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**Official Report of
DEBATES OF THE LEGISLATIVE ASSEMBLY**

(Hansard)

MONDAY, MARCH 11, 1974

Afternoon Sitting

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MONDAY, MARCH 11, 1974

The House met at 2 p.m.

Prayers.

MS. K. SANFORD (Comox): Mr. Speaker, I would like to introduce to the House this afternoon Fred and Muriel Chapman, two long-time, well-respected citizens from the City of Courtenay. I wish the House will make them welcome.

HON. P.F. YOUNG (Minister of Consumer Services): Mr. Speaker, we have with us today Ms. Been Austin, a very close and dear friend of mine. Ms. Austin is a sometime journalist and is visiting us from Fort St. James. I would ask the House to welcome her, please.

MR. H.A. CURTIS (Saanich and the Islands): Mr. Speaker, it is a pleasure to draw to the attention of the House the presence today in the gallery of Mayor Peter Lester of Prince Rupert. Mr. Lester has served as mayor for 16 years and is also, this year, chairman of his regional district. I would ask the House to join me in welcoming him.

HON. A.B. MACDONALD (Attorney-General): Mr. Speaker, we have in the gallery opposite 38 students from Gladstone High School in Vancouver — the yeastiest high school in the big City of Vancouver. They have their teachers with them, Mr. Campbell and Mr. Hunter. I ask that they be welcomed.

HON. L. NICOLSON (Minister of Housing): Mr. Speaker, we have in the gallery today Alderman Mike Jessen, housing committee chairman for the City of Nelson. I would like the House to join me in welcoming him.

HON. G.R. LEA (Minister of Highways): Mr. Speaker, I also would like to add my voice of welcome to Mayor Peter Lester of Prince Rupert, and also mention that accompanying the mayor of Prince Rupert is an alderman from the Queen Charlotte Islands, Alderman Nick Gross, also the director of the regional district from the Queen Charlotte Islands, Bruno Lewinski. I would like the House to welcome all three of these people.

MR. J.H. GORST (Esquimalt): Mr. Speaker, I would like the House to join with me to welcome today to the gallery a group of senior students in political science from the University of British Columbia, accompanied by

their professor, Professor Blake. I hope the day's observations will encourage them to continue on with their chosen field.

Introduction of bills.

Oral questions.

BCR BOXCAR SHORTAGE

HON. D. BARRETT (Premier): Mr. Speaker, if I may reply to a question raised by the Member for Cariboo (Mr. Fraser) concerning the boxcar shortage and my meeting with Mr. Marchand this morning. Let me assure the Member that the federal Minister, Mr. Marchand, is deeply concerned about this problem as witnessed by his quick response to my statement and his visit to Victoria.

AN HON. MEMBER: Did he bring any boxcars with him?

HON. MR. BARRETT: Well, he didn't come by boxcar, Mr. Member. (Laughter.)

The Minister has expressed concern over the boxcar shortage and has ordered an immediate, on-the-spot inquiry with a report back to my office by Wednesday of this week. I want to publicly thank the Minister for his concern, his quick action and I want to assure the House, as I assured the Minister, that there is every desire on this government's part to continue the co-operation initiated between the BCR and the CNR in terms of northern development. I am most appreciative of the Minister's response and I'll have more, I hope, by Wednesday afternoon, Mr. Streaker — I mean Mr. Speaker. (Laughter.)

MR. D.A. ANDERSON (Victoria): Supplementary to the reply, Mr. Speaker. I wonder if it would be possible for the Premier at this stage to table the documents or information regarding a previous agreement on boxcars which BCR terminated some years ago and which led to the present situation that we now are faced with.

HON. MR. BARRETT: Mr. Member, I would not wish to give a commitment to file papers unless I had a clearance from the CNR. But certainly if that clearance is available, we can go back in the history on arrangements. But they were in discussions up until a week ago.

MR. D.A. ANDERSON: Mr. Premier, I'm sorry, perhaps I misled you slightly there. The agreement I'm talking about is of some years ago standing, which the BCR itself terminated with the CNR at that time. Therefore, I don't think it would be necessary to go to the CNR for permission.

HON. MR. BARRETT: Well, by practice it would require, even though the agreement was made prior to this government coming into office....

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MR. D.A. ANDERSON: And terminated.

HON. MR. BARRETT: And terminated by the previous government.

One of the points I stressed with Mr. Marchand was that I did not wish to get involved in a history of the "rivalries" — and I say that very advisedly — "rivalries" between the BCR and the CNR; that is a matter of history. If, however, the federal government has no objection I will file that correspondence from the railroad. But that is not the base — and that was a clear understanding between the Minister and myself earlier and today — that is not the base from which we, the new government, and the federal government are now operating in terms of co-operation.

MR. D.A. ANDERSON: I quite understand that, Mr. Speaker and Mr. Premier. What I would like, though, is to find some basis of the record, at least, of why the previous agreement which was....

MR. SPEAKER: May I point out to the Hon. Member that this is not the purpose of question period, to seek information of past history, according to *Beauchesne* at page 147. But if you want that then put it in a motion, or else the Premier can agree to it being tabled.

MR. D.A. ANDERSON: Fair enough.

BOXCAR PRODUCTION FROM SQUAMISH PLANT

MR. L.A. WILLIAMS (West Vancouver–Howe Sound): One short question, Mr. Speaker. Could the Hon. Premier indicate whether he has any better idea of when the boxcar production will commence at the Squamish plant?

HON. MR. BARRETT: Hopefully this summer, Mr. Member. I don't have a specific date.

ICBC DRIVERS' CERTIFICATES

MR. H.W. SCHROEDER(Chilliwack): My question is for the Minister of Transport and Communications. The drivers' certificates are in the mail. Some have been received and that they vary from \$3 to \$11 is my report, and I understand they are prorated because of birth dates. My question is: will the penalties, or the sums of money that represent the penalties for demerit points, be prorated as well?

HON. R.M. STRACHAN (Minister of Transport and Communications): It's my understanding, yes, they will be prorated as well.

MR. SCHROEDER: And on what basis then, sir?

HON. MR. STRACHAN: On exactly the same basis, based on number of points that exist on the driver's record.

MR. SCHROEDER: The anniversary date for demerit points that are coming off the driver's certificate, will those anniversaries then be the birth date or the anniversary date of the occurrence of the demerit?

HON. MR. STRACHAN: I would expect that the anniversary date would be the birth date which is...that's when they get renewed from then on, and it's as the driver's record at the time with Motor Vehicle Branch. You have to remember that the Motor Vehicle Branch is the branch that looks after the allocating of points and the removal of points. The record at the time of the sending out of the renewal from now on, will be as it is in the Motor Vehicle Branch.

ICBC NEGOTIATIONS WITH AUTO BODY SHOPS

MR. H.A. CURTIS (Saanich and the Islands): To the Minister of Transport and Communications. In view of the apparent inability of ICBC management to negotiate satisfactory arrangements with the majority of auto body shops, particularly those belonging to ARA, does the Minister intend to intervene personally in this matter in order that individual motorists will not have to pay surcharges if they are involved in a damaging accident?

HON. MR. STRACHAN: I could make a fairly lengthy statement on the present situation, but I just want to tell you that the information I have as of now is that at the meeting yesterday it was evident that the result of the motion was not a true feeling of all body shops in the lower mainland area and that it is the intention of the ARA to poll all body shops in the lower mainland area on a written yes or no vote, indicating whether or not a surcharge should be made on April 1. A reply must be in writing and another general meeting be held, which should be called prior to April 1, which, it is felt, will clearly indicate what course the body shops in the Vancouver and lower mainland will follow.

My understanding was that the vote that was taken yesterday was 87 votes, or 74 per cent of those attending; only 90 per cent of those attending voted. And those present represented only 116 of the 240 shops in the lower mainland area. So it is evident, in my understanding, that they weren't satisfied with the number of those present; there were only 116 of 240 body shops represented. So they're going to communicate with them all and get a written answer and have another meeting before April 1.

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MR. CURTIS: A supplemental, Mr. Speaker, briefly. Does the Minister foresee the situation where surcharges will become a fact of life in dealing with auto body shops and ICBC?

HON. MR. STRACHAN: Well, I certainly don't anticipate that surcharges will be a part of the normal procedure. There are a number of openings that are possible. We could go back to the old matter of having three estimates prepared, which means body shops will be spending time doing estimates that they won't have to do under the proposed system. We could make individual agreements with shops that want to make individual agreements.

As for accredited shops, we could do what the automobile manufacturers do — only demand a certain efficiency, a certain number of workers and a certain efficiency of equipment for accredited shops. There are all sorts of openings that are possible.

MR. SPEAKER: Order, please. I would ask the Hon. Minister to not go into all the possible things that might be done.

POWER OF BODY SHOP AGREEMENT

MR. N.R. MORRISON (Victoria): Mr. Speaker, through you to the Minister, does he consider that the agreement that is signed by the body shops now is a contract or is it just simply an indication that they will accept this rate? Is it a contract, in your opinion?

HON. MR. STRACHAN: The only way I could answer that is by reading the letters that were sent out.

Interjections.

HON. MR. STRACHAN: Well, I'll have to consider it; that's all I can say.

ELIMINATION OF COMPULSORY ARBITRATION OF TEACHER SALARIES

MR. L.A. WILLIAMS: Mr. Speaker, a question to the Hon. Minister of Education. Can she confirm the statement made on national television on Saturday by Mr. Stephen Lewis, the Ontario leader of the NDP, that the B.C. government is contemplating legislation this year to do away with compulsory arbitration of teachers' salaries?

HON. E.E. DAILLY (Minister of Education): I didn't hear the statement, Mr. Member. We have no intention of bringing such legislation in at this session.

NDP MEMBERSHIP IN SOUTH PEACE RIDING

MR. D.M. PHILLIPS (South Peace River): Mr. Speaker, I'd like to address a question to the Premier and leader of the New Democratic Party. I realize, Mr. Leader, that you desperately need memberships in my constituency, but is it the practice of your party to forge signatures and send membership cards to members who do not request them?

MR. SPEAKER: Order, please. This has absolutely nothing to do with the business of parliament, and I

would have to rule the question out.

MR. PHILLIPS: Well, it has lots to do....

MR. SPEAKER: The Members could take that up in the corridors together if they were really that serious.

HON. MR. BARRETT: If he's been signed up in error, I will look into this matter immediately. (Laughter.)

POSSIBLE TAKEOVER OF LANGLEY PERSONAL-CARE HOMES

MR. R.H. McCLELLAND (Langley): Mr. Speaker, my question is to the Minister of Health. Some time ago the Minister offered to take as notice a question I asked about the possible takeover by the provincial government of the Langley personal-care homes. I wonder if the Minister would care to comment any further on that, because I've had several questions since that time.

HON. D.G. COCKE (Minister of Health): Mr. Speaker, we as a government are not in the personal-care home business. We've indicated on a number of occasions that intermediate care is an area, on a non-profit society basis, that we're expanding continually. But at the present time it is not our policy to go into personal-care homes. My colleague, the Minister of Human Resources (Hon. Mr. Levi), of course, pays on a per-diem basis for a number of people that are on welfare, et cetera, in personal-care homes, but we don't plan to take over the Langley personal-care homes.

MR. McCLELLAND: That's all I wanted to know.

FINANCIAL INSTITUTIONS AS ICBC SELLING AGENTS

HON. MR. STRACHAN: I'd like to answer a question that was asked the other day by the Member for Saanich and the Islands (Mr. Curtis), and I said I

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would take it as notice, His question was: "Has ICBC received a formal request or recommendation that credit unions or trust companies or banks, or all three, be authorized to act as agents in the selling of fire insurance and perhaps other general insurance on behalf of ICBC?"

The answer is, there has been no such request from any of these organizations.

HEALTH COVERAGE FOR OUT-OF-PROVINCE STUDENTS

MRS. P.J. JORDAN (North Okanagan): Mr. Speaker, I'd like to address my question to the Hon. Minister of Health. In the House the other day, Mr. Minister, you explained the action of the government in covering with medical and health coverage civil servants who are working and living outside the jurisdiction of British Columbia, as an employer, and I understand that.

But I want to ask if you would be willing to take under consideration the extension of this same coverage to students who are seeking higher education outside British Columbia on the basis that the courses they are working on are not available in British Columbia, and extend this type of health care to them for an extended period of time while they are out of the province?

HON. MR. COCKE: Mr. Speaker, I'm afraid that I would be unable to answer that question; it is certainly a matter of future policy.

EMPLOYMENT OF WOMEN IN FOREST OPERATIONS

MR. CURTIS: Mr. Speaker, to the Minister of Lands, Forests and Water Resources: I understand that the Human Rights Commission is advocating employment of more women in certain sectors of forest operations. Could the Minister indicate what steps are being taken to implement this recommendation at Can-Cel or at Ocean Falls?

HON. R.A. WILLIAMS (Minister of Lands, Forests and Water Resources): I can say, Mr. Speaker, that of the graduates the department itself has considered this spring, virtually half of them are women foresters; and they generally have the better marks and so on. (Laughter.)

MR. CURTIS: To the Minister; if I may use the term, what about casual employment rather than graduates — those individuals in the community who simply need a job?

HON. R.A. WILLIAMS: I'm not sure, Mr. Speaker, with respect to casual employment. But there are no bars departmentally with respect to women. In fact we have accelerated the process. A woman forestry economist will be joining the staff shortly, for example, as well as the new graduates we expect. I haven't intervened or made any requests of Ocean Falls in that regard.

CIVIL SERVANTS' EXPENSES TO POWER COMMISSION HEARING

MR. D.A. ANDERSON: Mr. Speaker, to the same Minister: could he inform the House whether he has accepted the offer of the Skagit committee, the Ross committee, to provide \$500 expenses for the two civil servants from British Columbia who are to attend the federal power commission hearings in their private capacity without government backing?

HON. R.A. WILLIAMS: I doubt if it would be necessary to do that, Mr. Speaker.

MR. D.A. ANDERSON: Can I take it from the Minister's reply then that the government will be providing these people with expenses and will be authorizing them to speak on behalf of the provincial government?

HON. R.A. WILLIAMS: I am satisfied, Mr. Speaker, that arrangements will be made.

Orders of the day.

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

ESTIMATES: DEPARTMENT OF FINANCE

On vote 51: Minister's office, \$32,500.

MR. D.M. PHILLIPS (South Peace River): Mr. Chairman, through you to the Minister of Finance, I would like to ask him how the interest moneys from the amateur sports and physical fitness fund are distributed.

In January I wrote to you, Mr. Premier, regarding a case of a young figure skater I have in my constituency. This request was eventually handled by the Deputy Provincial Secretary who gave me the name of the vice-chairman of the Canadian Figure Skating Association, and suggested that I contact him with regard to getting moneys or assistance for this young skater.

I wrote the vice-chairman of the Canadian Figure Skating Association at the address given to me by the Deputy Provincial Secretary on February 1, asking what the regulations were for getting assistance and what forms had to be filled out, stating that this young lady had gone to the figure skating

championships in Moncton, New Brunswick. To date I have received no reply from this vice-president of the Canadian Figure Skating Association.

Mr. Chairman, through you to the Minister of Finance, I find that quite often these perpetual funds are used at the discretion of those who are in charge of the funds in the lower mainland. It seems to me that this is just one more case of discrimination against those who live in the north country. We sort of stay up in the north country and develop that land for the benefit of those who live in the lower mainland and we sort of stand and wait in line for whatever crumbs are going to be given to us, not only by the provincial government but by anybody who seems to handle funds in the area, whether it be from a perpetual fund for amateur sports or education — no matter what it is.

If we in the north country are sick we have to pay our own way to special attention in the lower mainland provincial hospitals. If our students want to attend an institute of higher learning their parents have to pay their way to the lower mainland and their board while they are here to attend an institution of higher learning.

It seems to me, Mr. Chairman, through you to the Minister of Finance, that we have in northern British Columbia a larger area north of the central portion of the province than the provinces of Saskatchewan, Manitoba or Alberta. Yet in those provinces they have seen fit to have a Minister and a department of northern affairs. I think it's high time, Mr. Chairman, that the northern part of British Columbia received a little more recognition and had to stop getting on their hands and knees to beg for money or whatever assistance they want, whether it be assistance to build a hospital, a school, roads — no matter what it is. We talk about northern development and this government promised a department of northern affairs.

Mr. Chairman, my specific question is at this time: who handles the money from the interest from this amateur sports fund? How can we in the north get better representation on these boards that seem to dole out this money? When you realize that whether it be a minor hockey team, a minor baseball team, a football team — no matter what sports activity it is — it seems to me it's the north that really requires the money for travelling.

If the young sportsmen in the north who are members of these particular teams want good competition, they have to travel to the lower mainland where there is more and varied competition. It's perfectly all right for them to pay their own way to go, which is usually a much further distance from community to community to compete. But if you want more and varied competition those are the groups that need the assistance to travel to the lower mainland where there is more and varied competition.

However, most of the time, I find in dealing with getting money for our swim clubs or whatever it be in the north to travel to the lower mainland — particularly to provincial events — we have a great deal of difficulty getting money out of these funds. If this is to promote amateur sports and physical fitness throughout the province we certainly need at least our fair share — more than our fair share — in the north country and in the outlying areas.

HON. D. BARRETT (Minister of Finance): Well, Mr. Member, your statement about northern recreation is absolutely correct. That is why this government instituted, under the Department of Recreation and Conservation, the capital grants to recreational facilities which I'm happy to say have been supported by every single Member of this House.

Your area, including North Peace River, has been neglected in the past and, Mr. Member, I can't help but say by the former administration. There was no specific programme under which communities were helped to create facilities.

Just this last December I had the honour of being invited to Dawson Creek to officially open the new Kids' Arena, as it's called in that town. That arena could not have come into being unless the provincial government had put up one-third of \$1 million with no strings attached. Now, Mr. Member, there were over 1,000 children at that arena on the opening day. I'm happy to say that the Member for North Peace River (Mr. Smith) was there as well. As I recall it, that's the first time that the Member for North Peace River hasn't attacked the government. As a matter of fact, he said nothing on that opening day, because what is there to say other than to praise the government for

creating those facilities?

Now, the method of handling the funds has not altered dramatically from the former administration. There is to be no lobbying, no pressuring, no favouritism. The system is under the jurisdiction of the Provincial Secretary (Hon. Mr. Hall) and each fund has a separate committee that reports directly to the committee from the Treasury Board. The Provincial Secretary is a member of the Treasury Board.

We have attempted to provide those funds on the basis of the best possible information that we have. But I also understand that the Minister has some separate plans in terms of reviewing those funds' operation, and I suggest that during his estimates you ask him directly.

I want to assure you that if we receive a request from, your constituency or any other constituency to catch up on the much-needed and very severely neglected recreational facilities, not only did we put in an additional \$5 million in the fund last year but we will make every effort to put more funds into that

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particular programme if they are necessary this year.

MR. PHILLIPS: Mr. Chairman, I didn't really ask for a political statement because I was trying to be non-political. (Laughter.) I was trying to be completely non-political.

Mr. Chairman, through you to the Minister of Finance, I want to tell you that the north has needed facilities as they grow, but the north has provided its facilities for recreation in the past. In our area we have some of the finest recreation facilities available anywhere. But, Mr. Chairman, through you to the Minister of Finance, what I'm talking about are these funds which are put in the hands of groups taken away from the government. And there is politics played in that so far as I'm concerned.

HON. MR. BARRETT: Well, Mr. Member, if you have any evidence of any group playing politics with those funds I would ask you to put it in writing and bring it directly to the government's attention. If that evidence is valid we'll act on that immediately.

