

The following electronic version is for informational purposes only.  
The printed version remains the official version.

---

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

**(Hansard)**

---

**TUESDAY, APRIL 8, 1975**

**Afternoon Sitting**

[ [Page 1089](#) ]

**CONTENTS**

Afternoon sitting Routine proceedings

Oral questions

Resignation of John Trask. Mr. Fraser — [1089](#)

Bridge link between Gulf Islands. Hon. Mr. Lea answers — [1089](#)

Grant to strata body. Mr. D.A. Anderson — [1089](#)

Hiring of Mr. Trask. Mr. Chabot — [1089](#)

Rezoning of Casa Loma property. Mr. Phillips — [1089](#)

Funds advanced to BCR. Mr. Fraser — [1090](#)

Government in mine exploration. Mr. Gibson — [1090](#)

Cambodian, Vietnamese orphans. Mr. L.A. Williams — [1090](#)

Princess Marguerite purchase. Mr. Curtis — [1090](#)

Drop in B.C. unemployment rate. Ms. Brown — [1091](#)

Withholding of government advertising from CKNW. Mr. D.A. Anderson — 1092

Committee of Supply: Department of Consumer Services estimates

On vote 31.

Mr. Phillips — [1092](#)

Division on Mr. Chairman's ruling — [1121](#)

On vote 32.

Mr. L.A. Williams — [1123](#)

---

TUESDAY, APRIL 8, 1975

The House met at 2 p.m.

Prayers.

**Hon. W.L. Hartley (Minister of Public Works):** Mr. Speaker, I would like to ask the assembly to join me in welcoming a group of students from the Hope School under the direction of their teacher, Mr. Dahl, and his wife.

**Oral questions.**

## RESIGNATION OF JOHN TRASK

**Mr. A.V. Fraser (Cariboo):** Mr. Speaker, I have a question to the Minister of Economic Development. As vice-president and director of the British Columbia Railway, has the Minister been able to learn if John Trask, general manager of the British Columbia Railway, has tendered his resignation? If so, what reasons were given?

**Hon. G.V. Lauk (Minister of Economic Development):** Mr. Speaker, I refer the Hon. Member to my answer to yesterday's question.

**Mr. Speaker:** Did the Hon. Member ask that question yesterday.

**Mr. Fraser:** Yes.

**Mr. Speaker:** I don't think you can continue repeating questions.

**Mr. Fraser:** The Minister said yesterday that he didn't have the information. I thought by today he would have.

**Hon. Mr. Lauk:** Mr. Speaker, that's not what I said.

**Mr. Fraser:** Mr. Speaker, just a supplementary.

**Hon. Mr. Lauk:** A point of order, Mr. Speaker. That's not what I said yesterday. I said I could not and did not confirm the resignation of John Trask.

**Mr. Fraser:** I have a supplementary, Mr. Speaker, to the Minister. Is the Minister prepared, then, to deny that Mr. Trask's resignation was tendered more than a week ago?

## BRIDGE LINK BETWEEN GULF ISLANDS

**Hon. G.R. Lea (Minister of Highways):** Mr. Speaker, yesterday I was asked a question by the Hon. Member for Saanich and the Islands as to whether my department had any plans to build a bridge from Mayne Island to Saturna. The answer is no. The department has no plans to build a bridge.

**Mr. H.A. Curtis (Saanich and the Islands):** Mr. Speaker, I appreciate the prompt answer from the Minister of Highways. Perhaps I read more into the word "my" department — the emphasis given to that word in his answer. I wonder if he is aware of any study within the government service with respect to a bridge link in the Gulf Islands.

**Hon. Mr. Lea:** No, Mr. Speaker, I'm not aware of any study.

## GRANT TO STRATA BODY

**Mr. D.A. Anderson (Victoria):** To the Minister of Housing, Mr. Speaker. Could I ask the Minister what was the amount of the grant to the B.C. Association of Strata Corporations, which is mentioned on page 18 of the Minister's recent publication, "Housing for People"?

**Hon. L. Nicolson (Minister of Housing):** Mr. Speaker, I'll try and have that for the Member tomorrow.

## HIRING OF MR. TRASK

**Mr. J.R. Chabot (Columbia River):** A question to the Minister of Economic Development. Is consideration being given for the employment in the Department of Economic Development of Mr. Trask from the B.C. Railway?

**Hon. Mr. Lauk:** Did I understand the question? Are we going to hire him in the department?

**Mr. Chabot:** Is consideration being given to employing Mr. Trask in the Department of Economic Development?

**Hon. Mr. Lauk:** No.

## REZONING OF CASA LOMA PROPERTY

**Mr. D.M. Phillips (South Peace River):** Mr. Speaker, I'd like to direct my question to the Hon. Minister of Housing. Would the Minister advise the House if he has received an answer to his letter requesting Burnaby council to approve a rezoning petition with due diligence to permit Casa Loma to proceed as a senior citizens' project?

**Hon. Mr. Nicolson:** I'll check on that, Mr. Member.

[ [Page 1090](#) ]

**Mr. Phillips:** A supplementary question, Mr. Speaker. Will the owners of the project be able to meet Burnaby building bylaw requirements by May 31?

**Hon. Mr. Nicolson:** Mr. Speaker, I think that this question has been asked to some extent before. I don't know what the Member is leading up to, but perhaps he's leading up to terms of the agreement. The terms of the agreement protect the Crown and options to the Crown, and we see no difficulty in terms of zoning matters.

**Mr. Phillips:** A final supplementary, Mr. Speaker. And I'd like to thank the Minister again for not answering the question. I wouldn't want him to change his tactics in the House. But would the Minister advise the House if the contract for finishing the project was to have the 32 motel units finished as motel units or as senior citizen housing units?

**Hon. Mr. Nicolson:** Mr. Speaker, the Member is asking for information from documents already tabled in the House, but....

**Mr. Phillips:** The document doesn't answer that question.

**Hon. Mr. Nicolson:** Oh, the documents do. Mr. Member, as has been mentioned, not only is the agreement in there but, as an appendage to that agreement tabled in the House, so were the terms of the mortgage. But, Mr. Speaker, the Crown can request and could cancel the agreement should there not be a rezoning. That is the prerogative of the Crown.

## FUNDS ADVANCED TO BCR

**Mr. Fraser:** Mr. Speaker, a further question to the Minister of Economic Development, in his capacity as vice-president of the British Columbia Railway. With respect to the \$15 million loan to the BCR earlier this year, and the recently announced \$20 million advance, could the Minister outline the reasons which made necessary these unprecedented advances to the British Columbia Railway?

**Hon. Mr. Lauk:** I'll take the question as notice, Mr. Speaker.

## GOVERNMENT IN MINE EXPLORATION

**Mr. G.F. Gibson (North Vancouver–Capilano):** Mr. Speaker, a question for the Minister of Mines. Is the Minister aware of reports circulating in the industry that an official of his department has been telling classes at BCIT, training people for the prospectors' assistance programme, that the government's going to be setting up a Crown corporation to undertake mineral exploration and to change the prospectors' assistance Act to give right of first refusal to the government for a full year? Could he say whether or not that does indeed represent government policy?

Interjection.

**Mr. Gibson:** Would the Minister, on a supplementary, then, say that it does not represent government policy, Mr. Speaker?

**Hon. L.T. Nimsick (Minister of Mines):** I've given no such instructions. I have no knowledge that anybody has been given that information or stated those statements to the BCIT.

**Mr. Gibson:** On a supplementary, Mr. Speaker, I would ask the Minister: does it or does it not represent government policy? Those reports are circulating.

**Hon. Mr. Nimsick:** No, it doesn't represent government policy.

## CAMBODIAN, VIETNAMESE ORPHANS

**Mr. L.A. Williams (West Vancouver–Howe Sound):** Mr. Speaker, a question to the Hon. Minister of Human Resources. With respect to the children recently airlifted to British Columbia from Cambodia and Vietnam, is it a fact that those children had already been adopted by people in this province and that they had been processed by their respective home governments?

**Hon. N. Levi (Minister of Human Resources):** Yes, that's so, Mr. Member. There are in Canada approximately 280 adoption homes that have been approved for international adoption, and we recently had 62. One of them went to the United States; the other 61 remained in Canada.

**Mr. L.A. Williams:** Supplemental, Mr. Speaker. Could the Minister indicate whether through his department people who were interested in adopting children from outside this country can apply and receive assistance as to the procedures which are involved?

**Hon. Mr. Levi:** Yes, it can be and is being done through the department.

## PRINCESS MARGUERITE PURCHASE

**Mr. Curtis:** To the Minister of Lands, Forests

[ [Page 1091](#) ]

and Water Resources regarding the acquisition of land in Victoria's Inner Harbour, and the CPR vessel Princess Marguerite: can the Minister confirm that all aspects of the purchase have been finally completed?

**Hon. R.A. Williams (Minister of Lands, Forests and Water Resources):** I don't believe the final documents have been received, Mr. Speaker.

**Mr. Curtis:** Thank you. A supplementary, Mr. Speaker, to the same Minister and on the same subject. Would the Minister indicate if docking arrangements in Seattle are settled for the 1975 season? Is there any problem anticipated?

**Hon. R.A. Williams:** I think everything is finalized in that regard, Mr. Speaker.

**Mr. Curtis:** A further supplementary, with your permission, Mr. Speaker. Does the Minister have any indication that the vessel Princess Marguerite will require any work other than annual inspection and clean-up prior to the start of this operating season, 1975?

**Hon. R.A. Williams:** I'll take the question as notice, Mr. Speaker.

**Mr. G.B. Gardom (Vancouver–Point Grey):** A supplementary, Mr. Speaker, to the same Minister. Is the

Hon. Minister prepared to table in the House the financial statements showing the operating expenses of this particular vessel over the past year?

**Hon. R.A. Williams:** That's the property of C.P. Transport, I believe, Mr. Speaker.

**Mr. Gardom:** Well, in supplementary: has the Minister received those documents?

**Hon. R.A. Williams:** I think that our staff have the basic data. But we considered the information basically one in the hands of the former operating company.

**Mr. Gardom:** A further supplementary: the Minister having received the information, is he prepared to table in the House the information he has received?

**Hon. R.A. Williams:** No, Mr. Speaker.

**Mr. Speaker:** The Hon. Second Member for Vancouver-Burrard.

Interjections.

**Mr. Speaker:** I think we've had about five supplementaries. Is it on the same subject of the acquisition of the boat?

Will the Hon. Member defer?

**Ms. R. Brown (Vancouver-Burrard):** Yes, I will, Mr. Speaker.

**Mr. Curtis:** I appreciate, Madam Member, your cooperation. On the subject of the Inner Harbour land, which is involved in the same acquisition: does the Minister intend to ensure that there will be cooperation and consultation with the City of Victoria in the long-range development of this property?

**Hon. R.A. Williams:** I think we've indicated before that the Department of Lands is a major owner in the Inner Harbour already, as some Members may be aware. The former Songhees Indian reserve is all leasehold land held by Crown provincial. There have been continuing discussions, and the Deputy Minister of Lands has made himself available to the City of Victoria for discussion with both the elected and staff representatives regarding those lands, and I'm sure that that kind of process will be ongoing.

## DROP IN B.C. UNEMPLOYMENT RATE

**Ms. Brown:** My question is directed to the Minister of Labour. Would the Minister of Labour explain to this House why it is that the unemployment rate across Canada is going up, while in British Columbia it's going down?

**Some Hon. Members:** Oh, oh! (Laughter.)

Interjections.

**Hon. W.S. King (Minister of Labour):** Mr. Speaker, I am amazed that the opposition is not very attentively listening to the response. We find that they're very interested if any indication of the converse is true. But I'm pleased to respond to that question by the Member for Vancouver-Burrard.

I think that there are basically two reasons. I take the question seriously. One is certainly due to the direct employment programmes which the government has mounted in recognition of high unemployment. Secondly, and I think most profound and important, Mr. Speaker, is the display of confidence which the business community has in the strength of the economy in British Columbia; and jobs are increasing.

**Mr. Speaker:** May I point out to the Hon. Member that it is irregular to ask for information which is readily available in government documents,

either federal or provincial?

**Mr. Chabot:** A supplementary question, in view of the reduction of unemployment from 8.5 to 8.4 per cent in British Columbia — one-tenth of one per cent. Could the Minister tell us how many people are unemployed presently in British Columbia? Is it 102,000 or 103,000?

**Hon. Mr. King:** Mr. Speaker, the Member for Columbia River is consistently wrong — on this occasion as he is on most. I think he's viewing the unadjusted figures that are provided by the federal department. The number in actuality is much, much below 100,000 at the moment.

**Mr. Chabot:** What is it?

**Hon. Mr. King:** I haven't got the precise figures with me...

**Some Hon. Members:** Oh, oh!

**Hon. Mr. King:** ...but I'm certainly prepared...

**An Hon. Member:** You don't know!

**Hon. Mr. King:** ...to take that question as notice and bring in the figures tomorrow, Mr. Speaker.

**Mr. Gibson:** On a supplementary to the Minister of Labour, I would ask the Minister whether, if he was unemployed, he would rather be adjusted or unadjusted. (Laughter.)

**Hon. Mr. King:** Mr. Speaker, that distinction is one which the federal Liberal Party makes on the statistical performance of the work force in British Columbia, and I find it somewhat curious that a Liberal Member is questioning their basis of providing statistics. I find that somewhat curious, and perhaps he'll relay his concern for the unemployment being handled in that particular way to his federal colleagues.

#### WITHHOLDING OF GOVERNMENT ADVERTISING FROM CKNW

**Mr. D.A. Anderson:** To the Minister of Lands, Forests and Water Resources: has the ongoing examination of B.C. Hydro files disclosed evidence indicating that in the past efforts were made to prevent B.C. Hydro from placing advertisements on radio station CKNW because of the comments of that station critical of the Columbia River Treaty by their hotliner, Jack Webster?

**Hon. Mr. Lea:** He doesn't work there.

**Mr. D.A. Anderson:** I know he doesn't.

**Hon. R.A. Williams:** I think that in a cursory view of the previous minutes, it seems apparent that it was a matter of concern of the former board — that is, the editorial comment with respect to B.C. Hydro.

#### Orders of the day.

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

#### ESTIMATES: DEPARTMENT OF CONSUMER SERVICES

On vote 31: Minister's office, \$88,796.

**Mr. D.M. Phillips (South Peace River):** Mr. Chairman, I've just a few short comments which I would like to make with regard to this department before we pass on to something else.

I would like to say to the Minister (Hon. Ms. Young) that I appreciate the work that she's endeavouring to do, but I am also concerned that in her work in trying to protect the consumer in this province all of her efforts are being directed against the business community. I feel that some of her efforts are meant to provoke a consumer against a small business and I refer specifically to the pamphlet which the department put out.

