

ICBC head resigns as police announce review of company's car sales

Cheryl Chan

The Province

Friday, April 04, 2008

Insurance Corporation of B.C. boss Paul Taylor has resigned today in the wake of a police probe into the insurance company's sale of rebuilt salvaged cars at its research facility.

Taylor "has chosen to leave the corporation on his own volition to pursue a new opportunity in the private sector," said ICBC board chair Richard Turner in a release issued Friday.

Taylor told *The Province* his resignation had nothing to do with the scandal.

"I was approached by an executive search consulting firm six to eight weeks ago, and I've been considering it," he said. "I have determined that this was a very interesting opportunity that provides a challenge to my existing skills and learning a number of new skills... and I've decided it's the right thing for me to do."

**BREAKING
NEWS**

CREDIT:
Breaking News!

Earlier today police announced that the force's Commercial Crime Section will be conducting a detailed review of materials forwarded by ICBC to see if a criminal investigation is warranted.

"We're going to look at all the materials and make a careful assessment and, if warranted, conduct a criminal investigation," said RCMP spokesperson Const. Annie Linteau.

The police probe is expected to take several weeks.

About 390 salvaged or wrecked vehicles were rebuilt and sold through ICBC's Material Damage Research and Training Facility in Burnaby in the last decade - 98 of them to unsuspecting buyers who were not informed of the vehicles' crash history.

Of the 98 cars, 22 were sold to staff at auctions where, in some cases, the bidding was rigged.

The facility is now being audited by PricewaterhouseCoopers.

At a scrum at the Pan Pacific hotel downtown, newly appointed Solicitor-General John van Dongen said he had no plans to ask for Taylor's resignation and was "taken by complete surprise" at a meeting Friday morning with the ICBC board.

"The board of directors of ICBC and the government are one mind that the situation that happened at the research facility is unacceptable," he said. "It's unacceptable to myself as

minister responsible, it's unacceptable to the government, it's unacceptable to the board of directors, and it's certainly unacceptable to CEO Paul Taylor."

New Democratic Party leader Carole James said the timing of the announcement is an "extraordinary coincidence."

"The public will be scratching their heads and asking how can there not be a relationship between Paul Taylor leaving and the scandal at ICBC."

She said the sudden resignation raises questions about how deep the scandal goes.

Taylor will stay on as CEO until May 2. Details of his new position are expected to be announced on Monday. Because he is leaving the company voluntarily, he will not receive a severance package.

Van Dongen said his government will release "whatever we legally can" from the findings of the PricewaterhouseCoopers audit.

In the legislature last week, van Dongen apologized to the purchasers of the vehicles where there was "improper disclosure," and to British Columbians "who have a right to expect integrity within the operations of their Crown Corporation."

Paul Taylor became CEO of ICBC in October 2004. Previously, he served as the B.C. deputy minister of finance.

This is the second high-profile resignation to hit B.C. in a week.

Last Friday, John Les quit his post as Solicitor-General after an RCMP probe into possible shady land deals in Chilliwack during his stint as mayor came to light.

chchan@png.canwest.com

CLOSE WINDOW

Copyright © 2008 CanWest Interactive, a division of [CanWest MediaWorks Publications, Inc.](#). All rights reserved.
CanWest Interactive, a division of [CanWest MediaWorks Publications, Inc.](#). All rights reserved.

This document was created with Win2PDF available at <http://www.win2pdf.com>.
The unregistered version of Win2PDF is for evaluation or non-commercial use only.
This page will not be added after purchasing Win2PDF.