MR. PHILLIPS: Mr. Premier, I wrote to you with a special request which was relayed to the provincial government and which was relayed to one of the groups handling some of this money. This has been pretty near a month and a week ago and I haven't even had the courtesy of a reply. This is a special request for a girl who was in desperate need, who was from the north country, who had to spend time down in here because our arena was out of commission. To date I haven't got a reply! Do you want me to send you the correspondence again?

HON. MR. BARRETT: No. I appreciate the fact that you wrote me. I appreciate the fact that you acknowledged that you passed the information on to the Provincial Secretary. Have you phoned the Provincial Secretary and asked him up-to-date on what has happened?

We receive requests from every MLA. That is their duty. It is a good thing for every MLA to fight for his area in a cause that he thinks is right, but we do not give special preference to any MLA. The matter must be handled within the administrative set-up we have and I suggest that you should have contacted and still can contact the Provincial Secretary directly and get a direct answer as to the status of your request.

MR. PHILLIPS: Well, Mr. Chairman, I certainly will be advising you of some cases. I would suggest that from now on when our groups travelling are not able to deal, I'm going to put a request in to all of the organizations and have them come direct to me. In the past I've said: "Stand on your own two feet. If it's a swim club or a volleyball club, deal with your provincial organizations." I wanted to keep politics out of this. But if this is the way you want it done, I feel there should be more representation on these boards from the north.

HON. MR. BARRETT: Mr. Member, there is no reason why people shouldn't go through their MLA. I'm not suggesting that as the best route. I'm suggesting that the course you've followed initially is the best one — to

write directly and find out, rather than get yourself in the position of saying yes or no or maybe. All I'm suggesting is once having made the inquiry — and I passed it on to the Minister — it would be worthwhile to pick up the phone and give the Minister a call and ask him where it is in the request mills.

MR. PHILLIPS: Mr. Chairman, through you again to the Minister of Finance, would the Minister of Finance recognize that the majority of the funds — we'll stick with the Physical Fitness and Amateur Sports Fund — goes for training of people who can instruct? It goes for equipment. Would you not recognize that there should be maybe a larger portion of the proceeds from that fund laid out for travel? If it continues on the same ideal that it has been in the past, it's still not going to help those young sportsmen from the northern areas who have to do the travelling. There isn't sufficient amount of money from that fund that goes for travelling.

Some years ago I had a son who was a swimmer. I must say that he did very well at....

HON. MR. BARRETT: Mr. Chairman, on a point of order, I don't think it's possible for me to discuss the philosophy of a programme under another Minister's vote. I suggest those questions are appropriate for the Provincial Secretary and not for me.

MR. CHAIRMAN: Order, please. The point is well taken.

MR. PHILLIPS: Thank you, Mr. Chairman. I just wanted to point out that I brought this up on Friday last and I was advised by them when we were discussing the Premier's estimates to bring it up under his estimates as Minister of Finance. So that's fine; I'll bring it up again under the Provincial Secretary's estimates.

Now, would you like me to discuss rural electrification under the specific vote or would you like to discuss it now?

HON. MR. BARRETT: Mr. Member, you asked me about interest rates of those funds, not the specific programmes. I think if you check *Hansard* you will find that.

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MR. A.V. FRASER (Cariboo): I want to ask the Premier as Minister of Finance again about travelling expenses. We passed the Premier's vote that gave him \$20,000 for travelling expenses. Under vote 51, we have a further \$7,500, which gives the Premier and Minister of Finance, who are the same person, a travelling allowance for this current year ahead of \$27,500. Why such a large vote for travelling expenses? Are you planning on chartering a Boeing 707 jet to tour the world? Just what are you planning on doing with it? That's a lot of money; that's almost \$3,000 a month.

HON. MR. BARRETT: Mr. Member, to my best recollection — I'll get the exact figures — there is very little change in the totals in these two offices between the former administration and the present situation. If you check public accounts, you'll find there is a steady pattern of expenditures by the former administration prior to my becoming Premier.

MRS. P.J. JORDAN (North Okanagan): Just while we are discussing the Minister of Finance's expenses, I look through vote 51 with interest. I must just refer back to vote 2 because, when one combines the Premier's and Minister of Finance's office staff, we find that you have an executive assistant at \$27,000, an administrative assistant at \$17,000, a press secretary at \$17,000, an administrative officer at \$17,000, and an administrative assistant to Finance at \$21,500. Mr. Premier, they are all men.

MR. CHAIRMAN: Order, please. I would ask the opposite Member to keep her remarks relevant to vote 51.

MRS. JORDAN: The Premier graciously says it's valid. I want to make this point very seriously, Mr. Premier. When one examines the breakdown — I don't mean the breakdown of the women but the breakdown of the finances of the women in your office — we find it appears the highest paid female in your office is your own personal secretary at \$10,000.

HON. MR. BARRETT: \$13,200.

MRS. JORDAN: This pattern is contrary to your election campaign when you stressed with warmth and vigour the role of women in government, the role of women in your own life — (laughter) — and the role of women in the future of British Columbia. So far you have been severely lashed by your own party for not meeting this commitment. You have won the chauvinist of the year award from the SWAG (Status of Women Action Group) group. In general, we haven't seen any emphasis on your part to increase the stature of women, on the basis of merit, within any area that you have direct jurisdiction.

I would also comment at this time it appears that one of the prominent women in British Columbia in the area of labour and management, Mrs. Christine Waddell, who is head of the Women's Bureau of the Department of Labour has even almost dropped from sight. I would ask you, if you are going to expand your staff, as seems to be the pattern within your office, to bring in some qualified women, perhaps a woman as a special adviser to you on legislation and affairs concerning women.

HON. MR. BARRETT: Legislation on what?

MRS. JORDAN: Affairs... (Laughter.)

HON. MR. BARRETT: That's what I thought you said.

MRS. JORDAN: ...concerning women. I would really suggest that, with your track record, what you need is a specific position in your office staffed by a qualified lady of a non-partisan basis who could give you direct advice in terms of legislation and the needs of family and women.

MR. CHAIRMAN: Order, please. I would draw to the attention of the Hon. Member...

MRS. JORDAN: Are you against the affairs of women, Mr. Chairman?

MR. CHAIRMAN: No. I'm merely ruling that...

MRS. JORDAN: You are against women.

MR. CHAIRMAN: ...you confine your debate to vote 51 and suggest that women be included, perhaps, in the Minister of Finance's office.

MRS. JORDAN: Well, I think this would be an excellent suggestion because it is quite common knowledge that women today manage the majority of finances in our economy, certainly in terms of life insurance and investment.

I would be glad to give the Premier some names of very competent women in British Columbia who have had experience in business, who have had experience in the legislative field and would be a great help to him. So one day we might see him win the...I was going to say the lover-of-the-year award, but I don't think that's the one he wants. But an award where you are really showing your intention of incorporating women in the proper management of government.

HON. MR. BARRETT: Mr. Chairman, in solving one problem, you have created another. Within one

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minute of you speaking about women in my office, I have a note from my secretary asking for reclassification. (Laughter.)

I want to point out that Mrs. Thomas, who has been my secretary for a number of years, has been the first woman in history to travel with a Premier from this province that I know of. She has been with me on three trips; she has done invaluable service for me.

Quite frankly, I did consider another woman out of the applications in terms of one of the administrative positions. Unfortunately, the qualifications were in balance and I made the choice. But Mrs. Thomas has travelled with me and will continue to travel with me. She is a valuable assistant to me. She did come to our office on a non-political basis, she is a civil service appointment and has done a very good job.

I will take your suggestions under advisement in terms of female advice for my role. There are two problems: one of prior right and the good advice I am already receiving from my wife.

MRS. JORDAN: Would you consider putting your wife on the payroll so that you are not demeaning her role? If she is giving you professional advice, she should be paid for it.

HON. MR. BARRETT: Madam Member, I am sure you wouldn't want me to go around quoting an opposition member's suggestion that we put our wives on the payroll.

MRS. D. WEBSTER (Vancouver South): I would like to ask the Minister of Finance a few questions concerning the sales tax. As you realize, the lower income groups are always inclined to be discriminated against whenever there is a level tax of any kind. I appreciate very much that sales tax has been taken off meals, off certain feminine supplies and off books.

There is one area I think is important and that is in relation to household care such as detergents and toilet tissue. These types of supplies are required to just as great an extent by the poor as they are by the rich. But to the poor, the tax is actually higher than it is to others because that is in a relative percentage to the actual incomes they are receiving. I would like to ask the Minister if there is any possibility or any thought that probably in the near future this tax could be removed.

Another area in which I would like to see the tax removed is in relation to yardgoods. I would like to explain why. Suppose you have two children going to school and one is taking industrial arts. He is making a cabinet or a table or some other piece of furniture. He receives his supplies at school and he doesn't have to pay any sales tax on it. The other child takes home economics and she has to make an article of clothing or an outfit. Because part of the instruction is in relation to selection and choice of materials, she not only pays sales tax on her pattern but she pays sales tax on the material.

That's only a small amount of money; it might amount to about 50 or 60 cents altogether. But I think it goes a little bit further than that. Children up to the age of 15 can have their clothes purchased without any sales tax attached to it. A very small sized woman can go into a child's clothing store or child's department and find a skirt or something like that that might fit her. She can quite easily buy it without paying any sales tax.

Suppose a mother makes clothes for her children because she feels they are too expensive to buy. When she buys yard goods, she has to pay tax. It is discriminatory in that way.

I would like to carry it one step further. Probably most people who buy their clothes ready-to-wear are either too busy to sew or don't feel they have to try to save to sew. People in more straitened circumstances will sew because they are trying to economize, because they haven't got sufficient income to be able to buy all their clothes ready made. It becomes a burden to them each time they buy a pattern or a piece of material for sewing when they have to pay sales tax on it. Yet, it dressmakers buy material so they can sew for other people, they can buy a great amount of that material through wholesale firms where they don't pay sales tax. I think it's rather discriminatory. I would appreciate it if the Minister of Finance would look at that.

HON. MR. BARRETT: In terms of the household care goods, I am advised that the department will be looking at that. We've had a number of requests. There's no commitment, but we will be looking at it.

In terms of the school purchases, when the school itself purchases there is no sales tax. It's simply a matter of administration. If the teachers would take the trouble with the classroom to ensure that the purchases are made by the school, they would avoid the tax on those special projects. So I would suggest that's the route that should be followed in terms of those school purchases. Some advice, I hope, would go out to the schools to see that they would

become flexible enough to do the buying for the students and then avoid the tax on that basis.

MRS. WEBSTER: Mr. Chairman, a supplementary question to the Minister: would it be possible in such cases for the teacher then to be able to give the children a chit or some sort of statement that they're buying it for school purposes? They cannot buy in bulk through the school; that's impossible. The purpose of that particular instructional area is bypassed if it's bought in bulk through the school.

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HON. MR. BARRETT: Through you, Mr. Chairman, that is an excellent suggestion and we'll look at it immediately.

MR. H.W. SCHROEDER (Chilliwack): I would like to ask the Minister of Finance whether he would consider bringing in some kind of legislation that would provide some cost-sharing agreement, either federally or perhaps with the municipal people, on the business of riverbank protection. Presently there is a federal/provincial agreement whereby the cost of riverbank protection is assumed for the lower Fraser Valley, but only on the Fraser River as such.

HON. MR. BARRETT: Mr. Member, I'm afraid to suggest this, but I do think it's out of order. That particular legislation would be initiated by the Minister of Lands, Forests and Water Resources (Hon. R.A. Williams).

MR. SCHROEDER: I understand that that would be administered by him, but there is no agreement at all....

HON. MR. BARRETT: If we were to pursue the line of argument — "Would the Minister provide money for this and this?" — it would mean that in the Finance department we would discuss everybody's estimates, and we can't function that way. In terms of policy, of sharing formulas for that kind of specific programme, it should be related to the specific Minister.

MR. SCHROEDER: Thank you. Is it guaranteed, Mr. Chairman, that I could discuss this under his estimates without it being called out of order? Because no legislation exists?

HON. MR. BARRETT: Mr. Member, I did it for years under his estimates.

MR. SCHROEDER: Thank you, sir.

MR. N.R. MORRISON (Victoria): Mr. Chairman, I'd like to address my question to the Minister of Finance. As a former member of the accounting committee I think he would probably appreciate it, but apparently there's been some change in the way the vouchers have been filed. I understand there has been a change in November, 1973. Formerly vouchers were filed by the vote number. In Public Accounts when you wanted to look up the particular item under a particular vote it was relatively simple to get that file. Now, I think there's a good accounting reason for the change. I'm not saying it was done for any other reason.

Maybe if I could give him a couple of examples he would understand the problem I'm trying to point out. For example, if I wished to find how Mr. Speaker spent his travel money for that particular period, I have to know specifically the month in which that bill was paid, and I have to be able to refer to that calendar month. Then from that month I can then find his vote number, but it becomes extremely difficult to find how the total was spent. If I'm looking for one particular item it's relatively easy to find; if I'm looking for the total it's almost impossible to find.

Again, if I wanted to find out how the Minister of Finance bought that new Tiffany lamp and what it cost, it's very difficult to find unless I happen to know the month.

HON. MR. BARRETT: No, that's not a purchase, Mr. Member.

MR. MORRISON: Well, I only used that as an example. There are many other items, but you can appreciate the point I'm trying to get at. I have to know the month in which it was paid for, not the month in which it might have

been spent. It's a very complicated procedure at the moment to try and track back some of those things when you really only have a general idea of what it is you're looking for.

Again, if I take the public accounts and do as I did and ask for a particular page number and a particular supplier, with a total, if it's more than one or two items it's again almost impossible to find the total. You have to go to about four different books. Each book gives you a month and then you have to total that month and from that month you have to go back to that particular supplier, which may be supplying eight or nine different departments.

Now, the department has been most obliging. They are willing to spend as much time as possible to do it, but it's a very difficult thing to try and find. I wonder if he could give us some suggestions as to how it might be changed, or how we could follow it up a little more easily.

HON. MR. BARRETT: Well, Mr. Chairman, there's been no change. As a former member of Public Accounts, that was the way we functioned as well.

MR. MORRISON: The committee told me the change was November, 1973.

HON. MR. BARRETT: Unless it's through the computer there's been no.... Well, it may be new coding. I'm not even aware of that — it's a decision made by Mr. Minty.

MR. MORRISON: An accounting reason.

HON. MR. BARRETT: An accounting reason. It

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was certainly not a policy decision. I can check back and find out for you, Mr. Member, what's involved.

MR. MORRISON: They've been most helpful. They're willing to give me all the help they can. It's just a matter of time and effort.

HON. MR. BARRETT: There is obviously a reason for the computer. It's my understanding that the same service, in terms of access to vouchers, that was present when we were in opposition still exists and that they will provide a staff member to sit in the room with you.

MR. MORRISON: If you ask for a particular vote number. Even with the section number, it becomes extremely difficult to get that total.

HON. MR. BARRETT: I'm advised there's no change to our knowledge — certainly not in policy. If it's administrative procedure we'll find out what's happened with it.

[Mr. Liden in the chair.]

MR. H.A. CURTIS (Saanich and the Islands): Mr. Chairman, to the Minister of Finance, I recall his enjoyment over the years as a member of the public accounts committee. He had a lot to say about it from time to time, and seemed to find it — could I say to be "illuminating," or is that the wrong word? I wonder if the Minister would give us his reaction, Mr. Chairman, in view of his long experience with that particular committee, how he would feel about a year-round public accounts committee that is struck at the beginning of the spring session and left in operation. It would be not necessarily a travelling committee — I don't really think that it's necessary for that committee to move too far from this particular building — but a committee that would be set up and could function on a fairly regular and continuing basis to examine the accounts.

Now, I make the observation, Mr. Chairman, with all due deference to senior civil servants — and this is not an attack on them — that they could be expected to resist it, because in many cases and many ways the public accounts committee is a nuisance. I submit to the Minister of Finance, through you, Mr. Chairman, that it's certainly something worth considering. Perhaps the thought occurred to the present Minister when he was in opposition.

HON. MR. BARRETT: Yes, it's a very interesting proposition, Mr. Member, and I'll discuss it with staff.

MR. D.A. ANDERSON (Victoria): Mr. Chairman, in this vote there is, of course, the Minister of Finance's estimates. An area which I think should be looked into fairly closely is the purchase of shares by government, and there have been large numbers, of share purchases. Indeed, we had a short time ago a claim by a Member of the House that there had been insider trading. He gave evidence of the jump in shares from 30,680 per month up to 294,976. That's the Columbia Cellulose for the month of January, shortly before the takeover was announced. In other words, there was substantial increase from 30,000-odd up to 294,000-odd — a tremendous increase in the amount of shares. Preferred shares jumped from \$2.95 a share up to \$8.38 a share. That's a very substantial jump in value, and a very substantial jump in the numbers of shares traded.

The question, of course, arose in this House at the time whether or not there had been insider trading, whether or not there had been leaks, whether or not there had been special tip-offs, and how, indeed, it had occurred that in the case of Columbia Cellulose there was this very, very substantial increase in the amount of trading and, of course, in the value of shares. Clearly somebody made money. The statement was made quite clearly by an Hon. Member to my right in this House that great sums of money had been made, and he implied they may have been made by people who had an inside track, either with respect to the government or the company.

So I'd like to know from the Premier at this stage what his investigations in this matter have revealed, because I think that insider trading, especially when the government is involved, not only in Columbia Cellulose, but Kootenay Forest, Plateau Mills, Ocean Falls and the rest of them is a very serious matter, and I think the Minister of Finance should comment upon it.

HON. MR. BARRETT: It is indeed a very serious matter. In regard to certain allegations, I received a memorandum today, dated March 11, 1974, from Gerald Cross, the director of Civil Law, informing me that writ No. 29819 of this year and of Vancouver registry has been issued concerning allegations about insider trading.

The plaintiffs are Werner K. Paulus, David Howard, J. Dahlberg and James Wolstencroft. The defendants are one Gary Bannerman and Radio CKNW Ltd. In Vancouver. The endorsement on the writ says the plaintiffs' claim is for damages for libel or, alternatively for slander for words published by the defendants of and concerning the plaintiffs in certain radio broadcasts over radio station CKNW between February 20 and 25, 1974. It was issued on March 7, 1974, and this information was received from the solicitor for the plaintiffs.

This deals directly with some comment about insider trading that is a matter of public concern outside this House. We are just as concerned, Mr. Members, as you are about this. We take every pre-

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caution; we deal only through business houses that are available to the public generally. The question of how each one is handled is done through independent, legal advice which we canvass not only from our own staff but from outside legal advisers as well in every instance.

This instance is a specific allegation attached to it. Because it is now sub judice, I won't add any comment but will certainly wait for the outcome of the court hearing in this regard. We are just as concerned, Mr. Member, as you are. We take every precaution that is humanly possible.

MR. D.A. ANDERSON: I think the Minister of Finance has perhaps forgotten that there's a civil suit. I'm talking about government itself. It cannot be put off, I feel, by a civil suit no matter who brings it forward.

HON. MR. BARRETT: No, no, I'm not suggesting that we're putting it off, Mr. Member. I'm suggesting that as a result of some statements made to dealings which referred to earlier charges of insider trading, there is an atmosphere created as well as fact. In terms of the atmosphere, I'm bringing to the attention of the House that there is a civil suit related to the charges around insider trading. The government is cognizant of the problem and we'll take every caution, as I said, by using outside law firms, our own people, and the best possible advice through our Finance department. We are not frivolous in this matter.

