communications' job should be merged with Highways.

Nevertheless we have these statements being made. We have the Premier indicating that there will be some other way of assisting the motorists. The most logical one from indications are that this will be by way of subsidies to ICBC insurance rates. We have the Premier again quoted in mid-January — January 18 of the *Sun* newspaper, page 17 — challenging the opposition leaders with respect to insurance.

He said there: "Let me warn every young driver under the age of 25 who has received a significant reduction

that if indeed this is the case" — in other words, private insurance comes back — "their rates will go back to the old punitive system." He goes on to say: "I challenge the leader of the Liberal Party," et cetera, et cetera. He said: "If the private companies are allowed to compete, they will cream the best part of the business and dump the bad risks on the government scheme, forcing it to increase the rate for younger drivers."

Well, I just find that a totally contradictory statement to the Minister's letter as sent out and to the Ministerial statements from this Minister. It's a curious thing, Mr. Chairman: here I'm entirely on the side of the Minister of Transport and Communications. This is not antagonistic

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questioning. I'm questioning him to try and find out whether he is able to protect a worthwhile and, I think, correct principle.

The principle of going into the automobile insurance industry we question, but once you're in it I think you should base your rates on costs and on risks depending on category.

The Minister, I think, has correctly stated that and put it in writing and has been fair enough on it. But what I fear is that he's got the Minister of Highways, who does not believe in that principle, according to reports of his public statements and we've got the Premier of the province, the Minister of Finance (Hon. Mr. Barrett), saying that the insurance rates are not being linked to risk and loss ratio averages on accident benefits.

He states flatly that the people who are bad risks are being subsidized at the present time by the good drivers. He says that's the best part of the business — dump the bad risks on the government scheme, forcing it to increase the rates for young drivers who, presumably in this instance, would be the ones who are bad risks.

Now, I'm asking you these questions in all seriousness because the principle of a government scheme charging correctly for the services it provides is an important principle and the Minister of Transportation and Communications has correctly identified himself with that principle. However, we have the Premier, and we have the Minister of Highways (Hon. Mr. Lea) and we have others identifying themselves with a totally contradictory principle which is, I think, unfortunate.

So my question to the Minister, my second intervention in this debate, my second set of questions for the Minister comes up because I didn't think he really did identify himself very well or definitely with his previous statement and with his letters which he sent out.

I think, indeed, that it indicated that his policy is pretty soon going to go down the drain.

I'm frightened about that because I think the last thing we want to see in B.C. Is the tens and the hundreds of millions of dollars involved in insurance being simply used to aid one group against another and this being used, as was suggested by the Premier on January 18 during an election campaign, being used strictly to buy votes in one area or another at the expense of good drivers in other categories.

So I just hope the Minister will get up and indicate to us whether he's got firm cabinet backing for the statements that he made himself, for the policy which he is totally identified with, and which I think is the correct one — I appreciate the fact that he's identified with it — which is that loss ratio averages on active benefits should be in a close relationship with the person or people involved in the category of insurance.

Now, I would like him to make a categorical statement in this regard. Whether or not he is winning the battle, or whether we are soon to see this policy down the drain and the entire insurance premium question going into the type of political arena that has been indicated by the Premier during the North Vancouver-Capilano by-election campaign.

I think that public insurance, as you know, Mr. Minister, should be competing with private. I'm not against public insurance, your insurance scheme, providing there is competition and scope for private companies to compete.

But the only basis that there can be fair competition is, of course, when the categories are properly defined and when you have **insurance** related to cost and you do not have subsidies based on the government's monopolistic position.

Now I fear that you are losing your battle and that the policy with which you are identified is going down the spout.

I would just like you to speak once more on this, because if you are holding your own, and if you are succeeding in winning this battle, well, more power to you. You'll get applause from this part of the opposition. But if you are not, I think people should know it.

HON. MR. STRACHAN: In his wind-up remarks the Leader of the Liberal Party (Mr. D.A. Anderson) talked about public insurance should be competitive with private.

MR. D.A. ANDERSON: Public should compete with private.

HON. MR. STRACHAN: Yes. Or private competing with public. Well, in a recent issue of a trade magazine called *The Canadian Underwriter*, in an article by one of the professionals, the president of the Canadian Indemnity Company, in which he examines the situation in the insurance market today, he talks about the captive companies where huge blocks of businesses are disappearing into these captive companies, private companies in today's market. Then he finishes up by saying, he talks about the price wars that are going on right now, and he says that his company will not be participating but they'll be watching from the sidelines, because there is a crazy price-cutting situation going on now in the private insurance field.

But he says "you are going to see a lot of the huge U.S. companies with substantial reductions in their surpluses, and this is going to make them hurt and make us happier because perhaps we are not then going to be confronted with stupid competition that gets us all nowhere except further and further down the drain."

The president of the Canadian Indemnity

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Company — this stupid competition that gets them further and further down the drain. They don't want competition.

MR. D.A. ANDERSON: That's not relevant to the point I am making.

HON. MR. STRACHAN: Not relevant? You just said public should be competing with private, and they say stupid competition that gets them further and further down the drain. Incidentally, there's an article by Judge Hamilton here too that I'll quote to you at some appropriate time.

You talked about the rate service and what I said in that letter. I want to tell you right now that the rating structure that has been in the past in British Columbia has not been on a rational basis that is acceptable to me, nor acceptable to this government. Because it was the kind of jungle in which the private industry operated that actually had no relation to the individual. And if you watched me on the Jack Wasserman "Hourglass" about six months ago, I said...

MR. D.A. ANDERSON: I never saw it. I never watch it.

HON. MR. STRACHAN: ...the ideal and the ideal towards which we must work and towards which I'm going to work is so that no matter where an individual lives in the Province of British Columbia, if he's driving the same car, with the same driving record, he pays the same price. That's the objective and that's the only fair objective of any insurance corporation. That's the only way you can be fair — when you rate according to the individual.

AN HON. MEMBER: You've made your point.

HON. MR. STRACHAN: So if he drives the same car, with the same driving record, he should pay the same rate.

MR. BENNETT: In all areas of the province?

HON. MR. STRACHAN: Absolutely. I said that months and months ago, last year, that that was the idea. That's the ideal. That is rating the individual according to his accident record. And that's the way. Certainly, I know, that can't happen overnight, but that certainly has to be the objective of any rational insurance system.

Their rational system took territories, for instance. If you were living in the middle of a community in the Fraser Valley, in this territory you paid so much. In the same town on the other side of the territory you pay so much more. That's rational? That's rational rating? Not on your life, it isn't. Driving in the same town, but the line was drawn right down the middle of that community.

Now that kind of thing is nonsense, and that's the sort of thing that has to be put an end to, and as I say, as far as I am concerned we work towards a rational rating system for the Province of British Columbia.

MR. D.A. ANDERSON: Mr. Chairman, the Minister's replies were interesting. He talked about the stupid competition of certain U.S. companies, probably in the States. But fair enough, price wars may be stupid. No one argues the point with him. He again raises the straw man that he attacks, and has to read out another article, find new people, but that's not the question raised in the House.

He may well be correct, that there can be changes in territories and there can be changes in categories to make it more rational. Who would object to that? Nobody in this House. Once again it is a phony issue.

But the people in Victoria, in my constituency, who may well have a clean driving record, exactly the same clean driving record as a person in Vancouver driving the same car, nevertheless have less risk of accidents. I'm interested to hear that our rates are going to have to go up to subsidize greater risk areas such as Vancouver.

This is not the case of a line down the centre of a community, it's a case, as you know, of the Gulf of Georgia between us, and for reasons which are unknown to me and unknown perhaps to the Minister as well, the driving, the accident records are different.

Now the person who has never had an accident presumably they can be assured from your statement that they are never going to have to pay a premium, because after all if they don't have any accidents there's no risk, on what you said. Now that's obviously wrong because people, even though they have clean driving records, have chances of having accidents and that's what the whole question of automobile insurance is all about.

But I'm interested that you have departed totally from the concept of regional adjustments for drivers and categories based upon the different risk factors...

HON. MR. STRACHAN: We did that last year.

MR. D.A. ANDERSON: ...in different parts of the province, because by so doing you're going to substantially alter — in some areas decrease, in other areas increase — insurance rates, and that's the type of thing we'd like to get clearly defined in this debate.

I believe I come from an area where insurance rates are lower than in many other parts of the province for people who drive the same car and have an identical driving record. They are lower, perhaps

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because we have fewer bridges than you do in Vancouver, perhaps because there are fewer people driving on the roads, perhaps because the age of the drivers is different.

I don't know precisely what the reasons are, but the accident record is different in different sectors of the province. The Minister, who comes from the middle of the Island, knows as well as I do that there is a difference between accident rates up there and accident rates south of the Malahat.

What I'm really asking the Minister to say, and I guess I've got my answer, is whether or not we are still going to enjoy the advantage — if you would like to call it that — of having our insurance rates in our area linked to our risks in our area. According to the Minister's latest statement I take it that we are not, that we can expect substantial increases in insurance in areas of the province where risks up to now have been lower because of geographic considerations and perhaps weather considerations and that in future we will be paying more.

I don't like it because I feel that one should, as far as possible, pay for the true risk that one has to bear. I think that is the fair way of having insurance. To wipe it out on the basis simply of the same car and the same driver in different regions is obviously not basing it on true risk, which also has to take into account not only vehicle, not only driver, not only age group and record, but also weather conditions in the general area of vehicle operation, risks in that area and past accident experience.