For instance, if I were an encyclopedia salesman I would take offence to the drawing in here showing him as a big-mouthed "bombasterous" sort of salesman who was out with his mouth open and big teeth trying to chew off or rip off the consumer. I don't really consider that fair. There are other cartoons throughout the pamphlet which any common, ordinary, honest businessman in the profession depicted here would take offence to.

Certainly, as I said in this Legislature before and I'll say again, any ordinary, honest businessman has to be thankful for the Department of Consumer Services, because in every business there are bad eggs and in every barrel there are rotten apples. I think that the Minister is honestly trying to protect not only the consumer from these unscrupulous businesses but also the honest businessman from those who would use unfair tactics and bring down the good business name.

As I looked through this pamphlet I was quite amazed at what I felt was bias against the honest businessman. For instance, here's a depiction of a meat salesman. There are many honest meat salesmen in British Columbia in small businesses, and I feel that it's biased in that regard.

I would like to point out to the Minister that I feel

[ [Page 1093](#) ]

this book would have been much more effective had it, without bias, pointed out to the consumer some of the areas in which he may go wrong without picking specific businesses. The Minister of Consumer Services laughs but there was nothing in this book, for instance, that pointed out big government as the greatest ripoff artist known to mankind today — known to the taxpayer. Now had there been in this little booklet a cartoon of our Minister of Finance with bags of money behind his back and his hand in the taxpayer's pocket then it really would have truly depicted what government is doing to the taxpayer today.

While the Minister of Finance claims great surpluses, he continues to increase taxes. I think, therefore, that this book is biased. It would have been a much more credible brochure had it pointed out what the government — the provincial government in particular and in specific — of which she is a part, is doing to the population of British Columbia.

On the contrary, Mr. Chairman, the government comes out with what is, in my mind, completely misleading advertising, depicting itself as the great saviour of mankind here in British Columbia, telling what great social assistance, what great reforms and what great things the government is doing for the people of British Columbia. But it is misleading advertising because it didn't tell the whole story.

Had I made up this ad, using the same principle that the Minister of Consumer Services uses, you would have had cartoons all over there showing, for instance, the Minister of Human Resources (Hon. Mr. Levi) robbing the poor and giving to the lazy. You would have had depictions of other Ministers with untold numbers of civil servants around them, stumbling over them, while the taxpayers were paying for it. We would have a picture in here, for instance, of a person driving up to a gas pump and asking the person at the pumps to give him 10 gallons worth of automobile insurance — something, Mr. Chairman, which is being hidden from the motoring public. They are paying a subsidy to the Insurance Corp. of British Columbia, but there is no mention of that in this ad.

Just for your indulgence, I want to point out to the Minister of Consumer Services just how much the increase in the cost of government is hurting the individual taxpayer. For instance, Mr. Chairman....

**Mr. Chairman:** Order, please. Before the Hon. Member embarks upon a full speech on this particular topic, I would ask him to try to relate his remarks more directly to the administrative responsibilities of the Minister of Consumer Services.

**Mr. Phillips:** Mr. Chairman, I feel it is the responsibility of the Minister to protect the consumer. That's what the whole law is about. It is to protect the consumer and point out where they are going wrong, how they are being so-called "taken" by, for instance, encyclopedia salesmen, by travel agents, by used car salesmen. I could go on in the areas that she would point out. What I am really saying is that I feel she also has a responsibility to point out.... Are the taxpayers receiving full dollar value from the taxes they pay or is the government also ripping them off? The government is a business today. Don't forget we have the Insurance Corp. of British Columbia.

**Hon. D.G. Cocke (Minister of Health):** B.C. Hydro.

**Mr. Phillips:** We have B.C. Hydro. We have Panco Poultry.

**Hon. Mr. Cocke:** B.C. Rail.

**Mr. Phillips:** We have them involved in the lumber industry; they are getting involved in the ranching industry. I want to tell you, Mr. Chairman, this all relates to the tax dollars. I'll tell you why. It is the high cost of government that is the biggest ripoff of the people today. This money is going directly to buy land and to buy industry which is not only going to supply the consumer but is competing with those businesses that are presently supplying the consumer. The whole thing is relative.

**Hon. Mr. Cocke:** Rubbish.

**Mr. Phillips:** Now, Mr. Chairman, you changed the rules. We didn't. You went into the lumber business and you went into the insurance business, and it is that Minister of Consumer Services' affair to point out to the consumers of this province exactly what is going on.

**Mr. Chairman:** Order, please. I think the Hon. Member is stretching the rules somewhat in this respect. I think, therefore, that I should draw to his attention that even though there are some overlapping responsibilities, it is the custom in estimates to direct the questions to the most appropriate Minister. Since, clearly, some of the matters that the Hon. Member has raised would be more appropriately addressed to other Ministers...

**Mr. Phillips:** Yes, well, I just asked you....

**Mr. Chairman:** ...I would ask the Hon. Member to confine his remarks to the direct administrative responsibility of this Minister.

**Mr. D.E. Smith (North Peace River):** Point of order, Mr. Chairman. Would you be specific in what

[ [Page 1094](#) ]

remarks the previous Member, the Member for South Peace River, made when he was on his feet that you consider to be inappropriate?

**Mr. Chairman:** Order, please. The Hon. Member was expressing remarks in regard to ICBC and other areas of other Ministerial responsibilities. I don't think the Chair has to elaborate. I am just cautioning the Hon. Member to keep his remarks relevant to the administrative responsibility of this Minister.

Interjection.

**Mr. Phillips:** I feel, Mr. Chairman, that the Department of Consumer Services was set up to protect the consumer. Certainly, every person who owns an automobile, for instance, in British Columbia today is a consumer of services from the Insurance Corp. of British Columbia. It won't be too long before any person who eats processed poultry processed in the Province of British Columbia today will be a customer of one of the government enterprises



in the poultry business.

Mr. Chairman, I want you to realize that it is government tax dollars that are going in to buy these ranches and these poultry operations — the people's tax dollars. That is why the increase in the cost of government to an individual has gone up from \$578 in 1972 to \$1,313 in 1975. That's an increase of \$735 per every man, woman and child in the Province of British Columbia — an increase of 227 per cent in three years.

A lot of those tax dollars are going in to buy land on which the government intends to operate ranches — this is their policy, not mine — so that they are becoming involved in the beef industry. Tax dollars are going in to buy other segments of the agricultural industry.

I want to tell you, Mr. Chairman, that it is the high cost of government that is the greatest contributor to inflation today. It is not the high cost of food. This is all relative.

**Mr. Chairman:** Order, please. In keeping with the point that I made previously, that questions should be directed to the most appropriate Minister, it would seem to me that this matter which the Member is discussing should be more appropriately have been directed to the Minister of Finance (Hon. Mr. Barrett).

**Mr. Phillips:** What I'm pointing out, Mr. Chairman....

**Mr. Chairman:** Order, please. Therefore, would the Hon. Member attempt to relate his remarks to the administrative responsibilities of this Minister?

**Mr. Phillips:** Well then, let me put it this way, Mr. Chairman.

We have now an ombudsman who protects the consumer against a small gouging businessman or salesman. Maybe I didn't make myself clear. What I'm saying is that I recommend to her that one of her responsibilities should be.... I'm making this in the form of a recommendation — does that clear the rules? I'm recommending that one of her responsibilities should be to protect the taxpayer from government enterprises and from ripoff taxation. To back up what I'm trying to say, and why I am recommending this to the Minister, we've had cases...and I'm not going to go back into the misleading advertising that we've had put out by government agencies, but I do want to point out and make the recommendation that if she is truly concerned for the consumer, she should be taking a stand. If the consumer doesn't have the tax dollars to buy merchandise then she won't have to protect them. We'll be completely relying on the government.

Mr. Chairman, I just want to point out a fact to you. In the year 1967, the cost of government in British Columbia was \$337 per man, woman and child. That increased in 1972 to \$578 per every man, woman and child — an increase in six years of \$241 per every man, woman and child, or an increase of only 71 per cent in six years. Now that is fairly along the lines of the cost of increase in rents, or the cost of increase in insurance, of the cost of increase in foodstuffs.

Now look at what has happened in the last three years, bearing in mind that in 1972 to run the Government of British Columbia it cost the taxpayer \$578. In the last three years that has jumped to the projection of 1975 that it's going to cost every man, woman and child to run the government of the Province of British Columbia \$1,313. That is an increase, in three years, of \$735 per every man, woman and child in the Province of British Columbia, an increase in three years of 227 per cent that nowhere compares, Mr. Chairman....

**Mr. Chairman:** Order, please. I think the Hon. Member must surely realize that the Hon. Minister of Consumer Services can't be administratively responsible for the impact of all costs on the individual citizen as a consumer, including taxation by federal, provincial or municipal governments. The area of administrative responsibility must be restricted to those matters which she has, strictly speaking, under her administrative responsibility.

**Mr. Phillips:** I never, mentioned civic government, nor did I mention federal government.

**An Hon. Member:** Taxes in this province are passed by this Legislative Assembly.

[ [Page 1095](#) ]

**Mr. Phillips:** I don't want to get into that area, Mr. Chairman, of this government and this Legislature passing the budget, and passing the spending estimates, because I've already said in this House it's sort of a joke and we really don't know where we're at.

But what I am trying to point out, Mr. Chairman, is that I've only given you the cost of government per individual. Now take a family of four. For the average family of four it would have cost them \$2,316 in 1972. Today the cost of government in British Columbia for a family of four is \$5,252, an outrageous increase of 389 per cent in three years.

Now I think if the Minister of Consumer Services is going to do her duty as an ombudsman to the consumers — and you must remember that all consumers are taxpayers — she has to, in all consciousness, speak out against this tremendous rip-off of the taxpayer of this province.

You know, when I take a look at the figures and compare them with inflation — and we are looking at 11, 12, maximum of 15 per cent in an average year....

**Mr. Chairman:** Order, please. I think the matter might be cleared up if I read section 4 of the Act assigning powers to this particular department. Section 4....

**Mr. Phillips:** Would you like me to sit down?

**Mr. Chairman:** Order, please. It's the Department of Consumer Services Act. The Hon. Member may be seated while I read this section, if he wishes.

"The duties, powers and functions of the Minister extend to and include all matters relating to consumer affairs that are assigned to this Minister under this or any other Act, or by the Lieutenant-Governor-in-Council, and are not by law or by the order of the Lieutenant-Governor-in-Council assigned to any other Minister or department, branch or agency of the government of the province."

Now the distinction is clear that those matters which are should be more properly dealt with under other departments or by other Ministers are not the administrative responsibility of this Minister directly. Therefore the Hon. Member should confine his remarks to the administrative responsibilities of this Minister.

**Mr. Phillips:** Yes, thank you. I certainly don't want to disobey the rules of the House, as you know, Mr. Chairman. But is it a new ruling that it is impossible for a Member to make recommendations during the Minister's estimates?

**Mr. Chairman:** Order, please. It is not permitted in the estimates to ask any Minister to make recommendations to another Minister.

**Mr. Phillips:** No, no, no, no....

**Mr. Chairman:** That question should be directed to the appropriate Minister when the occasion arises.

**Mr. Phillips:** No, what I am saying is: is it not possible for a Member to make recommendations to a Minister during her salary vote? I'm simply making recommendations to the Minister of Consumer Services. I'm not trying to involve any other department. I'm merely making recommendations; and to back up my recommendations, and to urge her to action, I'm merely stating just a few statistics.

**Mr. Chairman:** Order, please. I think the Hon. Member appreciates that the responsibilities that have been assigned to this Minister are set forth in legislation. If the Hon. Member wishes to make recommendations or proposals in order to assign other duties, this should be done by introducing a bill, or by legislation, and should not

be dealt with specifically in estimates.

**Mr. Phillips:** Well, Mr. Chairman, I think that maybe the Minister.... I can tell by the look on the Minister's face that she is feeling the error of her government's way, that they must reduce taxation, and that she will go to cabinet at the next meeting and make recommendations and say: "Look, it was pointed out to me in the Legislature by the Member for...."

**Mr. Chairman:** Order, please. The Hon. Member is persisting in a matter which I have ruled to be out of order.

**Mr. Phillips:** Well, I certainly will desist and decess right here and now, because I certainly don't want to disobey the rules of the Legislature, regardless of how they might affect the taxpayers that I was sent here to represent.

But I would like to ask the Minister of Consumer Services, Mr. Chairman, about the egg marketing situation in the province. Now the Minister has been quite adamant in her stand on marketing of eggs in the province. I'd like to ask her, in view of statements she made in a press release last October 7, 1974, which, for the benefit of the House I shall quote so that everybody will know what I am talking about.... I'm quoting the Minister's words:

"I wish to speak tonight on the egg marketing situation in the Province of British Columbia. As Minister of Consumer Services it

[ [Page 1096](#) ]

is my duty to serve the interests of the consumers in this province. In my view, those interests are not being served by the B.C. Egg Marketing Board. Rather those interests are being exploited beyond endurance by the board."

Those are fairly strong words, Mr. Chairman.

"From the letters I have received, from the representations made to me by the Consumers' Association of Canada, B.C. branch, and from the stench arising from 28 million rotten eggs, it is obvious that, the B.C. Marketing Board, as it is presently constituted and operated, has lost its credibility in the eyes of the general public."

Our ombudsman for the consumers of this province made the statement in October, 1974. The Minister of Agriculture (Hon. Mr. Stupich) today is in Ottawa. What is he in Ottawa for? He is in Ottawa to discuss egg marketing in Canada with the other Ministers of Agriculture and members of CEMA.

My question to the Minister is this: did she discuss this situation with the Minister of Agriculture before his departure for Ottawa? Did the Minister of Consumer Services make her views known to the Minister before his departure for Ottawa? If not, Mr. Chairman, I would suggest that she leave the House now — we'll give her permission to go — and that she go and wire the Hon. Minister of Agriculture and let him know. She is the one whose responsibility it is to protect the consumer — not only the consumers as they relate to the Insurance Corp. of British Columbia but the consumers as they relate to the Egg Marketing Board. Since her feelings are so strong on this subject, I'm sure that she won't only want to go out and wire the Minister of Agriculture but she will want to go out and phone him. She goes on to say further:

"The B.C. Egg Marketing Board may say they are not responsible for rotten eggs, that the Canadian Egg Marketing Agency is the villain in the piece. I would remind them that they have representative on CEMA, and so they share the responsibility for that fiasco. As they have mismanaged orderly egg marketing in British Columbia, it is no wonder there is a mismanagement in CEMA."

I want the Minister to tell me today: did she make her views known to the Minister of Agriculture? She has had several months since she made this statement and I see no changes in the egg marketing in British Columbia. I wonder what promises were made to the Member for Shuswap (Mr. Lewis) before he ran. What promises were made to him by the Minister of Agriculture whom he's so disappointed in? I was quite amazed yesterday when the Member said that certain promises were made to him that there would be changes in the Egg Marketing Board in British

Columbia, and that's the reason he ran. Now he's disappointed. I wonder what promises were made to him. Did the Minister of Consumer Services make the promises to him?

