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Official Report of
DEBATES OF THE LEGISLATIVE ASSEMBLY
(Hansard)

MONDAY, JUNE 3, 1974

Afternoon Sitting

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MONDAY, JUNE 3, 1974

The House met at 2 p.m.

Prayers.

MR. P.C. ROLSTON (Dewdney): Mr. Speaker, on your left up in the gallery there are students from the class on government and history at Mission Senior Secondary School with their teacher, Ellen Pierce. I'd like the House to recognize them.

MR. R.H. McCLELLAND (Langley): Mr. Speaker, this is a good day for Langley. We had a large class of students from Simonds Elementary School in Langley today. Also seated in the gallery are two very hard workers in the Langley community, Mr. & Mrs. Rudy Coleman. I'd like the House to make them very welcome.

Introduction of bills.

Oral questions.

COST TO TREASURY OF PLAN TO OFFSET GAS PRICE INCREASES

MR. D.E. SMITH (North Peace River): My question is to the Hon. Minister of Finance, the Premier of the province. On the weekend, while the rest of us were in our places here in the House, the Premier made an announcement concerning the fact that he would be introducing a programme to offset the price increase of gasoline to the motorists of the Province of British Columbia. Would the Premier give an indication as to how much the rebate will be and what it will cost the provincial Treasury?

HON. D. BARRETT (Premier): Mr. Speaker, I'm almost hesitant to answer since, as I understand it, in my absence the opposition was concerned about attendance here in the House. I'd like your advice as to whether or not I should answer questions when only 40 per cent of the Liberal Party are here. I understand they complained bitterly about the attendance. Only 50 per cent of the Tories are here and 70 per cent of the Socreds.

With so many Members absent, before I answer I'd like the assurance of the opposition Members, because I know they're so concerned about these matters, that they will take the answers back to their Members who are sorely missed by the rest of us.

MR. SPEAKER: Order, please. I don't think that the previous objection or the present objection are well sustained.

HON. MR. BARRETT: Well, I don't want to embarrass anybody, Mr. Speaker, but I thought someone made a big argument about absence in the House.

Now that I am here and the official Leader of the Opposition (Mr. Bennett) is not here this week....

AN HON. MEMBER: Give us a few "ifs" and "buts."

HON. MR. BARRETT: Well, if you want to interrupt, I won't be able to answer.

MR. J.R. CHABOT (Columbia River): I don't want a political speech; I want some answers — straightforward answers.

MR. SPEAKER: Order, please.

HON. MR. BARRETT: Well, Mr. Speaker, I did make an announcement that there would be a new formula for automobile insurance in the Province of British Columbia. I've instructed the ICBC, as Minister of Finance, to come up with the figures to give us the cost of the new formula that we've agreed in concept to go forward with: that is, for the automobile user in this province to offset the increase in the price of gasoline rather than remove or reduce the gasoline tax, which would benefit non-British Columbians.

We believe that tourists and non-residents should pay their fair share. We have come up with a formula and we've agreed in concept, to have a flat rating system, which would ideally bring every automobile insurance premium down in the Province of British Columbia. There are no rebates.

It means that the new rating system will go into effect next premium year, which is March of 1975.

MR. D.A. ANDERSON (Victoria): In the light of the Minister of Transport and Communications' (Hon. Mr. Strachan) statement: "...but the automobile plan legislation is specifically established as a separate and distinct account for all automobile insurance business; only auto insurance premiums, income from investment and other auto insurance generated revenues will go into the Autoplan account, and the only money that can come out of that account is for the payment of claims" and his statement "...no tax dollars in, no surplus out," does the absence of this Minister indicate that as he has so identified with some other policy, he's been asked to resign and take on the job of Agent-General in London?

HON. MR. BARRETT: Mr. Speaker, let me assure you that the Minister will be back, and we hope to get on to his estimates upon his return at approximately 3 o'clock.

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The Minister made that statement before we were faced with major increases in the price of gasoline. Now we are concerned about the total cost of motoring.

With the price increase in gasoline, we decided, rather than allow non-residents to escape their fair share of gasoline tax, that we move to another formula of financing automobile insurance.

The Minister is the one who came to me with this proposal, pointing out that this was a fairer way to go. Having heard the Minister's concepts, we agreed, and that is the direction on which the Minister has been instructed. Rather than resign, that Minister should be honoured by every motorist for bringing about this programme.

MR. D.A. ANDERSON: A further supplementary. In view of the claim by the Minister of Transport and Communications that the legislation this House passed does not permit the use of tax revenues for such a purpose, may I ask when the Minister of Finance intends to bring in amending legislation to the effect of the plan in Kamloops?

HON. MR. BARRETT: Mr. Speaker, if there are necessary amendments, we will bring them in this session to enable the Minister to go ahead. On the other hand, we can bring them in early next session as the date for the automobile insurance premiums is in March. Nonetheless, I must say again that the Minister has proposed what is the fairest scheme of having British Columbia residents benefit from their own tax money.

MR. H.A. CURTIS (Saanich and the Islands): On the same subject, a supplementary, Mr. Speaker.

Would the Premier and Minister of Finance indicate whether, even if all other insurance rate differentials are eliminated, these proposed revised rates will in any way reflect the driving or accident record of the insured?

HON. MR. BARRETT: Of course, I welcome that question very much. It is a difficult matter to deal with the individual driver's record. That's why the Minister went ahead with the programme of a point system. If you are a terrible driver, then you get points on your licence and you pay more money.

Now I had one complaint. At a large meeting in Salmon Arm of over 350 people, this was raised. Some poor fellow had been driving while he was drunk and he was complaining that he had to pay more money. I gave him a simple answer, which is the answer to your question. If you don't want to pay more money, don't drink while you're driving.

MR. A.V. FRASER (Cariboo): To the Minister of Finance. In view of the fact that the gasoline tax is part of general revenue and funds all government programmes — mainly education and health, which take up over half the

provincial budget — how much do you plan to cut down on these important functions of government — education and health?

HON. MR. BARRETT: Well, Mr. Speaker, it is because of the fact that gasoline tax is part of general revenue that we made this move. We believe that all visitors, tourists and non-residents, should pay their fair share for the use of our roads.

If we eliminated or reduced the gasoline tax, we would be benefiting our visitors, who are welcome to come but must pay a fair share. Therefore, that is the direction we are going in; everybody who visits beautiful British Columbia will help this scheme, and we welcome them, Mr. Speaker.

MR. McCLELLAND: A supplementary question. I'd just like to ask the Minister of Finance whether or not there will be separate accounting kept, and whether or not the Legislature will be able to be informed of the exact amount of money that is put in from general revenues into the insurance corporation each year.

HON. MR. BARRETT: Mr. Speaker, I hope by these questions that the opposition is in no way indicating that they are against lower car insurance premiums.

MR. McCLELLAND: Oh, come on. We're against phoniness.

HON. MR. BARRETT: Mr. Speaker, there will be the accounting that has always taken place in this House, even when Social Credit was here.

MR. G.F. GIBSON (North Vancouver-Capilano): A further supplementary. The Premier's statement indicated that the ICBC should go as far as they can in equalizing these rates around the province, but he hasn't as yet told us how much money is going to be assigned to them. Of course, if the whole gas fund is assigned to them, they can do it all. So would he tell the House that now?

HON. MR. BARRETT: Of course we are interested in a flat-premium rating system, but the people who will benefit most are the people in the north whose costs are high, the people in the Interior whose costs are high, and elsewhere. That is why I know that these Interior Members will support it.

Now, you will get the figures as soon as the computer spills them out at ICBC. We hope that we will be able to make them public this fall.

MR. GIBSON: But there will be enough for

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everything then, to equalize it right across.

HON. MR. BARRETT: Well, I said "idealized." ICBC has been given the concept. You read my statement, and we will hold by that statement. I know, I really know in your hearts you will all be in favour of lower premiums for automobile insurance.

WATER SOURCE FOR PORT SIMPSON CANNERY

MR. CHABOT: A question to the Minister of Industrial Development, Trade and Commerce regarding the Port Simpson cannery. I understand there is no water available on site. Is the government going to underwrite the cost of the water pipeline from the closest source, which I understand is a lake approximately 10 miles away?

HON. G.V. LAUK (Minister of Industrial Development, Trade and Commerce): Mr. Speaker, I'll take the Member's question as notice.

PURCHASE OF ESQUIMALT WAREHOUSE

MR. N.R. MORRISON (Victoria): A question to the Minister of Public Works: could he advise the House whether the government has purchased a warehouse in the general area of Esquimalt and Viewfield Roads?

HON. W.L. HARTLEY (Minister of Public Works): We've purchased a warehouse on Viewfield, not the other street you named. We have purchased on Viewfield, and this was some six months ago.

MR. MORRISON: Could he advise us the price and the use of it?

HON. MR. HARTLEY: I'll take notice on the details and give you the details on the entire transaction.

ACCIDENT ON 401 FREEWAY

MR. CURTIS: To the Hon. Attorney-General: has the Minister or his department requested a special report on a fatal accident which occurred last week on the 401 freeway near Chilliwack last Thursday? The Vancouver *Province* for May 31 indicated that a woman farm worker was killed and 22 other persons injured when a three-ton van flipped over.

HON. A.B. MACDONALD (Attorney-General): I thank the Hon. Member for drawing this to my attention. I think I do remember reading the news story. I don't know of any special inquiry. I would presume there would be an inquest, but I will be glad to look into the matter.

MR. CURTIS: A supplementary, Mr. Speaker. Is the Minister aware of a statement which was attributed to the RCMP officers attending, which indicated that the 23 farm workers were jammed in the van "like sardines"?

HON. MR. MACDONALD: I think I recall that in the newspaper account.

MR. CURTIS: I have a further supplementary. Will the Minister determine how it occurred that hospital officials in the Chilliwack area were unable to obtain names of the dead woman or injured persons and were reportedly required to identify them by numbers only?

HON. MR. MACDONALD: Mr. Speaker, I believe there was a language problem, but I wouldn't like to say that with any certainty because, as I say, I think the matter should be the subject of some inquiry first.

DAIRY AND HOG PRODUCERS INCOME ASSISTANCE PROGRAMMES

MRS. P.J. JORDAN (North Okanagan): My question is to the Hon. Minister of Agriculture. Would he please confirm whether or not the Dairy Income Assistance Programme is still running at approximately \$1.5 million a month? Would he please advise the House as to what the Hog Producers' Income Assistance Programme is running at this time per month?

HON. D.D. STUPICH (Minister of Agriculture): I'll take that as notice, Mr. Speaker.

BELLA COOLA-ROSCOE BAY ROAD

MR. D.A. ANDERSON: May I ask the Minister of Highways whether his department has decided to construct a road between Bella Coola and Roscoe Bay?

HON. G.R. LEA (Minister of Highways): No, I haven't decided. There has been some work done by the Minister of Lands, Forests and Water Resources (Hon. R.A. Williams) in that area.

MR. D.A. ANDERSON: May I ask the Minister of Lands, Forests and Water Resources whether, on the highway in question, he's had any consultation with the Bella Bella Indian band? If so, why has the band seen fit to circulate MPs with correspondence indicating that they've had no consultation

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whatsoever on Indian reserves, timber reserves, salmon rivers, traditional hunting or, indeed, historic sites?

HON. R.A. WILLIAMS (Minister of Lands, Forests and Water Resources): Well, Mr. Speaker, building a road to Bella Bella would be quite an achievement because Bella Bella is an island. The road that the Forest Service is contemplating and is now carrying out surveys with respect to, and is included in this year's budget, is from Ocean Falls and Martin Valley to Roscoe or Shack Bay — a distance of some nine miles or something like that. I'm unaware of any Indian reserves, or the like, at all being affected. There are some semi-private holdings, but by and large it is Crown land. I'm unaware of any of those submissions, but I'd be very pleased to see a copy of the same.

ROAD FUND DIVERSIONS TO ASSIST PLATEAU MILLS

MR. CHABOT: A question to the Minister of Lands, Forests and Water Resources. Could the Minister tell me if there have been any diversions of forest development road funds from the Hazelton area to assist the Plateau Mills operation in their general area?

HON. R.A. WILLIAMS: No, there have been no diversions. We are working according to the programme and schedule that we've had in mind for some time. It is not a matter of diverting funds at all.

SHAWNIGAN LAKE DEVELOPMENT

HON. R.A. WILLIAMS: I have a range of answers to questions, if Hon. Members are interested. One is with respect to Shawnigan Lake, a question from the Hon. Member for Saanich and the Islands (Mr. Curtis), and I would report that the Environment and Land Use Committee has established a task group regarding that area. They are reviewing engineering standards and minimum lot sizes as laid out in the provincial subdivision regulations, and recommending upgrading where necessary. They are reviewing the roles of Health, Pollution Control Branch, and other agencies involved in the approval of effluent disposal permits. This is particularly concerned with: (1) problems associated with approvals under and over 5,000 gallons per day; (2) problems created by permitting approvals of subdivision developments in discrete stages rather than in context of the whole development; (3) the desirability and implications of considering future communities, sewage and treatment facilities and approval of subdivision development. I think that covers that question, Mr. Speaker.

LAND-USE PERMITS FOR CROWN LAND

HON. R.A. WILLIAMS: I don't know how the time is, but there is another question with respect to access roads, from the Hon. leader of the Liberal Party (Mr. D.A. Anderson). I would note that for the purpose of constructing a road across Crown land, the Lands Branch doesn't generally issue a land-use permit. Such use is authorized by letter of consent, for which no charge is levied. Conditions inserted in the letter of consent merely authorize the use of Crown lands for the purpose of constructing a road, and the holder of the letter of consent does not have any legal tenure over the Crown lands. Such roads are open to the use of the general public without charge. Letters of consent are issued without regard to nationality. A land-use permit form of tenure, however, would not be confined to Canadian citizens or landed immigrants, so there would be two categories.

With respect to rights-of-way, well, I think that covers the question.

SKAGIT VALLEY LOGGING

HON. R.A. WILLIAMS: There was another question from the Hon. Member for North Vancouver-Capilano (Mr. Gibson) regarding the request from the ROSS committee for funding. In reviewing the correspondence, March 6, 1973, there was a letter from ROSS offering to act as intervener if hearings took place and if we wanted ROSS to intervene on our behalf.

There was similarly a letter marked May 10, 1973, a letter from ROSS referring to continued logging in the Skagit, possible financial assistance to ROSS for intervention, and indicating the recreation potential. As a result of that letter we did intervene with respect to the logging in the Skagit Valley.

October 22 we replied to a letter of theirs of September stating that we did not intend to be an intervener and therefore were not prepared to finance the ROSS committee at that time, but we did advise them that technical expertise would be made available with respect to the FPC hearings.

May 22 of this year we had a letter from ROSS indicating their potential financial limitations — they had received \$25,000 from the Department of the Environment — and requesting that daily transcripts be made available with respect to these hearings. We replied on May 28 indicating that we were making daily transcripts available to them, and I think that has a substantial value to the committee.

Orders of the day.

HON. D. BARRETT (Premier): Public bills and orders, Mr. Speaker.

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Report on Bill 16.

REAL PROPERTY TAX DEFERMENT ACT

Bill 16 read a third time and passed on the following division:

YEAS — 39

Hall	Dent	Lockstead
Macdonald	Levi	Gorst
Barrett	Lorimer	Rolston
Dailly	Williams, R.A.	Anderson, G.H.
Nimsick	Cocke	Barnes
Stupich	King	Steves
Hartley	Lea	Kelly
Calder	Young	Webster
Nunweiler	Radford	Lewis
Brown	Lauk	Liden
Sanford	Nicolson	Anderson, D.A.
D'Arcy	Skelly	Gibson
Cummings	Gabelmann	Curtis

NAYS — 7

Chabot	Jordan	McClelland
Smith	Fraser	Morrison

Division ordered recorded in the *Journals* of the House.

HON. MR. BARRETT: Second reading of Bill 142, Mr. Speaker.

MUNICIPAL AMENDMENT ACT, 1974

HON. J.G. LORIMER (Minister of Municipal Affairs): Mr. Speaker, in moving second reading, I suggest that the time to debate this bill is in committee stage. There are very minor amendments here. One is to bring the municipal voting more completely in line with the Provincial Elections Act. There are other basically housekeeping provisions, most of them having been requested by different municipalities, especially by the Union of B.C. Municipalities. I think the time to discuss this is in committee, Mr. Speaker. I now move second reading.

MR. A.V. FRASER (Cariboo): There isn't anything really too contentious, as the Minister said, in these amendments to the Act. A few comments here though; the mess created last year concerning elections to regional boards has been cleared up by permitting municipalities to appoint as director anyone running who lost at the polls. Villages are essentially given the same rights as other municipalities. That is, I think, a good feature.

Borrowing without electoral approval was expanded as well. A council's right to establish a specific area with its own initiative — this is a good thing, certainly in the rural areas of the Province of British Columbia.

Removal of the requirement to pay for garbage disposal, which really relates to commercial industrial exemptions is provided. Dog bylaws are treated like traffic tickets, which is the procedure already followed by Oak Bay, as I understand it.

Municipalities are permitted to own shares in a corporation. I don't think this party likes that and will probably oppose this in committee stage.

In summary, Mr. Speaker, the amendments to this bill contain the normal bits and pieces of amendments proposed from time to time by the UBCM conventions.

Motion approved.

Bill 142, *Municipal Amendment Act, 1974*, read a second time and referred to Committee of the Whole House for consideration at the next sitting after today.

HON. MR. BARRETT: Mr. Speaker, committee on Bill 106.

PHARMACY ACT

The House in committee on Bill 106; Mr. Dent in the chair.

Sections 1 to 76 inclusive approved.

Schedules A, B and C approved.

Title approved.

HON. D.G. COCKE (Minister of Health): Mr. Chairman, I move the committee rise and report the bill complete without amendment.