I personally believe that the statement that you have made is contradictory to the letter you sent out and the quotes that I have put forward. I fear that the Premier's remark back in January indicated that we are not only going to have equal and fair insurance rates across the province but we are going to have substantial subsidies paid by many drivers — probably half — in this province to assist the other half, whether they be younger, whether they live elsewhere, or whatever.

Coming from an area where accident rates are not as great as in some other parts of the province, I don't think it is fair that our people should pay for other risks of other people in an unfair manner.

HON. MR. STRACHAN: Mr. Chairman, first of all, what I indicated to the Member was that I felt the same individual or any individual driving records should be able.... **What you're suggesting is — and I told you this is our ideal — that a man in Vancouver who has been driving a car for 40 years without ever a claim on any insurance of any kind, without ever having been in an accident, should pay more than the man in Victoria perhaps who has been driving for 10 years.**

MR. D.A. ANDERSON: No.

HON. MR. STRACHAN: That's what you're saying. Or even for 40 years. You're saying that the man in Vancouver should pay more than the man in Victoria. I say that is a wrong ideal.

MR. D.A. ANDERSON: Now you're changing it around. Stick to the same driver with the same car.

HON. MR. STRACHAN: All right, the same car with the same driving record.

MR. D.A. ANDERSON: That's right. And a different risk level.

HON. MR. STRACHAN: Oh, no. Just a minute. That man, in both cases, has an absolutely clean licence and has never been in an accident of any kind. You're saying that in Vancouver he should pay more.

MR. D.A. ANDERSON: Because his risks are higher there.

HON. MR. STRACHAN: But he hasn't had an accident.

MR. D.A. ANDERSON: His risks are not necessarily related to his driving record.

HON. MR. STRACHAN: Okay. That's the area and that's the idea under which the driver companies have operated. I say the ideal must be to treat a person the same in one part of the province as in another. That must be the ideal. That must be the objective.

MR. D.M. PHILLIPS (South Peace River): I was very interested indeed to hear the remarks of the parochial Member for Victoria speaking on behalf of the Liberal Party. That's the reason they will never be government in this province. That's the reason why they've never been government. It's because they've got tunnel vision, Mr. Chairman! They speak for the elitists in the urban riding of Vancouver–Point Grey. But I want to tell you that this opposition speaks for all of the motorists in this province.

Mr. Chairman, I want to put forth just a few little arguments for a postage-stamp rate which the Minister is talking about. We should have a postage stamp rate for insurance in this province — absolutely. I want to tell you that it is the policy of this opposition to have a postage stamp rate in this province. Too long, too long....

HON. W.L. HARTLEY (Minister of Public Works): Twenty years too long!

MR. PHILLIPS: For too long have the people who developed the hinterland, who developed the north

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land, who developed the riches of this province so that the people in Vancouver and Victoria could live off the fat land — for too long these motorists and these people have been ripped off! It is now 1974 and we now have a government-run insurance.

HON. G.R. LEA (Minister of Highways): Higher risks for the Union Club!

MR. PHILLIPS: I want to tell you, Mr. Chairman, it may well be true that there is a greater percentage of insurance paid out in the northern part of the province and in the northern part of Vancouver. I would like, just for a moment, to explore some of the reasons why.

First, in those areas people have to predominantly drive heavier and larger vehicles. They have to drive heavier and larger and more costly vehicles because of (1) the terrain, (2) the road conditions, and (3) the number of miles and the length of distance they have to drive heavier vehicles, if the roads aren't as good as they are in the lower mainland, and if they have to drive further, there is naturally going to be a higher risk of having an accident.

Secondly, Mr. Chairman, when I'm talking about road conditions, I don't know how far the Member for Victoria has driven on an icy road or in a snow storm. But that becomes part of your everyday life if you live in the northern part of the province. I'll tell you in the spring of the year the best drivers in all of Canada live in the northern part of the province because they are used to not being able to stop, they are used to icy conditions, they are used to driving in snow storms — and that is a higher risk factor.

Should these people who live in that area be penalized?

MR. ROLSTON: No!

MR. PHILLIPS: No, they certainly should not. That's why we should have a postage-stamp rate for insurance in this province where the same vehicle and the same driving record has the same insurance rate, whether he lives in Fort Nelson, Powell River, Port Alberni or anywhere outside of this area.

MR. ROLSTON: Right on!

MR. PHILLIPS: These people live there and, as I say, they put up with a lot of conditions that the Member for Victoria (Mr. D.A. Anderson) has never seen or heard tell of and probably wouldn't believe if he did see it.

I'm not sure, but it may be, Mr. Chairman, as the gentleman from the insurance industry we had recently stated, that insurance rates had to be higher in the northern part of the province because of cost of repairing automobiles was higher. Well, your labour rate is basically the same. It certainly costs more to operate a body shop — particularly in the north — because you have ice and mud and snow and you also have heating conditions in the winter. So there are these costs. But if you are paying the same labour rate then why should the costs be any higher? It may have something to do with transportation of the parts into that area that increases the cost, but I don't think that is passed on, mainly because unless it is an emergency the freight is prepaid on parts anywhere in Canada.

As I say, Mr. Chairman, we have now a government-operated scheme and I see no reason why we shouldn't have postage stamp rates the same as we have in hydro. I could bring up the same argument that the Member for Victoria brought up — that we should have lower hydro up there in the Peace River area because we produce hydro up there and it is costly to bring hydro here to Victoria. Therefore should I stand up here and be parochial and say

that the good people in Victoria should pay 20 or 30 per cent more for their hydro than we do in the north where we are within 60 miles of where the greatest hydro project of all of the free world is? No, I'm not going to be parochial like that.

Mr. Chairman, I saw large ads in the *Vancouver Province* and *The Vancouver Sun* saying: "This is your company." All right, if this is my company, I'm telling the manager now — I'm having a directors' meeting — to inaugurate postage-stamp rates so that those great people in the northern part of this province are not going to be ripped off by having to pay excessive insurance rates to drive their vehicles, which they are compelled to drive to open up the great northern part of this province for the benefit of all of the citizens down here in the lower mainland so they can live off the fat of the land from the resources and the work of those great pioneering people in the great north country!

MRS. P.J. JORDAN (North Okanagan): I just couldn't resist joining this part of the debate where the Minister has so eloquently declared his intentions to be fair to everyone, to be fair in all his dealings with government, in all his dealing with the constituencies and, of course, in all his dealing with ICBC. I'm sure that his sentiments are reflected in the attitude of all the Members of this government.

There are a number of things I'd like to discuss in detail regarding his multiple-faceted portfolio and responsibilities but I'll save those to later in the debate as a lot of them reflect directly the concerns of the people in our constituency, the constituency I represent.

Although I will bring up one point, Mr. Minister, because it needs your attention right away, through you, Mr. Chairman. I have been endeavouring to get ICBC's public love office in Vancouver, and the lines

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are so busy you can't get through. But in Vernon there is a man who had, to all intents and purposes, what we believe is sugar put in his gas tank. Naturally, he took his car to the service station, they examined it and felt this was the case. He called in an ICBC adjuster who went over very kindly and very promptly, he looked at the car and he stood on one foot then he stood on the other foot, then he looked at the car again, then he stood on one foot then stood on the other foot. And Mr. Minister, he said, "Well, perhaps you should examine the situation and we'll have a look at it." So with this good faith expressed from ICBC, and the adjuster standing on one foot then the other foot — by this time he was on one cheek then the other cheek in his office — the service station dismantled what was necessary in the car to examine what had happened. This was a reasonably costly procedure. They said, yes, they felt that there had been sugar put in the gas tank, or some similar substance.

So they called the adjuster, and he was then on one cheek and then the other cheek, and he said, "Well, I don't know, I think what we better do is have this analyzed for proof." So eventually we called in the regional representative from ICBC from Kelowna, who's then going to give permission to have this analyzed so ICBC can decide whether or not this man is entitled to ICBC coverage.

Now, I don't condemn ICBC for taking a realistic, a proper attitude in any of its adjusting procedures. What I object to, Mr. Minister, is that this has been going on for nearly a month. During this time, this gentleman has been without a car, so the service station has had a car in its limited facilities for this period of time. They've put considerable work in dismantling the necessary parts to examine the situation, which ICBC suggested they do, without any commitment of payment. The man is without his car; he's got plenty of headaches, and we're now to the point, nearly a month later, where we now are going to have it all officially analyzed on a chemical basis.

This is just one instance, Mr. Minister, that I'm right on today. As I say, I can't get through to your office, perhaps you will get through. I'll be glad to give you the names after, I don't want to mention them on the floor of the House.

But this sort of thing is going on in many areas, we've had a number in ours. If you've got people in the field, give them the authority to act, give them the authority to make a decision. But I fear this is not going to be done and this is just a forerunner of what happens in government businesses all over the world, where inefficiencies,

stumbling blocks, red tape and bureaucracy all are the output of a beautifully designed picture. And the one guy who suffers is the little guy. In this instance, a man who's without his car — he needs his car — and a little service station which I hope sends you a ruddy great bill — and that was "ruddy" for the benefit of Hansard — for the rental space that this car's occupied.

To come back to the previous debate, in terms of fairness, I have another instance that I would like to bring to the Minister's attention. I'll have to give you a little background material because it does involve the Minister's approach to fairness, and the government's approach to fairness.

Just before going into it, I would like to again plead before this Minister, as I did under another department's estimates. When you're talking about fairness for all the people, in terms of rates, in British Columbia.... that's certainly a strong Social Credit policy, it has been in the past; as were one of the first in North America to ever introduce postage stamp rates for power. We've done it; we've proved our intentions, Mr. Minister. Why don't you do it and prove your good intentions and your willingness to act rather than to talk?