Interjection.

**Mr. Phillips:** Now the Minister is getting angry. However, this is a very serious matter and the Minister should not get angry. The Minister has a great, fantastic responsibility to the consumers, as she well knows. I want to see her do a good job, Mr. Chairman, because, after all, it's the taxpayers who are paying out the money for the administration of this department. As a taxpayer and as a representative of other taxpayers, I want to see that justice is done.

She goes on to say:

"Therefore, I intend to recommend to the Government of British Columbia to commence an investigation of the B.C. Egg Marketing Board with a view to instructing it to include consumers and processor representatives as well as producers. The B.C. Egg Marketing Board is operating in the dark, in camera, so much that, in my view, it has not served either consumers or producers."

I would like to know what progress the Minister of Consumer Services has made with her cabinet colleagues and, indeed, with the Minister of Agriculture.

Mr. Chairman, we're opening, as you know, a number of Consumer Services storefronts in British Columbia to give the consumers ready access to her department.

Interjection.

**Mr. Phillips:** Yes, They've all been announced. It is the taxpayers who are paying for the consumer storefronts, but I don't disagree with them.

I'd like the Minister to answer me honestly. How many of the complaints she receives in these storefronts are directed as complaints against the government or government agencies? Is there any record kept? Is there any liaison between these Consumer Services storefronts in accepting complaints from the government? If you do receive a complaint against some government or some government agency, is that complaint relayed to the particular, specific department involved or is the taxpayer told that this storefront is not to deal with problems of the government? Are the complaints relayed to the particular MLA or cabinet Minister in that particular area?

I think it's very important that we know what happens when a complaint is voiced in a consumer storefront office that does not have to do with a complaint against a particular business or salesman or something to do with the purchase. Is the complaint

[ [Page 1097](#) ]

passed on? Do the personnel in the office try and solve the complaint by phoning the Minister or the department concerned? I'd like very much to have the Minister's comment.

We have a fair amount of money in this budget for administration, but I would like the Minister to advise me on how much money is being spent on advertising by the department. Maybe she could break this down to advise me on how much money is being spent on advertising brochures and mailout pieces, of which she's had several, and how much money is being spent on advertising to the consumer that he must be aggressive.

I would like to recommend to the Minister of Consumer Services at this time that maybe instead of advertising and trying to tell the consumer that he must be aggressive, money could be better spent by pointing out to the consumer some of the pitfalls in a particular area and advising him of some fine points of the law.

Really, I don't know what impact radio advertising would have on a consumer other than to make him feel that he's got to go out and try and find some loophole in his dealings in the business community because he is being

taken. So he will go back over every purchase he has made and try and find some area so he can go back to the business he has just done business with. Would it not be much more constructive if, with that same amount of money we're spending on that advertising, we were to educate the....

**Mr. Chairman:** The Hon. Member for Vancouver-Burrard on a point of order.

**Ms. R. Brown (Vancouver-Burrard):** The Hon. Member's green light has been out for some time.

**Mr. Chairman:** I would draw to the attention of the Hon. Member that his time is up.

**Mr. Phillips:** Yes, I didn't realize my light was out. I thank the Member for bringing that to my attention. I am very disappointed, as a matter of fact, because I thought that light bulb might have a new idea. (Laughter.) I hate my light to go out, but I'll certainly relinquish the floor to somebody else.

**Hon. P.F. Young (Minister of Consumer Services):** The Member across the way managed to get up before I was able to answer some of the questions before he asked them. However, I found it amusing that he should use as a criticism of our trade practices brochure the depiction of an encyclopedia salesman. He wondered as to the reaction of said encyclopedia salesman being used as an example. Well, interestingly enough, no encyclopedia salesman objected to that depiction. However, it is further interesting that the first court case we have won against any company is an encyclopedia company. We have an injunction against some of their trade practices just recently.

In order to bring the Member up to date, I would like to give a report on the department. I would like to report that in rereading the debates of the estimates of our department for last year, I am very pleased to find that we have accomplished not only what we said we would do but also all of the suggestions from the collective wisdom of the Legislative Assembly.

First of all was the passage and proclamation of the Trade Practices Act, the backbone of our department, and the passage and proclamation of the Debtors Assistance Act, an important adjunct to responsible consumerism.

It is of no benefit to have good consumer protection legislation on the books unless the consumer knows about it. I am reminded of my predecessor in this field, the former Attorney-General (Mr. Peterson), under whose aegis the Consumer Protection Act was passed. When asked by the press what he intended to do about it, he replied: "We don't intend to lead the consumer by the hand," In other words, let them find out for themselves what their rights are. The Consumer Protection Act was what their rights are. The Consumer Protection Act was very narrow in application, and we intend to remedy that.

To enable the consumer to know his or her rights under the new legislation a booklet was prepared and disseminated to every household in British Columbia. The brochure was entitled "The Trade Practices Act and You" and was written in everyday language for the average person. I'm glad the Hon. Member has a copy and he's showing it to everybody in the House. I'm very happy about that. I hope you take it to your constituency meetings and show them too, because I take tons of them to every meeting I go to.

A radio advertising campaign preceded the distribution of the booklet to let people know that it was important to them and that they should not throw it out with any other mail. Approximately 810,000 booklets were distributed in this manner. A follow-up radio campaign suggested that people retain the booklet for reference, and if for some reason they had not received theirs, to write to Victoria for a copy.

As we outlined in our programme last year, we opened four storefront offices in various parts of the province to deal with inquiries, information and complaints. In October, the Kamloops office was officially opened for cover the interior of the province. In November we opened the Victoria office and, in December, the Vancouver office. In January of this year, the Prince George office was officially opened. However, in all cases, the offices were unofficially available for a month to five months

before their official opening to handle the cases that poured in. Word-of-mouth advertising got around and the minute our new staff walked into their offices, the phones began to ring and people dropped in.

To give you a perspective of the impact of our department, in the first month of 1975 we had 859 cases, compared to a total of 801 for the entire year of 1972. We had more cases in one month, January of this year, than in the entire year of 1972 under the previous administration.

In 1972 the consumer affairs officer under the former administration handled 801 complaints. This year our department has dealt with 3,839 complaints, an increase of 379 per cent.

We have obtained in rebates, refunds and settlements for consumers a total of \$66,997. Our annual report showed only a total of \$54,000, but additional settlements made last year were not brought to our attention until after the report was tabled in the House.

Since the first of the year, the department has obtained rebates, refunds and settlements for consumers — and this is just for January, February and March — of \$69,630.

Since July 6, 1974, we have obtained a total in rebates, settlements and refunds on behalf of consumers of \$136,628. That's a pretty good record, I'd say.

In fact, I was in the Vancouver office chatting with the consumer service officer there when the trade practices investigator just popped in and said: "A lady just called to thank us for getting a \$4,000 refund from an automobile dealer on behalf of her daughter."

Thanks to the government's student employment programme, Careers '74, of last year, we were able to obtain some invaluable research material. We sent teams of students to review all of the existing legislation that has been assigned to our department. Other teams were assigned to examine other areas of consumer interest such as mediation and arbitration in consumer complaints, consumer needs in the various communities of the province and a thorough, in-depth internal investigation into the mobile-home field.

In our study, done by a very competent and enthusiastic group of students of the consumer needs in communities, three important factors emerged. One was a desire and an interest by the local educational community, school boards and teachers, for consumer teaching in the schools. Another was the willingness of the local media to carry consumer news. The third was the disturbing fact of the high debt ratio being carried by the local credit-granting agencies and the consumer.

We now know that Canadians as a whole have one of the highest, if not the highest, personal debt ratio of any people on earth. Every Canadian man, woman and child has a debt ratio of \$1,200 each. We also know that many of these debts have been contracted for a variety of reasons.

Our consumer-oriented society has pushed: "Fly now, pay later. Play now, pay later. Fulfill your desire on easy credit terms. The world is yours for only \$59.95 a month." Goods and services have been pushed at us in every form of medium. A lot of people, perhaps feeling insecure, believed these media presentations that they were not fulfilling their roles in society unless they had these consumer goods and went out on a financial limb to acquire them. Now they are being caught up in a world-wide recession. Instead of two incomes coming in, they now have to depend on one. The cheque won't stretch that far and many are on the verge of going under.

Our debtors' assistance division is coping with this problem, to the benefit of the total society. By providing an alternative to personal bankruptcy, a non-cost of debt consolidation, and many other avenues, we are preventing husbands and fathers from deserting, their families — often unwillingly, but under necessity — and throwing these families onto the province's social assistance programmes. By relieving the family tensions that build up over money worries, we are able to keep families together and to keep people working. The credit industry has been most cooperative in this endeavour because they recognize that one dollar on a past-due account is better than the 7 cents on a dollar they might get on a bankruptcy.

Obviously it is not sufficient to get people out of the glue of their debts. Our responsibility does not end there, not only to them, but to the total community who have to shoulder their collective debt in the future. It is up to us to help people stay out of debt, to learn to organize their expenditures within the framework of their income — in other words, budgeting. Thus our debt counseling service does not deal exclusively with helping people with their debt problems, but follows up and helps them organize their lives in a manner that they do not get themselves into the glue again.

Although the debtors' assistance division was not officially opened until December 1974, the word got around that we had a facility going in August of last year. By the end of the year, we had 1,320 complaints; we have had over 2,000 calls to date; we have approximately 500 people on the orderly-payment-of-debts programme. Each of our storefront offices, with the exception of Vancouver, is staffed by a debt counselor who can assist the over-committed consumer. In Vancouver our debt counseling service is in a separate office. It is the headquarters of our debt counseling service for the province.

In addition to our obvious commitment to the consumer, our department made other social

[ [Page 1099](#) ]

commitments. One was to the affirmative action bill submitted by the Hon. Second Member for Vancouver-Burrard (Ms. Brown).

Forty-five per cent of the executive decision-making positions in our department are filled by women. It was a deliberate move on our part. Not only did very competent women apply for positions in the department, but we sought out women who may not have sought to apply due to the traditional attitudes of the previous government under the civil service.

Also, we determined early that we wanted to utilize the talents of intelligent homemakers who could only give a few hours a week to our department, and to the retired persons who were aged 65 chronologically, but not physically or mentally. A part-time programme was built into the department and we have quite a few part-time consumer aides. They have a choice. They may work four hours a day five days a week, or they may work two and a half full days a week. It depends on what they themselves find most helpful for them. In our Vancouver office, we are finding that these experts are choosing to work the two and a half days a week full-time because they feel they can accomplish more as a conduit for consumer complaints, inquiries and information. Our part-time people, who are called our consumer aides, are very good with handling phone calls, directing complaints and providing information.

Our third social commitment, but by no means the least, is to the handicapped. We were only able to direct the construction of one office in our four-office complex, but it was a beginning. The building in Victoria is totally accessible to the handicapped in wheelchairs. One washroom has been designed for their accommodation with appropriate grab bars and an offset commode. There are wide doors and no barriers to entrance.

By now, everybody knows about the famous bed squad. These are a group of long-term patients at a lower mainland hospital. They comprise our ad project group. Originally, it was an experimental programme to last six months, using severely handicapped people for the project. Interestingly enough, they were quite skeptical of us. They figured it was the usual do-gooder type project and they were fed up to the teeth with that kind of treatment, but they figured they would give it a try. The results have been that they have become an integral part of the department. We can't do without them. Their expertise is surfacing and will continue to surface in the very near future on several major cases that will be coming forward.

In the matter of community programmes we are funding several community groups throughout the province. These are small consumer association groups and small consumer groups — perhaps one person with secretarial help — acting as a liaison, giving information, helping to receive complaints and resolving complaints in some of the more isolated communities.

We're conducting seminars with the business community throughout the province. We have been doing it for

a long period of time. We have a series of four seminars coming up very, very shortly in conjunction with the University of British Columbia executive programme. It will be over the next two weeks, and they're all-day seminars. So we're doing very well there.

In the matter of education, we will very shortly.... Over 200 teachers have asked for, and are getting, a consumer education kit, and every school district will receive it this coming week. This kit has been assembled with the aid of the Greater Victoria School Board, in a summer project last year, and the Department of Education. And our department has put together this very excellent kit that will be sent to the schools so that the teachers may use it.

I was privileged to meet with quite a few teachers in my own riding and this was the one thing they really were asking for: education information for their students. I found the students very receptive to the whole programme, to the idea of consumerism, and I was very impressed with the depth of understanding that young people have today.

Relative to complaints about other departments of government, we handle those the same as we handled any complaint we receive about a private company. They are treated just the same. If they're in the wrong, they get their knuckles rapped.

**Mr. D.E. Lewis (Shuswap):** Fair government.

**Hon. Ms. Young:** Oh yes, on occasion this has happened but, on the whole, I must say that wherever we have received a complaint that has dealt with another department they have immediately rectified it and advised us — or at least given us the information so that we could pass it on.

**Mr. G.F. Gibson (North Vancouver–Capilano):** Can you give us an example?

**Hon. Ms. Young:** I think there was one.... In this particular instance I'm thinking of one department had, we felt, perhaps not given the proper information, and they informed us that in the future they would do so — that. It was a mistake, an honest mistake.

Speaking of honest mistakes, we'll talk about the assurance of voluntary compliance. Now it's interesting that in the Victoria newspaper here they rather criticize us because we're not tough enough on business. We use a carrot instead of a stick. The federal people are using a stick. They're going around

[ [Page 1100](#) ]

throwing people in jail and fining them and everything, and we use what we call the assurance of voluntary compliance.

**An Hon. Member:** Who's in jail?

**Hon. Ms. Young:** Who's in jail? A gentleman by the name of O'Brien; James Stephen O'Brien of Dartmouth, Nova Scotia. He was convicted of misleading advertising and I think he was.... He was sent to.... I forget where it says how long he was put in the jug for but....

Interjections.

**Hon. Ms. Young:** So if the Member for South Peace River (Mr. Phillips) is worrying, actually I would suggest that he confer with some of the top business leaders in the province and he will find that they are very pleased with the manner in which we have approached them. We've drawn them into discussions where we plan to take action — with the assurance of voluntary compliance if they have been in error.

In the case of Imperial and Texaco oil companies, they were in error. However, it was quite apparent that it was an honest mistake. They agreed to rectify the mistake by advising all of their customers that they had made a mistake, and that is the end of the matter as far as we're concerned.



This is a much better way, we feel, of dealing with matters: to give alternatives. We attempt to mediate a dispute. If we're unable to do that and we feel that it's serious enough, we'll ask for an assurance of voluntary compliance. If there is a refusal there, then we have recourse to the courts and so does the consumer.