Motion approved.

The House resumed; Mr. Speaker in the chair.

Bill 106, *Pharmacy Act*, reported complete without amendment, read a third time and passed.

HON. MR. BARRETT: Committee on Bill 95, Mr. Speaker.

PUBLIC SERVICE SUPERANNUATION
AMENDMENT ACT, 1974

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The House in committee on Bill 95; Mr. Dent in the chair.

Sections 1 to 30 inclusive approved.

Title approved.

HON. E. HALL (Provincial Secretary): Mr. Chairman, I move the committee rise and report the bill complete without amendment.

Motion approved.

The House resumed; Mr. Speaker in the chair.

Bill 95, *Public Service Superannuation Amendment Act, 1974*, reported complete without amendment, read a third time and passed.

HON. MR. BARRETT: Committee on Bill 96, Mr. Speaker.

COLLEGE PENSION AMENDMENT ACT, 1974

The House in committee on Bill 96; Mr. Dent in the chair.

Sections 1 to 11 inclusive approved.

Title approved.

HON. MR. HALL: Mr. Chairman, I move the committee rise and report the bill complete without amendment.

Motion approved.

The House resumed; Mr. Speaker in the chair.

Bill 96, *College Pension Amendment Act, 1974*, reported complete without amendment, read a third time and passed.

HON. E.E. DAILLY (Minister of Education): Committee on Bill 97, Mr. Speaker.

TEACHERS' PENSION AMENDMENT ACT, 1974

The House in committee on Bill 97; Mr. Dent in the chair.

Sections 1 to 16 inclusive approved.

Title approved.

HON. MR. HALL: Mr. Chairman, I move the committee rise and report the bill complete without amendment.

Motion approved.

The House resumed; Mr. Speaker in the chair.

Bill 97, *Teachers' Pension Amendment Act, 1974*, reported complete without amendment, read a third time and passed.

HON. MRS. DAILLY: Committee on Bill 98, Mr. Speaker.

MUNICIPAL SUPERANNUATION AMENDMENT ACT, 1974

The House in committee on Bill 98; Mr. Dent in the chair.

Sections 1 to 18 inclusive approved.

Title approved.

HON. MR. HALL: Mr. Chairman, I move the committee rise and report the bill complete without amendment.

Motion approved.

The House resumed; Mr. Speaker in the chair.

Bill 98, *Municipal Superannuation Amendment Act, 1974*, reported complete without amendment, read a third time and passed.

HON. MRS. DAILLY: Committee on Bill 126, Mr. Speaker.

TRADE PRACTICES ACT

The House in committee on Bill 126; Mr. Dent in the chair.

On section 1.

HON. P.F. YOUNG (Minister of Consumer Services): Mr. Chairman, I move the amendment to section 1 standing in my name on the order paper. (See appendix.)

Amendment approved.

Section I as amended approved.

On section 2.

HON. MS. YOUNG: Mr. Chairman, I move the amendment to section 2 standing in my name on the

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order paper. (See appendix.)

Amendment approved.

Section 2 as amended approved.

On section 3.

HON. MS. YOUNG: Mr. Chairman, I move the amendment to section 3 standing in my name on the order paper. (See appendix.)

Amendment approved.

Section 3 as amended approved.

Sections 4 to 8 inclusive approved.

On section 9.

MRS. P.J. JORDAN (North Okanagan): Mr. Chairman, just one or two notes here. I have discussed this section with the Minister where it appears that she is trying to legislate in relation to thinking and premeditated contravention of the Act. I recognize that the purpose for this section, as she outlined it, was to be able to have the department in a position where it could take action in such instances as we saw in the health spa situation in Kamloops where the people caused considerable concern to the local people — involved themselves in, to say the least, questionable business practices, then, when they were closed up, moved on to another section of the province.

In my view there is much merit in having this type of authority, to a degree. But as it is proposed here, I suggest that the latitude that is in this section really stretches the credibility of the director. The Minister should consider some protective action, perhaps by order-in-council, whereby no director could pursue thought processes in an indiscriminate manner. And before such action is taken, perhaps there should be an order by the cabinet authorizing the director to move in on a company before he has any substantial proof that they are, in fact, involving themselves in questionable business practices, if not illegal business practices.

HON. MS. YOUNG: Mr. Chairman, section 9 merely gives the director the right to investigate. He has the authority of a commissioner under the *Public Inquiries Act*. However, the court is the final arbiter in a matter of this nature, so there is the protection of resolution to the courts.

MRS. JORDAN: I appreciate the Minister's comment on this in that the court is the final arbiter, but I do suggest that this, if abused, could cause considerable expense and harassment on the part of government action as it's represented by the director in this instance, if it's abused.

I again would suggest that I believe there should be further protection here for the public in terms of the small business operator, in order that no one could be unjustly victimized or harassed on supposition rather than on fact.

The Minister is well aware, as we all are, that Court action is expensive and time consuming and a very prolonged process. The hiring of lawyers is costly.

Yes, I recognize you're having difficulty, Madam Minister — that chatterbox on your left who does more talking than action on the highways of British Columbia.... Incidentally, I've just come over one of the highways and I'd like to know why that Minister of Highways (Hon. Mr. Lea) isn't getting rid of the potholes in the Fraser Canyon. It's a dreadful mess.

However, Madam Minister, I would urge you to see that an amendment is brought into this Act next year — if not, I'll propose it myself — offering protection to small individual business persons to keep them, as I say, in a position where they're not harassed unduly on the basis of supposition.

HON. MS. YOUNG: I think, Hon. Member, that I can definitely give that guarantee that under no circumstances would the director take any action unless he had sufficient and very reasonable grounds that he could substantiate later in any ensuing action. He would have to have those grounds before he could make that kind of investigation before an incident.

MRS. JORDAN: I thank the Minister for her commitment.

Sections 9 to 12 approved.

On section 13.

HON. MS. YOUNG: Mr. Chairman, I move the amendment to section 13 standing in my name on the order paper. (See appendix.)

Amendment approved.

Section 13 as amended approved.

On section 14.

HON. MS. YOUNG: Mr. Chairman, I move the amendment to section 14 standing in my name on the order paper. (See appendix.)

Amendment approved.

Section 14 as amended approved.

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On section 15.

HON. MS. YOUNG: Mr. Chairman, I move the amendment to section 15 standing in my name on the order paper. (See appendix.)

Amendment approved.

Section 15 as amended approved.

On section 16.

HON. MS. YOUNG: Mr. Chairman, I move the amendment to section 16 standing in my name on the order paper. (See appendix.)

May I refer back to section 16, Mr. Chairman? section 16(5) of the amendment, there was a drafting error in line 5. I wonder if, by leave of the House, we could rectify that error by inserting the words at the end of line....

MR. CHAIRMAN: Order, please. The Hon. Minister does not require notice. You merely have to include that in your amendment.

HON. MS. YOUNG: That is all right to submit that?

MR. CHAIRMAN: Yes.

HON. MS. YOUNG: The new words would be: in lieu of "respect of," it would be "by reason of" in section 16.

MRS. JORDAN: In light of the fact that there is some confusion over this amendment, I wonder if the Minister would be kind enough to explain the need for it and how it changes the meaning of the Act.

HON. MS. YOUNG: In this case, Mr. Chairman, it is sort of tidying up the jurisdiction of the courts and the method of going to court to get injunctive or declaratory relief. There was some confusion as to the type of proceedings that should be instituted. It would not have been in accord with the proposed changes in the procedural

rules of court that are now under consideration, so this is merely to make it clear to the supplier, the consumer and the director the proper order in which one approaches the court. It clears up the track to the court, in other words, the applications to the court.

MR. G.F. GIBSON (North Vancouver-Capilano): I just wanted to ask, Mr. Chairman, exactly what is the amendment to the amendment? Could you describe this?

HON. MS. YOUNG: I'm sorry, Hon. Member, I didn't perhaps explain that very well. Under section 16(5) in, I believe, line 5, the sentence says: "Dealing with the supplier in respect of an alleged deceptive or unconscionable act." We have changed the words "in respect of" to "by reason of."

MR. GIBSON: Line 4 or 5?

HON. MS. YOUNG: Maybe it's 4 in the amendment.

MR. GIBSON: Well there's "in respect of" on each line.

MR. CHAIRMAN: Line 5?

HON. MS. YOUNG: It would be line 5. No, line 4, you're right. Line 4.

Amendment approved.

Section 16 as amended approved.

On section 17.

HON. MS. YOUNG: Mr. Chairman, I move the amendment to section 17 standing in my name on the order paper. (See appendix.)

Amendment approved.

Section 17 as amended approved.

On section 18.

HON. MS. YOUNG: Mr. Chairman, I move the amendment to section 18 standing in my name on the order paper. (See appendix.)

Amendment approved.

Section 18 as amended approved.

On section 19.

HON. MS. YOUNG: Mr. Chairman, I move the amendments to section 19 standing in my name on the order paper. (See appendix.)

Amendments approved.

Section 19 as amended approved.

On section 20.

HON. MS. YOUNG: Mr. Chairman, I move the amendment to section 20 standing in my name on the order paper. (See appendix.)

Amendments approved.

Section 20 as amended approved.

Sections 21 to 27 inclusive approved.

On section 28.

HON. MS. YOUNG: Mr. Chairman, I move the amendments to section 28 standing in my name on the order paper. (See appendix.)

Amendments approved.

Section 28 as amended approved.

On section 29.

HON. MS. YOUNG: Mr. Chairman, I move the amendment to section 29 standing in my name on the order paper. (See appendix.)

Amendment approved.

Section 29 as amended approved.

On section 30.

HON. MS. YOUNG: Mr. Chairman, I move the amendment standing in my name on the order paper. (See appendix.)

Amendment approved.

Section 30 as amended approved.

Sections 31 to 34 inclusive approved.

MRS. JORDAN: I wonder if the Minister would advise the House if the same legal counsel who drafted this multitude of amendments drafted the original legislation. If this is the case, certainly this Minister has the sympathy of the opposition in that this leaves her, I'm sure, in a position where she can't have too much confidence in legal counsel and the legal advice she's getting. I would hope that in the future there will be support for this Minister in her programmes by sound back-up advice and proper drafting of legislation, and do away with the sloppiness that's developing around this department which cannot be attributed to the Minister.

MR. CHAIRMAN: Order, please.

Title approved.

HON. MS. YOUNG: Mr. Chairman, I move the committee rise and report the bill complete with amendments.

Motion approved.

The House resumed; Mr. Speaker in the chair.

MR. CHAIRMAN: Mr. Speaker, the committee reports the bill complete with amendments.

Bill 126, *Trade Practices Act*, reported complete with amendments to be considered at the next sitting of the House after today.

HON. MRS. DAILLY: Committee on Bill 139, Mr. Speaker.

AGRICULTURAL REHABILITATION AND DEVELOPMENT (BRITISH COLUMBIA)

The House in committee; Mr. Dent in the chair.

Sections 1 to 4 inclusive approved.

Title approved.

HON. D.D. STUPICH (Minister of Agriculture): Mr. Chairman, I move the committee rise and report the bill complete without amendment.

Motion approved.

The House resumed; Mr. Speaker in the chair.

Bill 139, *Agricultural Rehabilitation and Development (British Columbia) Amendment Act, 1974*, reported complete without amendment, read a third time and passed.

HON. MRS. DAILLY: Second reading of Bill 100, Mr. Speaker.

FIRE MARSHAL AMENDMENT ACT, 1974

HON. A.B. MACDONALD (Attorney-General): Mr. Speaker, the amendments in Bill 100 are mostly to do with enforceability of the Act, terminology, some adaptation to the modern age in terms of the new kinds of projections and automated equipment which exists in theatres and a reduction in the age requirement for projectionists from 21 to 19 years. I'll be glad to answer in more detail in committee and I move second reading of this bill.

Motion approved.

Bill 100, *Fire Marshal Amendment Act, 1974*, read a second time and referred to Committee of the Whole House for consideration at the next sitting after today.

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HON. MRS. DAILLY: Second reading of Bill 103.

SUMMARY CONVICTIONS AMENDMENT ACT, 1974

HON. MR. MACDONALD: This bill has an important principle. I don't want to repeat perhaps at any length some of the things that have appeared publicly about the bill, but it's very important. I know it does not touch the *Criminal Code of Canada*. Most of the fines that we're concerned with — that is, \$100 or five days or something of that kind — are issued under sections of that *Criminal Code*.

I cannot break down for the House, Mr. Speaker, the number of people who are in jail because of their poverty as to whether or not they are there in respect to an infraction of provincial law which will be affected by this

bill or because of the *Criminal Code*, over which, in this respect, this House has no jurisdiction. But the numbers of people who are in jail for being unable to pay the fines is staggering. It is unfair, it is an especial burden upon the poor people of the province, and it also loads our correctional facilities with people who really should not be there and transforms our correctional facilities into a fine-collecting agency.

Let me give some indication of the figures. Twenty-five per cent of the persons committed to all provincial institutions are there because they can't pay the fines. In some areas of the province, such as at the Prince George Correctional Centre, that comes up to 38 per cent.

AN HON. MEMBER: Twenty-five per cent?

HON. MR. MACDONALD: Overall — over the whole province.

Interjections.

HON. MR. MACDONALD: No, of the admissions to correctional facilities. Prince George, 38 per cent; Kamloops, 44 per cent. They are in many cases — and I might as well say this quite out — areas where there's a large native population. Of the people who are in this position of being in jail because they cannot pay a fine, a great many, I regret to say, are underprivileged people of native Indian origin — a little more than half — notwithstanding that they, of course, represent a much smaller proportion of our total population.

We can't touch the thing federally, but we can move in this direction provincially. If it works well, then I'm sure we're giving a signal to Ottawa because I'm sure that in the federal convictions, both those who enter our provincial institutions and those who enter federal institutions, the same kind of pattern prevails. So I think we're giving Ottawa a signal that they should be following very closely the social experiment that we're making in British Columbia, which is the first of its kind, and that if it works well they should quickly follow the kind of example we're setting in this Legislature.

Now we are simply outlawing the automatic nature of the thing — that is, the \$100 or five days or something of that kind. We're making that sentence an illegal sentence. But we're not letting off people who wilfully refuse to pay the fine or who deliberately resort to evasion in terms of the fine, because we will be organized and we are organized through our regional court administrators to undertake the second course of events, which would be a separate hearing for that person who does not pay the fine, who's brought up, as it were, on judgment summons before a judge of the provincial court — the collection procedure being, as I say, in the hand of our regional court administrators — and there the circumstances of why he is not paying that fine will be gone into by the judge.

If, as I say, the man is deliberately evading payment of the fine or deliberately resorting to evasion, then of course he can be imprisoned for that kind of conduct. But if he is simply unable to pay the fine and doing his best and because of his family problems or his inability to work or his physical incapacity or something of that kind he simply cannot pay, we do not believe that kind of person should be imprisoned in the Province of British Columbia. It is doing nothing for society, and certainly it is doing nothing in terms of the rehabilitation of that individual, who is simply going through a prison experience because he has no choice.

Mr. Speaker, this is an important bill, and I take great pleasure in moving second reading.

MR. D.E. SMITH (North Peace River): I'll be very brief in the comments I have to make. I think the Attorney-General has already mentioned that this is experimental legislation, introduced for the first time by a jurisdiction in Canada. With that in mind, I suppose we have to approach it with a feeling that we hope it will work well and that we do not find in retrospect that it would have been better to have been a little stiffer and a little tighter on our regulations with respect to the payment of fines.

I would hope that it will work well and that it will in no way impair the ability of the courts to function or the judges in the Province of British Columbia. In some respects, I suppose, what it is really doing is legalizing a discretionary power that the judges in some jurisdictions have taken upon themselves before, in granting people time to pay a fine if they felt that that was required, even though it wasn't allowed under any statute that we presently had

on the books.

As I say, it is experimental. It's going to at least

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relieve the prison system from the burden of having people in their confines that have done no greater a misdemeanor than perhaps imbibe a little too freely or have had some minor infraction against them where they did not have the funds available to them to pay the fine that was involved and the judge had no alternative but to levy the jail sentence at that time.

I hope it works well. The only thing that we can suggest is that we'll watch it very closely, Mr. Attorney-General, I'm sure, along with the rest of the people in the law enforcement profession in the Province of British Columbia. Perhaps a year from now we'll have another debate on whether it was good legislation and worked as well as you had hoped.

MR. L.A. WILLIAMS (West Vancouver—Howe Sound): Mr. Speaker, I would like to commend the Attorney-General on this move, but in so doing I would ask him to recognize the serious criticism that this amendment raises with respect to administration of justice and the way in which we are able to adjust ourselves in our various communities in this province.

The Attorney-General suggested that the number of people who were being sent to jail for offences against provincial statutes as a consequence of their being unable to pay their fine was staggering. Those were his words. "Staggering!" Yet, to my shock and dismay, he didn't give us any figures which would indicate what "staggering" means to him.

He did point out, however, that a significant number of the people who found themselves in this position were native Indian people. This must say something about the way in which we conduct ourselves in our various communities in the Province of British Columbia whereby the native Indian is placed in a position whereby he is unable to cope with the situation which our laws create.

Far from removing any of the burden on our system of administering justice in this province, I would hasten to suggest to the Attorney-General that the amendment you have here is going to increase rather than decrease the burden on our justice system. Once a judge has had before him an accused person and found that person guilty and determined that by reason of his circumstances he should be given extended time within which to pay the fine, having gone through the exercise once, what we do in this legislation is to place that guilty person again in the clutches of the system for administering justice.

If he does not then pay in accordance with the terms set down by the original judge, he finds himself before a judge not on a criminal matter or quasi-criminal matter but on a civil matter, which is whether or not he has paid his debt to the Crown.

In the long run what we are doing is substituting debtors' prison for prison in the first instance.