MR. D.A. ANDERSON: Well, I should certainly hope not, Mr. Minister of Finance, nor should I suggest so. But the fact that there is an outside civil law suit between a group of citizens on the one hand and a radio station and their announcer on the other does not alter the fact that we've had charges in this House dealing with insider trading, not with the case of Columbia Cellulose, which have not really been referred to at all by the Premier in his remarks. Since the charges have been made, what attempts to investigate this have been made by the government? It should not rest upon a group of citizens outside this House to launch law suits on matters such as this.

HON. MR. BARRETT: I refer this question to the Attorney-General. There are specific comments he may wish to make in the House.

MR. D.A. ANDERSON: It's quite true that the Attorney-General will be questioned on this; very sharply questioned on this. We want to know, though, what steps you have taken as Minister of Finance in this regard.

HON. MR. BARRETT: The Attorney-General has been advised and he will report to the House on what steps he has taken.

MR. D.A. ANDERSON: A problem arises as there is a motion on the order paper put on by the Deputy Premier of the province (Hon. Mrs. Dailly). Since that time, the Premier of the province has stated that he doesn't believe in special committees on privilege.

We're left with this dilemma. The issue was raised by a Member of this House. It was immediately taken out by the Deputy Premier in a lengthy motion, motion 16, and extends for pages on our order paper. Since then, the Premier himself has said that he will not have such committees of privilege. So what is the situation we're left with? We're left with serious allegations by a Member of the Legislature. We are left with these allegations immediately transferred out of debate by a Minister of the Crown, the Deputy Premier. And subsequently we have the Premier himself stating that, even though it's on the order paper, that's tough; these committees of privilege will not be struck. Therefore, how can this thing ever come up? At what stage are we going to have the debate on it?

HON. MR. BARRETT: My advice on the past experience in this House is that the debate on Dunhill is sub judice because there's a matter before the court. It's certainly not a matter that is held up in terms of either the Member for South Peace River's (Mr. Phillips) motion or our motion on the order paper. The fact is that it's now the matter of a civil suit, and I understand that these matters become sub judice to this House and have been so ruled by previous Speakers.

Interjection.

HON. MR. BARRETT: Legal action. I just read that out, Mr. Member. I was just advised by memorandum, today's date, March 11, that four people have launched a suit on this issue related to the allegations referred to in both motions on the order paper, the motion by the Member for South Peace River and the motion by the Deputy leader of the government's side. So that matter has become sub judice.

In terms of the other questions raised by the Member, I'm being advised by the Attorney-General that these are matters related to his department and he is prepared to make a statement during his estimates on this.

MR. R.H. McCLELLAND (Langley): Mr. Chairman, I'd just like the Premier to clear one thing up. I hope he's not suggesting that during the estimates on the Department of Housing this House will not be allowed to discuss any manner of the

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purchase by the government of Dunhill Development or its thrust on future housing policy in the whole province.

HON. MR. BARRETT: I would not think that the thrust of the housing policy would be a matter excluded from the debate. But we would certainly need a Speaker's ruling in light of the fact that there is now a civil suit related to the purchase of the company and allegations made around that. In former experiences with former

Speakers, when such matters are referred to courts outside of the House, the matter in terms of the specifics related to the court are ruled sub judice. I have no idea what the Speaker's ruling would be if the matter is raised at that time. But I'm advised, considering past practices of this House, that such discussion becomes sub judice once it's before the courts — and has so been ruled in previous sessions of this very House. But the information just came to me in written form dated today's date, Mr. Member.

MR. D.A. ANDERSON: Mr. Chairman, I think there are a number of issues being confused here. One, of course, is the Dunhill one which is apparently a subject of a civil suit in accordance with the statement made by the Premier. Secondly, there is the case of Columbia Cellulose. Apparently the Attorney-General is going to reveal all and let the sun shine in on this particular case. He was out of the room at the time I made the original statement, but I wonder what his....

HON. A.B. MACDONALD (Attorney-General): I heard it.

MR. D.A. ANDERSON: Oh, good. No need to repeat. Apparently he was listening to his speaker in his office and he will be making statements on the results of his department's investigations into the tremendous increase in the volume of shares traded and the tremendous increase in the value of, I believe, the preferred shares. Yes, the preferred share: from \$2.95 a share at the start of negotiations up to \$3.38 in three months.

Now, as this is the Minister of Finance's estimates and as the Attorney-General is here and as the whole subject of acquisition of companies is essentially one that should be dealt with by the Minister of Finance, I would strongly urge the Attorney-General to get up at this stage and enlighten us so we can then continue with the discussion of Columbia Cellulose under the estimates of the Minister most responsible.

That was the second issue. First Dunhill, then Columbia Cellulose. The third issue is this: we have a Member of this House against whom a motion has been placed that he is guilty of contempt and in breach of the privileges of this House and the Members when he made certain statements. Yet the Premier has stated that he'll have no opportunity to clear his name, no opportunity to discuss the motion on the order paper because no such committees on privilege are to be called in future. That's the third issue.

I'd like to know what the Minister of Finance's views are on this. I think it's the third part of that question.

MR. CHAIRMAN: Order, please. That is not a matter for consideration.

HON. MR. BARRETT: Mr. Member, you're predicting actions of this House. I have no way of having the same kind of information you have in terms of the actions of this House.

In terms of Dunhill, I've made it very clear — and you seem to accept it now after three times — that it is a matter of civil suit. I have said that every normal business precaution has been used in the purchase of Columbia Cellulose. If you have specific charges, then it is your responsibility to bring those to the immediate attention of the Attorney-General rather than repeat allegations you've heard somewhere else.

Thirdly, the Attorney-General has been part and parcel of the normal process of purchases in this regard and has assured me that every normal process that should have been followed had been followed in terms of these purchases.

Now, Mr. Member, I don't know what I can say beyond that to satisfy you.

MR. PHILLIPS: Well, since this has come up, I didn't know it was allowed to be discussed under the Minister of Finance....

MR. CHAIRMAN: The discussion may continue providing that the questions are directed to the administrative responsibility of the Minister of Finance in this matter..

MR. PHILLIPS: ...responsibility of the Minister of Finance, Mr. Chairman.

MR. CHAIRMAN: Order, please. I would complete the point. Providing the remarks are not covered by the matter which is now sub judice or the two motions on the order paper.

MR. PHILLIPS: Thank you, Mr. Chairman. I'm discussing the responsibilities of the Minister of Finance. If he says nothing is going to happen to the motion which is on the order paper, in essence to censure me, not necessarily with regard to the allegation made about Dunhill or Columbia Cellulose — it was with regard to mining legislation — I think the motion should be withdrawn.

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MR. CHAIRMAN: Order, please.

MR. PHILLIPS: ...because I'm going to be like the Minister of Finance, I'm not going to be cajoled, bullied, or bludgeoned...

MR. CHAIRMAN: Order, please.

MR. PHILLIPS: ...Either call the motion or take it off the order paper.

MR. CHAIRMAN: Order! This is not a matter for debate at this time. I would ask him to confine his remarks....

MR. D.A. ANDERSON: Mr. Chairman, point of order. On your point of order, it is a subject for discussion at this time for the following reasons: my friend from the Peace River is faced with a situation where he has made statements, presumably made in good faith — all statements in this House are made in good faith — and the Deputy Premier takes steps to prevent him from continuing discussion of it. Flat statements are made by the Premier to the effect that no such motion will be picked up from the order papers. Therefore...

HON. MR. BARRETT: Oh, Mr. Member....

MR. D.A. ANDERSON: ...by this circular argument we are preventing this man from at least having his charges answered.

HON. MR. BARRETT: No, I didn't say that.

MR. CHAIRMAN: Order, please. In regard to the point of order: the point of order is not well taken because this is a procedural matter which he has raised and this not something to be considered in Committee of Supply under this estimates.

MR. D.A. ANDERSON: It is the responsibility of the Minister of Finance. It's his responsibility.

MR. CHAIRMAN: Order, please. I would ask that any further discussion be confined to vote 51.

MR. J.R. CHABOT (Columbia River): Mr. Chairman, I want to ask the Premier regarding the financial revenue of the government. I look at the interim financial statements for the nine-month period and I find that the revenue is approximately \$22 million a month more than estimated in the previous budget, which comes to almost \$200 million in the nine-month period.

I'm wondering if that process has continued: whether January, February and part of March reflects this continued flow of revenue into the public treasury, over and above what had been estimated last year in the budget.

HON. MR. BARRETT: Mr. Member, we have already allocated \$140 million of that surplus. If there is more, I'll certainly report it to the House.

MR. CHABOT: That isn't my question regarding the allocation of the funds. It appears from this financial statement, when one takes the nine-month period over the 12-month period, that there is a reflection of

approximately \$200 million of additional revenue more than what had been estimated last year. I'm wondering if that process is continuing on into January and February.

Certainly you must have some idea of what your cash flow, what your revenue, has been for the month of January and the month of February because I understand this is kept on a daily basis. So I was wondering if the Minister of Finance could tell me what the revenue has been for those two months, and what the indications are for the month of March.

HON. MR. BARRETT: Things look very good.

MR. CHABOT: Well, in dollars and cents.

HON. MR. BARRETT: It's a good month. I haven't got the exact figures, but I want to put to rest once and for all that under socialism things look bad in British Columbia. We've never had a better year and it's still going well, Mr. Member. No matter what happens, under the NDP things are much better than ever.

MR. CHABOT: Mr. Chairman, he has drastically underestimated his revenue position in the last budget, and it appears it's going to be more so in this coming year because of the new legislation which we see on the order paper.

I think in all fairness to the Members of the House we should have a statement from the Premier. I'm sure those figures are available. He has people who can give him the information as to the revenue for the months of January and February. If we could get that, it would give us some kind of idea — and I think we're entitled to that — as to what the revenue was for the months of January and February.

But we can estimate at this time just what revenue was derived by the provincial Treasury over and above what was estimated in the last budget, which will give us some kind of idea as to how far you are out in your figures for the forthcoming year.

HON. MR. BARRETT: Mr. Member, sometimes mid-April we will be able to give you the exact figures for January, February and March. It is true that I underestimated the revenue. Perhaps the reason I

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underestimated the revenue was that for a weak moment I listened to the criticism of the Members of the opposition and thought, indeed, they may have something with their doom and gloom.

I confess I was wrong; I underestimated the revenue. There is far greater confidence out there in the Province of British Columbia and throughout this whole world in this government than the opposition has and, therefore, we've brought in more money than we counted on. What a sin!

You'll find out how much more money we have — and if necessary we'll have to spend it for the people of British Columbia. You'll have the answer in mid-April, Mr. Member. Revenues seem to be bearing up very well.

MR. D.A. ANDERSON: Mr. Chairman, a question to the Minister of Finance. Can we return to discussion of share purchases of the government under the Attorney-General's estimates after such time as he has made the statement on Columbia Cellulose?

HON. MR. BARRETT: I have no reason....

MR. CHAIRMAN: Order, please. That would be ruling from the Chair. I would....

HON. MR. BARRETT: The technical aspects of share purchase, certainly. The technical, legal aspects are supervised by advice from the Attorney-General's Department and outside legal advice as well. The technical aspects of how we've handled them certainly can be discussed — the technical aspects, certainly.

HON. MR. MACDONALD: We've looked at these things because they've been mentioned in debate. But I've found nothing irregular, nothing that went beyond or is any way unusual under the traditional provisions of government — the insider provisions in the Securities Act and in section 152 of the Companies Act. However, because these matters have been raised in debate we're continuing to look at them. Beyond that, I can't tell, you.

Now, if any Member of the House has information that there was anything irregular in terms of insider trading, I wish you'd bring it to my attention. I really do, because we'll look at it with a microscope. But I have asked for an investigation. For example, all the Dunhill share transaction — that was raised. I've had them...they're still in process of being checked out one by one, because it can be done in that case; it's not a big company. Nothing irregular has appeared, but that doesn't mean we shouldn't look at them.

MR. D.A. ANDERSON: Thank you, Mr. Attorney-General. This is precisely the point we're trying to get at. Columbia Cellulose was the one I was more concerned with because as the Premier mentioned....

HON. MR. MACDONALD: Give me any. Information of anything irregular.

MR. D.A. ANDERSON: The information that we have is of a substantial jump in share prices and a substantial jump in number of shares traded. I wonder if the Attorney-General would like to comment on the results of his investigation so far into Columbia Cellulose and whether or not these increases...

MR. CHAIRMAN: Order, please.

MR. D.A. ANDERSON: ...have turned out to be perfectly normal or regular on the marketplace.

MR. CHAIRMAN: Order, please. You are straying away from the vote under consideration at the present moment. I would ask you to raise this...

Interjection.

MR. D.A. ANDERSON: We can't. We've got to get that settled first.

HON. MR. BARRETT: Under the Attorney-General's estimates is the question you've asked, you've had the answer: Yes, under the Attorney-General's estimates you can discuss the technical aspects.

MR. D.A. ANDERSON: The problem, Mr. Chairman, is this: if we get the technical aspects only at a later date, we can't go into substantive discussion of the purchase of shares under the Minister of Finance's estimates, where they should be.

It's a fairly simple proposition for the Attorney-General to continue the useful, friendly, sensible remarks that he made a moment ago with respect to Dunhill. If he would do that for Columbia Cellulose, for all we know, the whole problem might disappear.

MR. MORRISON: I'd like at this point to ask the Minister of Finance: having done all other normal practices, is there any specific reasons why they could not have suspended trading on any of those companies which they were proposing to take over?

HON. MR. MACDONALD: They did it in the normal way.

MR. MORRISON: With neither of those, as I understand it, was trading suspended from the time

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you made the commitment to go ahead. There was no trading stopped on the market.

MR. CHAIRMAN: Order.

MR. MORRISON: Would you elaborate on that?

MR. CHAIRMAN: Order, please. I'd ask the Hon. First Member for Victoria to direct his questions solely to the Minister of Finance, not the Attorney-General.

MR. MORRISON: I think the Minister of Finance should answer it, but the A-G preferred to. I'd like to have an answer from the Minister of Finance, because this is going to recur and recur each time we acquire another company.

HON. MR. MACDONALD: Mr. Chairman, in the case of Columbia Cellulose, I think the lawyer was Hank Hutcheon who is now a judge, I believe that there was a suspension of trading. Although I'm not fully...I can't give you the date.

In the case of Dunhill I believe the Vancouver Stock Exchange, in its usual procedure in the case of an acquisition, suspended trading in order to convey a forewarning that there could be a purchase or a merger or something of that kind in the normal way. I think it was done and then it was lifted after that warning was out. That's the traditional practice.

MR. MORRISON: Could you give us the specifics on that at some point in the debate?

HON. MR. MACDONALD: Yes. I'll look it up. I'll be glad to.

MR. L.A. WILLIAMS (West Vancouver–Howe Sound): I would like to return briefly with the Hon. Minister of Finance (Mr. Barrett) if I may, on matters I discussed with the Hon. Premier (Mr. Barrett). I hope he has had a chance to talk to him over the weekend.

Concerning the matter of the control of our resources: While I raised it under the Premier's estimates, Mr. Chairman, because it can have such a serious effect upon the future of the finances of the Province of British Columbia, I think it is appropriate to continue this discussion at this time.

The Hon. Premier, on Friday last, indicated what the position of his government was vis-à-vis the national government.

HON. MR. BARRETT: Mr. Member, before you go further, I would just like to add one thing that I neglected to mention on Friday. I was asked this same question, related to resources, at the Western Premier's Conference by one of the other Premiers. I said at that time, as I recall my words, that I didn't relish the idea in terms of the agricultural area of forestry; however, it was in the best national interests that some time in the future that would have to be discussed — in terms of the same way I felt about oil. But my position is the same as it was Friday. I did make that remark at the Western Premier's Conference. But in no way does that alter my position as of Friday, and this government's position that we do not see the forest industry as an area of national emergency in terms of national ownership or national encroachment.

I just wanted to mention that because I didn't mention it on Friday.

MR. L.A. WILLIAMS: Mr. Chairman, I thank the Premier for that further comment. It helps to assure me, but I want to go back to the distinction he makes between the renewable resources and the non-renewable resources — only to press him again with the position that concerns me so greatly.

I understand the basis for the Premier's distinction, but what is concerning me most is that unless and until we have those frank discussions with the national government which will lead to the kind of co-operative federalism that the Premier mentioned on Friday...and I'd make certain that I fully understand the Premier.

With respect to non-renewable resources, the Premier indicates that it's the policy of the government that they are prepared to enter into co-operative arrangements with the national government, for instance, with respect to oil or petroleum resources; he would seek the mandate from the people of British Columbia before finally committing

ourselves to that position. But he would, for the benefit of Canada as a whole, so long as the rest of the provinces would go along with it — and the people of British Columbia having given the mandate on energy resources — make them available co-operatively for all of Canada. That's his position.

HON. MR. BARRETT: Yes.

MR. L.A. WILLIAMS: I appreciate that position. I think that perhaps with some modifications I could support it. But what is concerning me, Mr. Chairman, is that unilateral actions appear to be on the horizon from the point of view of the national government.

I would like to know from the Premier, if the national government moves continually in those unilateral ways, without seeking the co-operative position of all 10 provinces, what the Premier of British Columbia is going to do to ensure that our constitutional right to control our natural resources, even though they be non-renewable, remains solely within the jurisdiction of the Province of British Columbia.

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I'm quite happy to have the Premier say to the national government: "If you sit down with us and the other nine provinces and work out a policy for the nation as a whole, then we are prepared to seek the mandate from British Columbia to go along that basis."

But if the national government, as it has clearly indicated it is prepared to do, legislates within the area of its jurisdiction in a manner which is contrary to the natural resource control which British Columbia has, what is the government of British Columbia prepared to do to ensure that such action, which is destructive of co-operative federalism, is not allowed to take place?

MON. MR. BARRETT: Mr. Member, I did not rise to object to this discussion taking place under the Minister of Finance, because I think you have raised a very important matter that should be related to Finance as well.

I made reference on page 6 of the budget speech to a point that really relates to your question. "I am concerned over the federal government making a change in a provincial tax base without discussions with the province, for the British Columbia income tax is calculated from the federal base."

Now that was a unilateral action and it bears a great deal on your question. It is obvious that the federal government, for one reason or another — and, I suspect, reasons that I do not ascribe to politicians other than perhaps benign neglect.... But that decision was made on the advice of some bureaucrats, and the political necessity of discussing that change with the provinces was overlooked.

I raised it in the budget speech to send the message back that although the province was not opposed to the indexing, we are opposed to the method of imposing changes in arrangements between the provinces unilaterally.

Now I think that was an oversight rather than a calculated design by the federal government, but I am alarmed — and I'll say so openly — over the fact that after having had what was described by the federal Prime Minister as one of the most important federal-provincial conferences — that was on energy — after having had that conference, and being advised that there would be a further conference, we were advised without consultation that there would be no further contacts; and he's meeting separately with two provinces. I want to tell you here....

MR. L.A. WILLIAMS: Divide and conquer, eh?

HON. MR. BARRETT: Yes, divide and conquer. I want to tell you here that we took a position as a provincial government that we would not go for the alteration of the federal proposal of cost sharing and hospital plans. We said, as a have province, that although we would benefit, we would not be a party to anything that destroys the level of care, or perhaps autonomy, of the Maritimes or the weaker provinces.

Now to answer your question and to impress upon you that I think we're of the same mind with regard to the forestry, there is no way that I would have unilateral discussions with the federal government about forestry without the other nine provinces being discussed, because on that basis it would be a threat to Confederation as we know it.

I want to assure you, Mr. Member, and the people of this province, that under no circumstances would I discuss any change without the other provinces being there, nor do I consider any change of authority to be necessary or warranted in Canada at this time.