We're receiving about 10,000 calls per month in our five offices. We have about 100 people per day dropping in at the offices around the province.

The Member wanted to know about the Egg Marketing Board and my comments last year. I feel that they were very constructive and have been proven to be very constructive. I guess the Hon. Member missed the last session, because there was a board set up to resolve questions relating to the marketing board.

**Mr. Phillips:** The Member says it's not right yet.

**Hon. Ms. Young:** Well, there is a recourse to that board, and it is composed of consumers, interestingly enough. I'm pleased to see that the Egg Marketing Board in this province, when they had a surplus, instead of throwing the eggs away or selling them across the border, dropped the price and got rid of the surplus. A lot of people ate eggs who weren't eating them before. I think that's a very sensible and commendable thing for the Egg Marketing Board to do, and I give them full marks for doing it. I think it's fine. That was the point I was trying to make, that they had to be responsive.

That is pretty much a summary, Mr. Chairman, of the activities of the department. We will be going into educational programmes and informational programmes in the future. I think that the well-informed consumer is the best consumer. An educated consumer won't need the services of our department, and that's our goal: to get the information to people — but also that they have the legislative back-up in the event they need it.

I'm pleased to say that we have received excellent response from the business community. I'm thinking at the present time of the problems we had in the travel industry. The travel industry itself has come forward with a broadly based committee and are submitting some excellent suggestions in helping us to design the legislation. They have asked for legislation, they are helping us to design it. We certainly welcome their assistance and their input because they're appearing to be a little bit tougher on themselves than we had planned to be. But I give them full marks for it. This is the attitude we're receiving from just about every segment of the business community.

**Mr. D.A. Anderson (Victoria):** Mr. Chairman, I was interested in the Minister's statement, but I was somewhat amazed. Just to take one example of what she said, I wondered whether or not she really genuinely felt we were going to believe that the consumer problems with respect to marketing boards had been solved by the creation of that superboard that she seemed to think handled the whole thing.

For example, I have in my hand a Consumers' Association of Canada newsletter for B.C. region....

Interjections.

**Mr. D.A. Anderson:** I have this newsletter in my hand. It talks about "Inquiry: B.C. Marketing Boards." Just because the Minister only mentioned that a few minutes ago, I'd like to read what they say, the independent consumers — independent of this government, that is. The headline is "Inquiry: B.C. Marketing Boards," and it's January, 1975.

"A brief requesting an inquiry into B.C. marketing boards was presented to a committee of the B.C. cabinet. CACBC, Consumers' Association of Canada, British Columbia branch, feels a speedy investigation to reassess marketing practices should be made as a starting point for the work of the new B.C. Marketing Board (superboard). We recommend that the proposed new superboard be separate from the Department of Agriculture, that the

government clearly define the purpose and terms of reference of the board, and that hearings be public. The Consumers' Association of Canada (B.C.) was disappointed that recent appointments to the superboard did not include consumer representatives."

That, I think, sums up pretty clearly the joy with which the consumers have really greeted this great superboard and how they feel that this superboard, which the Minister puts so much emphasis on, really doesn't take into account consumer problems.

**Mr. J.R. Chabot (Columbia River):** What about the advisory board?

**Mr. D.A. Anderson:** Well, the Food Advisory Board, my friend mentioned. I'd just like to say a word about the Food Advisory Board. We had two members of the Consumers' Association of Canada, B.C. branch, on the food council — Ada Brown and Ruth Lotzkar. Now these two ladies — as we all know, because they came to Victoria frequently and they did their level best to give us all the information at their disposal — were very, very frustrated by working on what they termed a producer organization, and only a producer organization. They complained about a number of things, the close connection with the Department of Agriculture in particular.

**Mr. Chabot:** Quit in disgust!

**Mr. D.A. Anderson:** You just let me get in my own lines. (Laughter.)

They pointed out that the council was chaired by the Deputy Agriculture Minister, Maurice King. Most of its members are producers and distributor representatives, and there were only two consumer representatives. The council members, apart from those two, were not making recommendations against the businesses they represent. Therefore, in the view of the Consumers' Association of Canada, B.C. Branch — and I quote their newsletter: "In our opinion, the council fails to fulfill its intended purpose."

For example, I mentioned this business of inquiry into marketing boards. Last September, Ms. Brown and Miss Lotzkar asked for an inquiry into all B.C. marketing boards, but the move was blocked by the producer representatives on the council. The two consumer association representatives have simply, to use their own words: "...found it impossible to persuade the council to consider any criticism of any segment of the industry or launch any in-depth investigation into critical parts."

Now this is the type of thing which we discover coming from private individuals who are banded together in this private association. Yet we hear the Minister get up and say all is rosy, everything has been solved by the superboard. Oh, yes, there might have been troubles before, but not any more.

Well, I question her candour. I think that she should be a little more candid with the House and point out that there are a lot of problems and that her original criticisms, before she got so wound up in being a member of the NDP executive council of this province, may be a little more on point than some of her weak defences that she's giving as a Minister.

The fact is, whether she's the Minister or not, she should at least recognize her responsibility to consumers and not just say all is well, simply because she happens to be in the government in that particular department.

Well, that's one point; I'd like to mention a couple of others. I'd like to ask the Minister what is happening with respect to children's toys. Children's toys can often be very dangerous things. They are quite frequently purchased by people who know little about the child involved, namely friends or family or things of that nature. Bachelor uncles are noted for buying toys for their nieces and nephews. These people may not know what particular toys are dangerous and what are not. I wonder whether there have been any developments in this area. There's no question that we have a serious problem every January and late December when these toys get out there and kids start trying to play with them or use them.

Second question is that of child-resistant containers. Between 1966 and 1972 — the figures are somewhat out of date but the trend is there — British Columbia's accidental poisoning rate jumped to just under 500 per cent. We went up from 1,192 to 7,019 accidental poisonings, and 61 per cent of these poisonings involved children under the age of five years. I apologize to the Minister for not having up-to-date figures, and I will tell the Minister something she's undoubtedly being told right at this very moment by her Deputy Minister who's leaning over to fill her ear full of all sorts of bright ideas (laughter) and that is this: As of January 1 the Pharmacy Act requires that B.C.

pharmacists use child-resistant containers. But I'd just like to point out that in that period when our poisoning rate went up five times the Essex County, Ontario, rate dropped by 91 per cent. A fantastic drop — from 100 per cent down to 9 per cent. In that period, in that particular area of Essex County, the Palm-'n'-Turn safety container was being used.

Now certain other Ministers may regard this as frivolous but I think it's tremendously important to find out from the Minister the success of those amendments to the Pharmacy Act or the regulations under the Pharmacy Act requiring the child-resistant Palm-'n'-Turn containers. Has there been any dramatic change? Are these containers being fully used throughout the province? What is being done to make

[ [Page 1102](#) ]

sure there is a phase-out of all those containers that normally sit in medical cabinets or in bathroom cabinets, sometimes for many, many months and sometimes, indeed, for years, but which may have the old type, dangerous container? I wonder whether she would answer something on that second point as well.

I'd like to congratulate the Minister on the consumer education programme. She has mentioned the fact that it will be going to the schools, and I think that's excellent. I wonder whether she'll give us some information on the basic consumer reference kit which I think should be made available not only in the schools but also in other adults as well. She probably will know what I'm talking of and can inform us of that particular thing.

I've given a few questions for the Minister. I might just say a word or two also about warranties and guarantees. Really and truly, no matter how many laws we write in this province or nationally, the real guts of good warranty and good servicing that follow come from the companies involved.

I wonder if she would like to give us some insight from the experiences of her department as to how successful they are being in making sure that warranties are lived up to, or making sure there can be wording which is legally enforceable. In so many cases of warranties and guarantees there really is nothing that can be done except by the company concerned, there is no real way to legally enforce a warranty or guarantee in many instances. I would like to know whether she is having success in discussions in that carrot-type approach that she talked of, in making sure that the companies in British Columbia and the manufacturers, here as well as elsewhere, are indeed doing their best to make sure people get a decent product.

Finally, Mr. Chairman, the Minister said something about 10,000 requests for information and/or complaints a month coming in. Well, I've got some figures from her department which were very kindly provided to me, and I have here indications that complaints filed in 1974 totaled 3,839, of which the vast bulk were in Victoria. In 1975 we've had, so far, 2,042 complaints filed, of which 595 are in Victoria, 785 in Vancouver, and some from Kamloops and some from Prince George.

However, the more interesting statistics, Mr. Chairman, which I can see you are fascinated in, are the phone calls that came in, of which there were 32,743, and there were 3,117 visits in the period we are talking of — November through to March 27, 1975, just a short time ago.

I find it interesting that a relatively small percentage of phone calls and visits lead to the opening of a complaint file. It is fine to talk about the vast numbers of people storming in, but are about nine out of 10 of the cases which are brought to your attention frivolous? From the statistics, it appears that only about one of 10.... I'm using rough figures, and perhaps it is about one out of eight or one out of nine, but only about that many are worthy of opening a file. It strikes me that the Consumer Services department is receiving a lot of contacts with the public but either they are passing the buck on to some other department, some other level of government, some other agency, or else the public are coming forward with a whole pile of complaints, the vast bulk of which are falsely based. I wonder whether she could say something about that.

You know, Mr. Chairman, when you start dividing the number of complaint files opened into the amount of money involved with this department, you get a staggering amount of money being spent by the public for every complaint file being opened. Some hundreds of dollars are spent by this department for every single complaint which

they feel it is worth opening a file on. I think a little more information as to whether in the Department of Consumer Services we are getting value for money would be in order from the Minister, because it appears to me that in this very Department of Consumer Services, where we are allegedly in the area where we are trying to get good value for money for the individual member of the public, the public as a whole is not getting particularly good value for money in terms of the number of complaints dealt with in files opened. Perhaps the Minister would like to indicate something about that.

If we are on the subject of consumer services, if we are on the subject of the public getting their money's worth, are we really getting our money's worth from the Department of Consumer Services? The quick figures I gave you, the hundreds of dollars per complaint file, would indicate there is some reason to question this area, and I wonder whether the Minister would like to comment on it.

**Hon. Ms. Young:** Mr. Chairman, in reply to the Hon. Member, I would like to point out that not every phone call is a complaint. In fact, most of them aren't; they are just seeking information. They may ask whether they have a complaint: "Is this illegal?" It may be something that happened five years ago and does not come under our purview because the legislation didn't come into effect until July 6, 1974. Unfortunately we've had some tragic situations where we were helpless; we couldn't do anything about it because the Act was not in force at the time.

Mostly people are just asking for information. They would like to know where they can find out what kind of a product to buy and we can refer them to the library which we have in each centre, or we refer them to the public library or various publications. They may be asking about insurance, they may be asking about registered retirement savings plans, they may be asking about everything

[ [Page 1103](#) ]

under the sun, and they usually do. Most people are just seeking information, just asking what this comes under.

A great many of the complaints we get deal with things that come under the federal legislation, and we refer them to the federal authorities because that is properly where it belongs. I suggest to you that that is where toys belong — hazardous products.

These are products that cross provincial boundaries and therefore, quite obviously, the jurisdiction and the care should be taken at the federal level because they cross provincial boundaries. Many of them are imported and that's more properly where the authority there should rest.

As far as child-resistant containers, the Department of Health is responsible for that and we immediately refer these cases to the Department of Health. I would like to comment though on the Ansodent and Orbadent incident, if you'll excuse the alliteration there, and that was that when the fire hazard of these particular products came to my attention, I immediately — and I mean immediately, within a matter of minutes — wired the federal Minister and told him in some detail what we had found, with this material igniting with just a little bit of moisture, and that people had been burned and that there was reason to believe that fires had been started by the use of this powder. Subsequent to that, he turned it over to the hazardous products branch and they in turn did a thorough analysis of it.

In the interim, we discovered that a child in the Prince George region had been severely burned about the scalp by rubbing this mixture on his head and had been badly scarred on the head. I discussed the matter with Ottawa and they have required these two companies to reduce the acid chemical in the product from 20 per cent down to 19 per cent. Apparently at 19 per cent there is no ignition factor; at 20 per cent there is. Also, they will be capped with child-resistant caps henceforth. So that takes care of that. As I said before, the Department of Health administers the Pharmacy Act and we have received very good cooperation if anything comes to our attention.

On the marketing board, I'd like to point out that one member is the head of the Vancouver Community Legal Assistance Society and he is extremely active in community consumer affairs. The chairman of the UBC School of Agriculture is on it. It's quite obvious that these people have just been appointed, it's going to take some time for them to work out their terms of reference, work out what they intend to study, and I believe the legislation requires and calls for public inquiries if need be.

As far as information, we are putting out our new bulletin now, "Consumer Aware," and information regarding anything that comes to our attention, or reference books — things of that nature — will be published in this publication for the general public.

Warranties and guarantees. One thing we did shortly after the legislation, the Trade Practices Act, became effective, was write to just about all business concerns that had contracts and pointed out to them that there was certain contract language that was now illegal. These would also be in the matter of warranties. When there was an implied warranty naturally on the goods and then when they exempted themselves from that implied warranty, we reminded them that they could not do this and to kindly change the wording of their contracts and their warranties.

Inasmuch as warranties and guarantees go back to the manufacturer, we appreciate that right now the onus is on the retailer, through the Sale of Goods Act, and in many cases it's not rightfully there, in my view, because he didn't make the product. He didn't make the automobile, he didn't make the tire, he didn't make the refrigerator, et cetera. We appreciate that there's a certain obligation of the manufacturer and we are working quite hard on this problem.

You may be aware of the Green Paper that's been circulated in the Province of Ontario — it has been for over a year now. I don't know what's the matter with them, getting them off the dime. And we are looking at legislation that has been passed in other jurisdictions on this matter. These are all areas that we are definitely working on. It's a little tricky when, say, the manufacturer is in Ontario and you're here, to put the onus back onto the manufacturer. How do you file an action against the manufacturer in Ontario? These are real niceties that have to be resolved. I appreciate all those lawyers over there; they understand that, but it does present problems.

**Hon. W.L. Hartley (Minister of Public Works):** You don't have to worry about that; they're corporate lawyers.

**Hon. Ms. Young:** Oh, they're not consumer lawyers, so we don't....

As far as consumer information, we hope to have the education kits ready by next week. We will be more than happy to present each MLA with a copy of the kit.

**Mr. D.A. Anderson:** Give her hell. Tell it like it is.

**Ms. Brown:** I would really like to congratulate the Minister of Consumer Services.

**Some Hon. Members:** Ho, ho, ho!

**Ms. Brown:** ...for the very excellent job that she is doing in this department. Probably I should start out by congratulating the government for having this department. You know, Mr. Chairman, the

[ [Page 1104](#) ]

opposition stand up and they make speeches about protecting the consumer against government and asking questions about the marketing boards and one thing and another. What kind of consumer protection did the consumers in this province have before this government became the government of this province?