Therefore, having been in the toils of the courts once, if the individual still finds it impossible to meet his obligation, he will again be in the toils of the courts trying to answer for his default.

I'm not suggesting I have the answer. It just seems to me, Mr. Speaker, that when we are making this positive step — and I'm not disagreeing with the direction in which the Attorney-General is moving — for many of our unfortunate citizens, a decision could be made at the outset whereby, if the person's circumstances were such that he could not pay the fine, there be a conviction and a suspended sentence. On a subsequent offence, such a matter could be taken into account and a decision made as to whether or not prison was really likely to be the best deterrent for any repetition of this offence.

We know that most of these offences arise in connection with the liquor Act, the Firearms Act, 1966, or

maybe the Motor-vehicle Act or matters of that kind. We are not involved with people who are engaged in violent criminal activity. I think the step we are taking here is one which we should try. I certainly hope the Attorney-General will keep rather more accurate records than his department has apparently been able to maintain heretofore, so that we can see whether or not this system is working.

People must obey the law; people should not be forced into jail because they are poor. But we should not involve them overmuch, again and again, in the system of administering justice. That only frustrates the system itself and obviously does not act as a deterrent for repeated breaches of the same legislation.

The Attorney-General hopes Ottawa will do the same, hoping that in some areas of the criminal law, which is a federal responsibility, they too will look at this possibility. I don't think it is good enough for British Columbia to send signals to Ottawa by passing this kind of legislation. I think it may be like smoke signals. Whether or not they will ever be seen over the Rocky Mountains, I'm not sure. I would hope the Attorney-General could indicate that he has specifically addressed himself to the Minister of Justice in Ottawa on this subject.

I think we should take some positive steps. Having passed this legislation, the Attorney-General should sit down with pen in hand and write a note to the Minister of Justice, saying, "Look what a good thing we have done here."

HON. MR. MACDONALD: Whoever he may be.

MR. L.A. WILLIAMS: Whoever he may be. He's a judge now, that's right. Really take some initiative with the Minister of Justice, and hopefully with the other Attorneys-General of this country, so that if this system works it can be applied in the criminal area as well.

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MR. R.T. CUMMINGS (Vancouver—Little Mountain): I rise in support of this bill. At this time I would like to point out that when a man receives a sentence it is \$100 or 10 days or \$250 or 30 days. At one time the sentence in jail was for the poor people. Now money is just as hard to get, and this is what is happening: the poor people can't get the money and they have to serve the 10 days in jail. Even with this little relief here, they still are being forced into this.

The point I am trying to bring out is that a day's work is worth more than \$10, which the law is using as a base as a rule of thumb. It is either a \$10 fine or one day in jail. I feel there is a great injustice on the poor people because they don't have the refuge of saying "Okay, I'm guilty; I can take my \$100 or three days in jail." But he can't take his three days in jail. It is putting the Crown in the position of trying to collect money.

In other words, are we interested in justice for the rich or justice for the poor? The poor people need to have a lot of our sentences and a lot of our fines rearranged so that the dollar value is equal to the number of days for a jail sentence.

For example, the drunk Indian gets \$100 or 10 days in jail. That's not really a fair sentence. He hasn't got \$100, so he has to take 10 days in jail. Basically, he has done no harm. The only harm he did was probably in sleeping in the wrong place.

Interjection.

MR. CUMMINGS: Well, he must have amended it on me while I wasn't looking. In so many days?

I still wish to protest the fact that we should go back to the original supposition that there be a dollar relation to a day in jail. In other words, it's not \$10 for one day in jail; it should be \$30 at least in today's prices for one day in jail. The poor people can go to jail instead of paying the \$100. If you are out of work, what is three days in jail?

MR. G.B. GARDOM (Vancouver—Point Grey): I would like to make a couple of comments, Mr. Speaker.

First of all, I would indeed associate myself with the remarks of my colleague from West Vancouver-Howe Sound (Mr. L.A. Williams). I think he most eloquently stated the position. There are a couple of caveats to this which I would draw to the attention of the Attorney-General.

To me, notwithstanding the fact that it is a good measure, it is a duplicating measure. I think it would have been far more appropriate, if I have the ear of the Attorney-General at the present time, if he had introduced amendments to the Summary Convictions Act whereby the magistrate, without question, would have unlimited discretion to grant any amount of time and enter into arrangements for payment.

The practice in British Columbia has certainly been that the magistrates do grant time. I say that from personal experience. Possibly with the exception of the Minister of Industrial Development, Trade and Commerce (Hon. Mr. Lauk), I suppose I have spent more time in the magistrates' courts than probably any other lawyer who is present in the House. I've always found that the magistrates have certainly done their job, without any question of a doubt, to the best of their ability and have liberally interpreted the statutes to the most they can do.

But, Mr. Attorney-General, I personally feel you've gone too far with this. I intend to support the bill but I think that you have gone too far. I think it is an experiment that is really not required.

If you had definitely instilled, without any question of a doubt, in this statute the fact that a magistrate would have power to grant time and review sentence and fines.... You're bringing in a duplication of procedure, and it is certainly going to be open for anyone to decide that they will not pay a fine that is levied. They can do that; they flaunt the law under this. They can wait for the second step, as the Member for West Vancouver-Howe Sound (Mr. L.A. Williams) said, when this conviction for fine is going to be enforced in the other courts of the province.

I heard your remarks in our caucus room over the loudspeaker when you were speaking of the bill but I don't know that you have fully explained to everyone that the procedures involve a lot more than imprisonment. You merely say the enforcement of judgment. That includes the attachment of debts and garnishee proceedings. You've not stated that that will or will not apply. It includes registering the judgment against the person's interest in land, if they happen to have that. Or it includes the sheriff's procedures for seizure of goods under a warrant of execution or a writ of fieri facias as the case may be in the court in question, and over and above that it also includes the process that's known as judgment summons.

Then, as the Member for West Vancouver-Howe Sound said, here we have an individual twice brought before the court with additional expense and inconvenience and consumption of time for him, and certainly additional expense, inconvenience and consumption of time out of the public purse. I don't really even see it stated in your Bill 103 as to who's to pay for this procedure through the small claims court or through the Supreme Court of British Columbia in the event that there would have to be a jailing or an incarceration for contempt. Under the civil processes that we have at the present time, if one is put into debtors' prison, as the Member for West Vancouver-Howe Sound stated, it is the responsibility of the judgment creditor to pay for his keep while he's there. I don't know what the levy is, but he has to pay for the amount of time that the individual is

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there. Well, presumably that would be taken right out because the Crown would be attending to that, but you haven't put that into your bill, which certainly should be in there as well.

One other point, Mr. Attorney-General. In the unfortunate and unlikely event that we find a situation where an individual has flaunted the fine process and then he's brought up into another court which can be conceivably the county court, the supreme court or the small claims court, then under those circumstances, if he follows this process of judgment summons, he can be ordered once again to pay on instalment, and once again he can flaunt that, and once again he can be brought to pay or enter into different arrangements. Or if he proves to be in contempt of the court by not appearing, or in contempt, in the view of the judge, by not paying, then it's open to the court to make an adjudication once again of imprisonment.

But we have, in the civil courts, the situation of the judge not being able to go beyond the certificate of

judgment that he has. And the magistrate in the first instance takes into account all of the facts connected with the conviction, with the summary offence. He takes all of those facts into account when he makes his judgment. There can be a multitude of reasons for a low fine, as indeed there should be. But those facts are not before the judge in the second case.

Of course, you mentioned that trying to enforce this kind of thing in the supreme court is next to impossible, it takes so long. So as far as it is concerned, it is going to be a useless procedure, in my view, from a practical point of view. If you can tell me that it would work in the supreme court, it just won't. There are better procedures in the county court, and better procedures in the small claims court, I suppose, for the enforcement side of it. But if an individual chooses to follow this route and is the type of an individual — and unfortunately there are some of those individuals in society — who society have got to be protected against, and if they decide to take the route of defaulting, notwithstanding the fact they'd have the capacity to pay, you've given them an "Open, Sesame!" to do that, which is unfortunate.

It's a very difficult bill to draw; I'm the first person to appreciate that. I also appreciate your motivations in coming up with what you've come up with, which I agree with. But I think the procedure that you've developed here is an unnecessary procedure. I feel that you could have established the same thing and done a better job by just extending the jurisdiction to the judges of the provincial court to award time, to have a person brought back to explain the circumstances, and even under special circumstances say: "All right, notwithstanding the fact that I've decided to fine you, Macdonald, \$100, you have given me very valid reasons why that fine cannot now be paid, and I'm giving suspension on the thing."

Give them a better discretion in that court. That's all you need to do as opposed to going ahead and complicating the whole process. This is going to be very costly if you intend to enforce it.

HON. MR. MACDONALD: Mr. Speaker, in the bill we are in effect granting before somebody goes to jail just that second hearing that the Hon. Member has been speaking about. What we're saying in the bill is that it shall not be possible for somebody to automatically go to jail under a warrant of committal simply because he can't raise the money, without regard to the circumstances that individual may be in.

MR. GARDOM: They don't know, my friend.

HON. MR. MACDONALD: Of course they do. If somebody is given a fine of \$250 and are given 30 days in which to pay it, then at the end of that 30 days if it isn't paid there's just a warrant of committal and the fellow goes to jail without a hearing.

MR. GARDOM: You can come back to the magistrate.

HON. MR. MACDONALD: That's what we're providing — that that must happen.

MR. GARDOM: You can do that now, Alex.

HON. MR. MACDONALD: Some people know that they can go back into court and make an appeal, which in effect would be doing what this bill says must be done before the person automatically goes to jail.

Now I recognize, as the Member for West Vancouver–Howe Sound said, that this supposes an additional burden upon the court. As your learned colleague says here, a lot of people don't come back and ask for an extension and appeal and that kind of thing. And this would require a hearing before somebody goes to jail. But I would point out that the cost to society of putting these people in jail runs today at, let's say, about \$18 to \$20 a day. That's the cost. So there's that element, too, in this bill. We're thinking of the cost to society and to the taxpayer for money spent in providing room and board in a jail for somebody, which is of no use either to that person or to society in terms of rehabilitation.

I agree we should signal Ottawa. We've discussed the thing a little bit informally, but I agree with that point. I agree our records are bad, and in the last year we have begun the accumulation of records in this department of

corrections. We're thinking in terms, in a modest way, of computer services to know who's in there, for what kind of an offence, for how long and

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so forth. We don't know how many people — who are in jail, for example, because they can't pay a fine — halfway through their jail sentence, by phoning relatives and scrounging and trying to get some help, are able to raise the fine and go out halfway through their sentence. There are quite a few like that, but we don't know how many. Our records are in terrible shape. They were in terrible shape when I inherited this position. We're correcting that, but we're correcting that slowly. The kind of statistics I have been able to give is an indication that we're beginning in that task, but we have not completed that kind of an accumulation of the necessary data.

So, Mr. Speaker, on that basis, I move that the question be put on second reading of this bill.

Motion approved.

Bill 103, Summary Convictions Amendment Act, 1974, read a second time and referred to Committee of the Whole House for consideration at the next sitting after today.

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

ESTIMATES: DEPARTMENT OF
TRANSPORT AND COMMUNICATIONS
(*continued*)

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

MR. R.H. McCLELLAND (Langley): Mr. Chairman, I don't wish to raise too many more questions about the Minister's estimates. Some of the questions I asked earlier I would appreciate an answer to, if he can find them in his book.

I did want to mention briefly the announcement made by the Premier over the weekend with regard to the subsidy of the Insurance Corporation of British Columbia, using gasoline taxes as the method of subsidy. I just want to say, Mr. Chairman, that this is not only a slap in the face to automobile drivers who are insured by the Insurance Corporation of British Columbia, but also a slap in the face to every British Columbian who lives and pays taxes in this province.

This kind of a blatantly phony subsidy goes against every tenet of public accountability for a Crown corporation. It would have been much more simple and much more honest, if this government really wanted to do something for the automobile drivers of the province, to have had a simple reduction of the gasoline tax such as they have announced in Alberta. For this government to raise the phony straw man of giving some benefit to those nasty tourists who drive their vehicles in British Columbia is also an abdication of responsibility, for one thing, because for every few dollars that you might save in taxes by eliminating the tourists from this scheme, thousands will be spent on administrative costs to attempt to police this scheme and to put it into operation. Besides that, Mr. Chairman, every tourist who saves \$1 or \$3 or \$2.75 would likely spend \$25 or \$50 or \$100 in this province anyway.

Just in passing, Mr. Chairman, I hope this government will soon stop its obsession against tourists, particularly American tourists, in this province, because they do contribute a great deal to the life of British Columbia. As long as we continue to harass them the way we are doing, they will find it ever more difficult to come to British Columbia and bring not only their money but their company as well.

The people of British Columbia expected some relief because of the early announcements by the Premier and others in his cabinet, but instead of relief they got shafted instead. They are coming to find this to be commonplace treatment by this government which gives them phony promises and takes their tax money on the one hand and

attempts to buy them back with the other.

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

MR. McCLELLAND: Mr. Chairman, I'm talking about the Insurance Corporation of British Columbia and the attempt by this government to subsidize and cover up the inabilities of this insurance corporation to function correctly because of the mismanagement by this government.

Instead of getting relief we find this government has now committed the consolidated revenue of British Columbia to shore up what obviously now must be an enterprise that is in some financial difficulty, or else for what reason is that kind of subsidy needed? If it is in trouble, it's in trouble because of this government's political interference with the rate structure of the Insurance Corporation of British Columbia. The meddling around at the cabinet level, changing insurance rates day by day by day has obviously got this corporation into some kind of trouble, and it is now necessary to pour revenues from the tax collected on gasoline by the Finance department. It is bad enough, Mr. Chairman, that we have a Crown corporation which is in the marketplace as a monopoly, but now we are committed in British Columbia to funneling tax money in to cover the weaknesses of that company and to hide that corporation's true position from the people. We have dropped a curtain of doubt over the credibility of the Insurance Corporation of British Columbia.

In the first instance, Mr. Chairman, we were

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promised, as citizens and automobile drivers of this province, car insurance for \$25. The government found it couldn't fulfil that promise once it got into office, so then we were told: "Well, you won't get your car insurance for \$25, but we'll give it to you a little cheaper."

MR. G.H. ANDERSON (Kamloops): You were never told that.

MR. McCLELLAND: Well, they found out they couldn't fulfil that promise either, Mr. Chairman, and then....

MR. G.H. ANDERSON: It was never made.

MR. McCLELLAND: Oh, come on, Mr. Member for Kamloops. Where were you during the campaign? They must have kept you hidden to get you elected.

MR. CHAIRMAN: Order, please! Would the Hon. Member address the Chair?

MR. McCLELLAND: Mr. Chairman, once we found we couldn't get \$25 car insurance as promised, and we couldn't even get cheaper insurance as promised, then they said: "Well, we'll give you the car insurance at about the same price, because after all you were going to get a 25 per cent increase this year anyway, so if we give it to you for 25 per cent more than you paid last year, or 10, or 8 or 7 or 16, or whatever, then we're all right." But this government couldn't fulfil any of its promises with regard to the Insurance Corporation of British Columbia, and now we find that obviously the government's commitments have been so shallow that we are now forced to start subsidizing the Insurance Corporation of British Columbia with gasoline taxes.

What is next? That's the question. Will we be funneling stumpage charges into the ICBC? Mining royalties? Income taxes? Sales taxes? Where do we go from here? Once you start with that kind of a phony campaign to put the consolidated revenues into a Crown corporation, then there's no ending to it.

How far do we take these subsidies? That's the question, Mr. Chairman. When does the ICBC begin to stand on its own two feet? I'll suggest that that's never, that this government will always be pouring in the subsidies in order that the people of British Columbia will never know where they stand with relation to ICBC.

Mr. Chairman, it's a deliberate ploy by this government, and it's one that I suggest was planned from the day that the ICBC went from the drawing board. The day that this government had a dream of ICBC they knew very well that the day would come when we would be shovelling consolidated revenues into that company to shore it up.

AN HON. MEMBER: Hear, hear!

MR. McCLELLAND: A deliberate, planned ploy by this government.

Mr. Chairman, this government is playing the people of British Columbia for patsies.

MRS. JORDAN: Never!

MR. McCLELLAND: I'm sorry about that, Hon. Member. (Laughter.)

MR. SMITH: I think that's a compliment.

MR. McCLELLAND: Mr. Chairman, this government should be ashamed of itself because they've caught the people of British Columbia up in some kind of a socialist governmental con game and should be reported to the Bunko Squad.

SOME HON. MEMBERS: Hear, hear!

MR. McCLELLAND: I would suggest, Mr. Chairman, that this is one of the moves that this government has made which will go down in the history of the Province of British Columbia as a major scandal and one which this government will never live down and never should be able to live down. I would ask that the Minister responsible for the insurance corporation stand in this House and tell us that the Premier was only fooling, and that he didn't really mean that we were going to put the consolidated revenues, the tax money collected from the people of British Columbia, into this corporation and that he will instead allow the Insurance Corporation of British Columbia to stand on its own two feet and be responsible for its own actions, its own expenditures and its own revenues. Until he does that, Mr. Chairman, the people of British Columbia demand probably his resignation, because you are conning the people of British Columbia. I couldn't express it any better than to change the name of this corporation to the IC Bunko Corporation. It's as simple as that.

HON. R.M. STRACHAN (Minister of Transport and Communications): I am sorry that the statement made by the Premier upset that Member so much that he should use the kind of language that he has used this afternoon. I can understand him being perturbed. I can understand him being upset. I can understand him flailing desperately, as he obviously was, to try and say something, anything, it didn't matter which. I'm very happy he made that speech. I'm very, very happy he made that speech because I want to tell that Member that that speech will live to haunt you.

AN HON. MEMBER: Right on!