What about the position of ICBC within itself in British Columbia? Is that fair? Your words ring a little hollow, Mr. Minister, when you stand up in this House and talk about fairness and equality for everyone, and the record of the government so far is preferential treatment in the timber industry, squeezing out the big-game guides. Your own Member for Omineca (Mr. Kelly) got up and pleaded for a non-oppressive government competition in this business.

In your business, the estimates that we're debating at this moment, Mr. Minister, you've created a corporation in a sledge hammer way. You've put individual people out of business. You undertook business practices at the corporate level which, if they had been done by any other company in British Columbia, you would have been the first to stand on your feet and condemn. And if it done now by any other corporation in British Columbia, this government would be the first to condemn. But what about the consumer, Mr. Chairman? Why does the public not have the same protection from ICBC, a government corporation, that the consumer has the right to expect from other business enterprises in British Columbia?

HON. MR. STRACHAN: What was the question?

MRS. JORDAN: The question is: why doesn't the public, the consumer in British Columbia have the right to expect the same degree of public disclosure, honest business practices, open marketplace, integrity in the marketplace, and the same right of access to the courts, should they be offended, and the same rights under any consumer legislation in British Columbia in dealing with ICBC as they expect from any other enterprise that is not affiliated with government in British Columbia?

In other words, will you see that ICBC complies

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with all consumer protection legislation in British Columbia, all disclosure regulations, and all regulations that effect fair practices in the marketplace and responsible business action.

Mr. Minister, you were somewhat instrumental in the development, in an indirect way, of an advertising company in British Columbia, which I'd like to refer to. This Minister in himself has been a strong champion of fairness, both in opposition and here. We now find a situation in British Columbia where the government is deeply involved and this Minister's department is involved. To give you some background, Mr. Chairman, I think it would be best if I relate to the House the problem in it entirely, it's not a long one, as related to me by an individual whose word I have no reason to doubt.

It involves the area of Comox, and it involves a number of publications — more largely the *Comox District Free Press* and another publication, *The Comox Valley Star*, both of which this Minister advertises in. It's in relation to this advertising that I wish to relate this story and also ask the Minister's position.

The background is that in May of last year, this company, which is basically the *Comox District Free Press*, became involved in a dispute between the International Typographical Union and 13 of their own employees. The company found itself caught in the middle, the company that this Minister deals with in his advertising.

The dispute basically arose out of the employees applying for decertification and the union subsequently expelling these workers and demanding that the company fire all 13 and replace them with ITU members.

During this dispute, the company asked that the matter be put through proper grievance channels, and if not resolved, then go to arbitration. This request Mr. Minister, at this time, there was considerable work disruption and some near violence in the plant that I'm referring to. But near the end of May, 1973, the employees, through their solicitor, obtained a supreme court injunction against the union and the company, which prevents either from causing these employees to be discharged — either the union, the ITU or the company.

The court trial, Mr. Chairman, is still pending in regard to this matter. But from that time on, this company, *Comox Free Press*, has been picketed by the ITU as having locked out the employees.

Mr. Chairman, I think you'll see this is important to the advertisements that are being placed by this Minister.

MR. CHAIRMAN: I would just caution the Hon. Member that if it's a matter before the courts, I would remind her of the rule....

MRS. JORDAN: No, I'm not going into the dispute at all in that matter. I appreciate your caution.

MR. CHAIRMAN: I would also ask the Hon. Member to relate her remarks to the Minister's responsibilities.

MRS. JORDAN: Yes. Well the Minister has been advertising in these areas and this is where the whole question comes in.

MR. CHAIRMAN: Order, please! The mere fact that the Minister's advertising in the paper doesn't bring it under his jurisdiction. I would just ask the Hon. Member to relate this matter to his direct responsibility:

MRS. JORDAN: I would assume, Mr. Chairman — and I seek your guidance in this — that any involvement of ICBC spending money which is under this Minister's jurisdiction would relate to his salary vote and that any policy that's practised by ICBC would be a matter which this Minister would wish to enlighten the House about.

MR. CHAIRMAN: Order, please! The only way in which the matter would be relevant would be if the dispute in some way affected was the result of the Minister's involvement.

MRS. JORDAN: I really don't want to dwell on the dispute, Mr. Chairman, except the one point that has been made. I'll try and continue, Mr. Chairman.

In November, 1973, a new publication, the *Comox Valley Star*, appeared on our district. It was funded by the ITU and I have the minutes of the ITU meeting here which verify this. This meeting took place on September 29, 1973, at the Steelworkers' Hall at 33 East Broadway, Vancouver. It was at 3:45 p.m. and there were 42 members in attendance.

HON. MR. STRACHAN: On a point of order, Mr. Chairman, I think the Member must relate this very, very quickly to my....

MRS. JORDAN: Your department was involved in strike breaking and you are the Minister responsible for it!

MR. CHAIRMAN: Order, please!

HON. MR. STRACHAN: I didn't have any meetings with ICU in Comox!

MRS. JORDAN: Your government was involved in advertising to a disproportionate degree into a paper that was strike breaking!

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MR. CHAIRMAN: Order!

HON. MR. STRACHAN: Oh, come on!

MRS. JORDAN: Mr. Minister, you won't even listen so obviously I've hit the nail on the head and you want this covered up! Why don't you listen to the story? Yes, Mr. Chairman.

HON. MR. STRACHAN: She goes on for half an hour about something that has nothing whatever to do with this vote!

MR. CHAIRMAN: Order! On the point of order, when a point of order is made by an Hon. Member then it's the responsibility of the Chair to deal with the point of order immediately and no other Member may interrupt. Now, the point of order is well taken in the respect that it is important that any Hon. Member raising a matter which does not appear *prima facie* to be relevant to a matter should establish the relevance fairly quickly in a reasonable way. I would ask the Hon. Member to proceed but to establish the relevance to the Minister's responsibility as quickly as possible.

MRS. JORDAN: Thank you, Mr. Chairman. I appreciate your ruling.

Mr. Chairman, the point is that the Minister is advertising in a paper that was financed during a strike by union funds — \$12,000 cash — through a Mr. Harry Harris, who was a staunch NDP member and runner-up as the party's candidate in the last election. From the outset this publication, which is being financed by ITU funds, voted on by 42 members including the executive, and which was brought to light during a legitimate procedure between union and management in the courts, is being heavily subsidized by this government through advertising, including this Minister's vote and under his, I presume, jurisdiction.

Mr. Chairman, this paper has done very, very poorly in competition within the *Comox District Free Press* circulation area from local advertising. It would not survive, according to these people, without these government subsidies. I bring to your attention the disparity and I would ask the Minister, in relation to this, what his priority and his criteria are for placing advertising. Is it the circulation of the paper? Is it the subscription of the paper? Is it the umbilical cord of the paper that goes to this party and this government, this department and Dunskey Advertising? Is this the pipeline with indirect and direct taxpayers' funds into that constituency that you hope to save that radical Member with?

SOME HON. MEMBERS: Oh, oh!

MRS. JORDAN: My, the duckies are quacking now. The duckies are quacking now! We're really getting onto the sore toes, aren't we?

On Wednesday, April 24, 1974, in *The Parksville-Qualicum Beach Progress*: a half page of department advertising of Education, page 3; a half a page Education, page 9; a half page Labour, page 8; and some ICBC ads running intervening. But the *Comox District Free Press* on Wednesday, April 24, which has a circulation of 50 pages, had only half a page of Royal Commission on Family Law; half a page of Department of Education; half a page of Department of Education — two half pages of Department of Education in one day. But the *Comox Valley Star*, which is the paper in question, which really puts this government in a position of strike breaking and developing an umbilical cord into a constituency by all appearances and by this man's suggestion, and which is a much smaller paper, has a quarter page Royal Commission on Family Law; half a page Department of Labour; half a page of Department of Education. It's got more government advertising per circulation than any other paper.

MR. CHAIRMAN: Order!

HON. MR. STRACHAN: You're bonkers! You're really bonkers!

MRS. JORDAN: Well, that's a better term than what they're calling you.

HON. MR. STRACHAN: Order, please! I would just point out to the Hon. Member that you must confine your remarks to the strict responsibility of this Minister when you're dealing with this vote and not involve other departments.

MRS. JORDAN: Thank you, Mr. Chairman. What is concerning these people is that a Minister who himself came from the labour ranks, the working ranks, who stood up in this House as late as 10 minutes ago and talked about fairness, talked about equality and talked about responsible use of government funds and called me a...what did you call me?

HON. MR. STRACHAN: Bonkers.

MRS. JORDAN: Bonkers. Well he sets himself up as a pillar of the corporate image, a pillar of corporate integrity. In fact, if you look all down the line, Mr. Chairman, and if you had a bow and arrow, he'd bleed to death because he simply doesn't qualify. The case that I'm talking about now proves how far this government will go to try and protect its image, to try and protect its Members. Really, Mr. Chairman, to see this Minister abuse public funds this way, I think

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is not only a terrible shame, but it's a tremendous disappointment to many people who have known him for a long time.

Mr. Chairman, right now Dunskey Advertising, which this Minister was instrumental in attracting to British Columbia — that neophyte little advertising company, that long bred company developed by British Columbians for British Columbians, brought to British Columbia just before the last election through the auspices of this Minister, and which in fact was given its financial foundation, LIP, through the advertising placed by this Minister in his previous portfolio and his current portfolio.... Through this pipeline, through this umbilical cord, Dunskey Advertising is now seeing, according to this gentleman, that the advertising from the Department of Labour and from the ICBC is being cut down not from just its disproportionate level, but even more in the future. This, even though this paper has a circulation under the category of ABC of nearly 8,000 people, that has been in business, that is registered in the honesty sheet of the *News World*, the community newspaper, that this publication, the community newspaper, came out long after the *Comox Valley Star* was born and the *Comox Valley Star* did not see fit to list itself as an official publication and one wonders why.