I have made the distinction on energy in terms of oil and natural gas simply because of the world supply situation and the need for us to have our own national plan to protect our own national integrity. But that's as far as it goes at this time. If, in the future, some other commodity was required at the same level of pressure or emergency that oil and gas are, then I would propose that that be discussed at the national level by all the provinces.

I share a concern expressed by the Member, and I can't say that that concern is a long-standing one. It has come to a focus out of the fact that the federal government has taken unilateral action on oil and gas in these last few weeks, and it is enough to alarm all those constitutionalists who understand the uniqueness of our Confederation. As a matter of fact, Lord Durham's report is hardly 140 years old and is now being assaulted by the actions of the last few weeks.

MR. L.A. WILLIAMS: Unilaterally.

HON. MR. BARRETT: Unilaterally. It's just 100 years ago that Disraeli was in the mother of Parliaments. I think 1974 was the second time he was called to form a national government in Great Britain.

He had spent some six months earlier, about eight years earlier, as Prime Minister. But at that time the whole Durham debate came up again, and Durham had since passed on. But the point was well taken that Durham's pattern, in terms of colonialism as they discussed it in that day, was seen as the wisest course to follow to keep communities together within the commonwealth.

I buy that argument, over 104 years old, except in the case of emergency in terms of oil and gas, but I want to say with the Member, if I understand him correctly, that we are of one mind when it comes to forestry, considering what's going on. There is no way that we would consider unilateral discussions between Ottawa or by Ottawa, or by party discussions between us and Ottawa, on forestry — no way.

I'm deeply concerned about the unilateral action

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of the federal government in terms of discussing oil and gas separately with Saskatchewan and Alberta.

MR. L.A. WILLIAMS: I'd like to continue this for a few moments if the Member for Columbia River (Mr. J.R. Chabot) would yield.

I would like to see if I can't come closer to my concern with the Premier. I'm not making the issue with respect to forest resources or with respect to energy, or any other non-renewable resource.

HON. MR. BARRETT: I have to make that distinction.

MR. L.A. WILLIAMS: I gather the Premier to say that with respect to actions by the national government he is not prepared to enter into separate talks apart from the other nine provinces; and he would have urged that Saskatchewan and Alberta not have taken the course they did in the past few weeks.

HON. MR. BARRETT: That's correct.

MR. L.A. WILLIAMS: What I'm trying to get, I suppose, is this simple statement, but perhaps it's too simple. Does the government of the Province of British Columbia take the position with the national government

that the control of natural resources are ours under our constitution, and we are not prepared to consider with the national government any relinquishment of that control unless it is done in concert between the national government and all 10 provinces? Indeed, we are not prepared to accept a change in the constitution of Canada unless it is carried out within the scope of that constitution.

Whether you follow what Lord Durham says or whether you come to more recent times and concern yourselves with the Fulton-Faureau formula, or whatever the case may be.

The fact of the matter is that Ottawa should understand that we are not prepared to sit idly by and allow them to use the legislative powers they have to undermine British Columbia's control of its natural resources.

HON. MR. BARRETT: Mr. Member, I want to say clearly somehow how important this debate is.

You raised a fundamental problem, or question — I wouldn't say problem — beyond the very distinct party lines we have in this province. I want to say on behalf of my party that I know of no other party position that is espoused seriously by a formal party in this province. There is no way we, as long as we are government, would consider relinquishing our autonomy and control over those natural resources as provided under the BNA Act. That does not mean that we would not go into a federal-provincial conference. We would certainly discuss anything with our fellow provinces.

But I make it very clear that there is no way we would relinquish the control we have under the BNA Act. The only departure I've given, which received absolutely no sympathy — even from my socialist colleagues in Manitoba and Saskatchewan — was the argument that in terms of the non-renewable energy sources, I felt, and I still feel, that as national policy we would be well advised to have all oil and gas under public ownership of the federal government.

Now I am a minority in that position, but I also....

Interjection.

HON. MR. BARRETT: Well, I have one supporter. But I also wanted to make it very clear that it is such a fundamental change in the nature of the relationship between any province and the federal government to allow even this to be considered, that there is no way, if the federal government said, "Yes, we accept British Columbia's proposal," I would enter any contract or any agreement without first going to the people of this province and saying: "This is the position; reject it or accept it."

No responsible government could avoid going to the people on that issue, because it is a fundamental issue and not every British Columbia citizen would feel that way. They may see giving up this one area under the BNA Act as a small, thin edge of the wedge, and they have a right and a responsibility to debate that on that basis — but certainly not in any other area.

Nor would we enter any singular discussion — that is between us and the federal government — on any other resource. Now there are several laws governing taxation, royalties and other matters. Those are separate battles that have taken place between this province and Ottawa, and other provinces and Ottawa, historically.

The other battle which took place was the question of off-shore resources and who controlled those; and the federal government, although it won the federal court case, said they would share 50-50. But in the clear-cut definition of the existing constitution of the BNA Act, there would be no change by this government in any resource other than oil and natural gas.

MR. L.A. WILLIAMS: And that's not really a change, because that involved discussions....

HON. MR. BARRETT: That involved discussions. But I have raised fear in some peoples' minds. That is a valid question, because having made the proposition about oil and gas, people have the right and the responsibility to ask what the government's intention is on other resources, as you have raised. I welcome

the opportunity of putting it right on the record: No way, on the other resources.

The only reason for the consideration of gas and oil is because of the critical energy crisis in the world that I, frankly, do not see any solution to. I feel so strongly about the nation that I would be prepared, and have been prepared, to say on this issue that the nation has a prior responsibility to plan for its own energy needs.

I'll tell you something else: in my opinion, I think I'm right. I think the other provinces are making a mistake, and I think the federal government, if it called a federal election on the proposition that it wanted a mandate to enter into discussions with the provinces for public ownership of natural gas and oil under federal control, would win the election on that issue. I believe the Canadian people are further ahead than other provincial governments and the federal government on this issue.

I believe the Canadian people respect the fact that the integrity of this nation should not be threatened on an economic basis by a shortage of oil or gas. The best way of ensuring that we have the stable economic development of those non-renewable energy resources is through public federal ownership.

I think any party, including my own, that would take this position in a federal election would do two things — cause the matter to be debated publicly and, secondly, would gain a large number of votes, because whether it was British Columbia or Alberta or Saskatchewan or Manitoba, or what else, we are Canadians first, and I think that is the most popular sentiment and position.

MR. PHILLIPS: I would like to enter into this debate because I really think that you're touching upon something more than just the energy resources of the province. I refer to the fact that every year there is the conference of the fiscal agents, or the Ministers of Finance of Canada, and I just wonder what our Premier's attitude is towards equalization payments.

Mr. Chairman, I've heard our Premier endeavour to promote the myth in the Province of British Columbia that British Columbia has been giving her natural resources away, and that under his leadership the return of the natural resources is to the people of the province.

However, in the Province of Quebec and in the Province of Ontario they are blessed with as many natural resources as we are in the Province of British Columbia. I wonder, when the Premier takes into consideration some of the moneys returned to the Province of Quebec from her natural resources versus the amount of money returned to the Province of British Columbia from the natural resources here, if he can still continue, in all honesty, to promote the myth that the natural resources of the Province of British Columbia have been given away. If, indeed, the natural resources of the Province of British Columbia have been given away, what, in heaven's name, have they been doing in the Province of Quebec with their natural resources?

I would like to quote just a couple of figures to give credence to my statement. In 1969-70 equalization payments totaled \$673.5 million, of which Quebec got \$343 million and Alberta, British Columbia and Ontario got nothing at all.

Yet, Mr. Chairman, Quebec's revenue from all natural resources in the year ending March, 1970, was only \$60 million, whereas British Columbia's natural resource revenue in the same period was \$172.25 million, with forests amounting for more than \$116 million of this amount.

Now the Province of Quebec has a larger land area and certainly more land under forest than either British Columbia or Ontario. Certainly, if they were found, they may have what I consider is not a natural resource until such time as it is found; they may have minerals. But I do not consider those minerals a natural resource until such time as they are found.

They are not a natural resource in the true sense of the word that forestry is a natural resource, that agriculture is a natural resource, or even, so far as that goes, oil and gas, because oil and gas follow a certain sedimentary basin

and the lay of the land and is much more easily found. But minerals are there in the rock, and no one has been able to find a particular lay of the land that gives them one mineral. They have to be out and they have to be staked out by prospectors. So they are not really a natural resource as such.

Now I presume that in the Laurentian Plateau there are as many minerals there as there are, indeed, in British Columbia. Yet our Premier would lead the people of British Columbia to believe the myth that the resources of the province have been given away.

Well, if the resources in British Columbia have been given away, what have they been doing with the resources in the Province of Quebec? How can you justify going to a financial meeting with the Ministers of Finance from the other provinces and the Minister of Finance from the federal government and justify British Columbia giving money to, particularly, the Province of Quebec, who is either not developing her natural resources, or she is the one who is giving them away?

Of the province's forestry, Mr. Chairman, the province owns 95 per cent of it, and to my knowledge none of the forests in British Columbia have been given away. Private owners only control 4 per cent of the forests in British Columbia and the federal government controls 1 per cent. How can the Premier continue to justify his statements that British Columbia has been giving away her natural resources?

I would like to quote from a newspaper article:

"Quebec, which covers an area half as large

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again as British Columbia, has potentially accessible and productive forest land of 141 million acres, nearly twice that of British Columbia's 78 million. In 1969 British Columbia took in \$78 million in forest fees of various kinds and Quebec took in only \$20 million."

Now, my question to the Minister of Finance is: what attitude does he take at these federal provincial fiscal conferences? The same thing could happen in the Province of Alberta if it wished to either give away its oil or gas or, indeed, wished to leave them in the ground and not develop them At this time. Then the Premier's theory of making all of the resources part of the federal government would be swept under the table, because provinces could, indeed, leave their natural resources in the ground and wait until the country became bankrupt.

I wonder, Mr. Chairman, if he feels that the Province of Ontario and the Province of Quebec would take the same attitude that Ottawa is asking Alberta and Saskatchewan to take with regard to their oil and gas and their energy, if it was Ontario and Quebec who had these vast resources of oil and gas. Do you feel, Mr. Minister of Finance, that they would take the same attitude as you were taking? Do you feel they would allow the federal government to, as the Member for West Vancouver—Howe Sound (Mr. L.A. Williams) has pointed out, allow Ottawa to infringe on their rights, as they would seem to be doing?

So here we are in western Canada, and the question comes up again: what's going to happen if we find a rich body of ore here — for instance, uranium — and uranium in the world becomes necessary for the development of atomic power? Then what attitude are the provinces and the federal government going to take?

Suppose that a large ore body of some specific mineral were found in the Province of Quebec which could be turned into instant energy. It could be possible, because there is a lot of energy still in the crust of the earth that we don't even know about yet. It's strictly technology that prevents us from utilizing it. What attitude does the Premier think the Province of Quebec would take with regard to letting all of the rest of Canada have access to this energy?

HON. MR. BARRETT: Well, Mr. Member, there are two answers. First, I think I have already made it plain that no other province agrees with us in terms of the non-renewable energy sources — oil and gas. That's why I went to Ottawa with two propositions. Now, I still believe my first proposition is a valid one and I said that I would not impose that one on the people of British Columbia. If Ottawa accepted it, we would go to the people and say: "Look, this is our proposition. We want you to throw us out of office, or say, 'You're right on.'" We just would not

unilaterally alter the BNA Act without a reference to the people of this province on such an important issue as the non-renewable resources. It was not a hollow suggestion on our part, because we do have natural gas.

MR. PHILLIPS: I'm not suggesting it was.

HON. MR. BARRETT: I know that. Now, I think that the provinces of Quebec and Ontario have already stated their position. They would do the same as Alberta and Saskatchewan are doing.

When you talk about the Province of Quebec, there has been an unfortunate tendency in his country, when we criticize other provinces, to shy away from Quebec because of their special problems. The former Premier of this province was labeled a bigot for his efforts in getting into the arena of discussing the problems of Quebec. That was a matter of great regret for every Member of this House, but it's a very emotional thing and it gets responses such as that.

I have said that in my opinion, although we are not opposed to equalization payments, the fact that this government is extracting more revenues from our natural resources by way of taxation and royalties only means that a certain percentage of it goes to equalization payments to the Province of Quebec because of their extremely poor management in terms of royalties and in terms of revenue from those natural resources.

The remedy for Quebec is not separation; the remedy for Quebec is to get rid of the Quebec Liberal Party and find a party that represents the better interests of the ordinary people of Quebec in ensuring that those natural resources pay a fair share to all the people of Quebec. There is no reason for unemployment to be high in Quebec.

I consider the language issue to be a phony issue. I'm not denigrating them on a basis of culture or identity, but it is less an issue in terms of the economic determination that should be part and parcel of Quebec and Canada.

Quebec within Confederation can make it on its own two feet, and that's where the separatists make a mistake. The people of Quebec have the same talents, energies, skills, desires, visions and hopes as the ordinary people of British Columbia.

AN HON. MEMBER: More.

HON. MR. BARRETT: Sometimes more. In my one brief visit to Montreal, my wife and I spent a number of hours in downtown Montreal, meeting people and talking to them in restaurants. People came up and talked to both of us. I was impressed with their warmth and their friendliness. As a matter

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of fact, without starting an inter-nation fight, they're sure not uptight like some Ontarians I've met.

MR. PHILLIPS: You don't have to speak the language.

HON. MR. BARRETT: No. We got along very well. (Laughter.) But the point is that the previous administration in British Columbia, in our opinion, had not been charging enough for our natural resources that were being extracted. That was part of the election campaign, you recall. We're now moving in, and I won't go into the legislation that exists in the House. Mr. Member, we're going to produce, I think, maybe about \$50 million more in natural gas than the former government produced per year. Now, we say that just because you are in a black position in the books doesn't mean that you shouldn't ask a fair price for your commodities.

Interjection.

HON. MR. BARRETT: King Feisal and I have nothing in common whatsoever, Mr. Member, and you must seriously consider the implications of that particular remark.

To conclude, it is my opinion that the former government was like the government of Sir Richard McBride; it believed that the cornucopia had no end, that this treasure house of British Columbia should be used by any

entrepreneur, any developer or any promoter that came along and had a vision of the day and sold it to the government. The same Sir Richard McBride mentality existed with the former Premier, W.A.C. Bennett, and a fine example of McBrideism by Bennett was the Wenner-Gren deal — the grand promotion, the great dream of the north, the mysterious financier arriving on our shores with genius, with talent and a heck of a lot of flim-flam.

This province was flim-flammed for 100 years, Mr. Member. We were giving away our resources and this government has said, "no more give-aways." If Quebec did the same thing they wouldn't need equalization payments.

So the matter becomes a political battle, and that's why I went to visit one Rene Levesque to express to him my opinion, in English, that there was no reason for separation — I said "bon chance." I said: "There's no need for separation — there's a need to explain to your people, as we've done in the Province of British Columbia, that the resources can help pay the way."

You know, Mr. Member, the people of this province understand that issue. If the Quebecois are ever confronted with an election campaign on the same issue, that party that said that we would bring in the same royalty structure, the same taxation structure as the Province of British Columbia would sweep to victory in the Province of Quebec.

So now I appeal to Rene Levesque to drop this separatism, if he can hear me. Drop this separatism. Join the New Democratic Party and help build a wonderful democratic socialist Canada from shore to shore.

MR. PHILLIPS: I'm certainly glad the Premier has a big mouth because he not only talks out of both sides, he talks out of the middle — and he does all three at the same time. The speech he made just before he sat down certainly.... First of all, he says they are giving their natural resources away in Quebec, and that the British Columbia tax bill is more than any other province. Yet he wants to give away our oil and gas rights because he may be....

HON. MR. BARRETT: To the people of Canada? That's not a giveaway — to give to the people.

MR. PHILLIPS: Mr. Chairman, I've said on more than one occasion in this House — and it's in *Hansard*; it's in the record — that I felt that our natural gas contracts with the United States of America should be renegotiated. This has been accomplished, I feel, in a very fair way. I feel that the extra revenues the Minister of Finance is obtaining from the sale of natural gas to the States, in view of today's demand for energy, are certainly justified.

I also had to point out at that time, when I made this statement to the Minister of Finance, that had those sales not taken place at that time and had the atmosphere in the Province of British Columbia not been as it was at that time — to spur discovery of the natural gas and to build that pipeline — I doubt very much if there would have been any contract with the United States for our present Minister of Finance to renegotiate. I doubt very much if there would even have been a natural gas pipeline from northern British Columbia even to Vancouver.

I think it's time that the Premier stopped passing about this myth he's trying to pass about that all of a sudden he rides in on the great white horse and returns the natural resources to the people of British Columbia. Had the development in our natural resource industries not taken place that have taken place, he, as I have said in this House time after time, would not have the large budget he has to play around with, and the people of British Columbia would not be burning natural gas, nor would industry be burning natural gas.

If they did, they would have been paying not three or four times what they are paying today, but probably about 10 times the amount they are paying today, because of the cost of the pipeline.

Now the Premier still didn't answer my question. What I want to know is: when you go to these federal-provincial conferences, do you point out to the Ministers of Finance of both Ontario and Quebec

that they are not getting sufficient revenue from their natural resources?

HON. MR. BARRETT: Yes, I do.

MR. PHILLIPS: Do you tell them that you are sick and tired of taxing the natural resource industries of British Columbia to subsidize them when they are the ones who are giving their natural resources away?

HON. MR. BARRETT: I tell them to stop it the way we did in B.C. We got rid of Social Credit and straightened it out, and they should do the same back there.

MR. PHILLIPS: I'm trying to carry on an intelligent discussion with you, Mr. Minister of Finance, and you always want to bring in that smokescreen and bring political politics into it. Is it not possible to have an intelligent discussion with you? Or do you have to keep on dragging in these red herrings: "give away our natural resources... return the forests to the people" — and you already own 95 per cent of them.

You know, people are going to see this eventually. We're going to tell them, so there's no sense...you know. You've changed. You made a few changes here in the forest royalty. You've done a few things so that you can go back to the people and say, "Look what I have done; look what I've done."

Any government would have renegotiated those gas contracts with the United States. Any government would have.

HON. MR. BARRETT: You voted against it.

MR. PHILLIPS: I recommended it here in the House last year.

Interjection.

MR. PHILLIPS: I'm certainly glad you went and did what I recommended. I'll commend you for taking my advice, Mr. Minister of Finance. I'll certainly commend you for that.

HON. MR. BARRETT: You voted against the bill. You voted against the Petroleum Corporation. That's their name. It's on record.

MR. PHILLIPS: Let's not bring that into the facts. I'm on record in this House of saying what should be done. Because you did it through a vehicle, it gives you the power to march in to service stations and be the Gestapo. Well, I wouldn't vote for a bill like that which would take away the rights of the people of British Columbia. You know that, Mr. Minister of Finance.

But I am on record. Don't you forget that I'm on record, right in *Hansard*, as telling you exactly to do what you did; and you did it, and I thank you for it.

HON. MR. BARRETT: Mr. Member, twice you are wrong: first an error, and now the Gestapo.

MR. PHILLIPS: Will you tell that Member not to interrupt me? You know, Mr. Chairman, through you to the Minister of Finance, it's not only the Province of Quebec that seems to be giving their natural resources away, but also the Province of Ontario. It's not noticed in the Province of Ontario because of the tremendous revenues she gets from her secondary manufacturing.

I would just like to point out to you that...and I am going to quote again from an article in *The Vancouver Sun* dated February 10, 1972. It's an article by Mary Rawson where she is talking about equalization payments. I would like to quote from this article again:

"Even the poor province of Quebec has been raising more in natural resource revenue than Ontario has, although there too resource revenue is a declining proportion."