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HON. MR. STRACHAN: That speech will live to haunt you. Yes, sir. And I'm glad that in his speech the Member admitted that this government is going to be here for a long, long time because you said that "This government will always" — always was the phrase he used — "do this and do that and do some other thing." So I recognize that you are face to face with reality. You recognize that what you were saying was just a bit of an attempt to try and cloud the waters, cloud the issue, and again infer that there was something wrong, something almost sinful, about the fact that we're governing this province in the interests of the people of the province.

Let me say first of all, Mr. Chairman, that that Member talked about \$25 car insurance. As I recollect the last published figures taken from the reports that were given to us...and let me tell you, after we became government we found that the annual reports that were available to us didn't present the whole picture, and certainly didn't present the picture with regard to the cost of the insurance of government automobiles. Nowhere did it mention the fact that

there were citizens of this province who were taken to court by the government in order to recover substantial sums of money. That never showed in any accounting as to what it cost. That was used to reduce the figure.

Nowhere in the report did it say that all of the legal costs related to all of these cases came out of the Attorney-General's estimates. And item and after item was never given to the....

Interjection.

HON. MR. STRACHAN: No way! I won't go into the number of the highly emotional phrases the Member used. But I'm glad he made them because they will live to haunt him.

I want to say very clearly that what that Member has said today — and I wish the Member for South Peace River (Mr. Phillips) was in his seat when that Member was making that speech — is that he believes in a system that discriminates against citizens of the Province of British Columbia because of where they live.

Interjections.

HON. MR. STRACHAN: Yes, that Member was saying very clearly to people of this province that he doesn't believe in fairness and equity among the citizens of the Province of British Columbia. It's obvious.

What is proposed here is that we take some revenues derived from motorists and use it to help motorists. It's as simple as that. We want to bring fairness and equity to the motorists of this province and to remove as much as possible the discriminations built into the system that we inherited.

Now, you can be for it or you can be against it. It's obvious that you are going to oppose it. I'm glad you're going to oppose it because that's the message to the people: the Member for Langley (Mr. McClelland) is opposed to fairness and equity, and is in favour of discrimination among the motoring public of the Province of British Columbia.

I want to remind you that I said last week — and I said it last fall — that the objective and ideal must be to bring equity, fairness and remove discrimination.

Again, this Member raised this cloud about hiding financial statements. I assured you last week, and I assure you again, that the financial reports of the corporation will be tabled in the House next year showing sources of revenue and everything else, just as it was this year. You may not like it, but there they were.

I'm not going to answer that blatantly emotional attempt to try and find some ground to stand on that has some justification. You failed to make a case. You just indulged in a tirade of emotional outburst because of your disappointment over the fact that we are going to bring fairness, equity and justice to the motoring public of the Province of British Columbia.

MR. D.A. ANDERSON (Victoria): Talking about speeches living to haunt people, I think that the Minister himself is on the worst possible ground.

The Hon. Member for Langley (Mr. McClelland) mentioned promises made by the government. Let's see how sneaky the promises are. Here's the ad; the Hon. Member for Langley just gave it to me a second ago. "They insure 'their' vehicles with 'government insurance' for less than \$25 a year. Compare that with your rate."

Then it goes on:

"They compel us to purchase insurance from private companies, many of them owned and controlled from the U.S.A. — companies whose constant, uncontrolled price increases have made B.C. auto insurance rates one of the highest — and at the same time saying no to government automobile insurance for B.C. residents.

"Our government insures their vehicles through a government plan at an exceptionally low rate."

It goes on to talk of government automobile insurance, allegedly under the previous regime, at \$25 — and how a government auto insurance scheme would be brought in by the NDP. If that isn't a straight promise by way of advertising to the people of British Columbia...! We're dealing with people who the Minister of Consumer Services (Hon. Ms. Young) should have in jail for dishonest advertising. That's what it is.

It's the type of advertising which would have any

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private outfit in jail; and they know it.

"Speeches which will live to haunt him," were the words of the Minister.

Interjection.

MR. D.A. ANDERSON: He has just said he didn't make that speech. He wasn't responsible for that ad; that was simply authorized by the British Columbia New Democratic Party. And, of course, he, the former leader and present Minister of the Crown, isn't part of it, he's trying to imply.

He said: "I didn't say that."

Interjection.

MR. D.A. ANDERSON: Well, he's the fellow who was responsible for implementing NDP promises on automobile insurance. He was given the task; he took it happily. Now he claims that, well, he's not responsible for what was promised by his own party in previous months. That's literally absurd.

Mr. Chairman, when the whole question of automobile insurance came up, when government automobile insurance was to be brought in, the Minister made a real fetish of going around saying that there were going to be no tax moneys brought in and used in the scheme. He kept on telling people: "No, it was going to be run at cost, and it was going to be a lot less than the private cost."

Well, I'll tell you why it went far higher than he ever expected. First, he didn't do his arithmetic; he didn't find out how much premium money was previously paid out to repair cars and for injured people and that type of thing. He didn't find out how much was paid out and he didn't find out how much was left for administration where, theoretically, there might have been some saving. He just didn't do his homework in that area. Had he done it, he would have found that buying computers without any tendering — at \$1,000 per day, a third-of-a-million more a year than other companies might have provided — is the type of thing that raises cost.

Your administration and running costs obviously have to be a small percentage of your premium dollar. You start going wild on computers; on buildings — on the Royal Centre in Vancouver — on land, buying land out there in the valley for \$0.5 million for 20 acres, which turned out to be farmland that wasn't usable; salaries — we've gone into that before; having people released before they've hardly done a day's work — thousands upon thousands of dollars of separation pay without telling us why all this money was spent: that's the way you boosted costs up to the point where you now find you simply can't run the scheme without subsidy. That's essentially what we're talking about.

There was some talk about speeches and statements coming back to haunt people. Well, let's just look at what you said yourself. You took the trouble to write to the newspapers, to correct them for a misunderstanding, to tell them how sure you were that you weren't going to use tax money in ICBC. This is a quote, a letter to the editor from Robert M. Strachan, Minister of Highways, Victoria.

It came out in *The Vancouver Sun* on March 5, 1973, page 5. It was to the editor.

Sir:

"The editorial of February 23 entitled 'Insurance Verdict Awaits Road Test' repeats an error that I have already drawn to the attention of another newspaper.

"The fourth paragraph of your editorial observes that I had said that there will be no profit in the government automobile insurance plan, and then went on to claim that the legislation, 'also gives the government the right to seize such revenue for its own uses if it wishes.'

"As did the other newspaper, your publication has confused provisions in the Insurance Corporation of British Columbia bill with those in the automobile insurance bill. ICBC will, as the legislation makes clear, operate in the general insurance field for a profit, and the cabinet will have a discretionary power to appropriate a portion of any profit from general insurance into the consolidated revenues of the province — in essence, paying a dividend to the taxpayers of British Columbia."

In actual fact, I understand from newspaper reports that instead of a dividend we had a loss of approximately \$1 million on general insurance. Perhaps you'll explain that in your statement.

But here comes the part of the letter that deals with automobile insurance, and the very point that we're discussing in this Legislature today.

"But the automobile plan legislation specifically establishes a separate and distinct account for all automobile insurance business. Only auto insurance premiums, income from investments of those premiums and other auto insurance-generated revenue (for instance, car-salvage profit) will go into the Autoplan account.

"The only money that can come out of that account is for the payment of claims and the associated costs of Autoplan.

"I repeat: No tax dollars in; no surplus out." Let me just repeat that:

"I repeat:" — said the Minister of Highways — "no tax dollars in; no surplus out."

MR. McCLELLAND: What made him change his mind?

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MR. D.A. ANDERSON: That's a good question, Mr. Member for Langley. What made him change his mind? But before we get to that, I'll just finish off the letter, so he doesn't accuse me of partial quotes.

"If any year's operation produces a surplus" — fat chance of that! — "it will be used to build the necessary reserves against the deficit of a bad year. Or else it will be used to either lower premiums or raise benefits for the insurance buyer.

"I should like to add that section 3 of the Autoplan bill and various company provisions ensure that all financial accounting of the Crown corporation will be tabled every year in the Legislature for public scrutiny..."

Just as B.C. Hydro's used to be tabled by the previous administration: a year late, or more than a year by the time you get a chance to look at it.

"...Including the separate accounting of every dollar going into and coming out of the auto insurance plan.

"I am confident that if careful rereading of the bill is done, it will reveal the error in your editorial."

The error is not in the editorial, the editorial of February 23 of 1973. The error is in the Minister's constant claim that tax moneys would not be used to subsidize auto insurance in the Province of British Columbia, and that Autoplan would stand or fall on the basis of its operation and the success of its venture in the commercial field. Now we have totally departed from that by a subsidy scheme, as announced by the Premier, by way of a subsidy for premiums paid to ICBC in the Province of British Columbia.

Now, people pay insurance and people pay taxes, so what's the difference? The difference is this: in any scheme where a government goes in and claims that it's so splendid in business matters, claims that it's going to be cheaper, claims that it's more efficient, and then finds out in approximately less than a year that it isn't, that it's been wrong, that it's been wrong in all its statements, that its accounting is bad, that its original predictions were bad, then

that company, I feel, has proved that it is not competent in its relationship to private industry; and private industry could never possibly have a fair opportunity of comparing government insurance cost with those of the private sector.

Why is it higher? I've heard stories galore as to what's wrong with ICBC. They say that they have two vastly expensive computers, one of which doesn't work if the other is on because of air conditioning problems. There's talk about a much higher payout in British Columbia in claims as opposed to the average elsewhere in the country; a difference of approximately 60 per cent higher is one claim made.

There is talk, of course, as we all know, about the extremely expensive head office, high command operation — the people who are the major or top management level of ICBC. All these claims have been made, and obviously all these claims, if true, can indicate why the costs are so high and why you are having to subsidize ICBC in this manner.

[Mr. Gabelmann in the chair.]

I personally feel that insurance, automobile insurance, is a price that every driver should pay. It should not be subsidized from general tax revenue. We have a situation here where you're taking money out of general revenue. Money out of general revenue goes to all sorts of things: education, hospitals, old people, Pharmacare and what-have-you. You're taking that money out of general revenue and you're using it to subsidize the 1.35 million people in B.C. who have a driver's licence.

You're subsidizing probably the highest-income British Columbians as opposed to those on the other end of the scale with probably the lowest income — the pensioners, the young and others.

So what you are doing is taking regular money which now goes for other purposes and pumping it into a scheme which benefits the top half of the population in terms of income. Why on earth, if we're dealing with people who can afford to drive, can't they afford to pay by way of premiums the full cost of their insurance?

The reason that I find this whole scheme of rebates intolerable is that the money comes out of the public pocket one way or another; but if you force it on premiums, you at least take it out of the half of the population which is best able to pay it. Now, sure, it's easy to talk about gasoline taxes and where it's coming from, but that gas tax money is at the present moment going into general revenue. And that's the money which goes in to support a vast array of other social programmes as well as, of course, highways.

Now it's absurd to work out a scheme which obviously is going to be administratively expensive, which is going to cost money....

HON. MR. BARRETT: Ohhh!

MR. D.A., ANDERSON: For premium rebates is not going to cost money? Issuing well over a million cheques a year is not going to cost money? The Premier snores. It will cost money.

Interjections.

MR. D.A. ANDERSON: Now the Premier is suggesting that somehow or another this cheque that people will receive will not be related to their automobile insurance premium. It's utterly absurd to

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put forward a scheme which does not in any way lower the cost to the people of British Columbia but increases them in the overall sense, which indeed aids the half of the population which is most wealthy, which in no way will reduce the cost of insurance in British Columbia but will, in actual fact, increase it by way of extra administrative costs.

The Minister has time after time made statements saying that this scheme is going to stand on its own two feet. It's going to be a scheme which "will have no tax dollars in." Those are his own words over his own signature a

year ago. He's tied himself to a policy of letting ICBC be judged on its merits.

Now we find that the merits of ICBC are so weak, the record of ICBC is so poor, that we are going to have nothing to compare with because they're going to subsidize it. They're going to fudge the figures, and they're going to make perfectly clear that there will indeed be no way of comparing ICBC's high costs with the costs of insurance in the private sector.

Perhaps the Minister has come to a conclusion which I think most that have considered insurance have come to. That is that no matter who people pay their premiums to, they don't like it. When they're paying premiums to private insurance companies, they don't like it.

Now they're paying it to the government, and they don't like it either — in particular where you've got not only your automobile premium but your driver's insurance as well, and you're getting nicked for points which previously were simply related to your record with the Motor Vehicle Branch and the possibility of having your licence suspended.

You know, we took off the fines for driving offences on the grounds that it was something which the rich could pay but the poor found a hell of a lot more, or a great deal harder to pay, Mr. Chairman. We took that off and put on a point system which is meant to be fairer to rich than poor.

Now, by way of the back door, we see the Minister introducing drivers' insurance premiums which are essentially the old type of fine all over again, and once more aids the person who is rich and discriminates against the person who is poor.

The Minister's defence so far of this total reversal of policy with respect to subsidies has been thoroughly unconvincing. He's tied himself to the other scheme. I suggest that if he cannot justify this change of policy any better than he has done, if he cannot stand by his previous statements and his commitments and the trouble he took to point out to other people that, "Oh, no, they're wrong!" — he even went to the extent of writing letters to newspapers — if he can't justify this change, then I suggest that he gets out of his portfolio, because he himself has clearly failed to live up the promises he made, clearly failed to live up to the statements of the NDP ranging from that \$25 a year insurance right through to the latest, which was, of course, that you wouldn't pay more than before. If he can't do it, if he can't justify it, he should step down.

HON. MR. STRACHAN: First of all, Mr. Chairman, I would ask the Member to withdraw the statement that I should be in jail for dishonesty. I ask the Member to withdraw that statement.

MR. D.A. ANDERSON: Mr. Chairman, if it offends the Minister....

HON. MR. STRACHAN: No ifs! No ifs!

MR. D.A. ANDERSON: Mr. Chairman, let me make perfectly clear one thing which the Minister apparently doesn't understand.

Interjections.

MR. CHAIRMAN: Either I wasn't in the chair at the time or if I was, I didn't hear the comment. If it has been made, I would ask you to withdraw unconditionally.

MR. D.A. ANDERSON: Absolutely, Mr. Speaker, had it been made.

Interjections.

HON. MR. STRACHAN: Thank you very much. You withdrew. That's all I asked for.

MR. CHAIRMAN: Order, please! Would both of you sit down? I recognized earlier that the Minister had asked for withdrawal. I understand that you have now withdrawn, and the Minister has the floor.

MR. D.A. ANDERSON: Mr. Chairman, I in no way withdrew a statement I did not make.

MR. CHAIRMAN: Well, I'm asking you to withdraw.

MR. D.A. ANDERSON: Why? For making a statement that if a private company advertised the way the NDP advertised on that \$25-per year insurance they would be in for criminal...?

HON. MR. STRACHAN: Mr. Chairman, I wrote the words down. He said that I should be in jail for being dishonest.

MR. D.A. ANDERSON: Were you in private industry, I think you would be.

HON. MR. STRACHAN: Let him go — I'm not going to bother.

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MR. CHAIRMAN: Hon. Members, just let me make this comment. It doesn't really matter whether the Minister thinks that a withdrawal isn't necessary. In my view, a withdrawal is necessary, and I would ask the Member to withdraw unconditionally.

MR. D.A. ANDERSON: Mr. Chairman, I find it curious, because you were not in the House, by your admission. But I will withdraw what you heard, if that's what you are worried about.

MR. CHAIRMAN: The fact is that all Members agree that those statements were made; they're now withdrawn. Would the Hon. Minister please continue?

HON. MR. STRACHAN: Thank you, Mr. Chairman. I've already answered the statement repeated by this Member about the ads which said \$25. That was based on the limited information which the previous administration had made available. The statement I made about no tax moneys was, of course, made before the oil companies increased the price of gasoline by eight or nine cents. We are determined to....

Interjection.

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

Interjection.

HON. MR. STRACHAN: It increased costs to the motorists.

Okay, you're opposed to a concept of fairness and equity and equality throughout the Province of British Columbia. This afternoon you put yourself clearly on record and the Liberal Party clearly on record as being opposed to fairness, equity and removal of discrimination in the Province of British Columbia.

Interjection.

HON. MR. STRACHAN: Thank you for that statement.

Interjection.

HON. MR. STRACHAN: The Member went on to repeat a catalogue of mismanagement and expensive headquarters and all the rest of it. Mr. Chairman....

Interjection.

HON. MR. STRACHAN: Just a minute. In actual fact, Mr. Chairman, just after the rental rate had been negotiated at the Royal Centre for the headquarters of the Insurance Corporation of British Columbia, I was on a

plane coming to Victoria with the lawyer who represented the lessor — I guess that is what you call him — of the property.

That lawyer, who is a former Attorney-General of the Province of British Columbia, said: "You've got a first-class rate." Do you know what the rate was? The effective rate is \$6.97 a square foot. Where can you match that in downtown Vancouver? Where can you match that in downtown Vancouver? — \$6.97 a square foot!

Interjections.

HON. MR. STRACHAN: All right, there it is. You don't like that.

MR. J.R. CHABOT (Columbia River): What does it include?

Interjections.

HON. MR. STRACHAN: No escalation clause. That's it — over the length of the contract. It is one of the best rates negotiated in Vancouver in the last three years.

AN HON. MEMBER: How many years is the contract?

HON. MR. STRACHAN: Five years.

MR. D.A. ANDERSON: You know, the centre shouldn't have been in Vancouver.

HON. MR. STRACHAN: I've already gone through that and explained why. You know, you're not here half of the time. You're on the plane flitting back and forth.

MR. D.A. ANDERSON: Where were you in the question period?

MR. GARDOM: In Vancouver, making a speech.