In spite of all this, there's continuing evidence, as this gentleman says, of political strings being pulled to establish an NDP house organ for this constituency through the *Star*. It graphically shows, according to this gentleman, that the NDP are in bed with the various international unions.

Under this vote, I suggest to this Minister that he must cease and desist now using public funds for political purposes. Mention was made by my colleague yesterday of the type of ads that were running — not information ads in the majority, Mr. Chairman, but public relation ads to sell ICBC to the point of ramming it down the throats of people in British Columbia. That this Minister should stand up in this House and say to his own government and to his own department they should not involve themselves in strike breaking, they should cut off this umbilical cord that is a product of an illegal marriage — an illegitimate marriage, I'd like to correct that, Mr. Chairman — and that he will have no more to do with this type of preferential treatment, this type of what appears to be political patronage.

Mr. Chairman, let's hear the Minister talk about fairness and equality and equal opportunity. But more importantly, let's see this Minister practise it. I can see that he can hardly wait to get up out of his chair — hardly

wait to stand up and rant and rave and wave his arms, as we see so often.

As I said, it's a wonderful thing to see all the boys here. It's nice to have a day off to attend the circus and see the ringmaster at his best. But I would urge you to pay heed to this type of information that is coming forth in British Columbia. Protect your Minister; don't let him get into the pickle juice the way he has a habit of doing himself.

But above all, protect the rights of the people of British Columbia. Give the consumer fair treatment from Crown corporations and from Crown business enterprises — particularly ICBC. Don't be part of a government that's setting up two standards, one for its business operations and one for the public, and using the public's money to do it.

Just as a last note, Mr. Chairman, I would like to state at this time.... and I hope that somewhere through this debate the media and I don't ask many favours of them — would pick it up. There has been a good deal of criticism of ICBC. It has been very justified, in my opinion, in the main.

But at no time, other than at any specific instance where an individual has been named, it is my belief, has anyone in this House, regardless of party, or any of the public wished to detract from the employees of ICBC. We recognize that they have put in many, many hours. And we recognize that in their own terms they were employed to do a job and they have tried to be loyal to that job, regardless of any political affiliations they might have.

Is the Minister of Highways hungry? Because I think the Minister of Lands, Forests and Water Resources (Hon. R.A. Williams) has a nursing bottle if you'd like it.

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

MRS. JORDAN: But I would like to say at this time that certainly my reception at ICBC has always been most courteous. The employees have tried very hard to meet the needs, within the policies that they have to work with, of the constituents that I have to represent, or any problems I've taken. I'd like to pay tribute to them.

I won't end it on a political note and say what I'd like to say, because in expressing this I feel I do express the opinion of all Members in the House. Our criticism is with the haste in which the company was born and the ensuing problems that it's created for its own employees. Our criticism is of the way in which the government has tried to sell this company, saying that it's like the Bank of British Columbia.

No way is it like the Bank of British Columbia. The Bank of British Columbia is competitive. People support it because they believe in British Columbia — because they had the freedom to believe in it, and the freedom to support it. They weren't told they had to. And they support it because they can see it as a fair and proper part of the development of British Columbia.

If the Minister wanted ICBC to be something we as

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British Columbians of all party faith could be proud of, then he shouldn't have taken the tack he did. He shouldn't ram this propaganda advertising down our throats. And he should tend to the very serious concerns that ICBC is causing in matters that my colleagues have mentioned: the lack of payment to auto body shops, the unequal and often discriminatory treatment of individuals in British Columbia.

HON. MR. STRACHAN: Mr. Chairman, I'm not going to talk about umbilical cords, illegitimate marriages....

Interjections.

HON. MR. STRACHAN: I don't know what an umbilical cord is, and I don't know what an illegitimate marriage is.

MRS. JORDAN: Why don't you tell us the facts?

HON. MR. STRACHAN: Mr. Chairman, really, I've heard a great deal in this House in my short time here, but that was really a little much. I thought it was ladled out with....

MRS. JORDAN: Which part was that?

HON. MR. STRACHAN: The whole thing. (Laughter.)

MRS. JORDAN: It shows how you can't face the truth.

HON. MR. STRACHAN: Really, I don't know whether I should just sit down and say forget it, or whether to try to reply in a rational manner to what was a completely irrational statement in this House.

MR. WALLACE: Do the best you can, Bob.

HON. MR. STRACHAN: Lack of payment to the body shops.

MRS. JORDAN: My main point was....

HON. MR. STRACHAN: Let me tell it — no, no, just a minute. Lack of payment of body shops. As of three days ago every claim by a body shop was paid right up to date.

MRS. JORDAN: How long did they have to wait?

HON. MR. STRACHAN: Some of the.... It's a new operation. Some of the body shops save all their bills to the end of the month and then send them in.

Do you know some of the body shops whom we have paid right up to date? And you talk about the efficiency of the private operation! Some of the body shops who we've paid right up to date are still waiting for payment from a private insurance company for bills of last year. For bills of last year — and we have paid right up to date! Don't talk to me about how efficient private industry is.

MR. CHAIRMAN: The Hon. Member on a point of order.

MRS. JORDAN: If the Hon. Minister could control his blood pressure and his inadequacies....

MR. CHAIRMAN: Order, please! Would the Hon. Member state her point of order?

MRS. JORDAN: I would just draw to his attention that I talked about fairness in the marketplace. I didn't champion anything about the private sector. I suggested that his companies should operate under the same rules.

MR. CHAIRMAN: Order, please. Order please! The Hon. Member was making a correction. Would the Hon. Minister continue?

HON. MR. STRACHAN: We are doing a much better job in the way of paying her bills than the private insurance companies have done so far.

Now you talk about advertising. I want to point out to you again that these ads were for public information and public convenience.

MRS. JORDAN: Oooohhhh!

HON. MR. STRACHAN: But I want you to notice one thing. I want you to make a comparison of the kind of ads that we used to get in this province when you were sitting on this side of the House. Every ad that was placed contained a picture of the Minister and his name and all the rest of it. I challenge you to find my name in any of those ads. I challenge you to find my name in any of those ads.

MRS. JORDAN: How about Eileen Dailly and Gary Lauk?

HON. MR. STRACHAN: No, no. I am responsible for ICBC and you are talking about the ICBC ads. I challenge you to find my name or my picture on any of those ads.

MRS. JORDAN: Is that public information or propaganda?

HON. MR. STRACHAN: That's carrying truth to the people of this province. That's carrying truth to the people of this province! Because you tried to mislead them....

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MRS. JORDAN: You mean that it if isn't true, you believe it's true.

HON. MR. STRACHAN: And I answered questions in this House....

AN HON. MEMBER: When? When?

MR. GARDOM: You haven't answered questions since last September.

HON. MR. STRACHAN: Do you want me to go through all the questions I've answered in the House one by one? Do you want me to go through them?

Interjections.

HON. MR. STRACHAN: There are the questions I've answered. But, Mr. Chairman....

Interjections.

MR. CHAIRMAN: Order, please. Order, please!

HON. MR. STRACHAN: There were ads where we had to carry the truth to the people because of the fact that the opposition had been trying to mislead the people. And then....

MR. CHAIRMAN: Order, please. Order, please! Every Member has the right to be heard in this House in silence.

HON. MR. STRACHAN: Mr. Chairman, they said: "Oh, the money's being used for reinsurance, and it's leaving the province, and it's going away, and it's not really a B.C. Company; it not really staying."

MR. CURTIS: Are you going to London?

HON. MR. STRACHAN: I've been to London. And Lloyds love it. Lloyds love it.

MR. CHAIRMAN: Order, please. Would the Hon. Member for North Okanagan state her point of order?

MRS. JORDAN: I just want to know the Minister's explanation of involving his department in strike-breaking — not all this show and fancy frills.

MR. CHAIRMAN: Order! Order, please! It is not a point of order. The Hon. Minister has the floor and may speak as he sees fit, as long as he's relevant to the vote.

HON. MR. STRACHAN: In answer to all the questions I corrected that misinformation that the people in the opposition have been spreading about the money leaving this province. And I pointed out that I think about 0.67 per cent of the auto insurance premiums is used of the total auto insurance income for reinsurance. That's why they take that ad — because of the misleading information that others have been putting around the province.

Again, I point out: (1) they were informative, (2) I didn't use those ads as the Socreds did with a big picture and my name on them. You ask us to be responsible; I challenge you: what other company tables its annual report in this House as we do? In what other company does the president of the company come before the Members of this Legislature and answer questions as I'm now answering? That's being responsible. But now let's get to this...

Interjections.

MR. CHAIRMAN: Order, please. The Hon. Minister has the floor. Would the other Members be silent, please?

HON. MR. STRACHAN: ...cock and bull story, this peregrination around the world, this Comox stargazing effort that the Member embarked on — this daydream of hers, this unfilled wish that she could get something on this Minister — that because I happen to have some involvement in the labour movement that I have something particularly cynical about me. That was the gist of her tone. She said, "Now this Member came out of the labour movement...he has an association...." Terrible, terrible, terrible!

MRS. JORDAN: Point of order, Mr. Chairman I can't quote his exact words but I would ask the Minister to withdraw the inference that I suggested because he had worked in the labour movement that there was something sinful about his actions. I worked in the labour movement; my husband has been a member of a union and I would never imply anything like that. I think it is most improper of the Minister. My words were that the Minister should know better if anyone should, Mr. Chairman.