**Mr. A.V. Fraser (Cariboo):** How do you know? You weren't born here.

**Ms. Brown:** I've been living in this province for 21 years and there was no protection for the consumer in this province until this government became the government and implemented this very excellent department.

The leader of the Liberal Party (Mr. D.A. Anderson) brought up issues which are covered by federal legislation. What kind of protection does the consumer have under federal legislation? The kind of farce that they have with their little consumer services board which isn't doing anything!

**Mr. Gibson:** What about the food prices board?

**Ms. Brown:** But that is an aside, because I do not want to embarrass the opposition any more by pointing out to them that they should have been congratulating the government and congratulating the Members instead of standing up and exposing their weaknesses.

This Minister mentioned an area of particular interest to me: the whole business of employment in her department. Again, I want to congratulate her on making a real effort to see to it that there is some kind of equity in terms of the number of females as well as males employed in her department. I keep tabs on all the departments and she has the best record in terms of trying to implement an affirmative action plan in terms of her employment. She should be congratulated on this.

I also want to thank her for opening a consumer services office in my constituency which is used by a large number of people. It is in a very central location at the corner of Broadway and Kingsway and it is very well utilized. I would ask her whether she would consider, since it covers such a large area, a zenith number for people living outside of the city who have to use this office too and now have to make long-distance calls in order to do it.

I was very intrigued by the class action taken against the business of door-to-door sales practices with Colliers Encyclopedia. I would like to see the Minister expand and do more on these class actions. How about, for example, class action on behalf of all of us against some of the large oil companies in this province and against some of the misleading kinds of advertising that are going on on the CBC? I know that the federal Member from B.C., Stu Leggatt, the New Democrat, will be very happy to let her have his file dealing with this particular issue so that we can take a class action on behalf of all of us. I know that her department is responsible for dishonest or misleading advertising.

How about the kinds of misleading advertising that we have with breakfast cereals and the whole areas of food? It is not only a matter of counseling, Madam Minister, and the whole area of nutrition. How about really cracking down on misleading advertising?

I know that most of this should be done by the federal government, but I know that it is not going to be done by the federal government because, quite frankly, they've never been interested in the consumers in this province. Maybe we will have to do it, Madam Minister. Maybe your Consumer Services department will have to get into the whole area of misleading and dishonest advertising and bring more class actions on behalf of all of us.

The other thing that I would like to mention is that I was really pleased in the budget speech to see that there is going to be improved liaison between the community groups and your department. I think this is a very necessary area. Throughout the entire period of the past government we had to rely almost exclusively on community groups like the Better Business Bureau, for example, operating without any kind of even token support from that government. I am glad to see that you are committed to see that community groups like the Consumer Action League and groups like that have a better liaison with your department and continue to work with you on behalf of all of us.

In your advertising for officers I notice in the qualifications required for investigators you said that they should have experience in commerce, law or police experience. I would really like you to elaborate on this and explain why it is necessary for people filling this particular job, which is mediating consumer disputes, to have police training? Why is it necessary for them to have a commerce or law degree?

This penalizes so many people — women as well as men — who would certainly be interested in this job. Certainly your hiring practices outside of Victoria would seem to indicate this. In Kamloops you've hired an ex-RCMP and an ex-policeman, and in Vancouver an ex-RCMP. Maybe you could elaborate for us why you have to have so many ex-RCMP or why you need to have ex-RCMP training and ex-police training to be a consumer officer.

The other area I would like you to talk about, Madam Minister, is the whole area of the building standards of mobile homes. When the special committee looking into taxation and assessment travelled around the province, this was a complaint from people living in mobile homes, which we certainly heard everywhere we went: there didn't

seem to be any very good building standards and the homes were just not standing up to wear and tear. Certainly, in terms of living in the northern part of the province, the heating wasn't good enough and the homes weren't warm and there were all kinds of complaints about the quality of the homes being built in this province as well as homes coming into the province. I would like to know what, if anything, your department is doing about this.

That is all I have to say, because the fact of the matter is that you are doing such an excellent job that it's very difficult to find too many things to complain about. One just spends their time congratulating you. I would like to add that I really would like to see the work of your department expanded to deal with class action in terms of the whole business of the income tax rebate, for example. How about launching a class action on behalf of all of us on that and, again, dealing with the dishonest advertising, looking at the whole area of built-in obsolescence in the manufacturing of goods, not only in the province but also goods that come into the province, rather than dealing with individual complaints, and working much more extensively on a class level on behalf of all of us? Thanks very much.

**Mr. Phillips:** Mr. Chairman, that's a difficult act to follow, but I, too, would like to thank the Minister for her very comprehensive report when she was on her feet a little while ago. But I would just like to point out to the Minister.... I don't know where you got the idea I was worried about your department, because I am certainly not worried. I congratulated you on your department and said that no honest businessman is going to be concerned about your department.

As a matter of fact, I might point out to the Minister that consumerism really did start before August, 1973, and I am proud to say that I had a great deal to do with consumerism and the start of consumerism and making the consumer aware in the business that I happen to be involved in. I was very proud to be on a particular dealer council at the time where several consumer programmes were started while I was on the dealer council, and I am certainly very proud of the part I have played in making consumers in a particular business more aware.

That brings up the point that I'd like very much to bring up and discuss and have the Minister's views on. People today have been taught, not only by governments but also by manufacturers, to expect and demand more. They've been taught by certain manufacturers that they should demand perfection, because the people who have perfection, or close to perfection, in their products are saying that you shouldn't settle for less.

Consumerism really started with Mr. Nader way back in the States, and it has spread into Canada. I think the age of particular consumer complaints will reach a crescent probably within a couple of years, because manufacturers, business people and salesmen who are in the business to take the consumer will realize that this is no longer their bag. I think you will see a definite decline in the amount of consumer complaints that you will have after the next two years. Once consumers become aware; once, as the Minister has said, she is sending brochures into the schools; once the consumers in the province become educated and the business people realize that they can't get away with shoddy practices, I think those people will move on to greener pastures somewhere or go out of business. I think you will see a decline, and at that time I think the Minister must be prepared to.... If there are no complaints, what is she going to do with her good offices?

But I was very disappointed that the Minister didn't report to us on her trip to down under. We've had the experience in the past in this Legislature of Ministers of the cabinet taking these extensive trips. I think that these trips are being paid for by the taxpayer and I think that the Legislature certainly has a right to know what benefits will accrue to the consumers of this province because of the Minister's trip. I think it's a perfectly legitimate question.

We have the case of the Minister of Economic Development (Hon. Mr. Lauk), for instance, taking a trip off to Japan. Today we have not seen one single concrete piece of evidence that the taxpayers of this province derived any benefit.

We had the Premier off to China and several other junkets. We can't run a department of tourism here for the cabinet Ministers. There must be some solid benefits, and I would like the Minister to advise the Legislature just what benefits will accrue to the taxpayers of this province from her trip down under.

**Mr. Lewis:** More than Bennett's.

**Mr. Phillips:** Now I have to go back once again to refer to this brochure. It still makes me mad. She stated that one of the first court cases she's had involved an encyclopedia salesman.

I want to tell you, Mr. Chairman, that I know several dear ladies who are encyclopedia salesmen.

**An Hon. Member:** Oh.

**Mr. Phillips:** Some of them are widowed. Some of them are mothers who are trying to increase the take-home pay and provide something better for their children. And there are more of these honest ladies, worthy, selling encyclopedias than there are any as depicted by this cartoon as having big teeth and going around trying to take somebody in on the sale of books. I think it's despicable, absolutely despicable, that these conscientious ladies, trying to provide a

[ [Page 1106](#) ]

supplement to the salary, some of them even trying to put their children through college, working after hours...

**Mr. Lewis:** Yes, I've heard that one — working your way through college.

**Mr. Phillips:** ...that they should be depicted in literature such as this in such a derogatory fashion. I don't think it's becoming of the government at all; I don't think it's becoming of that Minister. I'm warning her that in the future she should be very careful about how she depicts people and personalities in business or she might have a lawsuit on her hands.

The Minister mentioned that the average debt per individual in the Province of British Columbia — and I think I heard the figure right — is something like \$1,212. Well, that's average for man, woman and child. This year, the average tax bill per man, woman and child in British Columbia is \$1,313.

Interjection.

**Mr. Phillips:** Well, according to the budget of \$3,223,420,000, the expenditure this year, and on a basis of an increase in population based on an average of 3 per cent per year, it works out to 24 million people. The debt works out to an average of \$1,313 per person. When you consider the debt and when you consider what the tax load is in British Columbia per person.... I'm not saying that the debt is great, but what I'm pointing out to you is that the cost of running this government in the Province of British Columbia is severe indeed.

I wonder, since the Minister has some good economic advisers who are going to be around telling people how to budget their affairs, if she would loan some of these advisers in her offices to the government. Maybe the Minister of Finance could use some of these people because he hasn't learned how to balance his budget yet. Last year in one department alone he had over \$ 100 million overrun, so how can the government advise people to budget when they can't budget themselves? Is that a reasonable question?

That's one of the problems with debt in our society today. When people see the government spending these vast amounts of money and having no regard whatsoever for the taxpayers' dollar, then a lot of them take the attitude, well, why worry? We might as well go live it up while we can because the government...

**Mr. Lewis:** That's garbage.

**Mr. Phillips:** ...is going to have to take us over to look after us anyway in the long run. I think that's the attitude that socialist governments create among the population of a province. This concerns me greatly.

**Mr. Lewis:** You should have been a holy-roller preacher.

**Mr. Phillips:** There's the Member for Shuswap (Mr. Lewis), you know.

**An Hon. Member:** The egg man.



**Mr. Phillips:** The egg man, yes. One thing about him, he'll never have a brainstorm. The closest he'll come is a small drizzle. (Laughter.)

**Ms. Brown:** Mr. Nader was better.

**Mr. Phillips:** Governments today are sort of leading the people down the garden path by spending these and wasting money. People say: "Well, the government wastes money. They have no regard for our taxes." So they go out and they incur these, debts and they try and live like the government with no regard for money or planning. I'll tell you, if we're going to restore some fibre to our society, it's time that the government started leading the way and setting an example. That's what's happening with our society today, exactly what's happening with our society today. Governments who have no regard for money, no regard for tax dollars, go on a big spending spree....

**Mr. Chairman:** Order, please. The Hon. Member is wandering away from the administrative responsibilities of the Minister again. I would ask the Hon. Member to return to the Minister's responsibilities.

**Mr. Phillips:** Thank you very much, Mr. Chairman.

I'm still concerned about the complaints that are going in to these consumer storefront offices. The Minister said yes, she refers these complaints to the proper departments. But I certainly wouldn't want to see these consumer storefront offices eventually deteriorate into a propaganda office for the government where, if a person has a complaint, they take it to the consumer storefront office. That's what we have MLAs for; that's what we have government representation for.

I think we're getting into a very dangerous situation. I think that when complaints, legitimate complaints, against the government — unless they're against one of the government Crown corporations, which, as I pointed out, should be looked after by this department.... But if she's going to act as a liaison in the areas where these storefront offices are

[ [Page 1107](#) ]

open between the MLAs or the cabinet Ministers in that area and start taking an ever-increasing number of complaints against the government instead of complaints against consumers which she is supposed to protect, this could deteriorate into the office just becoming a propaganda office for the government.

Interjection.

**Mr. Phillips:** No, I'm just saying that I'm concerned about it. If you're going to act as an ombudsman in all forms of government and take government's complaints, then you're going to have to do exactly as I said. You're going to have to come out and you're going to have to start advertising. If you're going to solve the complaints, then you're going to have to start advertising in the media and telling the truth about your government as well as solving their complaints in your offices. You can't have it both ways. You're either going to do one thing or the other. You're going to come out and you're going to tell the truth about your government — how your government's ripping off the people of British Columbia.

That's about all I have to say on this department. I think that if it's carried on and some of the suggestions that I've made are adhered to, why, the department can serve the consumer. But certainly, Mr. Chairman, this department, if it's going to act as a true ombudsman and take complaints from the government, then they're going to have to come out and speak out against the government and speak the truth. Maybe the Minister would like to comment on that, because it really concerns me. If you're going to have it one way, you're going to have to advise and do the same type of advertising on your government. Put out your brochures, tell them how much the cost of government is increasing, tell them how ICBC are ripping them off, tell them how much gasoline tax you're paying into ICBC, tell them the story, tell them how much Panco Poultry cost, tell them how much it's costing to buy these ranches. Tell them the whole story, tell them where their tax dollars are going and tell them the truth.

**Mr. Chabot:** Truth in government!

**Mr. Phillips:** Truth in government. Open government, You can't have it both ways. If you're going to try to solve the problems in your offices, you had better come out and put out some brochures and tell the truth about your government. Don't be afraid to stand up to your government, because if that's going to be your job, you should do it all the way.

**Mr. P.C. Rolston (Dewdney):** Mr. Chairman, I was honoured to take part in the opening of a...I think it was the first community services legal aid information centre in the province. It was run by a private society, the Mission Community Services Council. This was, I guess, a year ago now. This is funded, I think, at about \$1,200 a month to keep a very capable trade practices or consumer services officer and legal aid counselor in Mission working out of a public services building — a multi-agency building. This fellow has really been incredibly busy. I think that this was a very exciting first for my riding. I know that this fellow is doing a lot of preventive work and a lot of counseling. I pay tribute to the Minister for giving me that service in my riding.

I think I've asked the Minister before and I asked the House.... I remind the House that one of the problems that constantly recurs, if I look at the monthly schedules of the Consumer Services officer in Mission, is on the used-car sales business. I hope the Minister by now has had a very close look at what the Province of Ontario is doing and has done for quite a few years regarding the Used-Car Dealers Act, which requires road certification prior to the licensing of a car for the highway. In other words, a car just can't leave the lot.

This, incidentally, is also true of new cars, but obviously it is a more serious problem with used cars. Occasionally, of course, a new car has a serious fault.

I have just reread some of the complaints in my riding that our people are processing. It's pretty horrendous — complaints about used cars.

In Ontario a mechanic would have to guarantee and certify that car in the shop — and that's what I really want to emphasize, in the shop — before that automobile ownership is transferred and licensed for the highway. I would like to hear from the Minister a little more detail of the experience.

There's some history now of experience in Ontario of this programme. I'd gladly give the Minister the names of people who were in the industry in Ontario, who are now out here in the industry in the Vancouver area, who really commend this programme, who like other Members of the House have said, are in the industry and they want credibility, they want their industry to be strong.

They admit there are some bad apples in the industry, not many but some bad apples. As with the mobile home industry, there are a few, not many, but a few very bad apples. We've heard in this House before how this has caused disease and blight to other members of that industry. So I'd like to hear that. I'd like to hear how well it's worked. I'd like to hear how close we are to instituting something like that. I assume this is a consumer matter, not merely something under Transport and Communications.