HON. MR. STRACHAN: That's right.

MR. D.A. ANDERSON: That's right. And he blames others.

HON. MR. BARRETT: You're against the world.

HON. MR. STRACHAN: Mr. Chairman, I can show this soon-to-be-erstwhile provincial Liberal leader....

Interjections.

HON. MR. STRACHAN: I want to tell you that if

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you examine the editorials that have been written by the Vancouver papers over the years, you will find that a recurring editorial talks about the load that the motorist has had to carry in the Province of British Columbia. As I said, when the oil companies increased the gasoline tax, then we had to look at ways to help overcome the shortcomings of the federal government. We decided that this was the best way to do it.

But there is another factor here. Had we done what other provinces have done and reduced the gasoline tax, it would have failed to take into consideration the fact that in a time when we recognized that there is a limit to world energy resources, we would have been encouraging the continued use of massive gas-eating cars.

AN HON. MEMBER: What do you drive?

HON. MR. STRACHAN: I drive a standard car.

Interjections.

HON. MR. STRACHAN: When I listen to the leader of the Liberal Party talk about increasing the administrative costs of this procedure, obviously he just has no understanding of the concept. As a matter of fact, Mr. Member....

I'm glad you have your mind made up. Don't change your mind, please. Continue to say the things you have been saying and I will be very, very happy. I'll be very, very happy.

MR. H.A. CURTIS (Saanich and the Islands): Mr. Chairman, there has been a little more heat than light this afternoon. I'm also rather thankful that the leader of the Progressive Conservative Party is absent elsewhere in the province; otherwise, dirks....

HON. W.S. KING (Minister of Labour): Oh, we'll tell him that.

MR. CURTIS: Wait until I am through, Mr. Minister of Labour. Dirks and claymores would be out once more, and we would have another clan battle such as last week.

HON. MR. BARRETT: Now's your chance to join the Socreds. He's not here today.

MR. CURTIS: There is no question, Mr. Chairman, that the Premier, in making his announcement over the weekend, and the government in endorsing that particular move, has admitted a very major failure as far as Autoplan is concerned.

AN HON. MEMBER: Rubbish.

MR. CURTIS: Rubbish? Well, we will find out what is rubbish.

My remarks are going to be very brief, and then perhaps the Member for Shuswap (Mr. Lewis) can defend this dramatic reversal which has been taken by the Premier and his party with respect to automobile insurance.

HON. MR. BARRETT: When are you joining the Socreds?

MR. CURTIS: Do you believe everything you read, Mr. Premier?

HON. MR. BARRETT: Well, that's a dramatic reversal. Are you joining them or aren't you?

MR. CURTIS: I'm speaking about Autoplan. Would you call that Member to order, Mr. Chairman?

MR. CHAIRMAN: Yes. I would ask that all Members try to maintain some order.

MR. CURTIS: Mr. Chairman, you would be quick to draw a Member on this side to attention. Are there special rules for the Premier in this House?

MR. CHAIRMAN: I've been slow to draw all of you to attention.

MR. CURTIS: Okay. The introduction of subsidy in ICBC is going to sufficiently cloud the financial failure of Autoplan that we will never be in a position to sort it out. Public accounts notwithstanding, we will not be able to recognize actual costs of insuring automobiles and other motor vehicles in British Columbia, because it is going to be operated with one hand in the Autoplan purse and the other hand in the consolidated revenue purse.

I've enjoyed the very interesting comments on both sides of the House over the last few days. As someone who has been involved in advertising for quite some time, I think that once again we have to make it abundantly clear that, intentional or not, the advertisement that was published by the New Democratic Party during the 1972 election campaign implied that autos were going to be capable of being insured for less than \$25 a year.

Denials on the other side of the House will not erase this ink. As the leader of the Liberal Party indicated just a few minutes ago, it says in black headlines: "They insure 'their' vehicles with 'government insurance' for less than \$25 a year. Compare that with your rate."

MR. CHABOT: That's sleazy advertising.

MR. CURTIS: "Sleazy" is an excellent word, Mr. Chairman.

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There is another document. I don't know where this one came from but it was obviously election campaign material released by the New Democrats during the summer of 1972. It has a little rate comparison with respect to various categories of drivers between Vancouver and Regina. For the purposes of the campaign here: "The B.C. government pays \$23.85 to insure a vehicle, but look at what you are forced to pay."

I think it is very significant that the comparison was between Vancouver and Regina, because I believe it can be substantiated that if the comparison had been between Victoria and Regina, it would have been found that in many instances Victoria automobile rates were lower under private insurance than Regina. The reference for that, in fact, is a statement from the Wootton royal commission.

Another interesting point in campaign literature, which was released during 1972 prior to the August 30 vote, was a folder on behalf of Roy Cummings and Phyllis Young, Vancouver–Little Mountain New Democrats. It dealt with in its entirety: "Public Auto Insurance: It is a Matter of Dollars and Sense."

Point 9: "Some critics say that Saskatchewan rates are subsidized. Is this true?" This was a question-and-answer folder. Answer:

"Completely false. Saskatchewan insurance has never been subsidized in 25 years. Rates have not increased in the last five years. Saskatchewan government insurance gives 82 cents out of every premium dollar back to the motorists in benefits. The average return under private plans is only 63 cents. Many private companies play a numbers game with untypical examples to prove that private plans are cheaper. This is completely disproved by examining the whole picture."

Mr. Minister, you are playing the classic numbers game of the decade in British Columbia. It's the classic numbers game of the decade, and something the people of British Columbia will not let you forget when we have the next provincial general election. Autoplan is in a state of confusion with changes being made daily — and with indecision. It is going to be remembered, Mr. Chairman, through you to the Minister, in every part of this province.

One of the points that distresses me most is the Premier's hang-up about golfers and people who live in certain parts of greater Vancouver and greater Victoria. He has this rich-people-versus-poor-people hang-up.

Interjection.

MR. CURTIS: Go ahead, Mr. Minister of Highways (Hon. Mr. Lea); it is nice to have you speak today.

HON. MR. BARRETT: Poor people vote too.

MR. CURTIS: We have this quote by the Premier that big cars will pay more as a result of this latest change. This troubles me, Mr. Chairman, because somehow the Premier imagines that every big car is a brand new limousine — or that it's a very large, expensive 1974 automobile.

I wonder if the Premier and this Minister responsible for Autoplan realize that many big cars on the road today are those which their owners would very much like to get rid of. They are older cars, and they are available to those people who cannot afford to buy smaller, more economical automobiles of 1972, 1973 or 1974 vintage.

They are heavy gas users because they are several years old — 10 years old in some instances. Yes, they are large. They are big old Fords; they are big old Chryslers; they are large old Buicks, but they are cars which their

owners would really prefer to get rid of.

All the grand statements about the visitors going to pay their fair share is one thing, but what about a fair share for those who are forced through owning an older, heavy, gas-consuming automobile? What about a fair break for them under this latest Band-aid which has been introduced with respect to Autoplan?

Not all big cars on the road today in British Columbia are owned by wealthy people, and the Minister knows it well. And the Premier should know it well, Mr. Chairman.

MR. FRASER: First of all, I was out for a while this afternoon, but I would like to point out to the Premier and the Minister of Transport and Communications that we debated here Thursday and Friday and tried to get this information out.

We assumed something was going to happen, and of course it did Friday night with the announcement of the Premier. I would say that the Minister responsible certainly didn't level with this House during that debate, taking the position that he couldn't speak for the Premier.

I would suggest, Mr. Chairman, that he was aware of what was going on. If he wasn't aware of what was going on, he should resign from his portfolio, if the Premier is in effect running his portfolio, which is the indication he gave us following the Premier's announcement.

Interjection.

MR. FRASER: You certainly did get stonewalled by the Premier. I would like to say that in view of the fact that this announcement was made up in the Interior of the province by the Premier of the province.... I realize the NDP has trouble in Kamloops, and it's a good place to turn this loose as far as they are concerned politically.

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But I read articles about our present Premier saying all the love he has for this Legislature and everything. I suggest he has sure changed his mind. He has now an utter disregard for this Legislature where this sort of announcement should have been made, particularly in view of the fact we were debating that very department of government. It's an insult to every elected person in this House, and I expect to hear from all the NDP's silent backbenchers in this regard.

I take this very seriously, and it's a real slap in the face to this democratic institution.

The other thing I would like to say is that there's always a good part to what the socialists announce — one good part to about three bad parts. I would like to go on record that, as I understand it, you are going to try and arrive at a postage-stamp insurance rate.

I congratulate you for that if you can do it because the Interior and the north of this province have been second-class citizens for far too long. I was amazed, when Icky-Bicky (ICBC) took over from the private people, that they continued on with that same policy. Now you are indicating that you might change it.

MR. D.E. LEWIS (Shuswap): Better tell your friends.

MR. FRASER: Getting on to the switcheroo that's taken place by the Premier's announcement, for the information of the House, Mr. Chairman, to subsidize it from the gas tax is only part of the issue. The gas tax, the motive — fuel taxes and the licence plate revenues all go into general revenue. From the general revenue pot we here in this Legislature vote the money for the public service and the 18 different departments of government.

I don't think the Minister can answer this, but maybe he can get into a ballpark figure: how much money are we talking about? Surely they have done some research on this. In other words, how much are we going to steal out of general revenue and divert to subsidize Icky-Bicky Autoplan? I would suggest if there is a minimum of \$30 million to a maximum of \$50 million — and I would like to hear the Minister deny that when he speaks — that's a

fair amount of money coming out of general revenue.

This government and prior administrations have had their emphasis on services to people mainly through Human Resources, Education, Health and the hospital field. Are these priority departments that bring service to people going to suffer because of the mix-up and mess that this government has got us in over the Insurance Corporation of British Columbia? After all, it's only been in operation three months, and now they've got to reach in and bail it out to the tune of \$50 million a year.

I don't go along at all with the thought that I heard earlier from the Minister. He's trying to blame the Government of Canada — the former government, the Liberal Party. That doesn't make any marks with me at all because I can assure you that they've gone down the tube. They'll never be the government again, so you're beating a dead horse as far as the Liberals are concerned.

It is really an international problem that we're dealing with, so don't blame the Government of Canada and any particular party for it. It's a world problem.

HON. G.R. LEA (Minister of Highways): Are you saying the Liberal Party is a dead horse?

MR. FRASER: I didn't quite say that. (Laughter.) The other observation I would like to make on auto insurance rates generally is the average increase — and I can only talk for the area I know: the Interior and the north — is 20 to 25 per cent. When Icky-Bicky took over from private enterprise on March 1.

I say to you, Mr. Chairman and Members of the House, that with all this finagling around and the postage-stamp rate — which is the good part of it — when it's all finished, we are going to have to subsidize this plan and we will be right back with the auto rates we had in 1973. There might even be an increase. I realize there's inflation and something has to go up, but what's this exercise all about anyway? We should never have been found in this situation in the first place.

Another thing I brought up the other day to this Minister — and since then I have been to the Interior of the province — regards the surcharge put on by various body shops throughout the Interior over their argument with the Insurance Corporation that they won't work for their rates. They want \$16 an hour and the Insurance Corporation will only pay approximately \$14.50.

The Minister replied that he thought an arrangement had now been worked out. That could well be; I didn't have time to find out. But I was approached in the Interior by the citizens who have paid the surcharge. I would like to hear from the Minister whether the Insurance Corporation of British Columbia will entertain a refund to these unfortunate citizens.

They have had to pay, at the rate of \$1.50 an hour, depending on the length of the job — say, 20 to 30 hours — \$30 to \$50 to get their vehicle out of hock. The body shops just won't release them. They have paid their full premium. While they haven't got a policy — which they would like to have — to see what obligation the Insurance Corporation of British Columbia has, on the assumption that they are obligated to pay when an accident takes place, this has not happened since March 1, 1974. It might have stopped on May 14 when the Minister replied the

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other day. There are quite a few thousands of dollars involved here.

It isn't a great deal to the Insurance Corporation of British Columbia, but it certainly means a lot to an individual workman who has to pay his insurance premium and then pay a surcharge to get his car fixed after it has been in an accident. I would like to know what the Minister intends to do about this.

We have some other legislation here. I'm not sure where it's at, but what I told them — and I know the Minister will be pleased to hear this — that rather than let him worry about it, I said I know what I would do about it: I would send it to the Minister of Transport and Communications and ask for a refund in the form of a letter.

If your mail goes up, Mr. Minister, in the next few days, you can blame me for it. Don't refer it back to me.

I hope you understand that we really made them second-class citizens twice. I would like to hear from you on that subject as well.

MR. N.R. MORRISON (Victoria): Before we leave the vote, there are a couple of questions I would like to ask the Minister.

I would like to have him tell the House what happens to an individual who, for one reason or another, decides to lay his vehicle up for the summer or for any extended period and removes the licence plates from it, turns it in to his agent, applies for a refund on his licence and for his insurance. How long should it take before he receives his cheque from ICBC?

I had a call over the weekend from a young gentleman who put his car up after he left university. It has been something over six weeks since he turned his licence plates in. As of this point he has not yet received a notification of whether he will be receiving the money. He has no idea of how much he is entitled to, and he is most anxious to find out what the score is.

Do you want to answer that and I will go on to the next one?

HON. MR. STRACHAN: Yes. Certainly he will be entitled to a prorated rebate. There is no question about that. How long will it take? They will do it as quickly as they can. If for any reason there is a hold-up on this one, if you give me the particulars I will have it checked out immediately.

MR. MORRISON: I notice that particular one is six weeks. While we are on the subject, then, I will refer to one in my own family which is now slightly over four. My No. 2 son turned his in.

The other point I would like to ask then is that we are still receiving reports of people who are having to go to small debts courts to settle their deductible portion and to find out who is responsible for paying the deductible portion of their insurance. Do we now have, in effect, a no-fault insurance where each man is going to be required to pay his deductible, or are we going to get into some way where that can be settled by the claims office without the need of going to small debts court? Can you answer that for us?

HON. MR. STRACHAN: As you know, under the old system there was an assignment of blame. Generally speaking, we are adopting the same system: an assignment of blame. It used to be that two adjusters would get together and divide the blame. We are, in essence, doing the same thing. There is the odd case where there is a substantial delay.

There is delay also where a second driver involved in an accident doesn't report the accident. As a result, you've only got one side of the story. But the instructions are that, where it is obvious the individual is not to blame, his claim is settled even though the other person has not yet reported the accident.

I appreciate that there are some delays in certain areas. We are working to overcome those delays.

MR. MORRISON: It was really the deductible I was referring to. Of course, the same thing applies in the case of a hit-and-run. Then, of course, he is stuck for the deductible portion, at least, of his own insurance. There is no way he can collect that back if he doesn't know who hit him. Under the former system at least the individual was able to collect the full amount on a hit-and-run.

HON. MR. STRACHAN: I'm not sure that he could under the former set-up. It would depend where he had to go to get the compensation.

MR. GARDOM: Are you prepared to tell us how many employees there are in ICBC?

HON. MR. STRACHAN: There are 1,250, plus 138 temporary, for a total of 1,390.

MR. GARDOM: Is the Minister able to tell us what the average salary is?

HON. MR. STRACHAN: No, I'm afraid I haven't got that figure.

MR. GARDOM: I have a few questions for the Hon. Minister. First of all, I would like to make an observation and a question to the Minister dealing with this windfall figure that I gather he was speaking about at noon. My information is that he used a figure of \$40 million. If that is an incorrect figure, the Minister could perhaps inform the House.

This \$40 million which is going to make its way

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into the Insurance Corporation of B.C. is not reducing but is subsidizing insurance premiums. If we happen to find — which is obviously the case.... "Happen to find" is certainly not correctly stating it. It is a fact today in B.C. that the premium structure of ICBC is completely out of whack. The government has had to find a \$40-million subsidy in order to meet operating costs and lost claim costs projected over this coming fiscal period. That \$40 million is obviously tantamount.... Is that the correct figure he used?

HON. MR. STRACHAN: No, can I correct...?

MR. GARDOM: Surely.

HON. MR. STRACHAN: What I was doing was making a comparison of the windfall figure of Alberta, which was \$900-odd million per year; the Saskatchewan figure which is about one-third of Alberta's; and ours, which was — I don't know the exact figure — somewhere around \$40 million. At no time did I say that that is the figure going into ICBC.

MR. GARDOM: No, but this was the estimated figure you gave today. That is correct. You estimated that \$40 million is going to be used to subsidize insurance premiums.

HON. MR. STRACHAN: No, I did not use that figure in that category.

MR. GARDOM: You said that \$40 million is your estimate of the amount of money that is going to go into Autoplan. Do you agree with that?

HON. MR. STRACHAN: No, I don't agree with that.

MR. GARDOM: What is the \$40 million, then?

HON. MR. STRACHAN: I told you that I was making a speech and I was comparing the windfall profits that had arisen in two provinces from the agreement that was made in Ottawa. At no time did I say that \$40 million was going into ICBC.

MR. GARDOM: All right. Then you are estimating a \$40-million windfall, right? You're not telling the House how much of that you are planning to plug into ICBC. You're keeping that under wraps.

HON. MR. STRACHAN: It is completely unrelated to that figure. (Laughter.)

MR. GARDOM: That is a bit funny.

HON. MR. STRACHAN: Okay. You go off on your tangent. Go ahead.

MR. GARDOM: No, I'm not going off on a tangent. But that money, Mr. Minister, announced by the Premier on Saturday or when have you, is coming out of the taxpayer's pocket. It should be utilized for roads, not for subsidizing Autoplan. Make no mistake of that. Subsidy, once started, never ends. You are creating an accounting

maze and a policy maze. I would say also the single, solitary purpose of being able to use this thing is a political vehicle. Make no mistake of that fact.