Even Ontario seems to be giving her natural resources away. I wonder what the Premier would do down there? You wouldn't be giving it away; you would be subsidizing them to take it out of the ground.

HON. MR. BARRETT: I would vote NDP.

MR. PHILLIPS: Well, NDP is not the answer because you will find out if you keep on forcing punitive taxation — and I didn't want to get into this, Mr. Chairman — but if you keep on forcing punitive taxation on the resource industries of this province, you will find that they have in many socialist countries.... Here again, I didn't want to get into this.

What's the matter with Russia? What are they doing in Russia? She's got lots of natural resources. How come they can't live in the same standard of living that we are here in British Columbia? So if you follow along those same lines, you are going to be leading the people of British Columbia down the garden path.

I just want to continue this because it's very important when you go to these finance meetings, Mr. Chairman — when the Minister goes — representing a big province like British Columbia that has been taxing her natural resource industry almost to the limit for the last 20 years, that he recognizes that the Province of Ontario has a giveaway programme too. British Columbia, by contrast — and I am quoting again from this article:

"In British Columbia, by contrast, the

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proportion of revenue from resources has remained fairly constant while the actual income has better than doubled. In 1956 Quebec took in \$36 million, compared to British Columbia's \$46 million. Quebec public accounts for 1969-70 show natural resource revenue at \$58 million, while British Columbia is now drawing \$172 million."

In other words, in the Province of Ontario and in the Province of Quebec they have not only been not getting enough revenue from their natural resources, but they are on a declining basis.

"Can we conclude from these figures on resource revenue that Alberta and British Columbia are resource rich and that Ontario and Quebec are, relatively, resource poor? Or is it that Ontario and Quebec simply do not tap the potential resource revenue available?"

Now my whole point in bringing this up, Mr. Chairman, is that here, as the Member for West Vancouver—Howe Sound (Mr. L.A. Williams) has brought up, is our Premier, who wants to share our natural resources, our natural gas and our natural oil — strictly because they are in short supply and there is a crisis — with all of Canada.

Well, I'm a Canadian first too. But I think that you've got to be a hard-headed businessman as well as a good Canadian when it comes to this resource sharing and tax sharing. If the Premier is going to go down to Ottawa and wants to share all of this with Ontario and Quebec, don't you think that Ontario and Quebec should come forth first of all and develop their own natural resources so that we don't have to subsidize, particularly in the case of Quebec?

It seems to me that if I were in business and I was making lots of profit and there was another business down the road that was running theirs very poorly and I had to subsidize them, I would get pretty angry. I think this is really what our past Minister of Finance was talking about all the time.

As I say, Mr. Chairman, what would happen if the shoe were on the other foot? If we are going to nationalize our natural resources such as oil and gas.... The crisis is not that drastic yet. What we need to do in that is provide more money for exploration because, as I've said in this House before, we really don't know what our oil and natural gas resource is until we explore them fully. We don't know how much is down there. This is what is required: money for exploration.

Now, what is going to be next? Is it going to be lumber? Is it going to be minerals? Is the Minister of Finance going to get himself into a position to do some hard bargaining for the Province of British Columbia, because there's no sense in taxing our natural resource industries, many of which are developed by private industry, to the point where they almost break and then go down to Ottawa, and give the money to Ottawa so that they can subsidize the same types of industry in another part of Canada?

I think that our Minister of Finance has got to do some hard bargaining and maybe reassess his situation not only as being a good Canadian, but as being a better businessman, because if you're going to return the natural resources of the Province of British Columbia to the people, then you've got to be a good businessman as well.

HON. MR. BARRETT: The oil companies don't need any sympathy from you or from me in terms of more money for exploration.

Standard Oil of British Columbia didn't pay any income tax in this province from 1965 to 1971.

Imperial Oil profits operating in British Columbia from 1972 to 1973 went up 45 per cent, from \$157 million off the people of British Columbia to \$228 million in one year. In the fourth quarter Imperial Oil's profits in British Columbia went up from \$46 million to \$73 million — a windfall, an increase of 58.7 per cent by Imperial Oil.

Gulf Oil of Canada in 1972.... These are the companies operating in B.C. and this is their national profit picture.

Interjection.

HON. MR. BARRETT: I gave you figures for Standard of their original investment. The public has the right to know. I asked the federal Minister to have a parliamentary committee or some inquiry into these excess profits.

Gulf Oil of Canada was up in one year 58 per cent. You know those Gulf ads — "We hurry"? They put the running shoes on the profit. They're heading all the way to the bank.

Texaco sponsors opera every Saturday. In 1972 their profit was \$42 million; their profit's now up to \$55 million. That's a concerto soprano's performance. The profit's gone up 31 per cent.

Shell Oil: 1972, \$79 million; 1973, \$112 million — an increase of 42 per cent.

Come Home Oil — come home to the bank. In the first nine months of 1972 the profit was \$5 million; in 1973 the first nine months, \$10 million — a 100 per cent profit for Home Oil.

It's the old Shell game to come Home so you can put on your running shoes for Gulf, to hear the opera for Texaco so you can have an Imperial approach to the spread of all these huge profits.

Mr. Member, you come in here pleading for the oil companies and more money for exploration, and I tell you — bunk, bunk, bunk! They've had more money to explore and they have more tax write-offs than any other industry. So don't come in here crying on behalf of the oil companies. If you want to go out and tell the story, I'll go out and tell the story too.

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I'll go tell the story up in your riding when you said last year that your home town would be a ghost town. Some ghost; some town.

There's more going on in terms of drilling. The oil industry says they don't like the NDP, but they've got to grudgingly admit there's more stabilization in terms of dealing with this government than the former administration. The finance pages report that the producers are signing up every day under our new set-up. There's more drilling going on in the north than ever before.

God did not place the resources there for Imperial Oil, Standard Oil, Come-By-Chance, Fly-By-Night, Running Shoes or any other outfit. Those resources are there and can be found by technologists and geologists in the employ of the government as well as private companies. If the private companies can't use their divining rods with their mysterious monopoly and multi-national corporation approach, we'll find oil.

We had a great Liberal Premier in this Province, Duff Pattullo, who unfortunately stopped the drilling

programme just a few hundred feet short of oil in the Peace River country in the 1930s. And the oil companies did Duff Pattullo in in this province. Duff Pattullo as the Premier of this province had the nerve and the guts to take on the oil companies and do some of his own drilling. It was the oil companies that did him in. One of the most progressive governments that this province ever had was the Pattullo administration, with Dr. Weir and others — what they did in education, what they did in labour, and what they did in the economics. And they were done in by the oil companies and the oil companies' spokesmen.

Mr. Member, I reject your political philosophy. You're not a bad guy, but your political philosophy is way out of tune. Those resources belong to the people, and we're all Canadians together. When I talk about the oil and the gas belonging to the federal government, the federal government reflects the people. It's not a giveaway; it's a sharing.

You talk about hard bargaining. I also believe in hard bargaining, but I also believe in human compassion and co-operative lifestyles. I don't believe that a multi-national corporation should have the prime requisite....

Interjection.

HON. MR. BARRETT: He surrenders!

MR. PHILLIPS: I'm not surrendering — I'm sending you a handkerchief to wipe your nose with!

HON. MR. BARRETT: What are you going to do? Now I've got to turn social worker on him.

Mr. Member, certainly I'm discussing politics. You have a political philosophy, and I have one. My political philosophy is more humane, more intelligent and superior in all ways to yours. But I don't rub that in. I don't want to remind you of it constantly. I'd rather go up to your home town and tell them there.

MR. PHILLIPS: Come on up again — it was the greatest show since the circus was there.

HON. MR. BARRETT: The reason you're talking, Mr. Member, is because it's snowing back home and you don't want the session to end too early. You'd get lost in a snowdrift.

MR. PHILLIPS: You should come up with something original.

HON. MR. BARRETT: Mr. Member, you're wrong.

MR. L.A. WILLIAMS: Mr. Chairman, I just don't know what to say after that filibuster. (Laughter.) I never knew a Minister to filibuster his own estimates before.

Mr. Chairman, in that byplay between the Member for South Peace (Mr. Phillips) and the Hon. Minister of Finance (Hon. Mr. Barrett), we've gone back a step from where we were a few moments ago and on Friday. And I'm going to bring the Minister of Finance back to it.

The point that the Member for South Peace was trying to make was one that I thought I had established with you. What the Member for South Peace was saying was what I said on Friday. When eastern Canada — and I mean Ontario and Quebec — get in a jam, as they are today with petroleum resources, they have no hesitation in coming to the west and saying: "Oh, now we'll tax your resources, and we'll use all the additional tax moneys to help explore for more."

And what the Member for South Peace was saying, I think, and what I say, is that that's very well, but when are the industries in Ontario and Quebec going to contribute to this same kind of programme? For 100 years they've had all the breaks to support their industries, and now that they're in some kind of difficulty with natural gas, again western Canada is going to be picked clean to help them out of their problems. And there's only one reason this is done: political power in Canada is centralized in Ontario and Quebec. All we have to say, Mr. Chairman — and I think the Member for South Peace will agree and the Premier would agree — is that before they start to dip into our natural resources, we want them to contribute equally so that western Canada has some of the benefits that they want.

It's not good enough for the Hon. Minister of Finance (Hon. Mr. Turner) to come out here as he did

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last Thursday and say: "We're going to make some tariff changes that will help things in the west." We've been after tariff changes as only one thing for 100 years. I hope that the Premier and I and the Member for South Peace are on the same basis. If we're going to help the rest of Canada, fine — as Canadians we should do so. But let's not do this only to secure increased political power in the provinces of Ontario and Quebec.

The federal government should get this loud and clear. We're not separatists in British Columbia; we aren't separatists in western Canada. We just want to play our full equal role in Confederation — not to be grabbed upon every time it serves the advantages of the national federal government and its political power based in Ontario and Quebec.

HON. MR. BARRETT: Mr. Member, I am referring to the serious level that you bring to this debate and you've opened it on that basis. I don't mean to be frivolous Mr. Member for South Peace River (Mr. Phillips).

It is true that in a historical context everything you've said is correct. But if you enter bargaining overtones which could be wrongly interpreted as being, "Aha, now is the time to make up for the 100-year hosing we've had!" and you adopt an attitude that is rigid, then no compromise can be reached.

There is no question that the history of Canada has been focused on the central power of both Quebec and Ontario. That point has been made by western politicians for generations. Now the west has a chance to ask for equalization in terms of opportunity, equalization in terms of development, but not vengeance.

I don't for one moment put you in that category, although there are voices in the west who do respond emotionally on that basis. Do you recall the bumper-sticker campaign they tried to start in Calgary? "We can be warm here and they can go to hell in Ontario," was the expression. Mr. Chairman, those are the words of the bumper strip, not mine.

But I don't view the solving of problems on the basis of dragging in everything that was wrong in the past to find a solution for today. I'm cognizant of the fact things were done to the west that were wrong, but I'm prepared to believe in people. That preparation to believe in people has been a bit jaded in the last couple of months. You hit the nail right on the head Friday. You have to be admired, Mr. Member, because it's your own party that's in power federally. Are you sure there's no central Liberal that would speak the way you speak as a western Liberal?

But the fact is you cannot, in my opinion, go into meetings or conferences with the idea that it is the same old story and we're going to be taken again. I'm wary; I'm cautious. I've inherited many competent senior staff who have been bitten before. They have been gentle but firm in their admonitions to me to be cautious and to be wary. But I still believe in the best of human nature — even after being in politics for 14 years. That statement opens me for the greatest accusation of naiveté that one could possibly make. Nonetheless, I have hope for man.

AN HON. MEMBER: Hear, hear!

HON. MR. BARRETT: I'm not so sure about that. But anyway, I do have some belief that you can rationally sit down and say: "Look, forget the past. We know the scale has been weighted against the west, but let's talk about Canada."

AN HON. MEMBER: Remember the old saying.

HON. MR. BARRETT: What one is that?

Interjection.

HON. MR. BARRETT: Carry a big stick? Yes.

Interjection.

HON. MR. BARRETT: Yes, a little bit. That's bargaining. Carry a big stick. What's a little cut-off between friends? (Laughter.)

The Premier of Alberta (Hon. Mr. Lougheed) is a man to be admired for the position and the firmness he has taken in these things. He has a different position than mine.

The difference between the western premiers and eastern politicians is an openness and candour that is not evident with the eastern politicians.

I don't agree with the Premier of Alberta in terms of his position on oil, but he agrees with us in the terms of his position on a petroleum corporation. He's just brought one in in Alberta. I am prepared until proven wrong to believe and trust in people when they say they want to work out a national scheme — but I refer to the jadedness.

After being told by the federal Prime Minister that the energy conference was to be one of the most important in Confederation and to come home after that conference and find that he has now gone off on separate talks with Alberta and Saskatchewan leaves me in despair about his understanding of the feeling of the west. You cannot work with the west that way. You cannot come through a western economic conference, where I ended up in the strange role of being the peacemaker (considering my past in politics, that was tough enough to interpret), and then find out he has gone off for separate talks.

I do not believe in throwing out the baby with the bath water. I believe that the present Prime Minister (Rt. Hon. P.E. Trudeau), the leader of the New

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Democratic Party (Mr. Lewis) and the leader of the Conservative Party (MR. Stanfield) should be challenged publicly to state exactly what their attitudes are in dealing with the provinces. I hope the next federal election is fought on issues and not on images because the future of this country is dependent upon some rational, thoughtful exchange between the leaders of the provinces and the federal government.

There is a mood among the present Premiers to deal far more concretely with Ottawa than has been done in the past. Even the agendas on the Premiers' conferences have changed. In the past they were essentially social affairs. Now we spend two hard days working on issues. They are energetic colleagues, my fellow Premiers; they want to see some accommodation with Ottawa and ourselves. But Ottawa, by taking the attitude they have, has forced us to take positions that are rigid in defence of the resources. I'm not saying that's bad or good; I'm saying that's a matter of fact.

I want to throw in some good news coupled with the bad news. Today in the Province of Newfoundland it was announced that the Conservative government and Premier Moores has moved in to buy Brinco. I want to say publicly that I have every confidence in the Premier of Newfoundland to pull that deal off. I want to publicly say that we will offer any help, technical or otherwise, that we think we can give if the Province of Newfoundland wants that in terms of developing its own destiny and its own resources.

But that's the mood and spirit of all Canadians as represented by their present provincial governments. Lougheed in Alberta has a nickname: Peter the Red. While we're in here fighting over our petroleum corporation as the death knell of free enterprise, as espoused by the opposition, Lougheed has moved in the same direction.

Times they are a-changing, gentlemen.

AN HON. MEMBER: Right!

HON. MR. BARRETT: Times are changing, and you must catch up with them. But even with those changes, I still agree with the Member for West Vancouver–Howe Sound (Mr. L.A. Williams); you must protect the

resources under the BNA Act considering the present government's attitude. He is right in that regard, although my position still stands on oil and gas.

MR. PHILLIPS: I don't want to belabour the point, but there are a couple of other points I would like to make in backing up the Member for West Vancouver–Howe Sound. The Premier says he's a great humanitarian and that the resources of British Columbia, particularly the oil and gas, should be for all of Canada.

HON. MR. BARRETT: I said they should be publicly owned.

MR. PHILLIPS: I'm not convinced in my mind that there is any great energy crisis in Canada at the present time. I don't see people in Quebec and Ontario or, indeed, in the Maritimes having their cars six days a week and not on Sunday. I don't see any houses that are going really short of fuel oil. So the crisis is not as real in my mind as it might be in the mind of the Premier who is going to be such a great humanitarian to give our natural resources to the rest of Canada.

A great deal of the energy that is going to come out of the west doesn't necessarily go to heat the homes of the east, it feeds the wheels of industry, the very wheels of industry that have been part of the discrimination against the west since Confederation.

What the Member for West Vancouver–Howe Sound is saying and what I'm trying to say is that it's all right to be a humanitarian. But let the Province of Ontario and the Province of Quebec first of all tax their natural resources on the same basis that we do and let them give something in return, like some decent freight rates, so that we are not subsidizing their secondary industry — and we are — by the freight rate structure. Now, Mr. Premier, you want to subsidize their industry more by giving away our natural resources, our oil and our gas.

I realize that your philosophy calls for the nationalization of all the oil industry in Canada. Well, that's very fine, if that's your philosophy. But let's not do it under the motherhood clause of being a great humanitarian and giving the natural resources of British Columbia, the oil and gas, to all the people of Canada.

Let's put facts with facts and keep the philosophy as a separate deal. Your philosophy calls for this. Don't shade it under the fact that there is a great energy crisis. Let's be hard bargainers. You say you're such a good businessman; let's go down there and deal. If we're going to give them our resources, get something in return.

HON. MR. BARRETT: Mr. Member, for a while I thought you were just confused, but now I'm convinced you don't know what you are talking about.

How do you call having the public ownership of natural gas and oil in the hands of the Canadian people a giveaway? I don't understand that concept. That really reveals to me a flaw in your ability to rationally comprehend life.

Natural gas and oil, when it's given to Home Oil or when it's given to Imperial Oil, is not a giveaway in your parlance. But natural gas and oil owned by the

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people themselves is a giveaway. Mr. Member, you can't win elections on that kind of logic.

Mr. Member, you're all messed up, through you, Mr. Chairman. The Canadian people have to pay for the gas and oil; they own the resources, so it's not a giveaway. What the Member for West Vancouver–Howe Sound (Mr. L.A. Williams) is talking about is jurisdiction, not giveaway.

The Member for West Vancouver's point is that it would weaken Confederation for the provinces to give up the right of the control of the development of natural resources under the BNA. I agree with him. But we're talking about jurisdiction.

The resources should belong to the people in any event, not to the companies. The companies don't sprinkle

magic over gas, and the companies don't sprinkle magic over the trees; they're there. Where I agree with the Member for West Vancouver is that the BNA allows rational, sensible development on a regional basis in Canada, distinct from the United States. The only point I made is that I differ on oil and gas, and I made it very clear that if the federal government accepted our proposal, we would not enter that agreement without asking the people of British Columbia to vote on that change, that's all.

MR. MORRISON: Mr. Chairman, the Premier earlier commented about offering help to the Newfoundland Premier on Brinco, and I wonder if I could ask him whether part of that help includes money. Was there any money offered?

HON. MR. BARRETT: No, he hasn't asked for any money. We sent staff and we would be willing to send staff again. I don't think anybody in the House would object to that.

I want to say that if a province asked us to go into a joint public venture, and it was beneficial to British Columbia — just as it was under the former administration to loan Quebec \$100 million at 6 per cent — we would give that consideration.

MR. MORRISON: There's one other matter I'd like to ask of the Minister of Finance, and I find it a little difficult again sorting it out.

A year ago in vote 57, which was the same vote for the Minister's office, we voted him \$11,000. The previous year they had been voted \$5,370. But I notice, in looking at the expenditures, that they didn't spend any of that \$5,370 of the previous year, and last year they only spent \$1,995 of the \$11,000 that was voted — that is, up to December 31, 1973. Could I ask him what he proposes to do with the \$32,500 which we're talking about now? Does he really need it, or is it just in there to give us something to talk about?

HON. MR. BARRETT: There's a new staff member at \$21,500, Mr. Member.

MR. MORRISON: What about the balance of it then? Will you be spending it? Obviously you didn't need it last year or the year before.

HON. MR. BARRETT: We'll try to save as much of it as we can.

MR. D.A. ANDERSON: Mr. Chairman, the Premier in closing his remarks made a statement which I believe was interesting. He said "Times are a-changing." He's right, but there are some things, of course, which remain eternal, and one is government integrity.