I'd like to hear also from the Minister the degree of certification of mechanics, which is another concern somewhat related to the same issue — the competency of the mechanics, therefore the real

[ [Page 1108](#) ]

ability of these people that see the new and used, in fact any car that's being serviced, is really getting quality work done on it.

I think all MLAs have heard from the automotive retail association who usually annually come to the precinct here and talk to us about consumerism as to mechanics and the quality of work that's being done. We're paying \$15, \$16 an hour to these people and even they are concerned.

So those are two kind of related questions. Maybe in your trip down to New Zealand you already heard what they are doing there regarding automobile certification. Like the other Member, I'd certainly like to hear from you.

Now, generally I would certainly like to commend the Minister. I think that a lot of the work is preventive. I really think there should be a tremendous amount of advertising with school children. I gather we're only just starting in the most preliminary way to work in schools, let's say in junior high schools for sure, developing sound, prudent, consumer practices with kids. You know, as one who was marrying 45 young couples a year as a United Church Minister, it is pretty revealing to see the patterns of consumerism by the time the couple are ready to get married. You know, we're talking of a \$5,000 car already purchased; the 24,000-mile warranty is usually already gone. Those kids are paying for a car which has probably already depreciated very considerably and that car, plus other pretty extravagant purchases, are going to never allow them to have the kind of liquidity of money to get into a house or something else.

So thank you, and I'll have some other questions later.

**Mr. G.B. Gardom (Vancouver–Point Grey):** I'd like to make a few comments here and ask a few questions, Mr. Chairman. It was very interesting to hear from the lady Member for Burrard (Ms. Brown) who seems to be conducting the bulk of her federal campaign within the confines of this Legislature, but she, notwithstanding that fact, made a few valid points and complimented her delegates and did a very fine job of doing that. (Laughter.)

I would like to compliment the little lady Minister over there as well, because I think she has tried with the capacities that are available and I would very much like to compliment those in her staff, certainly in the higher levels of her staff, who seem to be very well-trained, intelligent and well-motivated individuals.

I cannot, though, really justify a vote increase of 100 per cent or over 100 per cent. We find the department increasing from \$1.2 million to \$2.5 million and I'm not saying that this is not a needful service. It is indeed a needful service, but I do feel — and with all respect to the lady Minister, there's no personal reference to her whatsoever — I do feel that it is an unneeded portfolio and an unneeded Ministry.

I think there's a great duplication of facilities and there must be no end of duplication of effort. I would really have thought that this service that is being provided, and should be provided in the Province of British Columbia, is one which with any reasonable exercise of administrative capacity could have better fallen within the aegis and responsibility of a separate department of the Attorney-General. But this government always seems to have the consuming desire to constantly expand its cabinet, with out without reason or really proper public requirement.

I somewhat subscribe to the remarks of the Hon. Member for Peace River (Mr. Phillips) who was speaking earlier today dealing with one aspect, that is, the language that is utilized by the department or whoever is responsible for flacking out these press releases. Really and truly it does consist of pretty loaded rhetoric and it always appears, Mr. Chairman, through you to the lady Minister, that a successful lawsuit or a protest seems to be followed by an enormous press release which seems to censure by innuendo not only the flagrant trade practicer — who should certainly be able to take his lumps and should have to take his lumps — but also censors by innuendo those who may be involved in a similar vocation but operating fully within the law. I think it was a very valid premise and point that was made earlier by the other Member.

Now I also had great interest in reading "The Trade Practices Act and You." It's a very useful little brochure, and it is written in the language that most people can understand, which is the way it should be done. I was specifically interested in some of the definitions in here on the fourth page, I guess it is, talking about deceptive practices.

It says that one or more of the following constitutes a deceptive practice, under the Act, and it refers to section 2(3). This is the example that is given:

" A representation that the subject of the consumer transaction has sponsorship, approval, performance, characteristics, accessories, ingredients, quantities, components, uses or benefits that it does not have."

And it gives an example:

"27 miles per gallon, if such mileage could only be obtained by a highly skilled professional driver, under controlled

conditions."

Now the object of this is very clear and very patent; it is to prevent misleading advertising, which everybody subscribes to. But we should not have misleading advertising by the instrument that has incorporated this Act and which has given you,

[ [Page 1109](#) ]

Madam Minister, the opportunity to exist and do a job.

We all recall this very interesting advertisement "Are you eligible for property tax benefits?" And it talks about tax deferrals. "Tax deferrals are in effect loans from the provincial government." True. "The interest rate is a modest 8 per cent, per year." False. Had this advertisement, Madam Minister, been under the hand of a private individual, that private individual could have faced prosecution under the Act, and under section 25 of the Act, under summary conviction, if proven guilty, to a fine of not more than \$5,000 or to imprisonment for a term of not more than one year, or both such a fine and imprisonment.

Now I don't think, really and truly, it is playing ball with the people in the Province of British Columbia to go ahead, and the government to falsely advertise. The interest rate in this situation is not a modest 8 per cent per year. The interest rate is a compound rate, and a little bit of very quick and simple arithmetic will find that in the ninth to the tenth year the principal will double. That is not modest interest, Madam Minister; that is compound interest. Surely to goodness the government, I think, would have the greatest responsibility of all to act in a completely ethical manner to the general public and let the general public know exactly what it is receiving from governmental advertising.

The second government advertisement that is similarly abusive of the statutes was the one dealing with the Insurance Corp. of B.C. when it talked about "The Buck Stays Here." And it says: "Autoplan funds will be used to pay claims, administration, and will work to keep premiums down this year, next year and the year after. Autoplan — insurance at cost; that's the whole idea."

Well, it's not insurance at cost, as everybody knows. It has had to be subsidized; furthermore, it is reinsuring.

Now if the government intends to go ahead and become involved in pitch advertising to promote programmes, either for the betterment of the programme or for the betterment of the government in its own hopeful continuity, my question purely and simply, to you Madam Minister, is this: let it at least be honest advertising. Let it at least not violate the Trade Practices Act. Let it at least not be a deceptive practice, and let the government not be involved in the very kind of shady advertising that your statute is supposed to prevent.

**Mr. J.R. Chabot (Columbia River):** Thank you, Mr. Chairman. There are two short points I want to raise with the Minister. One has to do with the publication from the Minister of Industrial Development Trade and Commerce, (Hon. Mr. Lauk) dated July 27, 1973, when he was new in the portfolio, and energetic and thought there was a need for examination of certain problems.

In the press release of that day the report suggested the government would be considering ways to alleviate the special problem of the cost of living faced by people who lived there — he was talking about the North.

" At the request of the Northern Development Council the Hon. Phyllis Young, Minister without portfolio responsible for consumer affairs, has been requested to do a study on special costs in the entire northern region, which will certainly include the Peace River region."

I'm wondering whether the Minister has, in almost two years now, undertaken the study which was suggested in this press release from the Minister of Industrial Development at that time, the Minister of Economic Development now (Hon. Mr. Lauk), whether it's been undertaken, and what the results of that study have been.

What are the costs in Prince Rupert? What are the costs in Terrace? Are the costs such that maybe the Chairman of the House, the Member for Skeena (Mr. Dent) needs an additional expense allowance as an MLA

because the costs of living are high up there? What are the costs in Dawson Creek, Prince George? What kind of action does the government propose to take if the costs in that region of the province are such that the turnover of employment is substantial? I would very much like hearing from the Minister on this subject.

Now I would like to mention another matter which I've discussed with the Minister, not at length but briefly, and that has to do with Budget Freezer Foods Processors Ltd. of Burnaby. This firm apparently has been bilking the people of British Columbia — how many I don't know — but I am aware of four in my constituency who have been defrauded by Budget Freezer Foods Processors of Burnaby. One was defrauded of \$250, another \$137, another of \$111 and another one of \$498.55.

They were defrauded on the premise that they would deliver freezer foods to these people after having signed a contract — and these are merely down-payments. They signed contracts with an anticipated delivery of the meat within 30 days. This never materialized. They approached the company, and at the time the company suggested that all the records had been thrown in the garbage and destroyed — accidentally moved out by the cleanup man and had been burnt and destroyed. It appeared to me at the time that it was a stalling tactic on the part of Budget Freezer Foods Processors, asking these four individuals who have come forth and indicated they have been taken by Budget Freezer Foods. It indicates that it was a stall on the part of this firm, a

[ [Page 1110](#) ]

firm which apparently had no intention whatsoever of fulfilling their contracts.

Of course, these constituents have sent the contracts on to Budget Freezer Foods. A little later on they received another letter, and Budget Freezer Foods requested that they send in the cheque which they had issued, or a photostat copy of the cheque, to justify that not only the contract was legal but also the fact that the payment which was on the contract had in fact been made. This all took place and they fulfilled the request of the supposed supplier. At the time, they were advised they would have to wait up to 90 days for delivery of the meat.

In the meantime this firm is winding up its affairs. I have tried with great difficulty to approach them, trying to get through the telephone answering service. I finally reached the individual at Budget Freezer Foods and was given this story of the destruction of records.

In attempting to assist these people by either getting their money back or getting the meat, I found there is little action that can be taken because this firm has wound down its affairs. But they had the gall, despite the fact that they have gone into bankruptcy, to send an individual up to visit these four constituents who I have taken the matter up with in an attempt to secure the balance of the payment — and this is only the down-payment I've mentioned — and to attempt to get the balance of the money owing with another false promise that the meat would be delivered.

I have taken the matter up with the consumer services branch on numerous occasions. I understand there has been a series of meetings between individuals. I don't know if there are meetings with Mr. Martin or Mr. Cassand of Budget Freezer Foods. I would like the Minister to tell me if there is a hope that these people who appear to have been defrauded of their money will either get their money back or the goods delivered. I also want to make sure that this same firm, which has apparently gone into bankruptcy, hasn't started up another company under a different name and is going on bilking the people of British Columbia with false promises of delivery of cheap meat. I want to make sure that these people never get in business in British Columbia again. I want to make sure that the Minister, as well, takes the necessary legislative action to ensure that these kind of people don't defraud British Columbians again.

**Hon. Ms. Young:** I think I'll go back-to-front, if I may, just to reply to the Hon. Member for Columbia River (Mr. Chabot) in the matter of the Budget Freezer Foods situation. We are aware of that situation and we are on top of it. Our department people have met with the principals. I would refer you to section 12 of the Trade Practices Act. I am not at liberty to discuss the matter further as action has been taken under other sections of the Act,

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

As soon as we are aware that there is a problem such as was brought out in the Budget Freezer Foods — and

we have had several other situations like this — we advise very strongly that the company refrain from taking any more money from the public, and stop immediately until their affairs are in order, We have forced four companies into bankruptcy just to find out where the money went. So we are not timid about that.

**Mr. D.A. Anderson:** Explain that.

Interjection.

**Hon. Ms. Young:** Yes, we did. In cases where it appeared they were going to close down but they were still accepting money from the public. We got word that they were going to do it right up to the minute, then close their doors and walk away. We went in and forced them into bankruptcy in order that the consumer creditors would find out if there were any assets and, if there weren't, where the money went. Heretofore in this province they could just walk away and leave everybody hanging: their creditors, the consumers, their customers, everybody. They could just walk out, and they were doing it. We say: no more of that! No more! You are going to be responsible. If consumers have got to be responsible in regard to contracts, then, by golly, business had better be responsible. So much for that situation.

Interestingly enough, I am glad that the Member for Dewdney (Mr. Rolston) brought up the concern he has with used cars. The automotive trade is the highest area of complaint in our department. It just tops the list. New cars are up there, auto repairs and credit dealings with cars: those are the four top items. He asked what our feeling was regarding the Ontario type of legislation where road worthiness is something that they have had. We don't feel that this is the total solution at all, a road worthiness certificate. Suppose they do obtain a certificate and then the car still has a defect in it that doesn't show up? For instance, in the transmission you can't find out unless you disassemble the transmission. That is not the total solution. Also, in this province you just don't have the facilities in every area of the province for that kind of detailed inspection.

The Member for South Peace River (Mr. Phillips) wanted to know what information we obtained on our trip to Australia and New Zealand. I want to tell the House that it was a most fruitful trip. I met every Minister with the exception of one. I met the Minister of New South Wales and had a discussion with him. I

[ [Page 1111](#) ]

met the Commissioner of Consumer Protection of that state. I'll give you the agenda for the day that we met with the Minister in South Australia.

We met with the acting commissioner, Mr. James Leeker, at 9:30 a.m., and with his branch officers who were involved with the administration of the Second-Hand Motor-Vehicles Act. They have had legislation on the books for a year now dealing with second-hand cars. At 11 o'clock we met with Judge White, who is the Chairman-Registrar of the Credit Tribunal, and his aide, Mr. Noblette. At 12 noon I met the Attorney-General and Minister, the Hon. L.J. King, and an hour later we had lunch.

At 2:30 P.m. we met with the Automotive Chamber of Commerce, which is the trade organization, and we spent a very fruitful hour-and-a-half with these two gentlemen. They were extremely helpful. Their views on the legislation were interesting since they had lived with the Second-Hand Motor-Vehicles Act for a year. It was interesting to get the trade association reaction from it. It was very favourable. They think it works out well for both the consumers and the dealers.

At 5 p.m. we met with the Royal Auto Association, which is like our BCAA, and asked for their opinion. That was a typical day. We had six appointments in one day. In Melbourne we were not quite so successful because it was over the Easter weekend. We met with the Deputy Minister there. He invited us to his home for dinner and we had a very good discussion.

In New Zealand we talked to the Minister there and also to the dealers association. We talked to them in New South Wales also. They were very, very helpful in New South Wales and in New Zealand we talked to them. We also talked to the Consumers Institute, which is quite a unique organization. They have about 172,000 members out of a

population of three million people. I think that really speaks very highly. They do a lot of product testing, but they are very, very up on representing the consumers.

Of course, the object of our going there was to attend the eighth congress of the International Organization of Consumer Unions. Mr. Jim O'Brady, the president of the Consumers Association of Canada was there. "Marketplace" — the CBC show — was there, and we were the other Canadian representatives there.

There were over 45 countries represented and over 100 consumer organizations from all over the world represented. Although we were interested in many of the views we listened to and we discussed in the various seminars and symposia, we were mainly interested in talking to the many officials from the states. I think we must have talked to between 20 and 25 various government officials in both Australia and New Zealand.

New and used car legislation they have in every state of Australia but two. South Australia, as I said, has had it for a year. It's been quite successful. New South Wales has just passed the legislation and are now setting up the regulations to be able to proclaim it very shortly.

Several of the states have house warranties and we were very interested in obtaining their legislation. We also talked extensively about the credit-and-debt problem especially with Judge White who is a very interesting man — very helpful.