Mr. Minister, you have still not responded to some seven questions of mine dealing with the dollar situation of the Insurance Corporation of British Columbia. The panic button has certainly been pressed by the Premier. You knew it was going to come, but you didn't level with the House about that last week. You knew it was going to come. The panic button has been pressed by the Premier.

It is obvious to everybody in the Province of British Columbia that ICBC is in the glue unless it receives this subsidy. That's all there is to it. It was forecast by Members on this side of the House that that was exactly the way the thing was going to be used. So it comes as no surprise to us. I indeed hope that it doesn't come as a surprise to the general public.

Mr. Minister, the public in B.C. are, in my view, totally entitled to answers to the questions that we put to you last week. You can get involved in personal invective if you wish to; you can attempt to intimidate the Members of the opposition if you want to do that too. But we have a responsibility here, and we have the right to ask these questions. You've got the duty, in my mind, to answer them. I think that it is, without any question of a doubt, an abdication of your responsibility and your duty as a Minister of the Crown to refuse to level — just one word, "level" — with the people of B.C. and tell them what the financial situation in ICBC is.

In your annual report, in your financial statement, this white document which you read and which has been quoted in this House, you are prepared in that to go ahead and give figures of estimated premium income. You give figures of expenditures. But you come to a solid stop at that point. The people in B.C. want to know and wish to have answers about dollars. They want to know where the next subsidy is going to come from and how much it is going to cost.

In order for people to do that, you have got to furnish them with what your salary costs are. I've asked you that question. Today you inform us that there are 1,390 employees. What is the salary cost? Every month that statement is available, Mr. Minister, and probably every two weeks. The Insurance Corporation of B.C. will not tell the general public,

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and I don't know why.

You can go ahead and laugh and joke, Mr. Minister. It's a great big joke to you fellows. This is an enormous corporation. Don't you think the people are entitled to that information? I've asked you, Mr. Minister, how many dollars are involved in projections for claim costs. I've asked you, Mr. Minister, what the monthly costs are for administering ICBC. Are they coming in at the 12 per cent off premium, roughly like Manitoba, or is it more than that?

I worked out figures, utilizing your own statement 100 per cent. All I did was project your statement for a 12-month period. It came up with a \$10 million loss. That is a factual loss on the projections of your figures. Make no mistake of that. In my view it is likely to be considerably higher.

Just for fun, I'll do a bit of quick arithmetic here because you just gave me the figure. You have 1,390 employees. Let's assume an average salary of \$10,000.

HON. MR. STRACHAN: You assume what you like.

MR. GARDOM: Well, you're not giving any figures; we have to make these assumptions. If you want to be snide and sit in your seat and make silly cracks across the floor of the House, go ahead and do it. What I would prefer you to do is to just give us the information you have. That's what you should do.

There are 1,390 employees. Assuming the average salary would be \$10,000, which is a ballpark figure there,

we get \$13.9 million for salary cost. Assuredly, Mr. Minister, a ballpark figure for overhead expense would be 50 per cent of salary cost, so just in order to use round figures, let me call that first one \$14 million for salary costs, while a ballpark figure for overhead expense would be \$7 million. That gives us \$21 million.

Now, you are paying 10 per cent commissions on your premiums, and you estimate a total premium revenue of \$179 million. So for, again, round figure purposes, that would be \$18 million for commissions over the period. Now take those three figures — salary, \$14 million, overhead, \$7 million, commission expense, \$18 million — and add them up. What have we got?

HON. MR. STRACHAN: Where do you get that \$18 million?

MR. GARDOM: Ten per cent of your total premium revenue of \$179 million. It comes to \$17.9 million. I rounded it.

HON. MR. STRACHAN: Who said we're paying 10 per cent?

MR. GARDOM: Is that the average? Am I high on the average?

AN HON. MEMBER: Yes.

MR. GARDOM: What is it — 9.75 per cent?

HON. D.G. COCKE (Minister of Health): Nine.

MR. GARDOM: Nine per cent flat. Okay, let's use 9 per cent flat. Thank you, Mr. Minister of Health (Hon. Mr. Cocke). I wish that you were here more often. Use nine times 180. It's not too much different.

Interjection.

MR. GARDOM: It's \$2 million less.

HON. MR. LEA: Give Turner your list.

MR. GARDOM: So if we have \$14 million for salary, \$7 million for overhead and \$16 million for commission, that comes to \$38 million of administrative expense, exclusive of the start-up costs and obviously exclusive of the interest value of money that was utilized before those start-up costs. So we can find \$38 million worth of overhead expense. Do you or do you not agree with that as being a reasonable assessment of the overhead expense for the Insurance Corporation of British Columbia, exclusive of capital cost for the fiscal period, 1974-1975? I think the Minister might answer that question.

MR. FRASER: I just missed two or three questions, Mr. Chairman, and it won't take me a minute. Another thing has been brought to my attention. I don't think it's been brought up in this debate but it could have been, Mr. Minister. Apparently when a citizen decides to buy insurance — say he's buying a new auto — and he's buying it on the 28th day of the month, he must pay for that full month's insurance. In other words, for four weeks he's paying for an insurance premium that in fact he's not had the use of. Of course, under the other set-up, when you bought an insurance policy it's effective that day and forward. I would like to hear what the Minister has to say. Is he aware of that and is there any change of policy coming on that? It seems to be unfair if you're buying insurance for the last three days of the month to have to pay back to the first of that month.

A couple of other questions. I'd like to know how many executive assistants this Minister has. Why do you have so many? I would also like to know if you've got a Deputy Minister, who he is and what his salary is.

HON. MR. STRACHAN: Again, I don't know how you miss these announcements. It was announced a month or so ago that I have a Deputy Minister starting on July 1. His name is Dalfin. The press release gave all his background, and his salary is \$39,000 a year.

I was aware of the item that you drew my attention to regarding buying insurance in the latter days of the month. I was aware of that. There's been no change projected so far, but we're aware of it and we'll take a look at it.

The Member for Vancouver–Point Grey (Mr. Gardom) talks about salaries. Again, I point out that there's an annual report there which lists salaries and employee benefit costs, and it'll do the same thing for next year when the annual report is tabled. There is nothing secret about it. It will be tabled in the House according to law, and that's the way it will be. There it is, salaries. And you try to leave this impression that we're hiding things. I tabled this in the House and there it is. My responsibility is to report to this House on the experience of that corporation. That's what I've done and that's what I'll do next year. I know you're unhappy with it, but anyway that's the way it is. I reported a financial statement, and you'll get a financial statement next year showing an accountability, which is my responsibility.

AN HON. MEMBER: That's arrogance!

HON. MR. STRACHAN: Oh, go on with you! You're childish.

AN HON. MEMBER: Somebody spike your porridge?

HON. MR. STRACHAN: No. I'd like to remind the Member for Vancouver–Point Grey of what he just said on Thursday last when he finished up with a bunch of figures. We have his figures here, and he quotes a lot of figures which indicate there'll be a gain. He asked whether, if the gain is anticipated, I will make reductions now or wait for an election. That's what you said, last Thursday. You produced a set of figures which indicate there is going to be a gain, and you said: "If there is a gain will you make the reduction now, or would you wait for an election?"

MR. GARDOM: No, no, no, no.

HON. MR. STRACHAN: It's obvious you're all mixed up and just wanted to yodel.

MR. GARDOM: Mr. Chairman, on a point of order, the figures established a loss. I said *if* there was to be a gain, what would happen? The figures merely showed a loss.

HON. MR. STRACHAN: I can't answer that.

MR. CHAIRMAN: The Chair accepts the correction made by the Hon. Member.

MR. GARDOM: Mr. Chairman, just so we're abundantly clear on that point, I utilized the Minister's figures in the Insurance Corporation of B.C.'s report. Those figures are found on page 7, and they're found on page 3 of his report. I extended them over a year's period. I included in those figures an interest income figure which the Minister has refused to tell the House about completely. As a result of utilizing these figures, we found \$37 million then left for capital expenditure and for administration — \$37 million for those two amounts. The Minister shows in his report \$20 million is to be allocated for capital, so that would mean that \$17 million was available for administration.

Now, when I arrived last week at the figure of \$10 million loss, I did so by using the Manitoba analogy and taking 12 per cent plus off the premium income for administration, which was \$27 million. So it showed that there was a \$10 million loss. Now, the comparison which I used today again is an assumption, and I don't think that the public in the Province of British Columbia should have to pose assumptions the way I'm doing. This is the wrong way to do it. The right way to do it is to receive the information which that Minister has in his desk right now, and he refuses to give it to this House. There was nothing as disgraceful as this in the former administration.

Mr. Chairman, utilizing the number of employees today which he gave me this afternoon — the first figures that I've got from him — and taking an assumption.... And I'm not saying my figures are correct, as it is an

assumption that \$10,000 is an average salary and that 50 per cent of the salary cost should relate to overhead. Then taking the Minister of Health's (Hon. Mr. Cocke's) figure of 9 per cent — and I thank very much the Minister of Health for volunteering that figure — by extending the material shown in the Minister's report on pages 7 and 3 and arriving at \$37 million being left for capital expenditure after being generous in allowing \$20 million in there for interest, if you take off the figure which I arrived at today by two assumptions, and you take off the capital expenditure, you find that \$17 million is available to pay \$38 million worth of administrative expenses. So it's \$21 million in the red, on the basis of this. Little wonder he's got to pump in \$40 million. This is on the basis of last year's figures. We're running into inflation, as the Member for Victoria and as the Member for Saanich so

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adequately stated.

Now, Mr. Chairman, another point. Would the Minister inform the House how many lawsuits are issued today against the Insurance Corporation of British Columbia? Do you have that figure for people who suffered injuries and accidents or property damage of what-have-you? Do you know how many lawsuits have been issued and are functioning today in the Province of B.C.?

HON. MR. COCKE: How many have you got, Garde?

MR. GARDOM: None, against ICBC. The reason I'm asking you that question is this. We brought in the *Crown Proceedings Act*. There's a provision in that, as you know, that any action or any suit against the Crown shall be tried without a jury. Is it the policy of the Minister that claimants, who are dissatisfied with the offers that they received from the Insurance Corporation of British Columbia for their broken leg or crushed pelvis, are only entitled to a trial by a judge, or are you prepared to say that they are entitled to a trial by judge and jury? Will you answer that question?

You made light, Mr. Minister, of the comments by Mr. Jes Odam in the newspaper which I read to you. You said you are not relying upon him as an interpreter of the law, or something to that general effect.

Will you answer this question? Is it your policy, Mr. Minister, that if a person doesn't have on him at the time of an incident a valid registration certificate, owner's insurance certificate, a driver's licence and a driver's certificate, that all of the others are to be held invalid?

Will you tell the people of B.C. that? If that's the situation, it is a very serious situation. My golly, you've encompassed the public in this law whether they like it or not.

Interjection.

MR. GARDOM: Do they have to have the four documents with them at any given point of time or they're in the soup?

Interjection.

MR. GARDOM: And they don't have valid insurance. That's what Mr. Odam says. What's your policy on it? It's not enough to turn a bland sort of approach to Mr. Odam and say: "Pooh, pooh him. I'm not relying on him as an interpreter of the law of the Province of B.C." The public are relying on you to give them advice. What is your advice on this point?

Interjection.

HON. MR. STRACHAN: Again, Mr. Member, I point out to you that the annual report gives the interest income up until that period. The interest income will be reported to this House.

AN HON. MEMBER: How much?

HON. MR. STRACHAN: That's a commitment. I table an annual report which indicates the situation up until the time I'm responsible to table that report. It does contain interest income; the figure up until that date.

Interjection.

HON. MR. STRACHAN: You keep making these accusations that I don't tell the House. I keep having to draw your attention to the fact that I fulfil my responsibility and do report to the House.

MR. GARDOM: No, you don't.

HON. MR. STRACHAN: Now, you asked me a question. As I sit here and listen to you, Mr. Member, I'm reminded very much of Torquemada, because that's the role you're assuming — with the attitudes too, if I might say so.

Now, how many lawsuits? Well, I think the corporation is involved in two lawsuits right now.

MR. GARDOM: Only two claims?

HON. MR. STRACHAN: I think we are only involved in two lawsuits. As I say, I would have to check with the corporation lawyer. One of them was someone in Nanaimo suing us for the surcharge and the other one is the one where the private insurance corporations are taking us to court.

MR. GARDOM: No, but none where people have been injured?

HON. MR. STRACHAN: Pardon?

MR. GARDOM: Are there no lawsuits out where people have been injured?

HON. MR. STRACHAN: I have no report on that.

MR. GARDOM: You have a legal department as long as four people's arm.

HON. MR. STRACHAN: I'd have to check out that figure.

"Is it a policy that they will only be entitled to judge and jury?" Again, I'm not a lawyer. I can't tell

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you whether there will be judge and jury....

MR. GARDOM: But what is your policy?

HON. MR. STRACHAN: "Is it my policy to have all four of them?" Again, that's a legal question, and I don't presume to give legal advice. The law is written, and I think you will agree that, no matter what happens....

MR. GARDOM: Your policy brought about the law, didn't it, Mr. Minister?

MR. CHAIRMAN: Order, please.

MR. GARDOM: Mr. Minister, with all respect, the policy brought about this statute. Don't really come up with an answer as shallow as that. The policy brought about the statute. Are you prepared to say it is or is not the policy in B.C. that people who are injured and are unable to make settlements with ICBC for one reason or another are to be deprived of the right of jury trial? Is that your policy?

Is it your policy to say in B.C. that people have to have those four documents in their possession or they're disqualified for their insurance? Is that your policy?

It's not a question of law; it's a question of your policy.

HON. MR. STRACHAN: Mr. Member, you are a member of the legal profession. You know that in case after case after case the judge has found that what the Legislature or what someone said in the Legislature does not interpret the law. I'm not about to interpret the law.

MR. GARDOM: Mr. Minister, with all respect, your policy dictated this law, and you are refusing completely to indicate what that policy is.

Well, insofar as jury trials are concerned, they are out. Make no mistake of that, by virtue of the *Crown Proceedings Act* and by virtue of section 10(2) of the *Insurance Corporation of British Columbia Act*, which says the corporation is an agent of Her Majesty in the right of the province. So jury trials, insofar as ICBC, are gone.

You talked about there being two cases. It's strange to me that there are not more, but you mentioned you weren't too sure of that fact. But, Mr. Minister, in the surcharge case is it going to be the policy of your department to rely on this section 10(2)? If you do, those people don't have any claim at all. It's Crown immunity, and Crown immunity is still being practised in the Insurance Corporation of B.C. statute. Is that the policy of this government?

MR. FRASER: I'd like the Minister to answer the question I asked earlier: what is going to happen about the victims who have had to pay a surcharge that has already been paid since March 1? Are you entertaining doing something about it, or are you just going to let it hopefully fly away and disappear?

HON. MR. STRACHAN: Not at this time. All those people, as I recollect, signed a document agreeing to it. It was a problem we ran into, and I'm not making any commitment at this time.

MR. FRASER: Well, Mr. Chairman, to the Minister, that's disgraceful. They had to sign the document to get their vehicle back, and it's your fault they are in that position.

MR. D.A. ANDERSON: The length of the Minister's estimates, I think, is related to the lack of information we are getting.

The Minister said the other day they had issued one cheque in error. Well, here's another one. I seem to be getting a lot of them these days.

"After conversations with your secretary, it was decided to ask you to return this unsolicited cheque to Mr. Strachan for me."

This is what I intend to do.

"I called ICBC offices on May 6, 1974, to find out about why I received this cheque. Somebody was to return my call the same day, but I never heard from them. The next day I phoned again, and this time my call was returned. I explained the situation, but I did not receive a satisfactory explanation from ICBC. He asked me to mail the cheque back to them, which I agreed if they would send me a stamped, self-addressed envelope. After 3½ weeks of waiting for the envelope, I can only assume that they are not interested in the return of this cheque. Possibly Mr. Strachan can explain."

The cheque is for \$132. Perhaps I'll return it here and save the cost of postage. I wonder how many other cheques the computers are issuing on the basis of false information put into them by ICBC personnel?

MR. CHAIRMAN: Order, please. I believe the Hon. Minister has commented on this a number of times.

MR. D.A. ANDERSON: Oh, yes, but I thought he would be interested to know that the number of cheques is increasing.

HON. MR. STRACHAN: Oh, yes. It's doubled!

MR. D.A. ANDERSON: Yes, that's right. How many others are out there that we don't know about?

The people I bring to your attention, Mr. Minister, are honest people. The majority of dishonest people might well think that they are not going to put the cheque back into the mail and send it back. Most people, I trust, are honest, and I trust they will continue to do this. But the fact is apparently there is no way of checking. ICBC doesn't seem to know unless they are told, because they have no control mechanism on the cheques themselves.

There are a number of problems with ICBC and with other aspects of the Minister's department which basically come down to, I think, a refusal to answer questions of Members. I raised one last week and, instead of getting the answer to my question dealing with conflict of testimony and conflict of statements, we get attacked.

In the opposition, we find it extremely difficult to pass estimates when in question period we are given statements which turn out to be untrue and no subsequent attempt is made to correct the record despite, in the instance I raised last week, three months going by and despite a motion on the order paper which I had to withdraw so I could raise it in this debate.

We find this to be extremely difficult because, when we ask questions and we get answers, we know that not every reply can be accurate. The Minister's memory can slip; he can be misinformed. But categorical statements are made and, when these statements turn out not to be so, not to be true, we just get abuse instead of explanations or withdrawals or retractions. That is what makes it extremely difficult for us to trust answers given.

The point raised by me last week was the question of the appointment of Mr. Don Sharpe. The real question was: how on earth could categorical statements be made in the House stating that the agents' association said there were not enough of them to do the job and that they came to us indicating they quite clearly couldn't handle it and then ICBC made the decision to expand?