I'd like to talk about something to do with dollars which I feel is of importance. It's not something which as yet has been discussed in this House.

Mr. Chairman, following the passage of the Premier's estimates last Friday, new information came to light, which was printed in the Saturday papers, regarding the question of government integrity and the question of reduction of some \$13,800 in the charges against Mr. Sy Kovachich by the British Columbia egg board.

I would like to ask the Premier whether or not a meeting took place, as Sy Kovachich claims took place — this is the first time, I believe, this meeting has been mentioned in the House — where he stated that he, towards the end of October, had met with the Premier on the direct question of the reduction of charges of \$21,000 down to \$7,500 — and they actually discussed a figure of \$7,500.

What I'd like to know from the Premier at this time is whether or not the meeting took place, and whether or not, indeed, the Premier, or the Minister of Finance, did discuss with Sy Kovachich the figure which Kovachich would be willing to accept, and whether or not that figure indeed was \$7,500.

HON. MR. BARRETT: Mr. Chairman, I talked with Mr. Kovachich about those figures and Mr. Kovachich quotes me correctly when he says, "Okay, this matter must be settled by the lawyers." That is actually what I said

earlier in this House. This matter must be settled between the lawyers. There is absolutely no change.

MR. D.A. ANDERSON: Mr. Chairman, the Premier has omitted half the quotation from Kovachich in this paragraph. I will read the remainder and ask again whether that was the statement of the Minister of Finance.

HON. MR. BARRETT: I don't know, Mr. Chairman, what the Member is attempting to do. I did discuss with Mr. Kovachich his fine. Mr. Kovachich discussed it with me. He's quoted as saying

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a number of statements. I don't say that those statements are inaccurate. I point out to you that at the end of the conversation I said, as he quotes me, "Okay, this has got to be settled by the lawyers." That's where the matter is left.

In no way did I instruct the lawyers what the amount should be. Kovachich came to me and discussed it during the election campaign. And I discussed figures with him. But the final resolution was left with the lawyers. Nothing seems to please the Member in this regard, but that is a fact.

The matter was settled, as I've said repeatedly in this House, by lawyers — not by me.

MR. D.A. ANDERSON: Mr. Chairman, once again....

MR. CHAIRMAN: Mr. Second Member for Victoria, before you begin let me remind you that this matter was canvassed very thoroughly....

MR. D.A. ANDERSON: Mr. Chairman, you're wrong; this matter was not discussed up to date. This was a meeting....

MR. CHAIRMAN: May I bring you to order for a moment? I want to remind you that this matter was canvassed very thoroughly under the Premier's vote; that vote has been disposed of and I would advise you to govern yourself accordingly.

MR. D.A. ANDERSON: Mr. Chairman, I certainly will govern myself accordingly. This meeting that we are discussing, the Minister of Finance and myself, was not mentioned in those previous discussions; that's point one.

Point two, of course, is that integrity in government is always an issue. Point three is that we're seeing the trouble with having one man holding the Minister of Finance's portfolio as well as, of course, the Premier's portfolio.

But back to the issue, the Premier has again repeated a statement — half a statement, I should say — regarding, "Okay, it's up to the lawyers then."

HON. MR. BARRETT: That's right.

MR. D.A. ANDERSON: And of course it is up to the lawyers to make the final legal document. But the point that he won't talk about is the half sentence immediately prior to that, and I'll quote it. "I told him half of that \$7,500 and he" — that's the Minister of Finance — said, "Okay, it's up to the lawyers then."

Now, "I told him half of that \$7,500" is the part that I'm interested in.

HON. MR. BARRETT: Mr. Chairman, the Member is attempting to interpret anything he wants to serve his political purposes out of that discussion — anything he wants at all. I do not deny a single part of that conversation, especially the last part saying, "Okay, settle this thing with the lawyers." In effect, I want no more to do with it. You're bargaining back and forth. It's enough; you settle it with a lawyer.

Now if you want to be mischievous, as you have been for over a week for some phony political purpose, you go right ahead, Mr. Member. But I'm getting a little fed up with the cheapest politics I've seen in this House.

MR. CHAIRMAN: Order.

MR. D.A. ANDERSON: Mr. Chairman, I'm glad to have the Minister of Finance....

MR. CHAIRMAN: Order! I want to remind you of what I told you before you started last time: that this matter has been thoroughly canvassed. If you proceed on this basis, I'm going to rule you out of order.

MR. D.A. ANDERSON: Mr. Chairman, I suggest, before you make any rash moves, you think of the statement made about 20 seconds ago by the Premier that he did not deny the statement regarding the \$7,500.

HON. MR. BARRETT: Well, of course not.

MR. D.A. ANDERSON: Well, that's the first we've heard of that.

MR. CHAIRMAN: I'm going to ask you again, and I'm going to remind you that the matter has been thoroughly canvassed. If you continue, you're going to be out of order.

MR. D.A. ANDERSON: Mr. Chairman, this meeting has never been canvassed before.

MR. CHAIRMAN: The whole matter that you're on has been thoroughly canvassed.

MR. D.A. ANDERSON: Mr. Chairman, every year we discuss estimates....

MR. CHAIRMAN: I'm telling you if you continue, you are out of order...Order!

MR. D.A. ANDERSON: This is all the Minister of Finance.

MR. CHAIRMAN: You're on the Minister of Finance's vote. This matter was thoroughly canvassed.

MR. D.A. ANDERSON: Mr. Chairman, I know full

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well I'm on the Minister of Finance's vote. I know full well that this man happens to be the same man as the man who holds the Premier's chair. This is one of the dilemmas that face us in these wide-ranging discussions on estimates. But what I am suggesting to you, is I mentioned an item which came up subsequent to the vote on the Premier's estimates, and you admit that.

MR. CHAIRMAN: You're dealing with press reports. The matter has been thoroughly canvassed and if you continue, you're out of order.

HON. MR. BARRETT: Mr. Chairman, on a point of order. The matter discussed that he's raising has already been discussed. I said that it should be settled by the lawyers. I'm saying that again.

MR. D.A. ANDERSON: I'm saying you said it would be \$7,500.

HON. MR. BARRETT: Oh, that's your opinion and you're using every devious interpretation that you can, and you're past your time to get thrown out today, Mr. Member.

MR. CHAIRMAN: I want you to understand that I'm Chairman of this House right now, this committee, and I'm ruling that that matter is out of order. That's all there is to it.

MR. D.A. ANDERSON: Mr. Chairman, you fail to understand or remember...

MR. CHAIRMAN: You're out of order! Unless you are prepared to deal with something else, you're out of order and you'll take your seat and somebody else will speak.

MR. D.A. ANDERSON: Mr. Chairman, this afternoon we have discussed the people of Russia, discussed by the Hon. Member over there for Peace River (Mr. Phillips). We discussed the problems of Ontario revenue, again mentioned by the Member for Peace River. We discussed Rene Levesque and the NDP in Quebec, raised by the Premier. Not a word about the Premier being out of order. He talked about Sir Richard McBride, W.A.C. Bennett, Wenner Gren...

MR. CHAIRMAN: What I'm telling you is that you're canvassing something that's been thoroughly talked about....

MR. D.A. ANDERSON: I'm talking about an issue that transcends any specific Minister, and that is the integrity of the government.

MR. CHAIRMAN: As far as I'm concerned, you've been all around this thing....

HON. MR. BARRETT: I've given you the answer and you're not satisfied. You're not satisfied!

MR. CHAIRMAN: I'm not going to allow you to continue and that's all there is to it.

MR. D.A. ANDERSON: Mr. Chairman, I fully intend to continue.

MR. CHAIRMAN: Well, you'll be out of order.

MR. D.A. ANDERSON: Well, I may well be out of order. I understand, however, that in a situation such as this where any public inquiry has been refused consistently....

SOME HON. MEMBERS: Oh, oh!

MR. CHAIRMAN: Once again I'm telling you that you're in an area that's been thoroughly canvassed and you're out of order on this vote.

Interjection.

MR. CHAIRMAN: I know, we all know what he's been saying. Now I'm asking you — are you going to proceed on something new or are you going to...?

MR. D.A. ANDERSON: You'll have to find out when I speak. Do you understand that?

SOME HON. MEMBERS: Oh, oh!

MR. CHAIRMAN: I understand very well. And I understand what you're trying to do.

MR. D.A. ANDERSON: What am I trying to do, Mr. Chairman?

MR. CHAIRMAN: You've raised the matter three times now and I've questioned you and I've told you that if you continue, you're out of order. Now I'm inviting you to continue to debate this vote but riot the matter that was canvassed last week.

MR. D.A. ANDERSON: It wasn't canvassed! You didn't know about the meeting.

MR. CHAIRMAN: I have ruled that that's been canvassed and that's that.

MR. D.A. ANDERSON: You can't, because no information came up until after the vote of the Premier last Friday!

AN HON. MEMBER: What other questions do you have?

MR. CHAIRMAN: The vote was dealt with last Friday, that's all there is to it.

MR. D.A. ANDERSON: That's right! The vote was but not the item I'm raising today. Now, will you make a decision on whether or not it is new or whether it's canvassed?

HON. MR. BARRETT: Alright, what is your question?

MR. CHAIRMAN: I'm not going to allow you to get into that field at all.

SOME HON. MEMBERS: Question, question!

MR. D.A. ANDERSON: Mr. Chairman, integrity in government is always an issue. In Prince Edward Island it was announced today that the Chief Justice of the province would look into the case of alleged impropriety on land transactions involving government ministers. The first of March, it's announced in New Brunswick that an inquiry of the Public Inquiries Act would look into the charge of undue influence in tavern licensing. These are provinces where British institutions are respected. I am asking for the same in this one.

MR. CHAIRMAN: You may continue, if you stay away from the matter that was disposed of last week.

MR. D.A. ANDERSON: Mr. Chairman, the matter of the meeting between Sy Kovachich and the Premier was not canvassed last week.

HON. MR. BARRETT: Mr. Chairman, whatever his purpose is, I am prepared to discuss that newspaper article and I've answered questions. If you have further questions, I will answer them.

MR. CHAIRMAN: I'm not prepared to have any more of what was disposed of last week.

MR. D.A. ANDERSON: Mr. Chairman, you're putting a logical dilemma before people. That is how can one...?

MR. CHAIRMAN: What I'm asking you to do is deal with the vote that's before us now. If you can only repeat what was said last week, you're out of order.

MR. D.A. ANDERSON: Mr. Chairman, the point that I am trying to get to you, which apparently you have not yet grasped is this. Information came up on Saturday, new to me, new to the Premier, not discussed last week and I wonder how it could have been settled if I didn't know it...

HON. MR. BARRETT: On a point of order. I have no objection to discussing the newspaper article that the Member has at hand, none at all. If he wants to question further on the newspaper article, I'm pleased to.

MR. D.A. ANDERSON: Good! Now....

MR. CHAIRMAN: But I'm not going to allow this House to re-canvass the whole thing that was canvassed last week.

HON. MR. BARRETT: Well, let's deal with the newspaper article.

MR. CHAIRMAN: He's already dealt with that. I listened to see if there was something new and he's dealt with that. Now if you've got something new, proceed, but don't start canvassing what was canvassed last week.

MR. D.A. ANDERSON: Well, let's go back to where we were, Mr. Chairman. We discussed in this debate the taxation of forests; the Province of Quebec's system of taxation; the provincial government in the Province of Quebec; the previous provincial government in the Province of Quebec; Rene Levesque, not a Member of the House in Quebec but the leader of the Parti Quebecois; We've discussed Sir Richard McBride and W.A.C. Bennett and all those things which are absolutely pertinent to the Minister of Finance's estimates in 1974.

We've discussed the people of Russia, the problems of Ontario. We've had an excellent statement, a glowing statement regarding philosophy, from the Minister of Finance. We've discussed the role of federal-provincial power. We've discussed bumper strips in Alberta. We've discussed the tremendous importance of federal-provincial conferences....

MR. CHAIRMAN: Are you making a point of order?

MR. D.A. ANDERSON: I'm giving you a list of what we've discussed so far this afternoon.

MR. CHAIRMAN: I'm well aware of that. Members in this House use a number of arguments when they're presenting their case. All I'm suggesting to you is that you do not get back into canvassing the matter that was canvassed last week. If you're making your case to do that, then you're going to be ruled out of order.

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MR. D.A. ANDERSON: Mr. Chairman, you may...

AN HON. MEMBER: Give him a chance. Come on!

HON. G.R. LEA (Minister of Highways): Why don't you give him a chance?

MR. D.A. ANDERSON: ...rule me out of order. You've attempted to do it so far before I've discussed anything but a newspaper article which was new to this debate and I'd like to continue at this stage.

First, Mr. Chairman, we have the admission now that the Premier of the province, the Minister of Finance of the province, discussed the figure of \$7,500 with Sy Kovachich.

HON. MR. BARRETT: Mr. Chairman...

MR. CHAIRMAN: You're out of order.

HON. MR. BARRETT: Mr. Chairman, I have stated already that this matter was to be left to the lawyers.

MR. CHAIRMAN: I want to finish this discussion right now. I've ruled that it's out of order if you're going to canvass what was dealt with and disposed of last week. Are there any other speakers?

MR. D.A. ANDERSON: Mr. Chairman, your ruling is ludicrous. You cannot discuss something...

MR. CHAIRMAN: You may challenge my ruling if you like, but I'm ruling...

MR. D.A. ANDERSON: I'm formally challenging it.

MR. CHAIRMAN: I'm ruling that you're out of order.

MR. D.A. ANDERSON: I formally challenge that!

AN HON. MEMBER: All right! All right!

HON. MR. BARRETT: Straight phony!

AN HON. MEMBER: Order, order!

HON. MR. BARRETT: Misinterpreted statements!

MR. CHAIRMAN: Order! I am waiting for Mr. Speaker to return.

The House resumed; Mr. Speaker in the chair.

MR. CHAIRMAN: Mr. Speaker, I have to report that the second Member for Victoria wishes to continue to discuss a matter that was thoroughly canvassed last week on the basis of some newspaper report. I've ruled him out of order and he's challenged that ruling.

MR. SPEAKER: Thank you, Mr. Chairman. I assume that the House is aware of the point of order.

MR. D.A. ANDERSON: Mr. Speaker, the point at issue is a reference by me to information contained in *The Vancouver Sun* Saturday, March 9 subsequent to the vote on Friday, March 8, on the Premier's estimates. A new bit of material.

MR. SPEAKER: As you know, there's no debate before the Speaker on the point of order when it comes from committee. My duty is to say only, and I do now say: shall the Chairman's ruling be sustained?

SOME HON. MEMBERS: Aye.

MR. SPEAKER: I think the ayes have it.

MR. D.A. ANDERSON: No, Mr. Speaker. I call for a formal division.

Mr. Chairman's ruling sustained on the following division:

YEAS — 34

Hall	MacDonald	Barrett
Dailly	Strachan	Nimsick
Hartley	Calder	Nunweiler
Brown	Sanford	D'Arcy
Cummings	Dent	Levi
Lorimer	Williams, R.A.	Cocke
King	Lea	Young
Radford	Nicolson	Skelly
Gabelmann	Lauk	Lockstead
Rolston	Gorst	Barnes
Steves	Kelly	Webster
	Lewis	

NAYS — 12

Chabot	Jordan	Fraser
Phillips	Richter	McClelland
Morrison	Schroeder	Anderson, D.A.
Williams, L.A.	Gardom	Curtis

MR. SPEAKER: Mr. Chairman (Mr. Liden) of course abstained from voting, which is customary.

House in committee of supply; Mr. Liden in the chair.

(continued)

On vote 51: Minister's office, \$32,500.

MR. P.C. ROLSTON (Dewdney): I would like to ask some questions of the Minister of Finance (Hon. Mr. Barrett) regarding the financing of rapid transit.

Now we have, as I understand it, the lowest diesel taxes, 17 cents, and gasoline tax is 15 cents. At the same time as I understand it, our government is committed toward doing something about encouraging people to park and ride. There have been various proposals. A two-mill levy for the people in GVRD was one though.

What is the Minister of Finance's thinking on doing something to raise more money, possibly through diesel and gas taxes to finance the movement of people on rapid and surface transit?

We are committed towards stewardship of fuels. We have heard a lot this afternoon about non-renewable resources. Fiscally and budget-wise, I would like to hear your thinking. At the same time it is very important that we make it attractive, that the vehicle be attractive and that we get people into these facilities.

I would also like to hear some of your thoughts on the fact that we do take \$108 million in taxation on liquor. As a person that worked in the human potential field and working with people, what are your thoughts that we surely do a little more with that kind of money in the budget in rehabilitating, not just the people that have serious drinking problems, but that we do preventive work as well.

HON. MR. BARRETT: One aspect is the alteration of the \$27 million first crossing fund. I think there should be a thorough debate when that bill is called, around transit. The other plans, of course, are related to the Minister of Municipal Affairs (Hon. Mr. Lorimer). It's the same thing as asking how we finance programmes, how I can do that without going through the Minister and having further debate with the Minister concerned.

MR. L.A. WILLIAMS: Mr. Chairman, I noticed that a number of the votes that have been in the Minister of Finance's department this year have been moved to other departments. It is unfortunate because it seems to interfere with the proper questions being raised of the Minister of Finance, who has the greatest control over these matters, and are now being put over to other junior members of the cabinet, like the Attorney-General (Hon. Mr. Macdonald) or Lands, Forest and Water Resources (Hon. Mr. Williams) and so on.

But we had a budget debate, and I'm not going to go back to the budget again, but this is the first time that we've had the opportunity of raising with the Premier what is, I think, one of the major concerns of the people of the Province of British Columbia. The budget we have this year, \$2,172-odd million, was clearly inflationary.

SOME HON. MEMBERS: Oh, oh!

MR. L.A. WILLIAMS: It was clearly inflationary. I would like to know why it is, at this particular juncture, that this government is not embarking upon actions to curb inflation in the Province of British Columbia.

Now I know that when we talk about the cost of foodstuffs and so on that we run into serious difficulties. But there is one area in which we can make a major blow to cut down the cost of living, and that is in the matter of rental accommodation.

Quite frankly, I don't know why the government, the Premier, the Minister of Finance, is not standing up and telling us what is going on. We have bills on the order paper — and I'm not going to transgress against the rules, Mr. Chairman — which will deal with renters' grants.

But, Mr. Chairman, I've spent this past weekend talking to tenants young and old, who are faced with rental increases they cannot afford. They don't have the choice of seeking alternative accommodation, and from what I can understand of the programmes of this government under the Minister of Housing (Hon. Mr. Nicolson) it is going to be two or more years before there is any increase in the supply of accommodation. Why isn't the government taking

some action?

AN HON. MEMBER: West Van or North Van? Condominiums....

MR. L.A. WILLIAMS: It doesn't make any difference....

AN HON. MEMBER: That's right!

MR. L.A. WILLIAMS: Mr. Chairman, to the Minister of Lands, Forests and Water Resources (Hon. R.A. Williams) whether you live in Vancouver East, North Vancouver, West Vancouver, or where the case may be, if you are on limited income and the landlord gives you a notice that your rent is going up \$25 a month, it hurts, because it is the limited income people who are not in a position to pay the cost. When are we going to do something about it?

We've got the Member for Vancouver (Hon. Mr. Lauk), he got all the headlines in the second front page of *The Province* today, but it didn't do anything for the tenants.

When are we going to get some action out of the government in the one area that they can deal with

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the matter of inflation and strike maybe the first blow?

HON. MR. BARRETT: Well, Mr. Chairman, I don't understand the Member with a short memory. You attack the budget as being inflationary, yet your vote is on record as being opposed to this budget because there wasn't enough money for health and education.