Guarantees and warranties. It's interesting that when we arrived in South Australia we found that the previous night the Legislature had passed an Act on warranties and guarantees. So we're going to examine that closely to see how they get the responsibility back to the manufacturer.

Prior to our going to Australia and New Zealand we wrote to the Automobile Dealers Association and to the Automotive Retailers Association, advising them we were going. We said that we would be talking to their counterparts in New Zealand and Australia. In all cases their counterparts welcomed correspondence from them. They all of them feel the legislation in their respective states is good, that it is constructive, that it is helpful to the automotive industry and they are working with it.

In fact, in New Zealand we questioned them on some pretty tough wording in the legislation and found that they were the ones who had put it in — who had suggested it. We were quite surprised that the industry itself would suggest such tough rules. But they felt very deeply that it would benefit their industry as well as the consumer.

Another thing they have in New Zealand is certified mechanics, but it is under a voluntary certification programme which the dealers themselves run. It works very well. They're very strict about how it's run. I believe there is one other state that has it.... Oh no, it was New Zealand. It is done pretty much on the same idea as an apprenticeship programme here. In the matter of certifying mechanics, this would have to be co-ordinated with the Department of Labour in their apprenticeship programme, and, of course, the Department of Transport and Communications.

So we gained a great deal from the legislation down south of the equator. It was most helpful. It was pretty exhausting, too, I'll tell you that.

The Second Member for Burrard (Ms. Brown) — I thank her very much for her kind words and her encouragement. I do know that there was some question as to the qualifications for investigators in our department .. One of the possible qualifications is police experience. This is necessary because we need people who know how to prepare evidence for court proceedings. This takes a certain skill and a certain training which is usually found — in fact, it's darn near always found — among police. Heretofore,

[ [Page 1112](#) ]

police, as you know, have been predominantly male. Hopefully, we'll be seeing a change in that very, very soon.

**An Hon. Member:** Hear, hear!

**Hon. Ms. Young:** As far as some of our other people go, one of our Consumer Services officers here is a former social worker. Another one in Kamloops was with the Civil Liberties Union, so we have a good input there.

In the matter of mobile homes, we are working with the Department of Housing on this on a comprehensive examination of the whole field. The details are yet to be worked out. I've been away and have not been able to discuss it too much with the Minister, but I hope to very shortly.

You discussed the matter of class actions. We can take class actions, it's true, but also others can take them. We're very happy to see that, for instance, the Vancouver community legal assistance society has availed itself of the class action features in the legislation. So has the Consumers Association of Canada in one of their actions. Anybody can take a class action in a particular case.

In the matter of the tax rebate situation, we're not at liberty to discuss that because that matter is still before the courts. But I would venture to say (I don't know) but a decision rendered in that case would be a precedent. It would probably be applicable in similar circumstances elsewhere but, of course, it would require legal opinion for that.

I think I've answered just about everybody's questions.

**Mr. Chabot:** Just one question that the Minister didn't answer is that elaborate study she made on the cost of living in northern British Columbia in 1973.

Also, regarding Budget Freezer Foods, the Minister has expressed concern. She's suggested that she has taken the initiative — or her department has taken the initiative — in the four individual situations, or for winding down the affairs of certain companies because of the fact that it appeared they were going to defraud some of their customers.

Now she expressed concern with this but she didn't tell me what kind of action she would take, or what kind of action she thought was necessary to alleviate any further recurrence of this nature, such as the one I related on Budget Freezer Foods.

It might be a little too late to wind down some affairs after hundreds of British Columbians have been taken by an outfit such as Budget Freezer Foods which, in many instances, has no intention of supplying the goods.

Really, I find it difficult to understand how a firm such as this could possibly go into bankruptcy — if they've gone into bankruptcy; I don't know — when apparently they have no overhead. All they have is cash coming in and nothing going out, so I can't see how they could possibly be in financial difficulties under those circumstances.

Is there going to be legislative action to eliminate any further recurrence of this nature? Is there going to be a bonding of these companies to ensure that people in British Columbia are not going to be defrauded again?

I wonder as well if the Minister can tell me if there is any hope of those people who have been taken recovering any of their outlay of capital? Also, I wonder about those people who haven't come forward. There must be several people who have been taken who are hesitant to make people aware — such as Members of the Legislature or the Minister even — that they've been taken by a firm such as Budget Freezer Foods.

I'm wondering whether the Minister and the department, after examination of the problem, come to the conclusion that there are sufficient assets for reimbursement and after all those who have complained have been reimbursed (if that is going to take place) is there going to be an advertising programme to attract those other people who have been taken?

I wonder if the Minister can tell me how long she expects the discussion to take place between the department and the principals, or the former principals, of Budget Freezer Food processors, and could the Minister also tell me how many complaints she has received against this particular firm?



**Ms. Sanford:** I would like to extend my compliments to the Minister of Consumer Services. I think she's done an excellent job in that department, and would like to mention that there are several of my constituents who had given up hope of getting any satisfaction from business transactions that they had been involved in, then finally turned to the Minister of Consumer Services and have received satisfaction. So I thank you on behalf of those constituents for your work in that regard.

I've just one brief question, and this relates to several questions that have come to me, both through phone calls, personal conversations and through the mails.

In my area many people grow their own vegetables. They all have a little garden in the back yard. Many people also enjoy fishing, have their own boats and go out in the summertime and attempt to get a supply of fish for winter, but found last year that there was such a shortage of canning lids in the province that they could not process, package or put away the food that they had either grown or caught. I have taken this matter up once already with you and I know you have done some work in that regard in an attempt to ensure that there will be adequate supplies

[ [Page 1113](#) ]

this year. I'm wondering whether you can give us any further information on that particular topic at this time.

**Hon. Ms. Young:** Yes, regarding the canning lid situation, we started to work on that last fall because I was very upset by the whole situation, needless to say. We have been working on it since that time.

The situation is as follows — and this is prior to my departure to down under, so there may be later information — and that was that we cannot depend on Kerr. We can just forget Kerr Mason. They don't think they'll be in any better shape this year than they were last. Apparently, their tin plate allotment was cut in half last year and they only service their own area, which is around Oklahoma, Kansas, and that area. Washington, Oregon and northern California were all in the same boat as we were; they were without this. So I am not looking to Kerr for anything. We did seek out another supplier, and that was Bernardin in the east. They felt they would be able to provide sufficient supplies if nobody hoarded.

That is the one message we are trying to get across to people. If you see them in the stores, they will buy everything in sight. Kindly think about other people who need the lids as well as yourself. Take what you need. We have been told that there will be a steady supply all summer long. I hope that the industry lives up to their commitments. They have more or less agreed that this is what they would do. Bernardin, we know, put two shifts on last December in their plant just to handle the B.C. market, so we are looking to Bernardin to fill that very bad void and we are receiving letters daily on the situation.

I was invited to lunch with the food brokers of this province. I was deeply distressed at the attitude they took in this regard. They were so afraid to order maybe a few extra supplies of canning lids because they might be stuck with them at the end of the year. I told them they could ship in every canning lid they could get their hands on and still there wouldn't be enough.

**Mr. Chabot:** They're perishable.

**Hon. Ms. Young:** I don't know, but they're a timid lot. They think everybody wants jars. People don't want the jars; they've got the jars. What they want are the lids, and they want wide-mouth. But you just try to get that over to a bunch of thick-headed men!

**Some Hon. Members:** Oh, oh! Order!

**Mr. Chabot:** Withdraw that!

**Hon. Ms. Young:** Sorry, I withdraw that, Mr. Chairman.

**Mr. Phillips:** Your Deputy's one of them!

**Hon. Ms. Young:** I know that was a very chauvinistic remark on my part.

To the Member for Columbia River (Mr. Chabot), to follow up, I do apologize for not replying to all of your questions. In regard to the study, I was not aware when I made that statement that two studies had already been made, both of which came to the same conclusion, and that was that the transportation costs were a large factor in the northern community. Do you suggest price controls to resolve that problem? That goes against the free-enterprise system and that is rather an abrogation of your position.

Interjection.

**Hon. Ms. Young:** I was not aware, as I said, that two studies had already been made and very good suggestions had been made in the recommendations from these studies, none of which the local, municipal authorities had followed through on, including that council. So I'd like to see them get a little community action there and do something on their own.

In regard to legislative action to prevent the type of situation that you raised with Budget Freezer Foods, yes. That is why we had the prepaid contracts inquiry last year, for that specific purpose, to find out what areas were the danger areas and what we could do about it. As a result of that inquiry, and based on the recommendations of the three-person inquiry, we will be bringing in amendments to the Consumer Protection Act that will protect the consumer in these very circumstances. I, of course, am not at liberty at this moment, but I am sure that the Hon. Member will find that they will more than suffice to protect people in this very type of situation. It is not only food freezers, it is health clubs, dance studios, figure salons, anything you pay for in the future....

**Mr. Phillips:** Steam baths.

**Hon. Ms. Young:** Yes, believe it or not, that's going to be in it. Karate schools — you name it. But we're taking care of that.

I think that answers all the questions to date.

**Mr. Chabot:** Just a couple of quick questions. Could the Minister tell me whether Budget Freezer Foods has wound down their affairs? Have they declared bankruptcy, and is there any hope for those people who have been defrauded by Budget Freezer Foods of recovering any of the money they have invested in these contracts?

**Mr. Gardom:** Madam Minister, you didn't seem

[ [Page 1114](#) ]

to respond to the question I raised, and I put this question to you: don't you think that you should publicly state that you are unalterably opposed to deceptive public advertising at public expense? For that matter, put your Ministry on the line. If it's going to continue in the Province of British Columbia, let it be known that you're prepared to resign your Ministry.

We all know that there is a considerable difference, Madam Minister, between simple interest and compound interest. The words in these advertisements, "modest interest," clearly indicate it's referring to simple interest, and it's compound interest under this particular governmental programme and under this particular governmental advertisement dealing with property tax benefits. It's supposed to be of assistance to the aged, it is supposed to be of assistance to the handicapped, and they should be told. Fine and dandy, if they wish to become involved in compound interest, let them become involved in compound interest, but they should know exactly what kind of a programme it is. It is deceptive advertising, purely and simply. I think that you've got a greater responsibility than anyone in this House to publicly announce that you're opposed to it and you're going to see that it's going to be changed forthwith, or put your Ministry on the line and quit.

I might just carry on to the Hon. Minister. It's peculiar to me why she's refraining to answer this question. Are you suggesting kind of a double standard in the province, one for people in the private sector, who you're insisting

upon follow the law, and another for the government sector where they don't have to? I think that's appalling.

**Mr. Gibson:** Mr. Chairman, I have another topic to follow along, but just to illustrate the point that the Second Member for Vancouver–Point Grey was making: if you take 8 per cent on these deferred taxation plans and compound it over 10 years, you pay more than two and a half times what you would pay if you were paying simple interest. Really that's a very material factor. I hope that the Minister will reply to the Hon. Second Member for Vancouver–Point Grey on that important point.

Now the subject I want to pursue, Mr. Chairman, is one that I raised last year under these estimates, and that's the question of credit cards and their impact on consumer costs. The Minister earlier on today spoke with some concern on the extent of personal debt in our society and said that Canadians perhaps have more personal debt per capita than any other nation in the world. The annual growth rates in consumer credit have been ranging from 20 per cent down to, I think, around 15 per cent this year, which is a considerable slackening off, but still up in the stratosphere. The impact of credit cards on this, I think, is considerable.

I quote here from an article which is a year old now but it's still a good survey. It's from the *Financial Post* of last February.

"Anything that extends credit encourages people to over spend,' says Helen Morningstar, co-chairman of the national research committee of the Consumers' Association of Canada. 'If a person has a credit card he feels that he can spend more than if he just had a certain amount of cash in his wallet.'

"Mrs. Morningstar says bank credit cards in particular have greatly increased the use of credit."

Then, in another part of the article:

"An official of a bank card plan suggested that the average card holder used their cards something like 30 times a year, spending approximately an average of \$18 each time."

That's just an example of the tremendous impact that these credit cards have had on our buying practices. Now one thing that has to be said about the usefulness of credit cards is to the small merchant, because there's no way, without something like Chargex or Master Charge, or whatever these cards might be, that the small merchant can otherwise compete with outfits like Eaton's or Woodward's who are in a position to offer their own credit facilities. So to that extent they can be useful in making it possible for the small merchant to stay in existence, but there are certain very important amendments that are needed in all of these plans.

The first one, I suggest to the Minister, is that a law should be brought in to make it obligatory that any credit card company should not be allowed to have as a condition of extending credit to a merchant prohibiting that merchant from offering cash discounts in lieu of that credit card. This is absolutely essential. In the United States considerable progress has been made to that end. In the *Consumer Reports* of June 19, 1974, there was a report of a considerable victory. The Consumers Union in the United States sued the American Express Co. and an out-of-court settlement was made. Just quoting briefly here:

"The American Express Co. has agreed to permit merchants who accept its credit card to give discount to customers who pay cash. The agreement came as a result of an out-of-court settlement of a suit filed on behalf of the Consumers Union by the Centre for Law and Social Policy in Washington, D.C."

and so on and so on. For example here:

"That means cash customers might get a reduction of 3 to 6 per cent, the amount credit card stores pay to American Express as a service fee, from the regular selling price of an article sold in such stores."

Note that the store is not required to give a cash

discount; it's merely allowed to do so.

I read this particular report and I wanted to know what the practice was in Canada. So I wrote to American Express and I said this: "Out-of-court settlement having been reached in United States, what are you doing here in Canada?" I received a letter dated November 19, 1974, from a gentleman who is apparently the senior vice-president and general manager, card division, of the American Express in New York. It says in part:

"American Express' recent policy declaration in the U.S. was based on facts and circumstances common to U.S. business and legal structures. We have not taken a similar position in Canada as each country is judged as a different unit. We do not think it proper to impose standards required in one country on a different country with different laws and structures."

Well, I believe that what's fair in one country is fair in another country. If it's fair for American Express and these large credit card companies in the United States to allow, as a condition of contract with the merchants, discount for cash purchases, it is only right and proper that that should be done here in Canada. I think that the Minister should move to make any prohibition to the contrary in contracts between credit card companies and their merchants null and void, and thereby make it possible for the merchants, if they wish, to offer cash discounts. Quite simply, Mr. Chairman, I see no reason why one British Columbian or one Canadian should pay for someone else's credit facilities and record-keeping facilities. Useful as these things may be to the card holders, I don't see why people without those cards should pay for them. It's all part of the cost of doing business and they should get a discount.

I want to move on and talk about what is to me an alarming development over the past year, and that is the tests that have been run by some of the larger grocery store chains in this country on the use of credit cards in grocery stores. The practice has sparked a lot of concern. I would like the Minister to confirm to this House, as I hope she will, that it has sparked her concern too. I know that there is a federal investigation which I believe was announced in early November. I have no date on when that study may be completed.