MR. CHAIRMAN: Order, please. I would accept the Hon. Member's comments as a correction.

HON. MR. STRACHAN: I accept the Hon. Member's comments. I just wanted to let her know that I'm not a bit ashamed of having been involved in the labour movement in British Columbia.

MRS. JORDAN: Who is?

HON. MR. STRACHAN: Okay, you talked about this advertising in this trade union paper. I don't

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know who wrote that for you.

MRS. JORDAN: I'll tell you who wrote it.

HON. MR. STRACHAN: Dan Campbell, I guess, but that's all right.

MRS. JORDAN: I'll ask the Hon. Minister to withdraw. For his information....

MR. CHAIRMAN: Order, please! The Hon. Member may not ask the Minister to withdraw something of that nature but she can rise on a point of order and correct the statement. I would suggest that you wait until the Hon. Minister is finished and correct all of his statements.

HON. MR. STRACHAN: As I said before in this House, we advertised in all of the papers in the province. The fact that this one happened to have been started — you say — by strikers — I didn't even know about it. I think we advertised in the *Express* in Victoria, too. We advertised in all of the papers — union, non-union, no matter. We were carrying information to the people and that was the objective. You may think that we should say "we will advertise in this paper and not that one" but that's not my attitude.

I didn't know there was a strike up there. I didn't know a union paper had been started. But to suggest that I, as a Minister of the Crown, deliberately ordered anybody to place advertising in any paper in order to support a strike situation is completely reprehensible and wrong. At no time have I taken any such position.

As a matter of fact, I challenge you, Ms. Member — Hon. Member — I challenge you to give one shred of

evidence of any kind that I even hinted, in any way, shape, or form that that ad should be placed in that paper. I didn't even know the paper existed.

The ads were placed in that paper as they were placed in the *Express*, as they were placed in any paper that operates in the Province of British Columbia, by the advertising agency that do the job. It's not been a political thing at all in any way, shape, or form. It hasn't been, it won't be. We are carrying information to the people. I simply resent that particular attitude.

In closing, if you'll send me the name of the individual who had the little problem you talked about at the start I will check into it.

MRS. JORDAN: Supplementary. I did not accuse the Minister of doing it. I asked him to take proper action and I just sit here amazed as the hon. chicken farmer who came from the north said, "Put up, or shut up."

Mr. Chairman, this Minister is a Minister, and as Minister he seems to fail to realize that one of the major responsibilities of being a Minister and one of the major pleasures and problems of being a Minister is, first, that you are privileged to reflect the glory and really bask in the glory of those who do so much to make your portfolio a success. That is one of the privileges of being a minister.

Conversely, Mr. Chairman, it has been traditional parliamentary procedure that a Minister stands as a Minister — the Minister of Lands, Forests and Water Resources wouldn't know about this — and as he basks in the glory so he takes the responsibility.

To stand up in this House and to say that if it was placed in the newspapers wrongly you don't know anything about it is just another admission of this man's incapability of assuming the responsibility as a Minister. If this man is a Minister then he must bear the responsibility of all those who work for him in their capacity in the government and he must answer to this Legislature and he and he alone must answer to the public.

I suggest to the Minister that there is unfair advertising being placed. I asked him what his criteria was in terms of what size ads he placed in papers, what paper he used — are they all weeklies, do they have to be listed as official papers? If management is involved in a legitimate dispute between labour and the courts and management, and management goes out and starts another paper — is this Minister prepared to place the same amount of advertising in that paper as he is in the *Comox Valley Star* and perhaps other papers in this province?

Is that consistent with his policies. He said he placed it in all papers. Is he standing in this House today saying "Management, if you are involved in a situation between labour and the courts and yourself and your paper is not operating and you want to go out and start another paper, then, of course, ICBC and the department which I am responsible for will advertise in that paper."

I would ask the Minister to seriously comment on that point and to not distort the picture. If there is improper or perhaps inappropriate advertising being placed by any members of his department, if there is then he should take the matter under advisement, look into it, and have the situation corrected. Treat everybody fairly. Then in light of that he should tell me what his policy is, and tell me what his policy is if management does the same thing as has happened in this situation.

HON. MR. STRACHAN: It's obvious that there is a difference in philosophy between the Member and myself. As I indicated the ads were placed in both the newspapers in that area. I don't know how much fairer you can be than that. That Member apparently believes that some people have the right to operate a newspaper and other people shouldn't have the right.

I'm supposed to make a decision and say that I will support some and not others. I support the right of anybody to operate a newspaper in the Province of British Columbia.

AN HON. MEMBER: Not car insurance.

HON. MR. STRACHAN: There is lots of difference between car insurance and running a newspaper, my friend. It's apples and oranges. If you are asking me to support this newspaper and not support some other newspaper then I'm not going to do that. We're going to take the newspapers fairly according to the normally-accepted criteria for the placing of advertising.

Interjections.

MR. H.A. CURTIS (Saanich and the Islands): On a point of order, you have recognized me, Mr. Chairman.

MR. CHAIRMAN: Order, please. Would that Hon. Member be seated?

Interjections.

MR. CURTIS: The statement by the Member of North Okanagan directed to someone down here — "Why don't you grow up?" could be turned around, I think.

I'm sorry, Mr. Chairman, that we have had the histrionics on both sides of the House. Perhaps we can put that to one side for a few minutes.

Frankly, I wish the Minister would control his feelings from time to time and give us some more answers and share with the House some of the problems that he faces with respect to all aspects of his portfolio. That really is surely the purpose of our discussing estimates.

I wonder if the Minister would consider at some point, Mr. Chairman, introducing — if he is among the assembled group — the new general manager of the British Columbia Ferry Authority. I've not had the pleasure of meeting him. If he is here it would be very nice to see him or on some other occasion perhaps.

I don't think it is my right to ask him to say a few words, but I wish Mr. Gallagher well, Mr. Chairman. I hope that he is up to the task ahead of him. He comes with very good credentials. I understand this from a number of people in the marine field.

Now I would like to talk briefly about the ferry system and can assure the Minister, through you, Mr. Chairman, that I will have other matters to raise in due course.

There are a number of individuals within the ferry fleet who have thoughtfully shared with me, and perhaps with other Members of this House, some of their concerns about the British Columbia Ferry System as it presently operates. They have done so in, I believe, a constructive manner and in several instances I have no knowledge of the politics of the individuals concerned, and I emphasize that point because from time to time, clearly, individuals with one or another political persuasion bring emphasis to a point which is made in the House.

But this individual in particular has told me, among other things, that he has a positive feeling about the ferry service. He likes the job from a professional point of view and he likes to feel that he contributes the kind of attitude which is desirable in all aspects of public service.

However, he goes on to say that he's felt that the status and responsibilities attached to the licenced or officer personnel, in both the B.C. Ferries fleet and the Canadian Merchant Service as a whole, have not been given the proper consideration that the profession deserves, especially with regard to passenger vessels — which I'm sure the Minister would admit carry a much higher degree of responsibility than most, if not all others.

Then he also admits that members of the seagoing fraternity are themselves partly to blame for this. But the ship owner — and in the case in point here, the provincial government — can, and does, frequently do the most harm. It seems that they want the best of both worlds. The best possible senior personnel for the least expense.

Again, I raise the question of the salaries paid to, as an example, senior employees in the Washington State Ferry System. I realize that raises were granted last year in the British Columbia Ferry System. Now I'm speaking of senior personnel. I feel that they still lag behind comparable positions, in, as an example, Washington State.

I'm told by more than one individual, Mr. Minister, that morale in the British Columbia Ferry System is for a variety of reasons, lower than it should or need be, and that this inevitably reflects on the overall attitude of the employee.

There's reference made to the uncertainty which existed. Admittedly, it has been corrected now with respect to the appointment of a new general manager, but months went by in that state of limbo before the appointment was made.

The Minister's comments notwithstanding, and I'll be happy to hear if my information is incorrect, relatively few employees, relatively few have yet had an opportunity to meet the new manager. I understand that he has indicated in a letter dated April 23 which was addressed too "All Masters, Senior Chief Engineers, Chief Engineers, Chief Stewards and Terminal Agents."

"As I wish to meet with you on a regular basis, I am intending to travel on the ferries on Thursdays and hope to be able to cover the

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fleet once a month, also the various terminals."

This is again quoting from Mr. Gallagher's letter:

"I realize it will be some time before I'm able to meet with all of you, however, I feel that by my travelling in this way it will save you trips to Victoria to attend various meetings. You will appreciate that it may not always be possible for me to keep strictly to this schedule, however, I certainly hope to be able to do so."

There is a large number of shifts and I wonder if the General Manager might not consider expanding his travel schedule In order to get around to as many vessels and terminals as possible just as soon as he can.

The individuals who have helped me in reviewing the ferry system have indicated that where public servants should find morale improved with the advent of new arrangements made by the government such as labour legislation, certification of the B.C. Government Employees' Union, somehow this hasn't happened yet in the ferry fleet.

Back to the restaurants: although some clarification has been stated by the Minister thus far in the debate on his estimates, the statement is made here that "somehow we have been like a ship without a rudder."

The Minister's stated intentions to discontinue, or severely downgrade the restaurant services on the ships, has contributed very largely to low morale. As far as we can judge from the public it would be a poorly-received idea and would seriously detract from the standard of service offered on the ships.

Again, where it said, Mr. Chairman, that the "restaurants are losing thousands of dollars" there is the opinion both on the ships and ashore that the method of arriving at that particular conclusion — the dollars involved in loss — could be possibly due to inclusion of heavy and unnecessary managerial expense in the catering services section ashore, and also such things as live music in the summer months which, as far as I can see, should not be considered a catering cost item.