We've had all sorts of explanations but they mostly and quickly tail off into abuse on the opposition for asking legitimate questions about the operation of the government and the question of influence in appointments in ICBC. The influence is obviously there. No question about that at the present time.

Why is it, when the statements made are obviously inaccurate, when the statement made are obviously incorrect, we get abuse instead of apologies or explanations when we ask for such apologies or such explanations? Why is it that in replying to questions we do not get candid answers? We get answers which turn out to be untrue. Yet there is no way that the government Ministers will do anything but arrogantly refuse to explain, arrogantly refuse to apologize if an apology is....

MR. CHAIRMAN: Order, please. I would ask the Hon. Member to confine his remarks to the vote before us. Also, I would point out that the subject he has just discussed has been canvassed a number of times.

MR. D.A. ANDERSON: Well, the reason these subjects come up again and again, Mr. Chairman, is because of the lack of candour in the replies. The thing has been around for more than three months, and we are simply not getting any real explanation to the crux of the question, which is: how the Minister made the categorical statement that the request had been made by an association. And it turns out that that was entirely false.

How can we trust replies in the House during question period when we get not just evasions, which come frequently enough, but when we get statements which are categorically untrue, such as that one? That is the difficulty we face.

Another similar case was that of B.C. Ferries contracts. I've raised this before, but at the time the Speaker of the House told me it should be raised in estimates. I will raise it at this time.

Back on September 24, I asked the Minister during the question period whether or not he had called for tenders so that B.C. naval architects would have the opportunity to bid to design these proposed new ferries, the Minister said that competitive estimates for design costs had been obtained from two firms, and this information was reported to him on May 24, 1973. He said, and I am quoting *Hansard* page 168:

Competitive estimates have been obtained from the Victoria, B.C., naval architects CELL (Case Existological Laboratories Ltd.) for design fees for a trailer ship and a 274-car ferry.

The same thing was asked of another firm, and we find that the amount of money being asked to provide this and the time required to do the job is much less with a firm whose plans were in this place the other day.

He said: "The same thing was asked of both firms." I think that is important because the same thing was not asked of both firms. That's why we get in difficulties in question period and that is why estimates get tied up — because we don't get accurate, factual answers.

To go back to the ferry case, the Minister indicated that no contract had been awarded. But later on, after an exchange of questions and answers, he finally admitted that indeed the Seattle firm of Nickum and Spaulding had been paid \$10,000 to prepare preliminary sketches for submission to the Canada Steamship inspection service of the Department of Transport.

On October 24 the Minister announced to the press that the Seattle firm had been awarded the \$577,500 contract to design two 376-car ferries and a

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trailer ferry. According to the press reports, he indicated that the Seattle firm had received the contract because its bid was more than \$100,000 lower than that of Case Existological Laboratories, and it had promised to prepare the designs in one-third the time; and nine of the 24 B.C. ferries now in operation were based on its design.

This just didn't coincide with information I had been given, so I immediately asked the Minister to table in the Legislature the May 24 report to which he had referred previously on September 24.

If you remember, Mr. Chairman, I repeated that question in the Legislature at least six times. Each time the Minister repeated that he was considering the request. Yet I still have not received that document, nor has anyone else.

At the end of the session, during the legislation setting up the new department, I tried to review the issue again at that time, pointing out that I had given the Minister reasonable opportunity to provide the information and to demonstrate that he hadn't misled the House in his earlier answers talking about the same thing from two different firms.

I tabled at that time two letters in the House from the Canadian firm, Case Existological Laboratories, which indicated that they had been asked to give quotations on different types and sizes of ferries than the American firm — quite something different. The parameters given to the two firms by the ferry authority were different. They simply could not be considered to be the same, as stated by the Minister.

Mr. Speaker, looking into this further, the two firms were asked very different questions, and they were never given the same opportunity. In the case of the Victoria firm, it was clearly discriminated against.

I question the procedures of the ferry authority and about the Minister's justification of his claim that the American firm was cheaper. First, the procedure: it was most haphazard. The Canadian firm was asked to give a rough estimate of the cost of ferries of a particular size and configuration.

The firm, using Ferry Authority specifications as a basis, quoted a price based on the Department of Highways manual concerning consulting engineers — that's the title of the manual: "A Manual Concerning Consulting Engineers" — in which the government, and that is the Minister, lays down the amount of money an engineering firm can charge as a proportion of the total cost of the job.

In other words, the Minister's claim that the Canadian firm was charging \$100,000 more can be criticized for the two reasons: (1) because their fee was based on the government-fixed proportion of the cost of building a ferry to the B.C. government specifications, and (2) because it simply was not true.

The difference at the maximum was \$15,000. In addition, the Canadian firm was quoting for the original design of two different types of ferries. The American firm charged virtually the same amount for the job of modifying the designs it had already sold in the United States. As its work was less, one can only assume that its charge would be less.

The Minister stated that the Canadian firm was not chosen because it would have taken three times as long to prepare the design and working drawings. Yet the evidence indicates that the American firm quoted around 75 days for the design of the 350-car ferry, and the Canadian firm could have done the job in the slightly longer period of three months.

In fact, since the tenders called for the ferries were mailed from the Minister's office on January 10, just a week short of three months from the time when the design contract was awarded, it is clear that the three-month quote from the Canadian firm was not much longer and certainly not three times as long. Again, a factually inaccurate statement.

As for the Minister's claim that the U.S. firm had greater innovative capacity, it is true, of course, that they have designed some of the other ferries in the British Columbia ferry fleet. But the Canadian firm was involved in stretching the ferries now in use. In addition, if the firm was not capable of doing the job, as indicated by the Minister's statement about their ability, it seems curious that they were asked in the first place to quote. It just doesn't add up.

The case raises a number of fairly grave issues. How are contracts of this nature issued?

There is a letter sent over the signature of the Premier dated November 2, 1973, to the head of the Canadian firm. It read:

"Dear Mr. Case;

"Thank you for your letter of October 12 and your follow-up call to my executive assistant, Mr. John Wood. I have checked into the matter you raised and find that you have met with the Minister of Transport and Communications on two occasions and that you have also been in touch with our Attorney-General's department regarding the question of tenders.

"I feel that your case was given every consideration by the Minister. I have discussed it fully with him, and I accept the decision that he has made."

The fact of the matter was that it was a decision not to call tender. There was no tendering involved. I think that is pretty important when you are dealing in hundreds of thousands of dollars.

The other question, second to that of tendering, is the question of candour in the House. We realize that not all replies to our questions in opposition, either during question period or in the estimates, can be totally accurate, because the Minister's mind may miss a point or he may be misinformed. But basically it is a question of how you approach the answer. It is perfectly possible to correct things of that nature later.

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But when your statement of the 24th was clearly inaccurate, and despite repeated requests to get the document on which the September 24th decision was made — and this was turned down time after time, and the statement was clearly inaccurate from the other information available — you can understand the frustration of the opposition.

We have a government which simply does not believe in replying with candour to questions from us whether in this debate here today or in the question period of the House or on the issue of the appointment of agents or in the issue of the increase of the number of agents.

We have had constant evasion on the dining room survey of the B.C. Ferries. I have here the information on that here in my hand. Yet time after time we find that our efforts to find out what the truth is are simply met with, at

best, evasions and, at worst, deliberately inaccurate statements. I don't know how we can keep on.

MR. CHAIRMAN: Order, please. I would ask the Hon. Member to withdraw an imputation of "deliberate."

MR. D.A. ANDERSON: How, Mr. Chairman, can a statement...?

MR. CHAIRMAN: Order, please. The Hon. Member is familiar with parliamentary rules. I would ask the Hon. Member to withdraw any imputation of wrongdoing against the Minister.

Interjections.

MR. CHAIRMAN: Order, please! The Chair is instructing the Hon. Member to withdraw the imputation that the Hon. Member was deliberately inaccurate.

MR. D.A. ANDERSON: How on earth do you explain the September 24th statement?

MR. CHAIRMAN: Order, please! We're not debating the matter. I'm asking, according to parliamentary standing orders, that you withdraw the imputation against the Hon. Minister of deliberately making inaccuracies in the House.

MR. D.A. ANDERSON: How on earth do you do it? It's there. It's been there for months in both instances.

MR. CHAIRMAN: Order, please! Is the Hon. Member going to obey the Chair?

MR. D.A. ANDERSON: Mr. Chairman, if the Minister will get up and give a reasonable explanation of this, it will be clear....

MR. CHAIRMAN: Order, please! No qualifications in parliamentary rules. The Hon. Member has been requested by the Chair to withdraw an imputation against the Minister of deliberately making inaccuracies in the House. I would ask the Hon. Member to withdraw. I order the Member to withdraw. Unqualified.

MR. D.A. ANDERSON: Mr. Chairman, the statements just cannot be reconciled....

MR. CHAIRMAN: Is the Hon. Member going to withdraw or not?

MR. D.A. ANDERSON: Well, I don't think I will, no.

Interjections.

The House resumed; Mr. Speaker in the chair.

MR. CHAIRMAN: The Hon. Second Member for Victoria (Mr. D.A. Anderson) accused the Minister of Transport and Communications of deliberately making inaccuracies in the House. I asked him to withdraw the imputation that he was deliberately making inaccuracies to the House, and he refused to do this.

MR. SPEAKER: Thank you. Was there any objection taken by the Hon. Minister?

HON. MR. STRACHAN: No, I didn't take any objection at that time, no. I'm used to that from that Member.

MR. SPEAKER: The only question before me is whether the statement was refused to be withdrawn. I think that the Hon. Member and the rest of the assembly are quite aware that no Member can have his integrity questioned in this fashion in the House. Is the Hon. Member prepared to withdraw his statement?

MR. D.A. ANDERSON: No, Mr. Speaker.

MR. SPEAKER: You face me with the difficulty that I must order you to withdraw. Will you withdraw? And

you know, I think, that the only alternative I have is to ask you to leave the assembly.

Interjection.

MR. SPEAKER: May I point out to the Hon. Member that he is forced to withdraw from this House.

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That means from the building.

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

ESTIMATES: DEPARTMENT OF
TRANSPORT AND COMMUNICATIONS
(continued)

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

MR. GARDOM: We see a report in today's *Province* — it's not in quotations — a statement from Mr. R.J. Letniski, former Crown lawyer, now special projects director of the Justice Development Commission. He said there has been a dramatic increase in small debts court procedures relating to automobile insurance. I would ask the Minister if he has the figures dealing with that. To what extent has there been an increase?

Apropos of the questions from the Member for Victoria, Mr. Minister, which you did not answer completely, is there going to be any change in policy with ICBC in order to take care of this \$200 deductible portion? Does it mean that people automatically have to go into the small claims court to process their rights dealing with that first \$200? There's no question of a doubt that this is a great imposition upon individuals and it's an imposition that was not in effect under the private sector.

Also it's noted in the same newspaper report, Mr. Chairman.... It's a little difficult with all the noise going on, Mr. Chairman, from the Premier's side.

MR. CHAIRMAN: Order, please! I would ask Members on both sides of the House to extend the courtesy to the Hon. Member that he may be heard.

Interjection.

MR. CHAIRMAN: The Hon. Member for Columbia River on a point of order. No? Would the Hon. Second Member for Vancouver-Point Grey continue?

MR. GARDOM: Secondly, it's noted in this report that the number of contested traffic tickets in the City of Vancouver alone has increased by an estimated 200 per cent since March 1 of this year because of the points demerit system and the fear of related ICBC charges. Does the Minister have figures to substantiate or contradict this story? Also, would the Minister please inform the House as to what he does intend to do, if anything, to improve the situation as it has been reported?

HON. MR. STRACHAN: Yes, I'm aware of the increase in number of contested traffic tickets. I can't give you the number; that's in the Attorney-General's Department. I'm not aware of the particular statement you referred to of the judge who said there has been a dramatic increase in the court cases in the small debts court. We're watching it very closely. As a matter of fact, I think we have already moved to try and resolve that matter that was raised earlier of the deductible.

MR. GARDOM: How?

HON. MR. STRACHAN: Well, through speeding up the procedures. In the hit-and-run cases, okay, this is

the situation in allocating it that way.

We're aware of them both. I can't give you a figure on either one because they are not in my department, although they were drawn to my attention by someone in the Department of the Attorney-General. We're certainly going to keep a close watch on it and take whatever action is necessary to correct this.

With regard to the Member who has just left the House, he made a categorical statement that ICBC was responsible for a cheque issued in error. He made that categorical statement. It wasn't true. I'm not going to stand up and make a big hullabaloo about people not being honest with the House, as he tries to do. He made a categorical statement that ICBC was responsible for that. I've already explained to this House that an agent had put down the wrong licence number in the application for a refund. That is probably what this one is too, because I notice the date is back in April. He made the categorical statement which was untrue. But I'm not going to stand up and get thrown out of the House in some grandiose move to try and build up a case.

This is probably the same thing: an error by an agent. After that first case, we now check the number of the cheque with the name to overcome that particular difficulty. I regret very much that I lack the superhuman, perfect qualities enjoyed by the leader of the Liberal Party. I apologise to him in this House for my human shortcomings.

AN HON. MEMBER: Oh, don't be unctuous!

MR. GIBSON: I ask the Minister if he has anything to say about the other matters raised by the Second Member for Victoria (Mr. D.A. Anderson).

MR. CHAIRMAN: I don't believe the Hon. Minister heard. Would the Hon. Member repeat his question?

MR. GIBSON: Thank you, Mr. Chairman. I would ask the Minister if he would have anything to say about the other statements raised by the Second Member for Victoria;

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HON. MR. STRACHAN: I don't know what other matters you're questioning. I've already answered every question that has been asked in this House to the best of my ability, and that's it. This is his thing. Let him go ahead.

MR. GARDOM: Has the Minister tabled, as he said he would, these Adams documents?

HON. MR. STRACHAN: No. All I said was that I was sorry he.... I didn't say I was not going to table them.

MR. GARDOM: No, my question is: have you tabled them yet?

HON. MR. STRACHAN: No. You've been in the House, haven't you?

MR. GARDOM: Do you intend to, Mr. Minister?

HON. MR. STRACHAN: You've been in the House, haven't you?

MR. GARDOM: Do you intend to table them?

HON. MR. STRACHAN: I'm sorry you rejected my statement.

MR. GARDOM: Do you intend to table them before the session is over, Mr. Minister? You said you did before. Are you going to go back on your word?

SOME HON. MEMBERS: Aye!

MR. GARDOM: What do you mean "Aye"? Is he or isn't he going to table the documents?

MR. CHAIRMAN: Order, please!

MR. GARDOM: If he is, fine; but let's hear the answer.

MR. CHAIRMAN: Order! The Hon. Member may pose a question but he may not demand an answer.

MR. GARDOM: Well, I posed the question. Is the Hon. Minister going to table the Adams documents in the House as he said he would, he hasn't done it yet. When is he going to do it? When the session is finished? Don't you think it a little more appropriate, Mr. Minister, if you table it during your estimates?

HON. MR. STRACHAN: If the Member was in the House very much of the time, he would recollect whether or not at any time I had withdrawn the commitment I made.

MR. GARDOM: Well, I haven't heard you withdraw it, then. I take it that's the case. Well, Mr. Minister, you have not given the public of B.C. any satisfactory response concerning the Adams situation. You have not done that. If the man was performing his job, who, Mr. Minister, made the waterlogged decision that he should be taken off his work and put on a \$52,000 retirement sinecure?

MR. CHAIRMAN: Order, please. I would point out to the Hon. Member that this particular subject has been canvassed several times. I would ask him to try and raise a new subject.

MR. GARDOM: Well, I notice the Minister hasn't answered it yet. I hope he will do so this afternoon, Mr. Chairman. I'm hopeful he will do that.

I ask him that question, Mr. Minister. If Mr. Adams wasn't doing his job, why wasn't he discharged, without the gift and without the bonanza? But if he happened to be doing his job, Mr. Minister, why didn't you keep him on?

HON. MR. COCKE: Have patience, Garde.

MR. GARDOM: I guess one needs an awful lot of patience to get any answers from this Minister, Mr. Minister of Health. You're absolutely correct.

If Mr. Adams quit, who made the decision that he should receive \$52,000 for doing nothing? You fired the Member for Atlin (Mr. Calder), and he didn't get paid. Don't you see any analogy there?

MR. CURTIS: Mr. Chairman, I want to correct something I said earlier, just for the record. I quoted from a New Democratic Party folder which was issued during the summer of 1972. I attributed this to Vancouver-Little Mountain when in fact it was, as I see it through a Xeroxed copy, produced by the Langley NDP organization before the same general election. I just wanted to make that correction.

I've been present for most of the debate relating to the Minister's salary, and I wonder if he would give the committee the following information with respect to the management consultant firms which were used by ICBC in the start-up stage. Could he tell the committee where most of these consultants came from in Canada? Were they British Columbia firms or were they from Ontario or Manitoba? And could one of his many advisers indicate the per diem rate which they were paid? — I understand that it was quite significant. Did the rate include expenses? Were these individuals permitted to return to their home cities at ICBC or public expense? If so, at what frequency? I'm given to understand that they were not British Columbia-based consultants. If that is correct, then why not? There are a number of firms within this province more than capable to assist in the kind of

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start-up which ICBC faced.

HON. MR. STRACHAN: I already answered the question about the consultants. Johnson Associates were in from the beginning. They were a B.C. firm. Wood-Gundy were in from the beginning, doing a specific job, checking the development of the IBM situation. They were a British Columbia firm with British Columbia people, as

far as I know.

I'm not familiar with that situation about people being allowed to return to their homes. It could be that over Christmas or something like that some of the IBM people moved back. That could be. I don't know.

MR. CURTIS: Mr. Chairman, does the Minister have an approximate daily rate which was paid to these individuals through the start-up period?

HON. MR. STRACHAN: As I recollect, the IBM was a signed contract. As I recollect, it was for a fixed sum. The IBM were doing a specific work for a fixed sum of money.