MR. L.A. WILLIAMS: Right!

HON. MR. BARRETT: And we had a long debate. You wanted the budget up, and now when you come to the Finance, you want it down. Take note and fly right, Mr. Member. You have no policy. You have no consistency.

Now this budget was designed, and we had a debate on the budget, to meet the needs as we saw it of the people of this province.

MR. L.A. WILLIAMS: I voted against it.

HON. MR. BARRETT: You voted against it, and it's on your record. You wanted more money too. Is that a way to fight inflation? On the one hand to come in here and say jack up the budget, spend more money, and then two weeks later come in the House and say it's inflationary. What kind of nonsense is that?

Interjection.

HON. MR. BARRETT: Absolute kind of fiscal nonsense.

MR. CURTIS: Touchy!

HON. MR. BARRETT: Touchy — what an ill-prepared opposition. I had understood that there was going to be a rational debate on Finance today, and the official Leader of the Opposition (Mr. Bennett) hasn't even been in the House, let alone the Leader of the Conservative Party (Mr. Wallace).

Well, we're in for another smokescreen on, the budget.

MR. L.A. WILLIAMS: Yes, we voted against the budget, sure we did....

HON. MR. BARRETT: Sure you did.

MR. L.A. WILLIAMS: ...because the budget was inflationary and yet you weren't using the moneys that

were available for the needs of the people of the Province of British Columbia.

SOME HON. MEMBERS: Oh, oh!

MR. L.A. WILLIAMS: You're socking away more and more surpluses all the time, and today you sat in the House and debate, and told us with great pride how you were going to bring \$50 million more into the coffers from the sale of natural gas than ever before.

We note from the Minister of Mines and Petroleum Resources (Hon. Mr. Nimsick) that he has underestimated what he's going to get by something like \$130 million. More money coming into the Treasury.

The Minister of Finance said that the revenues were standing up very well, and by April of this year he was going to be able to tell us how good things were in the Province of British Columbia. Well, the tenants on fixed incomes need some relief now. I'm asking the Minister of Finance not to give us any speeches, but just tell us what you're going to do for the people who find themselves in this critical situation. You can attack me all day, but that doesn't help them. I just want to know what you're going to do to help these people. The renter's grant — and I won't go into the amount — does nothing.

HON. MR. BARRETT: Well, vote against it.

MR. L.A. WILLIAMS: The City of Vancouver announced a programme in the West End — and I'm surprised that the Members for the West End of Vancouver are not on their feet — for the establishment of a mini-park system in the West End. Do you know what that means? If you happen to live in a three-story apartment building in the West End of Vancouver, your rent is going to go up \$3.40 in order to pay the landowner's cost of that programme. That's what it means to the tenants. It'll get passed right down to them, and there goes the whole renter's grant — one programme from the City of Vancouver, not to account for the increase in the price of natural gas, fuel oil or whatever the case may be.

We need to have some positive programmes. It may be, Mr. Chairman, that we'll need to have the Minister of Finance stand in his place and say that his government is prepared to freeze rents in the Province of British Columbia until he can rationalize this difficulty between rising costs on the part of the landlord and the inability of the tenant to pay.

MR. CHABOT: I want to discuss not a motion that is on the order paper, but the propriety of its being there. I think we should get some answers from the Minister of Finance, as the House Leader, regarding this particular motion. The motion I want to discuss and its propriety is the motion of censure against the Member for South Peace River (Mr. Phillips). I've only experienced....

MR. CHAIRMAN: That's not relevant in this

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committee discussion. You're dealing with vote 51, Department of Finance.

MR. CHABOT: It's everything, Mr. Chairman. On what basis isn't it relevant?

HON. MR. BARRETT: It's a motion on the order paper.

MR. CHABOT: I'm not discussing the motion.

HON. MR. BARRETT: You're discussing whether or not it should be called.

MR. CHABOT: I've seen only one other time in 11 years where a Member has been censured, Mr. Chairman. He wasn't censured for what he said in this assembly, but it was for his actions he was censured! I remember it very well.

MR. CHAIRMAN: Order! Vote 51 is to do with the Department of Finance and that's what your remarks....

MR. CHABOT: Mr. Chairman, I was wondering if you could indicate to me at what stage of the proceedings we will be able to discuss with the leader of this House the propriety of threatening and bludgeoning the Member for South Peace River with a motion of censure.

MR. CHAIRMAN: It's not my place to advise you as to what time that motion will come up.

MR. CHABOT: But if you're ruling me out of order, and you're suggesting that this isn't appropriate at this time, surely you must have some idea as to when it would be appropriate.

MR. CHAIRMAN: It's not in order now. You'll have to take that up with Mr. Speaker. What you're discussing now is the Minister of Finance's estimates, and that doesn't include a resolution that's on the order paper.

MR. CHABOT: Well, all right, then. Mr. Chairman, I'm not one to challenge the Chair and you know that. (Laughter.)

I want then to discuss just one point that was discussed a little earlier in the day, and that has to do with the suspension of trading of Dunhill and Columbia Cellulose. The matter was suspended.

The Premier has administrative responsibility under the Revenue Act of this province to suspend trading of these shares when there is this kind of takeover or this kind of financial involvement. The Premier clearly failed to take this kind of action. The only time the government took any action relative to suspension of these shares was after the ink was dry on the contract, and that's not good enough. All the Premier has done here this afternoon is pass the ball on to the Attorney-General; yet he has the responsibility under the Revenue Act to ensure that suspension does take place in negotiations such as were taking place under these two companies that were underway.

I am wondering whether the Premier will tell the House that in the future — if there ever is another takeover, that is — they'll suspend the trading of the shares and if they won't stop this kind of fumbling and bumbling that has brought the disrepute on that government that has been generated by the actions prior to the takeover of these two companies.

MR. CHAIRMAN: Shall vote 51 pass?

MR. CHABOT: Mr. Chairman, maybe the Premier doesn't want to discuss this issue. Well, certainly he doesn't....

MR. CHAIRMAN: I'd like to bring to the attention of the Member that there is information. This matter is before the courts by some private people and it is sub judice now.

MR. CHABOT: Well, what I'm suggesting has nothing to do with what is or is not, or might be or might not be before the courts. I'm trying to extract from the Minister of Finance an answer as to whether he will exercise his responsibilities of using the Revenue Act to suspend trading on any shares on which there is any future takeover, or attempt at takeover.

MR. CURTIS: Mr. Chairman, other Members may want to come back to that in a few moments, but I've been waiting patiently for a while to ask about the province's credit rating with the rating agencies in New York — Moody's and Standard and Poor.

As I recall, the Premier and Minister of Finance visited New York last year and met with those rating agencies. I don't believe that the province has financed in the New York markets since that time. I wonder how he feels about the New York market and the foreign market as well in terms of issuing debentures for various Crown corporations in the province. Is he exploring that particular market — that is, the United States market? Is he looking at other financial markets?

I don't know whether you want this one, Mr. Chairman, under vote 51 or 52, but is the Deputy Minister of

Finance on a fairly regular basis in touch with foreign markets? Is he anticipating a trip to, as an example, the New York market? What is the mechanism by which the Minister of Finance intends to handle our borrowing requirements?

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HON. MR. BARRETT: Well, Mr. Chairman, the Deputy keeps in touch with all markets. We're not exploring borrowing anywhere and our rating is the highest of any foreign jurisdiction outside of the United States. As a matter of fact, Mr. Esokay of Moody's came out of retirement to meet with me for 15 minutes, and we spent a pleasant one hour and 15 minutes together....

Interjection.

HON. MR. BARRETT: Well, certainly. Mr. Esokay admitted that the accounts of British Columbia were in terrific hands, and he actually suggested that perhaps I should run for Republican Governor of New Jersey, which is a story I did not want to repeat in front of my colleagues. But, Mr. Chairman, aside from those jests that Mr. Esokay and I had, he did state to the Deputy Minister and myself that if there were ever any change in the rates to allow higher ratings out of the United States, British Columbia would be the first to receive that higher rating.

AN HON. MEMBER: When was that?

HON. MR. BARRETT: That was in June, 1973.

MRS. JORDAN: I'd like to ask, through you, Mr. Chairman, of the Premier, a position that we've consistently put forward during the budget debate and under your estimates. This is in relation to the under-budgeting that has gone on. The Premier said this afternoon that not only has he under-budgeted but he rather suspects that profits and revenues to the Crown are going to even exceed his highest expectation of under-budgeting.

One of those excess profits, or windfall profits, to the Crown are the returns from the natural gas sales to the United States. We have consistently asked you, Mr. Premier, and I pose the question again: will you be prepared to meet your commitments that you outlined in the budget this year that this is a resource revenue budget for people, and use those unexpected, unbudgeted, windfall profits to reduce the rates of natural gas to users in British Columbia, and perhaps expand it even further to the use of Hydro rates?

The people, the families with fixed income, and the senior citizens in this province are facing unprecedented inflation. We all know it's worse in British Columbia than it is anywhere else in Canada. Some of this inflation is due to the actions of your government and yourself as Minister of Finance, Mr. Premier. If you acceded to our request, took off the 5 per cent tax and reduced the rates in the form of a dividend, which can be done without the censorship of the National Energy Board, you would at least in part be trying to meet your commitment, not only of yourself as Premier, but of the budget that you presented this year. Would you give us this afternoon the commitment that you will remove the 5 per cent tax, and that you will utilize this unexpected, unbudgeted, underestimated windfall to benefit the people in British Columbia directly?

Is the Premier going to answer? Well, Mr. Premier, your colleague the Minister of Transport (Hon. Mr. Strachan), when he was confronted with a letter, said that silence meant no. Is this your position, Mr. Premier, through you Mr. Chairman? It's one of the times you got in the glue for inefficiency in your administration.

Through you, Mr. Chairman, I ask the Premier: does your silence mean no; does your silence mean that you're going to pocket this unprecedented windfall and that you're not in fact going to pass on the benefits to the people in British Columbia? Are you, in fact, going to do absolutely nothing to try and help the average people in British Columbia in this time of acute inflation?

HON. MR. BARRETT: Madam Member, it is not a windfall; it is the calculated results of good resource policy. You'll have the opportunity to vote on programmes as you see them and as they're introduced.

MRS. JORDAN: Mr. Chairman, the Premier says it's the result of his administrative abilities, and we'll have a chance to vote. Your administrative abilities are of no benefit to the people of British Columbia unless they have a direct result in terms of benefits. There is nothing in this budget and there is nothing that he has done as Minister of Finance in this province to relieve the pressure of inflation on the individual families in this province.

In fact, it's the reverse. You just have to talk to people in Vernon, in Vancouver, in Fort St. John, in Nelson to know that one of the areas, the cost of land to the individual family, has more than doubled since this Premier has made his pronouncement on land controls in this province.

Yet there is nothing under Minister of Finance in this vote and nothing under his administration as Minister of Finance in the budget that is here to show the people of British Columbia that they are in fact going to receive some resource dividends from this government and this self-extolled business administration and business genius that the Premier says he has.

Mr. Chairman, I think it's an utter disgrace that all we see in his administration is more and more effort to control the lives of people of British Columbia with a "damn the results" — as it effects people — attitude that he has. I think that before the Minister's vote goes through he has to state to this House that he is in fact going to relieve some of the pressure of inflation, much of which is of his making, on the

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average family and the fixed incomes in this province. The Member for West Vancouver–Howe Sound (Mr. L.A. Williams) talked about the increase in rents that people are receiving. This is true, and we all know it. Part of that increase is predicated on the assessment net that this Premier through his political interference has created in British Columbia.

Surely, Mr. Chairman, you and your concern — you have constituents, you are a very fair man — surely you must realize and acknowledge the need to assist the individual families in this province at this time. Any Member can make a mistake.

AN HON. MEMBER: Name one.

MRS. JORDAN: I'd never make a mistake about you, Mr. Chairman. But before this Minister's vote goes through would he give a commitment? What we've asked in once instance is the removal of the 5 per cent tax as a dividend return to the energy users in this province. That is one way he could keep his faith with what he says and with the people of this province, and could perhaps help restore integrity in his position and the feeling of integrity in his position as Minister of Finance.

MR. PHILLIPS: I regret that the Premier got so mad he had to leave the House when we started talking about returning the resources of the people to the people. You know, we've had so much talk about this present government returning the resources of the province to the people.

A resource-dividend budget. I think the only dividend the people of this province are getting from the resources is a bigger bureaucracy.

The Premier talks about an extra \$50 million from natural gas. Where is it going? Where is it going? It's going to hire more civil servants; that's where it's going. Is that a dividend? It might be a dividend for the civil servants we're hiring, but is it really a dividend, Mr. Chairman, for the taxpayers of British Columbia? Is it really a dividend for them?

I regret very much, Mr. Chairman.... It's very difficult to talk to an empty chair. Oh, the Minister of Transport and Communications (Hon. Mr. Strachan) is going to take some notes.

HON. MR. STRACHAN: If you say anything worthwhile.

HON. R.A. WILLIAMS (Minister of Lands, Forests and Water Resources): That's all you ever had in the last administration.

MR. PHILLIPS: Oh, there's the Minister of — Woody Woodpecker. Chirp, chirp. We're going to peck away at you in a little while.

MR. CHAIRMAN: Well, right now you're supposed to be dealing with the Minister of Finance.

MR. PHILLIPS: Yes, well I wanted to point something out to the Minister of Finance. As I say, Mr. Chairman, I find it very difficult to talk to an empty chair.

MR. CHAIRMAN: I'm sure somebody is taking notes.

HON. R.M. STRACHAN (Minister of Transport and Communications): I did it for years as Leader of the Opposition.

MR. PHILLIPS: Your chair was always empty. Even when you were leader your chair was empty, because somebody had a knife in your back the whole time.

Our Minister of Finance went off on a lengthy tirade at me a little while ago by saying that if indeed the petroleum industry were nationalized in Canada, all the people would cheer.

What the Member for West Vancouver–Howe Sound (Mr. L.A. Williams) was talking about was jurisdiction. What I'm saying is that if the petroleum industry in Canada were nationalized, where is the control of this company going to be? And to what provinces and in what respect, in what percentage, will the benefits go to what province? Now this is the question: we have a national railway owned by the people of Canada. The results from the profits of that railway — or I should say the deficit from that railway — are subsidized by all the taxpayers in Canada.

Interjections.

MR. PHILLIPS: No, it doesn't make a profit. The unfortunate situation, Mr. Chairman, is that the British Columbia Railway is going to join the same ranks. After showing profits and being run like a business for the last 15 years, now it's going to join the ranks of the CNR. It's going to have to be subsidized by the people of British Columbia.

Interjections.

MR. PHILLIPS: Anyway, to continue on what I was talking about before I was so rudely interrupted, Mr. Chairman, by the Minister of Transport (Hon. Mr. Strachan), what I am saying is that here we have a railway which is owned by all the taxpayers in Canada.

HON. R.A. WILLIAMS: Which has never made a profit.

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MR. PHILLIPS: And has never made a profit. But what I'm saying is, what are the benefits accruing from that railway to western Canada? Name them. We can't even get boxcars from them.

We have an airline which is owned by all the people in Canada. I can fly to London, England, cheaper than I can fly to my own province of New Brunswick. Is that a benefit to western Canada? Is that a great benefit to western Canada? That's why I ask these questions.

If the Premier is going to nationalize the oil industry, where are the controls of this new nationalized oil industry going to be. Where are the benefits going to flow to? Where is the jurisdiction going to be? These are the questions that I want answered by the Minister of Finance.

We have the Canadian Development Corporation. It was supposed to have an office in Vancouver. It's a federal government agency, owned by all the people of Canada. What benefits are accruing to western Canada?

Far be it from me to say that the Premier would be naive. I wouldn't say that. But I do think that his philosophy of wanting to nationalize the petroleum industry so that the benefits can go to all of Canada needs some scrutiny. Because he might not always have David Lewis sitting down there pulling the strings in Ottawa — ding-dong.

HON. R.A. WILLIAMS: You're saying that Exxon in New Jersey is the right place.

MR. PHILLIPS: I'm not saying that at all. I'm just pointing out some warnings. Now don't try and.... Every time somebody gives you a bit of a suggestion or some concrete suggestions you've got to twist it all around, and put some ulterior motive in it. You know, you have picked up a few good suggestions from this side of the House — which I appreciate. You've picked up some good ones.

AN HON. MEMBER: Name one.

MR. PHILLIPS: You've picked up the good ones, like I said — getting more money for the natural gas, redoing the contracts. That was my suggestion. (Laughter.)

Okay, if you want to nationalize the oil industry in the interest of humanity, make sure that when that company is formed there are guidelines, so that provinces which have the oil and the gas have the controls and the bulk of benefits.

MR. L.A. WILLIAMS: I don't think it's true that the Member for South Peace River (Mr. Phillips) is in bed with the seven sisters — Exxon and all the rest. (Laughter.)

I must say that the Premier has obviously created a brand new style. I always wondered what a windfall was, but the Premier has now indicated quite clearly the difference between a windfall and sound resource policies. I can just see Super-Valu and Safeway and all the other stores when they mark up those prices. The Minister of Consumer Services (Hon. Ms. Young) will take after them and they'll say: "No, no, no, that's not a windfall; that's just sound retail policy." They'll be able to point with pride to the Hon. Minister of Finance and say that on March 11 he told them what to do.

I don't care whether it's a windfall to the Province of British Columbia or whether it's the natural financial benefits of sound resource policy of the present government; what I want to know and what the Member for North Okanagan (Mrs. Jordan) wanted to know is when the people of the Province of British Columbia are going to begin to benefit from this resource policy. How long are we going to have to wait?

Quite obviously the school boards are going to have to wait until they can put together their briefs and come in to see the Minister of Education (Hon. Mrs. Dailly) and plead their case before her. The universities are the same way. The municipalities will have the chance to come cap in hand to the Minister of Finance.

I'd like to know when we're going to get somebody in the government who is going to leave a little bit for the tenants who are facing the steadily rising rents and the inability to pay.

The Member for Vancouver Centre just spoke so vehemently today about the plight of the tenants. The silence was deafening! Deafening, the silence was from that great fighter for the tenants in the West End of Vancouver where they have all these problems. I think it's significant. Not only have we had deafening silence from the Member for Vancouver Centre, but on this particular subject we also had deafening silence from the Minister of Finance.

There's another issue that must come close to the Minister of Finance and his concern for people — the great programme of Mincome in the Province of British Columbia.

If you're very poor and you get the federal income supplement, then you get some assistance from the Province of British Columbia. But if you happen to have some assets or some earnings and you're....

HON. MR. BARRETT: Point of order. That is under Human Resources and the Member knows that. I can understand newer Members, but don't ask me to debate other Ministers' programmes. It's clearly out of order.

[Mr. Dent in the chair.]

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MR. CHAIRMAN: Order, please. I would ask the Hon. Member, if he can, to relate this to the Minister's estimates.

MR. L.A. WILLIAMS: The Minister of Finance is so sensitive about this issue that he doesn't want to wait until I get to.... (Laughter.)

I tell you, Mr. Chairman, I'm not going to talk about the Mincome programme. I tell you that if an individual has income in the Province of British Columbia exactly equal to what he or she would get on Mincome, they have to pay the Minister of Finance of the Province of British Columbia income tax. And that's under one of these votes we are going to come to sometime this evening, I assume. This means that if your gross income is \$2,400 or \$2,500 a year....

HON. MR. BARRETT: Mr. Chairman, I want to point out to the Member that the government has a policy announced on this. If you're in that category, the Minister of Human Resources (Hon. Mr. Levi) has announced that you can apply to the government and you will receive that back under the Human Resource department's programme, so no one is caught in that squeeze.