I wonder if the live music, with all due respect to those who are engaged for that purpose, is an essential part of enjoying the ferry trips between Vancouver Island and the Lower Mainland. It's enjoyable, but if that is part of the rationale that the restaurants are costing a great deal of money, then I think we should have some clarification from the Minister.

The first Member for Vancouver–Point Grey (Mr. McGeer) spoke about an expanded schedule and I certainly subscribe to that. We've been over this with the Minister several times in the past but I see no reason at all why on the major routes the ships could not commence operations earlier in the day and run later in the evening, particularly during the peak travel months, mid-May to sometime after Labour Day.

I think that, in fairness to the former government, the British Columbia Ferry System started with just a few ships, two initially, a relatively small staff and there was the means of close communication on a two-way basis between the operating personnel, senior management, the Minister of the day who was responsible for the work, and the individual employee.

It certainly is understandable that as a system grows and more routes are added, more vessels come in, more passengers are carried, this means of communication becomes extremely difficult. It becomes more difficult with each passing year regardless of what political party is in power, and that surely is an important part of the new General Manager's job and, I submit, of the Minister's job to make sure that there is this freedom of communication from the top to the bottom and from the bottom to the top.

References were made to individuals in the past being afraid to express their opinion, but nonetheless I think there is, if not fear, there is still reluctance and so they have to be encouraged. The terminal agents, the individuals on the smaller runs as well as those who are responsible for the safety of the ships and their operation, all individuals must be encouraged in the British Columbia Ferry System to feel free to express their opinions about ways in which the service can be improved and those elements which are not terribly satisfactory can be corrected, deleted, or whatever.

There's even the possibility that the Minister could, at some time when the House is not sitting, bring himself to discuss proposed policy and plans with joint meetings of representatives of the ferry management, senior personnel from the ship, and the terminals, and possibly even, Mr. Minister, through you, Mr. Chairman, with representatives of the opposition parties, because this is the British Columbia system. Certainly there is a need for freer exchange of opinions at all levels.

One of my contacts in the ferry system says that it's his personal opinion that "the ferries are not being run as well as they could or should be, that the service is not as good as it used to be. That the attitude of most employees ashore and afloat, licensed or unlicensed, that attitude does not receive the leadership or incentive to give of their best."

He goes on to say: "It's also my opinion that all ills starts at the top, that lack of enthusiasm at that level gives way to growing and widespread complacency in the labour force and that the disinterest engendered by what was certainly an ivory tower attitude of the bosses, if you will, will

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inevitably be reflected throughout the system.

So where a most enthusiastic group that started the system and had an enthusiastic leadership, much smaller in size, has been slowly intimidated, not deliberately, but through a series of events, into remaining silent and not showing the enthusiasm which was a very vital part of the system in the early years.

I think that it is summarized very, very briefly with this statement: "This gets to the very root of the thing, this apparent steady effort to quell initiative in the system for the sake of uniformity and the system itself."

One other point on this particular topic: How does one answer the question — what is wrong within the ferries? In spite of a tremendous volume of standing orders, company policies, commission policies and requirements, general orders from a long list of superintendents and their assistants, and what is stated to be a multitude of day-to-day memoranda, letters, directives, there are so many things of a routine nature which are done differently on various ships that the casual or lay observer might well wonder if all the vessels are operating under the same company, in this case the provincial government, or under the same rules.

So again, through the Minister, I suggest that, perhaps in addition to his travels and his efforts to communicate with the employees, officers and senior personnel of the department, what British Columbia ferries may need at this point is an ombudsman — someone who is knowledgeable in this kind of operation, who could look and see and report and with whom the individuals employed by the system could feel completely free and comfortable in making their points and making their suggestions for the improvements of the service.

There are, as I indicated earlier, a number of points which will have to be raised before we leave the Minister on the question of British Columbia Ferry Authority, or the British Columbia ferries, I should say.

He may wish to comment on those statements, some of mine and some which have been passed to me by, again, individuals who are very, very keen about the British Columbia ferry fleet. They've worked there a number of years, they want to continue working there, they want to have pride in the service, but they are fearful about some of the things which have been done and those which have been left undone.

HON. MR. STRACHAN: The Member for Saanich and the Islands spoke about individuals being very, very keen about the ferry service. Well, that's the prime requirement for any successful service, and if people are very, very keen then you've no morale problem.

The matter of the ombudsman, I would point out, as I did yesterday, that they now have full union rights, full bargaining powers, and any grievances that might arise are now handled in a vastly different way from the paternalistic manner that was only possible under the old — whatever they call it — agreement-thing....

MR. CURTIS: These are not necessarily grievances — they wish to make suggestions.

HON. MR. STRACHAN: Well, okay. I've no objection. But for suggestions you don't need an ombudsman. An ombudsman is somebody to whom you go with a grievance.

Interjections.

HON. MR. STRACHAN: Well, anyway, an ombudsman is a person to whom you go with a grievance, and you feel aggrieved.

I have some difficulty in determining or discerning or differentiating between what the Member himself was saying and when he was quoting a letter he had received from someone active in the service. He made some statements about memos passing hither and yon, back and forth, from one to the other. And at the same time he was asking us to try and communicate more. Now this is one way of communicating.

I think too, perhaps wrongly, perhaps unintentionally, he repeated a statement that has been part of the problem, when he said, "The Minister stated his intention to close the restaurants." Now, I made a very clear statement, I think last October, in which I denied any such intention. I indicated what we are doing; we're having an experiment. But that's been repeated and repeated and repeated: the Minister's stated intention of closing the restaurant.

Interjection.

HON. MR. STRACHAN: But every time you repeat it, the harder it becomes to shoot down, and you don't help it when you say "the Minister's stated intention." You don't help my credibility a bit. The union didn't help it when they did that questionnaire and said "the Minister's stated intention." That didn't help it. I made a statement here last October, I think it was, very clearly, because at that time the rumour was starting.

However, I want to say about the general manager.... This is the general manager, Mr. Gallagher, by the way, on my left.

Interjection.

HON. MR. STRACHAN: With regard to his travelling.... You have a copy of a letter which he did send to the licensed personnel, as I recollect it, and I was sent a copy of the letter where he's going to travel one day a week. As a matter of fact he also travels weekends. He has now been on every ship in the fleet except two, which I think is a remarkable record in the situation, and talked to the people. So he's getting an individual feel and knowledge of the individual ships and the crews. As I said yesterday, he's had meetings with the union.

I hope, I expect, that this will be the beginning of an improvement in the morale situation within the ferry system. There have been problems — some of them I inherited, some I may have created, I don't know. But certainly I agree that we must always be concerned with the morale between any employer and employee group. That must be the objective of both sides to maintain a rapport and morale. I think we are on the way to doing that, to re-establish the kind of attitude that was part of the enthusiasm in the beginning days of the ferries.

Really we are embarking on a similar period, I think, of change within the ferry system — a re-examination of its purpose. We're in a society of conflicts where people are demanding more service, yet, at the same time we don't want to hurt the social milieu. It's going to be a very difficult course for the ferries to chart — and that's not intended as a pun — in the next few years to meet the requirements of the people without doing damage, and meeting other demands that you yourself place on us.

Anyway, I want to thank the Member for his remarks.

MR. W.R. BENNETT (Leader of the Opposition): A few questions for the Minister, to do with ICBC.

1. The Minister has mentioned before in this House that a pilot body shop will be set up in B.C. I would like further clarification of when this will be set up, where, and if plans are now completed for the pilot body shop because there seems to be some problem of stability of rates, some problem of body shop rates in different areas. I would like to know if the Minister will get this functioning, and if it will, indeed, alleviate the situation. There does seem to be disparity, particularly with the more remote regions, in body shops.
2. I know they are locked into a lease in downtown Vancouver, but could the Minister tell me if ICBC has initiated any studies for the decentralization of their offices in the downtown Vancouver core? This is something that was discussed earlier, and the Minister said that because they had an arbitrary deadline to meet, they had to locate in that area, but he was in favour of relocating the premises. I wonder if ICBC, through the direction of the Minister, has indeed initiated these studies, and if they are considering different locations within the province.

Further, I'd like to know if the Minister is able to provide some of the figures that have had to be capitalized on start-up costs. One of the things that wasn't clear in obtaining the lease rates in the Royal Centre was the amount of capitalization ICBC had to do in the way of improvements to the premises over and above the lease rate.

What areas is the Minister capitalizing as part of the start-up costs, and where do you draw the line in the apportionment of operating costs in this crucial first year?

Another question that has popped up recently is: is the Minister, or ICBC, negotiating with the government for a subsidy of any nature, whether it comes in gasoline revenue or any funds from general revenue to apply against projected losses? This is a question which has come up recently, and I wonder if the Minister could advise the House if these negotiations are indeed going on.

Another question we asked the Minister earlier, and never did get a satisfactory answer, was to do with the British Columbia preference for British Columbia manufactured goods. The specific question we had was on the supply and installation of carpeting for the offices in downtown Vancouver, and the fact of a direct complaint from a B.C. company that they were well within...in fact below 1 per cent, on the supply of carpeting.

I wonder if they've got a part of the job, were finally awarded part of the job, or all of the job, or whether indeed this carpeting was awarded to a mill from eastern Canada. And whether the supply of materials to ICBC did indeed specify, even if they were local bids, specify locally manufactured products. And whether you did actually use the formula, whether it was 5 per cent, 8 per cent, or 10 per cent B.C. local preference. And in what areas you

were able to use B.C. products. Because there have been complaints from manufacturers in British Columbia to me which I passed on earlier. Some of them last year to the Minister.