MR. CURTIS: Yes, but it isn't just IBM. There were a number of other firms involved. The Minister has already indicated them, and there was a daily rate involved. Now can the Minister tell us precisely what that rate was?

HON. MR. STRACHAN: No. I'm sorry, I haven't got any daily rate listed here.

MR. GIBSON: I'd like to follow with the Minister the question that was just opened the other day of the ICBC paying taxes to municipalities generally and to the District of North Vancouver in particular. The Hon. Premier is sitting right here, and perhaps he could solve the whole thing by a word. Are they going to pay full taxation to all the municipalities, Mr. Premier?

MR. CHAIRMAN: Order, please; I would point out to the Hon. Member that questions must be addressed to the Minister whose vote we're considering.

MR. GIBSON: I agree, Mr. Chairman. I just wanted to give the Premier a chance to solve the problem right there — that's all.

MR. CHAIRMAN: I would also point out to the Hon. Member that this matter has been raised a number of times.

MR. GIBSON: It hasn't been raised with any degree of thoroughness, Mr. Chairman. The Minister mentioned the other day there was going to be a meeting between the District of North Vancouver and the Insurance Corporation of British Columbia today, and there was such a meeting. That may have gone some distance towards solving the question of wrecks on that property. I certainly hope so. There was an undertaking given that the wrecks would be removed. There was no time limit given, but that they would be removed. So let's hope that that one is going some distance towards resolution.

What wasn't resolved at that meeting and what can only be resolved by this Minister, Mr. Chairman, is the question of the ICBC undertaking, not just for 1974 but down through the years to pay full taxation to municipal governments for the property that they use for their claims centres. The Minister, I know, has it in his mind....

MR. CHAIRMAN: Order, please. I believe that this would be a matter for cabinet consideration rather than the direct responsibility of this Minister. It's more appropriate to direct it to the Minister of Finance during oral question period.

MR. GIBSON: Mr. Chairman, surely it is this Minister, as president of the Insurance Corporation of British Columbia, who went to the cabinet to achieve the order-in-council that provided for the payment of taxes during 1974. Indeed, I have some correspondence to read out in that regard. There's no question but that it is this Minister who has the responsibility to make the recommendation to the cabinet — no question of that at all.

HON. MR. COCKE: He's not the president.

MR. GIBSON: The Minister somehow got it in his mind that this was a political question out of the North Vancouver by-election and that's all it was. But I want to give the Minister a little bit of history, Mr. Chairman, to show that this is a matter on which the municipal council is unanimous and has been unanimous for a long time in

the past, and to read a minute of the council from a meeting on Tuesday, September 4, 1973.

"Land matters.... (c) Insurance Corporation of B.C. proposed claims centre, zone 2, North Shore East, 2,000 block, Dollarton Highway, south side.

"Moved by Alderman Kerr, seconded by Aldermen Fall and Carey, that the land agent be instructed to tender this property for sale, subject to the required commitments for consolidation of the land with adjoining property and for relocation of the road on the property, and a further commitment that the property will become subject to municipal taxation."

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That was September 4, 1973, long before there was any thought of a by-election in North Vancouver-Capilano, long before there could be any thought of politics being mixed up with this. So I'd like to disabuse the Minister of that idea right at the beginning.

Now then, there are various memoranda which passed inside the district office which made reference to these two pieces of property — one the Dollarton Highway and the other in the west side of the district — describing what the taxes might have been and how on one site the taxes were, in 1973, \$12,960.21 and on the other site they were \$3,174.67, and how both would likely be higher during 1974 because of recent high prices paid for land in the surrounding areas and the current reassessment in the area. There can be no doubt on that either, Mr. Chairman. The land values in the area have gone up very steeply, and the taxes would go up steeply, too.

Next we find a letter from a Mr. Tanguay, who's a consultant to the municipal manager, Mr. Welsh. This letter's dated October 18, 1973.

"Reference: Insurance Corporation of British Columbia proposed claims centre development, zone 1, North Shore West; zone 2, North Shore East.

"Dear Mr. Welsh:

"I enclose with this letter a copy of a memorandum received today from the Insurance Corporation of British Columbia confirming the position of the corporation with respect to payment of municipal property taxes. As noted thereon, this matter is under review by the corporation. Necessary legislation is expected to be adopted shortly..."

Where is it, Mr. Chairman?

"...which will establish the precise position of the corporation in this matter. I trust this will at least satisfy your interim requirements and request that you advise us in writing relative to your acceptance of the corporation's position. Trusting you'll find this in order..."

and so on. And attached, a memorandum from the Insurance Corporation, signed by Mr. P. Prepchuk.

"Please be assured it is the present intention of the Corporation to use its best endeavours to ensure that grants in lieu of real property taxes are paid to every municipality in which the corporation holds real property and that the necessary orders-in-council adopted in each case, pursuant to section 11 of the *Insurance Corporation of British Columbia Act*..."

The intention of the corporation is very clear here, Mr. Chairman. The intention of the corporation has been, from the beginning, to do the right thing and guarantee the municipalities that full municipal taxation.

So what's happened? What has happened is that the Minister has systematically refused to give the corporation the necessary legal permission to go ahead with that intention. What has happened is that further motions have therefore been adopted.

This was a council meeting of October 29, 1973.

"Land matters.

"(a) Tender 9/73, Lots 14 and 15, Block 18, BL 193, Plan 1587, Dollarton Highway:

"The land agent advised that one tender had been received being in the amount of \$33,350 cash from the original applicant, the Insurance Corporation of British Columbia.

"Moved by Alderman Slattery, seconded by Alderman Fall, and carried that acceptance of the tender be withheld until such time as the provincial government has given assurance that full municipal taxes will be paid in respect to the claims centre sites."

I don't know if you know the politics of the area, Mr. Chairman, but the aldermen who have been moving and seconding on these motions represent very broad bipartisan support. It is a strictly municipal matter, and it is a belief that the municipality is entitled to those taxes and should not be put in a position of having to subsidize other areas. Here is another letter to Mr. Tanguay. It is dated November 7.

"With reference to the bid submitted on behalf of the ICBC, I would confirm that council and committee on the 29th ultimo recommended that acceptance of the tender be withheld until such time as the provincial government has given assurance that full municipal taxes will be paid in respect to the claims centre sites."

There is no lack of notice there, Mr. Chairman — November 7, 1973. There has been lots of time to talk about it. We have had a provincial budget since then.

Here is a letter from the building inspector to Commonwealth Construction noting that.... How unfortunate it is, Mr. Chairman, that a stop-work order had to be posted on that property because of the inability of this Minister to just come up and do the fair thing and make that guarantee to the District of North Vancouver.

HON. MR. STRACHAN: It didn't have to be. They got political.

MR. GIBSON: You heard the Minister there, Mr. Chairman. He said: "They got political." They didn't get political, Mr. Minister; they were just trying to make sure that the rights of that municipality would be observed by this government. Because this is a government that runs around this province saying, "Trust us," and then they don't follow through. That's the trouble, Mr. Minister; that's the trouble.

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We've got further correspondence. The municipality has been trying to be very reasonable. All along here they have been trying to be very reasonable. There is another letter from Mr. Tanguay to Mr. Williams, the land agent for the District of North Vancouver. The essence is:

"As you can appreciate, the matter of municipal property taxes relative to the corporation's land holdings must be resolved in the final analysis by official policy determined at the cabinet level. We understand that the matter is now being reviewed at that level."

It mentions recent statements of the Premier that the municipal tax on Crown corporations is now under review. It goes on to say:

"We are optimistic that specific conclusions in this matter will be reached shortly, and we would be most appreciative of any consideration which the District of North Vancouver may give the ICBC in this matter by suspending further action on our tender until at least January 31, 1974.

"We will advise further as soon as the insurance corporation management is able to furnish us with further information."

This is what the Minister said got political. Here is the ICBC writing to the District of North Vancouver on December 19 asking that any further action on the tender be suspended until at least January 31, 1974. At whose request was that suspension? It was the request of the ICBC that was optimistic that this matter was under review and maybe some, progress was going to be made.

It's a sorry history. Here's another letter, this time from the district back to Mr. R.R. Tanguay, who's a consultant for Johnson Associates Management Limited — and who are doing work for ICBC on this matter, I would gather.

"I thank you for your letter of the 19th instant and note that you are optimistic that the cabinet will authorize the payment of municipal property taxes with respect to the land holdings of Crown corporations. However, the vague statements attributed to the Premier in the press report indicating that both private industry and Crown corporations will be expected to pay more to municipalities..."

not all, Mr. Chairman, just more —

"...fall far short of council's requirement.

"I would reiterate, that insofar as the corporation of the District of North Vancouver is concerned, assurance must be given in a form acceptable to the municipal solicitor that the payment of such taxes or an amount in lieu thereof must be in full. I would also reiterate that the decision of the acceptance or rejection of ICBC's tender be deferred indefinitely. But in view of the circumstances, I am prepared to defer reporting on this matter until the 31st proximo as requested."

In other words, the corporation of the district was prepared to hold on for a while and see what was going to happen.

Now on December 29 again Mr. Prepchuk of the Insurance Corporation of British Columbia wrote to the city manager of the district, saying:

"Dear Sir:

"I am enclosing herewith a photostatic copy of a certified copy of order-in-council 4265, approved December 20, 1973. I trust that this action on the part of the Lieutenant-Governor-in-Council will satisfy your requirements in connection with the above transaction and that construction will be permitted to proceed without further delay."

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Signed, Mr. Prepchuk.

What does that order-in-council say, Mr. Chairman? I won't read it all, but it says that ICBC "will pay to each and every municipality in which there is situate real property held or occupied by the corporation at any time during the year 1974." In other words, it says taxes will be paid for 1974 and then says no more. And this to a district which is being robbed of at least \$120,000 in taxes every year on the B.C. Railway property. They ask them to accept an assurance good for the year 1974 only. I say that is not good enough, Mr. Chairman.

Interjection.

MR. GIBSON: Council considered that, and I give an excerpt from the minutes of the policy and planning committee of the council for the Corporation of the District of North Vancouver, held in camera in the committee meeting here. And since it's held in camera, I don't know that I should quote from this.

HON. MR. STRACHAN: If it's held in camera, it's a secret document.

MR. GIBSON: What it does say in essence is that the council demands that the government pay those taxes. There's nothing secret about that, Mr. Minister, I'll tell you that. Fly that from the highest flagpole. Mr. Chairman, that Minister works for a government who said they were going to compensate all municipalities for full municipal taxes. And there's the Minister of Municipal Affairs (Hon. Mr. Lorimer) who has said that many times, and I know he believes that. Why can't the other Ministers in that cabinet get that through their heads?

AN HON. MEMBER: Nod your head, Jim.

AN HON. MEMBER: You're bored.

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MR. GIBSON: Now, here's a letter from the municipal clerk. "Referring to order-in-council 4265 which is dated December 20, 1973" — this letter, I should say, is dated January 9, 1974 — "it has been received by the council, and concern has been expressed that payment of municipal taxes is authorized for the year 1974 only."

HON. MR. BARRETT: Can I ask that the committee rise, report progress and ask leave to sit again?

MR. GIBSON: Well, Mr. Chairman, I'd be glad to do that. I want to return to this later on and complete the history of it. Perhaps by that time the Minister will have had a chance to re-examine the files and I'll rise....

HON. MR. STRACHAN: This is the second time I've been through this.

MR. GIBSON: You haven't given an answer yet, Mr. Minister.

The House resumed; Mr. Speaker in the chair.

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

Leave granted.

INSTITUTE OF TECHNOLOGY (BRITISH COLUMBIA) ACT

Hon. Mrs. Dailly presents a message from His Honour the Administrator: a bill intituled *Institute of Technology (British Columbia) Act*.

Bill 134 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.

Hon. R.A. Williams presents a message from His Honour the Lieutenant-Governor: a bill intituled *Forest Amendment Act, 1974*.

Bill 117 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.

HON. MR. BARRETT: I ask leave of the House to discharge order of third reading of Bill 11, *Income Tax Amendment Act, 1974*.

Leave granted.

Hon. Mr. Barrett presents a message from His Honour the Lieutenant-Governor: a bill intituled *Logging Tax Amendment Act, 1974*.

Bill 149 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.

Hon. Mr. Barrett presents a message from His Honour the Lieutenant-Governor: amendments to Bill 102, *Income Tax Amendment Act, 1974*.

HON. MR. BARRETT: Mr. Speaker, I ask leave to move the said message and the accompanying amendments to the same be referred to the committee of the House having in charge Bill 102.

Leave granted.

Motion approved.

Hon. Mr. Barrett moves adjournment of the House.

Motion approved.

The House adjourned at 5:56 p.m.

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APPENDIX

The following amendments are referred to on page 3646 et seq.:

126 The Hon. Phyllis F. Young to move, in Committee of the Whole on Bill (No. 126) intituled *Trade Practices Act*, to amend as follows:

Section 1 (1) (i) (A), line 6, in the definition of "consumer transaction": By deleting, after the words "*Securities Act*", the word "; or" and substituting the words "and contracts of insurance under the *Insurance Act*; or".

Section 1 (1) (i) (B), line 1, in the definition of "consumer transaction": By adding, after the word "credit" the words ", other than credit extended solely on the security of real property,".

Section 1 (1), line 3, in the definition of "director": By inserting, after the word "duties", the words "and exercise all or any of his powers".

Section 1 (1): By adding, after the definition of "director", the following definition:

" 'interim injunction' includes an interlocutory injunction;".

Section 2 (3) (s), line 1: By deleting the word "deceptive".

Section 3 (2), lines 1 and 2: By deleting the words "the Court" and substituting the words "a court of competent jurisdiction".

Section 3 (4), line 2: By deleting the word "Court." and substituting the word "court.".

Section 13 (3), line 8: By deleting all the words after the words "property into Court".

Section 13 (7), line 10: By deleting all the words after the words "consider just".

Section 14, line 1: By renumbering the section as subsection (1) and by adding, after subsection (1), the following as subsection (2):

"(2) Notwithstanding any other law, subsection (1) does not relieve the Crown in right of the Province from any liability it may have at law for loss or damage suffered by any person in respect of the acts of the persons referred to in subsection (1)."

Section 15 (1) (h): By deleting clause (h) and substituting the following:

"(h) An undertaking to reimburse to the director the costs of any investigation, as certified by the minister;".

Section 15 (3): By deleting subsection (3).

Section 16 (1), line 1: By deleting the words "on the application of the director, or of" and substituting the words "in an action brought by the director or".

Section 16 (2): By deleting subsection (2) and substituting the following:

"(2) In any action under subsection (1), any person, including the director, may sue on his own behalf and, at his option, on behalf of all other consumers, or on behalf of a designated class of consumers, in the Province."

Section 16 (3), line 1: By deleting the words "any application" and substituting the words "an action".

Section 16 (4), line 1: By deleting the words "any application" and substituting the words "an action".

Section 16 (5) and (6): By deleting subsections (5) and (6) and substituting the following:

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APPENDIX

"(5) The director may apply, ex parte, for an interim injunction under subsection (1) (b), and, if the Court is satisfied that there are reasonable and probable grounds for believing that there exists an immediate threat to the interests of persons dealing with the supplier in respect of an alleged deceptive or unconscionable act or practice in respect of a consumer transaction, the Court shall grant an interim injunction on such terms and conditions as it considers just.

"(6) In an action brought under this section, the director or other person shall not be required to furnish security for costs."

Section 17, lines 1 and 2: By deleting the words "or other interim order".

Section 17 (b), line 2: By deleting the words "furnish security for costs;" and substituting the words "post a bond or give any undertaking as to damages;".

Section 17 (c): By deleting clause (c) and substituting the following:

"(c) the applicant need not establish that irreparable harm will be done to himself or all other consumers, or any designated class of consumers, in the Province, if the interim injunction is not granted; and".

Section 17 (d), line 1: By deleting the words "an interim injunction or other interim order" and substituting the words "the interim injunction".

Section 18, line 2: By deleting all the words after the words "permanent order" and substituting the words "or injunction made under section 16 (1) (b), or any other order made under this Act."

Section 19 (1): By deleting subsection (1) and substituting the following:

"(1) In an action under section 16 commenced by a person other than the director, that person shall serve the director with a copy of the writ of summons."

Section 19 (2), line 2: By deleting the word "proceeding," and substituting the word "action,".

Section 19: By adding, after subsection (2), the following as subsection (3):

"(3) Notwithstanding that the director has not been served pursuant to subsection (1), the Court may proceed with the action."

Section 20 (1), line 3: By inserting, after the word "action", the words "against the supplier".

Section 28, line 3: By deleting the words "this Act or".

Section 29: By adding, after section 29, the following as sections 29A and 29B:

"Consumer Advancement Fund

"29A. Costs paid by a supplier to the director under section 15 (1) (*h*), or awarded to the director under section 16 (4), shall, notwithstanding the *Revenue Act*, be deposited in a fund maintained by the minister to be called the 'Consumer Advancement Fund', the proceeds of which shall be expended for such purposes as the minister considers to be for the protection or advancement of the interests of consumers."

"Suspension or revocation of registration or licence

"29B. Where a supplier, who is registered or licensed under an Act to carry on a profession, occupation, business, trade, or any other activity, engages or participates in a deceptive or unconscionable act or practice in respect of a consumer transaction in carrying on that profession, occupation, business, trade, or other activity, the deceptive or unconscionable act or practice shall be deemed to be a ground for the suspension, revocation, or cancellation of the registration or licence."

Section 30 (*g*): By deleting clause (*g*) and substituting the following:

"(*g*) prescribing the method of service of documents on the director;".

Section 30 (*m*), line 2: By deleting the words "section 15" and substituting the words "section 30".

By renumbering sections 29A to 34 as sections 30 to 36.

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