I'm glad you brought that up so we can tell the people that that's our programme.

MR. L.A. WILLIAMS: Why do you always leave it to that Minister when you, as Minister of Finance, are the one who controls the income tax?

HON. MR. BARRETT: It's his programme.

MR. L.A. WILLIAMS: Just change the Income Tax Act so people in this position are not going to be paying income tax to the provincial government. They suffer in other ways: they don't get a medical card; they don't get free bus passes.

The fact of the matter is that if you have income that the Minister of Finance can get at, you're penalized unless you go cap in hand to the Minister of Human Resources and apply for a programme.

HON. MR. STRACHAN: That's a federal stipulation.

MR. L.A. WILLIAMS: I wish the Minister of Transport and Communications would stay out of this debate because he obviously doesn't know what he is talking about.

HON. MR. STRACHAN: I do!

MR. L.A. WILLIAMS: I'm talking about provincial income tax, which this Minister can change any time he wants, and this House can't....

HON. MR. STRACHAN: It means two income tax forms for everyone in British Columbia.

MR. L.A. WILLIAMS: No. I wish the Minister of Transport and Communications would stay with insurance, which he doesn't understand, instead of getting into matters of finance which he doesn't understand either.

HON. MR. STRACHAN: It's obvious you don't understand it.

MR. L.A. WILLIAMS: But this is another way in which the resource benefits from the Province of British Columbia can be plowed back to the citizens.

I would like to hear from the Minister of Finance. Is he going to leave this programme where people have to go to the Minister of Human Resources and take welfare? Many of these people with small incomes of this kind have a great deal of pride; they're not going to go to Human Resources and apply for these programmes.

I'd like to know from the Minister of Finance if finally — I see the Member for Vancouver Centre is now talking to him — we are going to have some announcement about some assistance to renters on fixed incomes who are faced with these increases. Quite obviously, he didn't have to wait until the Attorney-General changes the law.

HON. MR. BARRETT: We're cognizant of the problem. The Minister of Human Resources has announced our programme. We'll certainly take into consideration the arguments you've forwarded.

MR. G.F. GIBSON (North Vancouver–Capilano): I just got back from a meeting of the B.C. and Yukon Chamber of Mines over in Vancouver, so I'm not as well plugged into this debate as I would have been had I been here all afternoon.

MR. PHILLIPS: Was the Minister of Mines (Hon. Mr. Nimsick) there?

MR. GIBSON: There was an empty chair there, Mr. Member. There were 1,500 people in fine, fighting fettle.

HON. MR. LEA: Was it a secret meeting?

MR. GIBSON: It was a very public meeting, Mr. Minister.

I wanted to bring up a couple of questions. The first is a very specific question which I think perhaps the Minister of Finance hasn't heard when I have asked it under the estimates of the Premier. It certainly falls under the estimates of the Minister of Finance in his capacity as fiscal agent of B.C. Rail.

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According to different estimates, if B.C. Rail paid full taxes in my riding, it would be a difference of somewhere between \$120,000 and \$250,000 to the treasury of the District of North Vancouver alone every year. I'd like to ask the Minister of Finance if he would perhaps give us a little hope on this subject when he speaks again.

I'd like to make one or two suggestions to perhaps assist ordinary folk in following the very complex finances of this province. The first suggestion would be to say to the Minister: wouldn't it be a wonderful thing if we could have an institution called an "Economic Council of British Columbia," which would be an institution that could focus its economic thinking and analysis on the affairs of our own province? Unquestionably, this deserves analysis on its own account that is available to all Canadians on the national account. An economic council of British Columbia could tell the people how it's going in the economic field. It could take a lot of this analysis out of politics. It could quiet a lot of the claims and counter claims which fly back and forth across this chamber.

It would be charged with giving the people of British Columbia on an annual basis an unbiased account of where the economy is — the resource sector, which we've heard talked about so much today, and all the other sectors of the economy such as secondary industry, the consumers' sector, all of these things.

AN HON. MEMBER: Who would run it?

MR. GIBSON: The Member says "Who would I have run it?" Well it seems to me we could have a lot of nominations in that regard, Mr. Member, because there are many distinguished economists in British Columbia, more than competent to run a council of this kind. An economic council of British Columbia could also be

competent to receive references from the government to enquire into various problems troubling British Columbia, various opportunities for British Columbia. The whole question of just what secondary industries, for example, might be viable in British Columbia.

I hope the Minister of Industrial Development, Trade and Commerce (Hon. Mr. Lauk) might be interested in that, an economic council of British Columbia to which he might refer problems of this kind could be very useful to him, I would think. So that's one suggestion for the Minister of Finance, Mr. Chairman.

HON. D.G. COCKE (Minister of Health): Go back to the chamber of mines.

MR. GIBSON: I just came from the chamber of mines, Mr. Minister, but it was a lovely meeting.

AN HON. MEMBER: I'll say it was.

MR. R.A. WILLIAMS: The liberal constituency.

MR. CHAIRMAN: Order, please! I'd ask the Hon. Member to address the chair and confine his remarks to the administrative responsibilities of the Minister of Finance.

MR. GIBSON: Thank you, Mr. Chairman. I was trying to answer some of the comments coming from the other side of the floor, and I thought they deserved some attention as well, but I'll proceed.

The second suggestion I would make to the Minister of Finance as an aid to the people of British Columbia in keeping up with the finances of this province, would be the publication each year in some kind of a time frame with the budget, of an economic report of just what's been going on in the province. Again, if I might compare that with the information available at the national level....

MR. CHAIRMAN: Order, please! I think that the Hon. Member's proposals would be more relevant under the estimates of the Minister of Industrial Development, Trade and Commerce. I would ask him to relate his remarks to the....

MR. GIBSON: I don't think so, Mr. Chairman. I'm suggesting that the Minister of Finance for the better understanding of the budget and estimates which he presents, that the Minister of Finance should publish an economic report of the economic condition of the province. It seems to me that that's very much within the purview of the Minister of Finance.

HON. MR. BARRETT: Okay, you've made your point.

MR. GIBSON: Is that agreed? So if I could just mention some of the things which might be made available and as I say referring to a national publication here which the national department of finance started to put out about three years ago, and it's of inestimable value in analyzing the national accounts.

HON. R.A. WILLIAMS: No doubt!

MR. GIBSON: There are a number of tables which run to almost 100 pages. Tables on demographic developments. Surely in British Columbia that is fundamental to the whole changing economic pattern every year. Gross national expenditures are listed here. Of course, it would be gross provincial expenditures, gross provincial product by category, both in current and constant dollars. Constant dollars are more important than ever in terms of the inflation

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that's going on more and more.

HON. R.A. WILLIAMS: You put "provincial" where it says "federal", is that it?

MR. GIBSON: I don't suggest that, Mr. Minister, no, through you, Mr. Chairman. There are unique aspects of the British Columbia economy which I think need particularized attention ' and that, of course, is why I made the suggestion of an economic council of British Columbia. The resource industries in particular need far more concentration at the British Columbia level compared with the national level.

MR. CHAIRMAN: Order! Order! I would point out again, the points that you have made, I believe, are already matters which have been taken up by the Department of Industrial Development, Trade and Commerce, and I would ask you to relate it to the responsibilities of the Minister of Finance specifically.

MR. GIBSON: Well again as I'm suggesting, Mr. Chairman, it seems to me it should be under the authority of the Minister of Finance that this economic report should be published.

MR. CHAIRMAN: The point I'm making is that I believe that this is already an administrative responsibility of the Minister of Industrial Development, Trade and Commerce, and therefore the relevance would be to revenue and expenditure of the province....

MR. GIBSON: But there's nothing of this comprehensive kind of nature, and I was seeking to give some idea of the sorts of tables that I would like to see presented. For example...

HON. MR. BARRETT: Oh, come on!

MR. GIBSON: ...the careful analysis of the labour market, and participation rates as they apply in British Columbia which is done very well by Statistics Canada but not related to the gross provincial product.

The question of productivity and costs in all of the various secondary industrial sectors of the province, consumer price indices as they apply around British Columbia and as they vary from year to year within British Columbia in particular. Once again the work done by Statistics Canada is insufficiently detailed for the analysis, particularly of the problems of many of our northern regions in British Columbia where costs are particularly high. The impact of provincial government expenditures....

HON. MR. BARRETT: Mr. Chairman, I must say that this is out of order. This review comes out annually through the Minister of Industrial Development, Trade and Commerce, and I suggest you raise it in his department. We've listened to the suggestion, that's fair enough. Now the details of this material already is available from that department.

MR. GIBSON: Well, some of it, Mr. Premier, through you, Mr. Chairman.

MR. CHAIRMAN: Order! I would state that the point of order is well taken in this respect, that it clearly falls under the purview of the Minister of Industrial Development, Trade and Commerce and I would ask you to bring it up at that time.

MR. GIBSON: Right. I had just about completed that listing because I wanted to move onto the question of the publication of reports on financial institutions which I presume, again I am clearly within the ambit of the Premier.

Just a very short request there, that if he could undertake to obtain the data as well as he can from the national chartered banks who have published what they state to be their loans and investments and deposits for the four western provinces.

I wonder if the Minister of Finance could undertake to seek to obtain from these national chartered banks their particular activities as they regard to British Columbia. How do the deposits in British Columbia relate to the investments of those banks in British Columbia? I think that's a rather important question if he would look into it.

MR. L.A. WILLIAMS: Mr. Chairman, I wonder if the Premier could indicate — I notice that he has the administrative assistant of \$21,500 on his estimates — does he intend to fill that position this year?

HON. MR. BARRETT: It is filled, Mr. Member. Mr. McNelly.

MR. L.A. WILLIAMS: Oh, I see. Thank you. (Laughter.)

Interjections.

HON. MR. BARRETT: That's a subjective evaluation.

MR. L.A. WILLIAMS: I thought it came down under Associate Deputy Minister in the next vote Mr. Chairman. I'm sorry. I apologize to you, Mr. Chairman, for that oversight. (Laughter.) Mr. Chairman, I don't wish to delay this vote any longer. I've asked the Minister of Finance if he would stand in his place and tell the

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people of British Columbia what he's going to do with the effective natural resource dividends to assist people who are having rental problems now and will have those in the future. I ask him for the last time.

HON. MR. BARRETT: Mr. Member, we have started a renters' grant and there will be more action.

MR. GIBSON: British Columbia Railway payment of taxes. The Premier hasn't....

HON. MR. BARRETT: That has been suggested by a number of Members and it's under review.

Vote 51 approved on the following division:

YEAS — 33

Hall	Macdonald	Barrett
Daily	Strachan	Nimsick
Hartley	Nunweiler	Brown
Sanford	D'Arcy	Cummings
Levi	Lorimer	Williams, R.A.
Cocke	King	Lea
Young	Radford	Lauk
Nicolson	Skelly	Gabelmann
Lockstead	Gorst	Rolston
Barnes	Steves	Kelly
Webster	Lewis	Liden

NAYS — 13

Chabot	Jordan	Fraser
Phillips	Richter	McClelland
Morrison	Schroeder	Anderson, D.A.
Williams, L.A.	Gardom	Gibson
	Curtis	

MR. L.A. WILLIAMS: To the Speaker: a division took place on vote 51 and ask leave to record.

On vote 52: administration, \$45 8,218.

MR. FRASER: Why are travelling expenses in this vote up from \$11,000 to \$15,000, a 40 per cent increase?

HON. MR. BARRETT: More staff, Mr. Member.

MR. L.A. WILLIAMS: I notice we have an additional economist and administrative officer. Have those positions been filled?

HON. MR. BARRETT: A new personnel officer for the department.

MR. L.A. WILLIAMS: But there is an economist which wasn't there last year. Is that a new position?

HON. MR. BARRETT: A new position, yes.

MR. L.A. WILLIAMS: And not yet filled?

HON. MR. BARRETT: Yes, that's a new position as well. A new economist.

MR. L.A. WILLIAMS: Not yet filled?

HON. MR. BARRETT: Not yet filled. One is filled and one is vacant.

MR. CHABOT: There is a tremendous increase here, a 25 per cent increase on cheque reconciliation expenses. I'm wondering if that had some bearing on the Seattle City Light cheque that keeps moving between Seattle and Victoria? Is that the reason really for the additional \$10,000 there? (Laughter.)

HON. MR. BARRETT: No, Mr. Member, it's Mincome cheques.

Vote 52 approved.

On vote 53: Controlling and Audit Branch, \$895,292.

MR. CHABOT: This vote, in travelling expenses, has gone from \$30,000 to \$45,000, a 50 per cent increase. I'd like an explanation.

HON. MR. BARRETT: More auditors, more things to audit.

MR. FRASER: We need less of them, not more.

SOME HON. MEMBERS: Oh, oh!

MRS. JORDAN: I would like to ask the Minister of Finance why the poor old Comptroller-General, which is a highly responsible position, only gets a \$6,000 increase in wages this year and yet the Associate Deputy Minister of Finance gets \$7,000 and the Deputy Minister of Finance gets \$13,000. Surely he should get the same increase nearly as the Deputy Minister. Would you not think so, in the light of his responsibilities?

AN HON. MEMBER: Hear, hear!

HON. MR. BARRETT: This is on advice we received from the Civil Service Commission. I'll look into it and find out. If he's not getting paid enough, I'll certainly take his complaint up.

Vote 53 approved.

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On vote 54: Data Processing Branch, \$944,348.

MR. CURTIS: I know the Minister of Finance is anxious to get all his votes, but one quick question on data

processing.

Could you briefly describe the system which we have in the province? Is there any spare time on the EDP set up in the province? As an example only, could it accommodate all the assessment cards if that was decided upon? What kind of spare time is there?

HON. MR. BARRETT: There is no spare time. Presently working overtime. Hopefully, we're bringing in new equipment now. No spare time at the present.

MR. CURTIS: Will this be leased, or outright purchase?

HON. MR. BARRETT: All leased.

MR. MORRISON: Is that leased equipment all going to be here in Victoria or will it be in Vancouver?

HON. MR. BARRETT: All Finance department data processing is here in Victoria.

MR. G.B. GARDOM (Vancouver-Point Grey): This is an appropriate place to ask this question: what percentage of our civil servants are male, female, married or single?

HON. MR. BARRETT: The Provincial Secretary (Hon. Mr. Hall) would have that information.

MR. GARDOM: It is not under data processing?

HON. MR. BARRETT: No. We treat people as people, not data.

Vote 54 approved.

On vote 55: Consumer Taxation Branch, \$1,838,166.

MR. McCLELLAND: I would just like to ask the Minister a couple of questions in relation to a letter I sent to him some time ago and for which I haven't yet received an answer. It has to do with the coloured gasoline tax and convictions under that tax which have been prevalent in a number of areas on the lower mainland particularly.

Not only have these people been convicted, they have had their privileges to dye gasoline taken away, which is a form of double jeopardy in my opinion. But nevertheless, even though it is, these were all first offences. It seems to be a rather harsh penalty for people who have broken the law for the first time, particularly since they weren't ever evading any taxes. There was never any question of that.

HON. MR. BARRETT: Mr. Member, I'm advised that there will be a lengthy reply to your letter shortly. There are details that apparently weren't clear. I think if in response to the letter you are not satisfied, another letter and I'll get you an answer to that.

MR. L.A. WILLIAMS: Mr. Chairman, on the same subject. I constantly wonder year by year why the Government of the Province of British Columbia has to pay for putting the purple dye in the gasoline. I appreciate that certain people are authorized to perform this particular function. It seems to me we should ask the oil companies to supply coloured gasoline to the people who are authorized to sell it, and let them bear the expense.

HON. MR. BARRETT: Well, Mr. Member, my advice is that we supply the dye and the companies are doing us a favour in using the dye for us.

MR. McCLELLAND: Mr. Chairman, to add to that a little. Is there any review of the whole procedure of coloured gas and the dyeing procedure? If the local agents now are to follow the kind of procedure that's been advocated by the government, it means hundreds and hundreds of thousands of dollars of additional equipment for those agents — the independent agents, not the oil companies. They have to supply further holding tanks.

As it is now they go out with their truck. If they don't dye on the farm, if they dye before they leave the plant and the farmer decides he can't use that whole load, the dealer is stuck with a load of coloured gasoline in his truck. He has nowhere to put it. He has nothing to do but cart that gas around with him or dump it or hope he can sell it in a hurry.

It seems to be a very clumsy operation. It seems to me that there should be a complete review of this whole problem, Mr. Minister.

HON. MR. BARRETT: Mr. Chairman, I'm advised that a complete review is now being undertaken, and we're looking at what other provinces do. That's the advice that I received.

MR. GARDOM: There is an enormous housing shortage in the province. One of the great reasons, of course, is the terrific cost not only of land but of building materials. I'd ask the Premier if he's going to take off the 5 per cent tax on building materials.

HON. MR. BARRETT: I appreciate your opinion. I have no plans at this time, Mr. Member.

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MR. GIBSON: I'm a little puzzled as to what is happening with the audit accountants. Audit accountants (2) and (3) total 56 in each year. But they seem to have been downgraded from 42 audit accountants (3) to 26 in fiscal 1975, and from 14 audit accountants (2) up to 30. In other words, the total is the same but the mix seems to have been downgraded.

HON. MR. BARRETT: I welcome your advice, Mr. Member.

Vote 55 approved.

On vote 56: Real Property Taxation Branch, \$667,914.

MR. FRASER: Mr. Chairman, I'm concerned about the 10 mill levy in the unorganized areas of the province. I think this is the proper place to discuss it; I realize we can't discuss assessments. Are there any ideas about reducing the 10 mill general levy — they all pay the school and hospital rate — in view of the increased assessments this year in the unorganized areas?

HON. MR. BARRETT: There will be no increase or reduction.

MR. McCLELLAND: I'm wondering why there isn't any increase in the vote allotted for the appraisal service, particularly in view of the severe shortage of staff in that service. Will there be an upgrading there?

HON. MR. BARRETT: We've received a report from Mr. Wright indicating the need for more personnel. It is my information — I'm not absolutely sure of this — that that report has been forwarded to the Civil Service Commission for action.

Also, we're waiting for the results of the assessment committees in this regard. I hope the committee addresses itself to this particular thing raised by the Member — that is, the number of staff. It's a very valid point.

MR. GIBSON: On a point of information, Mr. Chairman, under which of these taxation branches does the enforcement staff for the tax on capital show up?

HON. MR. BARRETT: Income taxation.

MR. L.A. WILLIAMS: Mr. Chairman, to the Minister of Finance on vote 56. Are we still on it? The Minister of Finance says there is to be no reduction in the fixed mill rate.

HON. MR. BARRETT: Right.

MR. L.A. WILLIAMS: The fact of the matter is that in unorganized areas assessments have doubled. That means the tax goes up. They don't get any more services; their roads aren't any better; the provincial government is put to no more expense so far as those properties are concerned. Yet in hundreds and hundreds of instances throughout the province the real property tax is doubling in a year.

HON. MR. BARRETT: Mr. Member, the matter stands as stated. But I will take a second look with no commitment. The Deputy will give me further information.

Vote 56 approved.

On vote 57: Income Taxation Branch, \$508,958.

MR. CHABOT: Mr. Chairman, I'd like to draw your attention to the clock under standing order 3.

The House resumed; Mr. Speaker in the chair.

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

Leave granted.

MR. CHAIRMAN: The committee reports resolutions and asks leave to sit again and further reports that a division took place in committee on vote 51. They wish the said report of the division to be printed in the *Journals* of the House.

Leave granted.

Hon. Mr. Barrett moves adjournment of the House.

Motion approved.

The House adjourned at 6:07 p.m.

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