Just one further question, to the Minister, and that is to do with just going through some of the logs. The situation touched me a bit last September when I was running in a by-election in Kelowna and it is something I have to commend the Premier on because it was to do with his flight to campaign in the by-election. He was forced to use a government plane to make connection with Vancouver to get to the Okanagan, but I understand from the newspaper that he wanted to pay.

An article written by Mr. Peter McNelly, said, "NDP Can't Pay For Flight." I'm going to read this because I want to ask if you've been able to change any policy on these flights when there is an emergency of this nature. It says:

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"The NDP will not be able to reimburse the government for Dave Barrett's flight Tuesday on a government aircraft for a campaign stint in South Okanagan, a highways department official said Wednesday."

Now that the aircraft is under the Department of Transportation I wonder if steps have been taken to change these situations.

The Premier told the reporters about the incident, saying he would ask if the NDP could pay the government. And he said later he has a self-imposed rule that he not use government facilities during election campaigns and I commend him for this. This article was written by Peter McNelly. What I'm questioning is, if the government can't pay for that flight for the Premier, I notice on the same flight there was a Mr. McNelly. Now, this is back in September.

If the NDP couldn't pay for the Premier is it possible that the province was able to pay for Mr. McNelly? Because at that time although he's listed here as under the Premier's office, in September at that time I understand he was still a reporter for *The Province*, in fact he wrote this article — or was he a dual employee? Have any steps been made to collect from the Vancouver *Province* on Mr. McNelly's flight at that particular time?

I wonder if the Minister could advise the policy of his department in being able to get these collections when they're offered by parties where it's inadvertent and to bill where it may be that people outside of the political parties and not government employees just happen to be on the same flight.

HON. MR. STRACHAN: This is a very difficult area. There are many problems relating to operating government aircraft. And it is certainly to be my intention and my effort and was the intention of my predecessor, the Hon. Mr. Black, to keep it certainly as clean as humanly possible. There are continual problems. I find myself sending my wife by commercial flight a day ahead of the time I'm going to get there by government aircraft and so on.

It is my understanding that we cannot accept....

Interjection.

HON. MR. STRACHAN: Well, you know you start taking your wife with you and then.... You say "take you wife with you...."

Interjection.

HON. MR. STRACHAN: I do this many times, send my wife a day before I'm going by commercial flight and then I say....

AN HON. MEMBER: Then you stay at home!

HON. MR. STRACHAN: Well, that might be... I would certainly like to see acceptance by the general public of a Minister being able to take his wife with him. I know private industries are now at the point where they're sending the wife with the delegate to conventions and so on.

It is my understanding that the federal Department of Transport would create some problems if you accepted payment from individuals for the flight. This would place it on a commercial basis and all your regulations are completely different. And to my knowledge no fee has ever been accepted by the government aircraft for anyone that has an occasion outside the public service travelled by it, I try to keep that to an absolute minimum. And I can tell you quite frankly, as the logs will show, I am pretty tough.

AN HON. MEMBER: Are MLAs permitted to use the aircraft?

HON. MR. STRACHAN: Only if on government business, or with a Minister.

AN HON. MEMBER: Government MLAs use them.

HON. MR. STRACHAN: No, no. As a matter of fact a year ago, I think it was, when the UBCM had its convention, there were members of other parties there, and the Minister of Municipal Affairs invited all of the MLAs who were at that particular convention — I think it was the day we opened our October session to come down and so that was the way it was. So anyway that's the problem there. But we try to keep it down. But I understand we can't accept payment.

MR. BENNETT: My question was, and I don't want to forget my other questions, was that I can see the Premier travelling and I was wondering about Mr. McNelly and he was a newspaper reporter and why he was listed under the Premier's office.

HON. MR. STRACHAN: I don't just exactly know how he was listed, but certainly he would be travelling with the Premier. And that was the reason that was given, travelling with the Premier.

MR. BENNETT: But reporters are....

HON. MR. STRACHAN: Because he was travelling with the Premier he was listed under the Premier's office. That's the only answer I could give you. There's no way I can think of where a reporter by himself could get on a government plane and travel. The Premier in travelling with him, I suppose, accepted responsibility for his being on the plane. He

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was listed under the Premier's office.

In the same way you will find in the logs different other people listed to different other offices. We can't have people just sort of appear on there with no relation to the department. So that leads you right to the individual with whom he was travelling. I hope that explains it.

Now, with regard to local preference. I have to agree quite frankly I think a mistake was made on that particular carpet tender. By the time you raised it, the order has been given. It was within the Purchasing Commission limits.

Now, I think you realize we don't want to publish the Purchasing Commission preferences too widely otherwise you cut down the possibility of getting bids from other people. But there are Purchasing Commission advantages, and it varies depending on the local contents of the articles produced. But I have to agree with you it was an error made there. But it was the lowest bid and it was sewed up before I had a chance to take advantage of your point.

MR. BENNETT: There are firm guidelines now?

HON. MR. STRACHAN: Yes, yes. That applies.

Downtown headquarters. We have had an initial examination of other locations because we have to start moving very rapidly. And once the session is over we'll have another day at a number of important decisions where we have to make a decision within the next few months I would say.

I would hope to have a competition from some architects for design of the new headquarters. As you know we're on a five-year lease. It certainly is my hope that we'll be ready to move into our own building somewhere else in British Columbia than downtown Vancouver. And that we'll have an open competition for architects....

MR. BENNETT: The lead time needed means do it now.

HON. MR. STRACHAN: I would say we have to make the decision very soon as to where because the competition will take up to six or eight months I imagine. And I would like it to go to competition and then away we go. But certainly again our objective is that when that lease is up we have our own headquarters building to move into.

MR. D.A. ANDERSON: Mr. Chairman, I'd like to touch on a subject that I didn't intend to discuss and that was this question of the Hon. Minister's wife travelling with him on the plane.

I'd like to say that for heaven's sake take your wife with you when you travel, the same is true of the Premier and other members of the cabinet. No one over here is going to criticize you for doing such a sensible thing as that. And your idiotic suggestions about sending her the day after or the day before, really it's absurd.

If you've got aircraft, and we'll question you when you buy them as to whether or not you should have bought them, but if you've got them for heaven's sake use them intelligently. That means, of course, using them frequently. We don't want to see you buy aircraft and leave them in hangars because you worry about questions from the opposition.

Interjections.

MR. D.A. ANDERSON: You know full well, Mr. Premier, with all your sanctimonious statements about you being boss for the civil service and not politicians, you use it and so does this Minister. And good, that's well and good, and while we're on you I trust that you also won't be inhibited if you go to Japan again to honour the Japanese host by travelling first class. You insulted them, by travelling economy.

MR. CHAIRMAN: Order, please. Would the Hon. Member confine his remarks to the Minister's estimates?

MR. D.A. ANDERSON: This happens to be a factual statement. But I will return to the Minister of Transport and Communication. My point is this; if you've got the aircraft, Mr. Minister, use them intelligently. And your wife is far better company than you. And we would far prefer to have her on board than you.

Anyway, back to the thing I wish to raise. We've discussed, Mr. Chairman, the problem of B.C. Ferries and the need for more ferries because of increased vehicle use.

But of course there is a corollary to that too and this is that increased use of the ferries by foot-passengers will reduce the number of cars occupying major amounts of space and we'll have fewer cases of people left behind at each end because of over-loading.

Therefore, I think the Minister and Mr. Gallagher should think very seriously about practices of the B.C. Ferry Authority which leads to a decision on the part of the travelling public not to use their cars and to travel on the ferry on foot and either take the bus or indeed pick up another car at the other end, have a friend come and pick them up.

I'm referring specifically to the question of hand baggage. If you don't have a decent system of having hand baggage carried on and off the ferry, you discourage people from using the passenger facilities and you encourage

them to drive on with, of course, their bags in the car.

With your indulgence, Mr. Chairman, I'd just like to read something from *The Province* of March 23 of

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this year. From the "Action Line." It said:

"It was in September that my son set out for the University of B.C. He left with three pieces of luggage and arrived on the other side of the Strait of Georgia with none of them. He was asked to report back to the Tsawwassen terminal three days later so that B.C. Ferries could make a search. He turned up only to be told there were two bags found.

"He had taken a coach from Victoria to the ferry. Investigations by both the coach lines and the ferry personnel determined it was due to the ferry personnel that the bags were lost. Why won't they give us the money we claim?"

The reply is this, Mr. Chairman:

"B.C. Ferries has what seems to be a most convenient system for handling lost baggage claims.

"They simply refuse to pay. A spokesman for B.C. Ferries explained their baggage policy to us. He said: 'British Columbia ferries carry luggage strictly as a convenience for the travelling public and do not accept responsibility for loss or damage.'

"We tried to do something for you, but B.C. Ferries is holding firm to that policy."

Well, you know, if airlines can be responsible for lost baggage and the bus companies can be responsible for lost baggage, why cannot B.C. Ferries also be responsible in the same way just like other carriers?

HON. MR. STRACHAN: Did this guy go by bus?

MR. D.A. ANDERSON: The Minister asks me, did this fellow travel by bus. He did. He turned up at [t3044](#) the terminal. Let me repeat one line which the Minister apparently missed. "Investigations by both the coach lines and the ferry personnel determined it was due to the ferry personnel that the bags were lost."

This can happen. Nobody's blaming them. I'm sure it doesn't happen all that often. Which reminds me, I have a suitcase lost last year which I still haven't claimed for it, not from an airline.

But my point is this. In terms of policy, if you're going to discourage people from going on on foot, putting their bags in that little cart that goes on and off, if you're going to discourage them — and they are discouraged by things like this in the newspapers — you're going to increase the number of cars, and you're going to increase the need for more ferries, more terminals, more roads and all the things which perhaps we should be looking at very carefully.

I know this is a minor point and I don't want to belabour it, but it is an important one and I trust the Minister and Mr. Gallagher will look at this and come back perhaps in the future by way of letter, or perhaps in the House, and make a statement saying that B.C. Ferries is changing its policy and is at least going to act as responsibly as airlines.

Mr. Chairman, earlier today I was questioning the Minister about regional rates and I didn't get a chance to finish what I had to say to them. I would like to say a word on it now.

The government's policy as announced by the Minister today and indeed the official opposition's policy as announced by the Member for Peace River (Mr. Phillips) would be the so-called postage stamp rate, equal rates across the province for people with the same car and with the....

Interruption.

MR. D.A. ANDERSON: I'm delighted to see the Member for Dewdney (Mr. Rolston) applaud that because

it will lead to an increase in rates in his area, it will lead to an increase in rates in the Minister's area of Nanaimo. It will of course lead to an increase in rates in my area. It will lead to an increase in rates in the area of the Leader of the Opposition, all the Kootenays....

AN HON. MEMBER: You'll resign if you're wrong?

MR. D.A. ANDERSON: Perhaps in Coquitlam it will go down, I'm not sure, Mr. Premier.

But what I'm pointing out is this that the suggestion that will somehow reduce rates in the Interior of British Columbia and on the Island is totally false with the exception of the Peace River area.

I'll give you the examples, quick ones, Mr. Minister. This is the rate category 6 for 1973 Chev Impala, standard coverage, \$100,000 public liability, \$100 collision, et cetera: Vancouver, \$202; Victoria \$125; Nanaimo and northern Island, \$161; Fraser Valley, \$173; Kootenays, Central Interior, Eastern Interior, Kamloops, \$177; and northern B.C., \$158.

Sure, there's discrepancy there, but I think we should understand that the proposal is going to, for example for the Member for Dewdney, is going to raise the rates for the people in his area.

Fair enough, it's going to raise the rates for the people in my area. They are now at the lowest because of our low accident record, and I just think that should be brought out because it's going to make a very substantial difference to the type of insurance and of course the cost of insurance for people who are not high-risk people.

The third thing I'd like to mention if I have time, Mr. Chairman, is the driver's insurance. My colleague from Chilliwack yesterday mentioned the question of points. Even you, Mr. Member for Peace River, you and I also happen to be colleagues, fellow Members of this assembly.

HON. MR. BARRETT: Maybe they don't want to be colleagues of yours.

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MR. D.A. ANDERSON: Well, they'll have to try at the next election just as you will.

HON. MR. BARRETT: What a snobby attitude. It's a two-way thing, you know.

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

MR. PHILLIPS: Is that a point of order?

HON. MR. BARRETT: It's a sociological observation.

MR. D.A. ANDERSON: I would assume that the Premier of the Province would understand that as MLAs we're all colleagues of a sort, all 55 of us, even the Member for Coquitlam (Hon. Mr. Barrett) and myself.

Interjections.

HON. MR. BARRETT: All right, I'll come over and kiss you on the forehead.

MR. D.A. ANDERSON: No, with that haircut it might scratch. The Premier is the only man, Mr. Chairman, who's spent the last few days having knives running around his ears and lowering them.

HON. MR. BARRETT: It's better than having them put in my back by my own Members. (Laughter).

MR. CHAIRMAN: Order, please. Would the Hon. Member confine his remarks to vote 235, please?

MR. D.A. ANDERSON: The Premier is safe to say because Bob Williams is out of the House.

Now on the question of driver's insurance, Mr. Bortnick issued a press release on March 11, alleging that he was explaining the question of driver's insurance and he points out about the strongest thing he has going for it is that it's both in Manitoba and Saskatchewan. He talks about "driver's insurance certificates will be required and they are separate and distinct," presumably a separate piece of paper or card, and he points out that the driver's insurance certificate is valid only for one year.

He then talks about a booklet put out by Autoplan and this is what they say about protection for drivers. He says:

"Autoplan driver's insurance provides basic \$50,000 third party liability and no-fault accident benefits, if you have an accident while driving a car which, unknown to you, is uninsured."

It offers death and disability benefits to drivers "who are not vehicle owners when they are involved in auto accidents as passengers, pedestrians or cyclists where the other vehicle is uninsured." This coverage applies anywhere in the world and is effective from March 1, '74.

Now, Mr. Chairman, I understand from this and from the information that Mr. Bortnick put out, the media information sheet dated March 11, that some 6 per cent of drivers will pay extra for points, but 94 per cent will simply pay the \$ 10.

For this, as I understand it, we are to get coverage only in cases within B.C. where we don't have insurance. Yet all British Columbian cars have to be insured to get their licence and be on the road. Indeed, this gives you no coverage if you know that the car is uninsured. Presumably it deals only with a car from outside the province which you are driving and which, unknown to you, is uninsured. And they're collecting \$13.5 million, according to Mr. Bortnick's figures, to provide that coverage to the people of B.C.

Now the question I have for the Minister is, surely he must have some indication of the risk and some indication of the amount of money paid out for out-of-province cars involved in accidents within British Columbia where unknown to the driver, the car was uninsured.

I would think it's a very, very fine fraction of one per cent. But this could be certainly translated into dollar terms. I'd like to know how much the dollar term accident we pay out for that particular type of accident, and how does it relate to the \$13.5 million which Mr. Bortnick says will be picked up by this \$ 10-a-throw per year insurance certificate?

The Minister and the Autoplan corporation must have done some studies to come up with the figures that they have. They must have determined that this \$10 extra is needed and the figures undoubtedly are available. But we have yet to see them from anywhere.

I should add, of course, that there is some possibility of coverage outside the province — if the Minister could explain that. Also, please explain what the cost has been in the past for providing that coverage.

I might add that there are a number of things which make me suspect that this whole idea of driver's insurance has been incorrectly thought out. For one thing, it says on the cover that this is your driver's insurance renewal form, which is quite incorrect because we have never had one before. That type of thing makes you suspect that they haven't done their homework in other areas as well.

I think it is just another tax. I think it is just another \$13.5 million tax on the general public — the motoring public.

I would like to know where it is going, whether it is going to be held in a special fund, whether or not it

is going into general revenue, or indeed, the general revenue of the insurance corporation because it is a very separate and distinct tax on the public. Over 1.35 million people hold driver's licences, and it has been totally

unexplained or unintelligently explained, by the government to date.

Mr. Chairman, there are just three minutes left, but perhaps the Minister would comment on the three points I've raised.

HON. MR. STRACHAN: As far as the driver's licence insurance is concerned, it is part of the total insurance concept and it is necessary as a base on which to add any surcharge. As you know, the surcharge tax for a bad driving record is put on the motor vehicle. But it's part of the total insurance concept and part of the total insurance income that was required in order to operate the plan.

MR. D.A. ANDERSON: You claim it is separate coverage.

HON. MR. STRACHAN: It is part of the total concept.

As for raising the rates in Victoria, I indicated that that was an objective — an ideal. I didn't say where, when or how. That must be our objective, our aim, and our ideal.

What did you say about B.C. ferries?

MR. D.A. ANDERSON: The on and off of passenger baggage.

HON. MR. STRACHAN: Yes, we will certainly take a look at that. In some of the other areas of the ferries I've instructed them to put in baggage facilities that didn't exist.

MR. D.A. ANDERSON: Just to clarify for the Minister, the point I'm worried about is: will he give some sort of commitment that lost baggage will be treated much as lost baggage is treated by airline or bus lines or any other type of transportation?

HON. MR. STRACHAN: We will certainly take a serious look at that because it must be upsetting, I agree.

HON. MR. BARRETT: With regret, I move the committee rise, report progress, and ask leave to sit again.

Motion approved.

MRS. JORDAN: I rise on a point of privilege.

MR. CHAIRMAN: Order, please. The committee has now been instructed to rise. It must rise before you rise on your point of privilege.

The House resumed; Mr. Speaker in the Chair.

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

Leave granted.

MRS. JORDAN: Mr. Speaker, I would like to rise on a point of privilege and correct a misstatement that was made by the Minister in debate in committee today. His statement inferred that it was Dan Campbell who prepared the basic points that I presented during the debate. For the correction of the record I would like to state that, in fact, it was Mr. Peter Nicholls who suggested that there is considerable evidence to make apparent that the *Comox Valley Star's* receiving unexplained favours....

MR. SPEAKER: Order please.

MRS. JORDAN: And receiving public money...

MR. SPEAKER: Order!

MRS. JORDAN: ...through advertising, and that this Minister is involved.

MR. SPEAKER: Order, please.

MRS. JORDAN: Fairness to everybody, Mr. Speaker.

MR. SPEAKER: Please may I point out to the Hon. Member that a matter of correction is not a matter of privilege. It is merely on a point of order that you can rise immediately after the Member who has spoken has been seated and correct any statement that you disagree with and that may be attributed to you. It is not a point of privilege. Nothing needs to flow from it, and certainly it doesn't come out of committee into the House.

Presenting reports.

Hon. Mr. King files the annual report of the Department of Labour for the year ending December 31, 1973, in manuscript form.

HON. MR. BARRETT: Mr. Speaker, I would like to inform the House that on Monday we go back to legislation.

Hon. Mr. Barrett moves adjournment of the House.

Motion approved.

The House adjourned at 1:02 p.m.

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