I do have a clipping here from *The Globe and Mail* of November 9 which is headed up as follows: "Stop Using Credit Cards, Ontario Tells Food Chains." I'll read a little bit here:

"Supermarkets have been warned by the Ontario government to stop the use of credit cards for food purchases. Any that reject the government's request will be stopped by legislation if necessary, Consumer and Commercial Relations Minister John Clement said yesterday."

Later on it's noted in the article:

"Retailers pay about 5 per cent of the value of credit sales to belong to credit card operations. This adds to the cost of running business."

Later on:

"Mr. Clement said he is concerned that the use of credit cards will increase the cost for all food consumers. 'We feel that any system that encourages the consumer to purchase more of the basic necessity of food than he or she needs is inappropriate.' In an interview later, he said he thinks cards will increase the cost of food, discriminate against those in what he called the lower economic spectrum who can't get credit cards, increase administration costs, create delays at checkout counters and lead card holders into overspending."

Well, Mr. Chairman, I stand foursquare with the Ontario Minister in his analysis of that situation. I think that if we get credit cards into widespread usage in our supermarkets and ordinary food chains, first of all, we are creating a drawback for the small food store that may not have access to these facilities. Secondly, we are simply raising the price without doing the consumer any good in the long run because he has to have that same food month after month. It doesn't do him any good to build up, in effect, a one-month debt against food and pay interest on it year after year after year. I don't think that makes any sense. It raises the cost of food for everyone in this country.

I would ask the Minister if she would be kind enough to not only confirm that she shares those kind of sentiments with respect to the dangers of credit cards but also that she is prepared to do something in a legislative or

administrative way with respect to the granting of cash discounts, the outlawing of agreements that prohibit such cash discounts to credit card customers, and the question of credit cards in supermarket food purchases.

**Hon. Ms. Young:** I am glad to speak to the matter of credit cards. I regret that the Hon. Member was not in British Columbia in November of last year because, if he had been, he would have been aware that I'd spoken outside forcefully on this very matter.

Interjection.

**Hon. Ms. Young:** If the Member had been listening to the media he would have been aware that this matter was first drawn to my attention in late November when the Safeway company was instituting credit cards in their stores. I expressed my distress and displeasure at that time and they immediately dropped the whole idea.

[ [Page 1116](#) ]

It's true that in studies made in the United States that in stores they found the average purchase per customer in a supermarket is \$8 — that's the cash customer. But with a credit card customer it's \$18, a substantial, thumping increase, because there's a lot of impulse buying when you have a credit card.

In regard to the outlawing of that particular clause, the Hon. Member may not be aware that the federal Minister, Mr. André Ouellette, has indicated that he will bring in an Act prohibiting that restrictive clause in any agreement between a credit card company and a retail concern. I was not aware that the Hon. Member was not aware of that — I thought you were up on these things.

**Mr. Gibson:** Oh, no, no! I study provincial legislation.

**Hon. Ms. Young:** He mentioned it some time ago — in January, as a matter of fact — that this was the action he was going to take.

**Mr. Gibson:** Good. What are you going to do?

**Hon. Ms. Young:** As a result of that, we felt that inasmuch as credit cards — American Express, Chargex, Master Charge, Diner's Club — many kinds of credit cards go all over the world, this action is better taken at the federal level. However, in view of federal record pertaining to legislation to protect the consumer, we may have to wait three years like we're waiting now for legislation that was introduced three years ago and still hasn't been passed by the federal House. So, really, if they don't do it, we will. That's what it amounts to.

**An Hon. Member:** Why are you waiting?

**Hon. Ms. Young:** Why? Because it's better handled at the federal level. That makes more sense doesn't it, if you're going to have a card that's usable all over Canada instead of one province having one rule and another province having another?

Interjection.

**Hon. Ms. Young:** All right. The Minister has indicated that he will bring in the legislation. If he doesn't bring it in, we will.

Interjection.

**Hon. Ms. Young:** The particular clause outlining that factor — that is the legislation he plans to bring in. We have his commitment from him on that. I trust he will live up to his commitment.

**Mr. Fraser:** Mr. Chairman, I just have a few remarks to make on this Minister's department. I notice that there's a 100 per cent increase here in the estimate of the operation of the department. I will say that I acknowledge the fact that regional offices have been opened in certain areas of the province, but I'm getting a little fed up with

regional offices that concentrate in certain areas of the province. The only places public servants in Victoria know in the interior of the province are the regional centres like Kamloops and Prince George. Consequently, they're getting loaded with all government services and other areas of the province end up with nothing. This department, I'm sorry to see, has got off on the same track.

To mention a few areas that are left out that are important.... There are areas like Prince Rupert. I don't think they have anything in common with Prince George, but it's obvious to me, Mr. Chairman, that that's where they'd have to get the information. In the case of Cranbrook and the Kootenays or Trail, are you saying that the citizens will have to get their help from Consumer Services by contacting Kamloops? Or, again, in my riding, in Williams Lake or Quesnel, do they go to Prince George or Kamloops?

What I'm saying is that the programme has started on a very limited regional basis. Has the Minister any plans for expansion of these offices, because I think that more of the citizens of the province are entitled to these services than these regional offices will give? I'd like to hear from the Minister on that subject. Is there any planned expansion in this budget that is before us?

The other subject I had, but somebody stole my thunder, was on jar lids. The Minister will know that I wrote to you on jar lids, and I thank you for your prompt reply. I only hope that there will be an ample supply of jar lids because it was a big problem last year. A lot of people who could ill afford to buy had to buy because of the lack of being able to get those important jar lids.

The other problem I want to take up is in the debtor assistance programme of this department. I have here correspondence from your department signed by Mr. Atkinson, the debtor assistance programme acting director. It was to do with an individual citizen — I don't like naming names — who had got in difficulty in 100 Mile House and personally got involved in bills to the extent of \$3,500, mostly with business people in the 100 Mile area.

Mr. Atkinson suggested to all the creditors, by a letter on July 29, 1974, that this individual did not want to go into bankruptcy and so on; so they undertook to consolidate the debts and make payments to reduce over a period of time. This arrangement was accepted by all the creditors involved.

As I say, this was under the date of July 24, 1974,

[ [Page 1117](#) ]

and nothing transpired until one of the creditors wrote to Mr. Atkinson on November 7, 1974, asking him what had happened to this plan that had been designed by Consumer Services for this debtor to pay off the creditors. It was just a straight query by one who had volunteered to the plan. On November 14, Mr. Atkinson replied to this creditor and I would like to read the reply. Mr. Atkinson said as follows:

"Dear Sir:

Our last contact with the party involved was in July of 1974 when we wrote the letter outlining a plan for the repayment of the debts. We have not heard from the party since that date, and I presume that the plan has been handled satisfactorily."

Then he goes on to say that he's ...

"sorry that the party did not live up to the arrangements that we had outlined on this person's behalf, and can only suggest that the creditors should proceed forthwith, without reference to this office or the rest of the creditors, to collect the outstanding claim."

He goes on further in the last paragraph and says:

"Again, I apologize for our office having interfered with your collection activity. We felt we were doing a service for the debtor and the creditors. It is unfortunate that the agreement was not lived up to."

The point that I bring up here is that the office got involved, the office of Consumer Services, through Mr. Atkinson, the debtor assistance programme director. I think that as a creditor they felt that because there was a

government department involved this lent some credibility to this arrangement and they would see that it was carried out, and certainly see that they were paid. Well, really, in effect, by getting involved in an arrangement like this the Department of Consumer Services have let this debtor disappear, and none of the creditors can find the person involved because of Consumer Services getting involved in it. They left it up to them, until this one creditor decided that he would see how they were doing with the collecting of the account — and, of course, waited five months. Now they can't find hide nor tail or the debtor. I'd like to hear from the Minister on this. Why should they assume a responsibility like this...

**An Hon. Member:** Why not?

**Mr. Fraser:** ...and then allow a person like this who obviously had no intention of paying the creditors involved...? As a matter of fact, there are 18 small businesses involved here, the creditors, and they've lost six months in collection time because of the Consumer Services debt or assistance programme getting involved. I would like to hear what the policy is on this. Is this going to occur constantly in this department? Has it occurred constantly? I have this one case.

I hope, Mr. Chairman, that I haven't revealed any names. I didn't intend to. It's the principle of the whole thing that's involved here. Seven months later, why, they're further away from trying to get their money than they were seven months ago. Thank you.

**Mr. D.E. Lewis (Shuswap):** Mr. Chairman, first of all, I'd like to welcome his honour the mayor of Golden to Victoria, and I would like to say to the Member for Columbia River (Mr. Chabot) that he should be on his best behaviour or the people up there will really know how he acts in this Legislature. (Laughter.)

First off, I would like to express my deep gratitude to the Minister for the excellent job that her department is doing for the residents of British Columbia. There are very many people within my riding who have received services and help and guidance in the months since this Minister has been in charge of this department that were never received in this province before.

The information that is available to schools: this is a programme that should have been instituted many years ago, and I hope it is expanded upon. It's an area where young people find themselves going out into the world without any knowledge of business practices and without any knowledge of what their rights are in the consumer field. I think that the area of budgeting is one of the main areas where schools should.... It should be a major course in schools; it shouldn't be a secondary course. Also, the storefront offices — even though I don't have one in my riding; it's in Kamloops — are of great service to the people. Even in my own riding, where 50 or 60 miles away, they often go to that town to shop.

The information available from those storefront offices is excellent. Not only has the Minister saved many real dollars for people throughout the province where they've recovered the money but the side effects are unlimited in the knowledge that the people have picked up throughout the province in regard to their rights and in regard to the things that happen in the business world. I know from my own correspondence that I've seen many instances where settlement has been made just by the Minister writing a letter and suggesting that something wrong has been committed and that there should be changes.

There is only one area under the Minister's jurisdiction that should be looked into, in my opinion, and that is that there is a political party in this province selling something under false pretences. Yes, they are. We have had freedom in Canada for any number of years.

**Mr. Phillips:** You're talking about your own party.

[ [Page 1118](#) ]

**Mr. Lewis:** We've had it in B.C., and we've expanded on it. But look at this: "Buy freedom for \$5." (Laughter.) Now I'm telling you, they've had it for nothing. Why would they want to give that party \$5 for it?

**An Hon. Member:** \$50,000.

**Mr. Lewis:** You know, I think Jonathan the seagull is a first-class symbol for that party. You have to watch out for a seagull. It's known to be a scavenger. If you're not careful, it will deposit material on your shoulders that you wouldn't want.

I would just like the Minister to take a look at this. If anything is offensive in my mind, it is this type of advertising.

**Mr. Gardom:** You're attacking the Speaker.

**Mr. Lewis:** They're telling people throughout this province: "Buy your freedom." Freedom isn't bought, my friend, you have to work for it.

**Hon. Ms. Young:** Mr. Chairman, I found the remarks of the previous speaker very enlightening and interesting. However, addressing myself to the Hon. Member for Cariboo (Mr. Fraser) who was asking if we were planning to open other offices. We hope to be able to open another office somewhere in the province in the latter part of this year. This is our aim. I'm not making any hard-and-fast promises because it has been our experience since the department started that events happen, situations arise, catastrophes occur where whole companies collapse that we just cannot anticipate. There are additional expenses and, in many cases, legal expenses. In some cases we hire outside legal counsel, maybe to examine a situation for us to advise us.

In the particular case regarding that debtor, I would like to point, first of all, that we do not involve ourselves into any debtor-creditor relation unless the debtor comes to us and requests our assistance. I don't know the specific details of this matter. It would appear that we set up the programme for the debtor but he was supposed to operate it, i.e. the debt consolidation. This portion was to go to creditor X, this one to Y and this one to Z, and so on. Apparently he did not live up to that commitment. Our department was not aware that he was not living up to it, because he was conducting it himself, until one of the creditors advised the department.

If the Member would send over the details of that particular case, I would be more than happy to fill him in privately outside the House because I know he would like to keep the names and specifics out of it.

**Mr. Fraser:** On this subject, though, what happened was that because the debtor went to Consumer Services, letters were written by the Department of Consumer Services to the creditors. It was on their stationery and that's why the creditors feel that there was a credible party involved, and they went along with it. But I'll send this over.

[Mr. Dent in the chair]

**Mr. Gardom:** I have a great deal of difficulty in understanding why the Hon. Minister is dodging any responsibility to the questions as to why it is apparently considered to be fair ball that government advertising of government programmes can be misleading and deceptive but in the private sector, Madam Minister, advertising...

**Mr. Chairman:** Order, please.

**Mr. Gardom:** ...may not be.

**Mr. Chairman:** Order, please. I did draw the attention of a previous Member to section 4 of the Department of Consumer Services Act which states: "The duties, powers and functions of the Minister extend to and include all matters relating to consumer affairs that are assigned to the Minister under this or any other Act by the Lieutenant-Governor-in-Council that are not by law, or by order of the Lieutenant-Governor-in-Council assigned to any other Minister of department, branch or agency of the government of the province."

In other words, if the matter which the Hon. Member is discussing is something which is under the responsibility of another Ministry, he should question that Minister, not this one.

**Mr. Gardom:** It seems to me, Mr. Chairman, that the responsibility of the Minister is to subscribe to an ethic



in government circles that is similar to the one that is being imposed in the private sector. The question is one of morality. It's a question of public morality. When we find the Minister is insisting on private morality, I am asking a question to her: why is she able to sit idly by and see that the government, through its own advertising programme, is violating public morality?

Interjection.

**Mr. Gardom:** I beg your pardon? My colleague has mentioned to me a section (r) in the Act which is pretty clear. It says: "...the use in any oral or written representation of exaggeration, innuendo or ambiguity as to material fact, or failure to state a material fact, if the representation is deceptive or misleading."

[ [Page 1119](#) ]

There certainly is innuendo here and there certainly is an incapacity to state a material fact. We find this particular government advertisement referring to modest interest, and the inference is very very clear: modest interest refers only to simple interest. Under the Real Property Tax Deferment Act advertisement it says that tax deferrals are, in effect loans from the provincial government and the interest rate is a modest 8 per cent per year. That is absolute hogwash. It's a lie; it's false; it's misleading. It's capable of only one inference: that it refers to simple interest. It does not.

I'm just asking the Hon. lady Minister if we're going to have two standards in the Province of British Columbia: one that is going to be imposed upon the private sector and another to give the government free rein to act as it wishes to. You're interested in this. If this was an advertisement in the private sector you'd be acting on it.

In dollars and cents, if one, say, has 10 years at simple interest, you payback \$80 interest for a total pay back of \$ 180. Well, just to increase that, if the loan under this Act is \$1,000, \$800 interest is paid in 10 years for a payback of \$1,800. I'm glad the Minister of Mines and Petroleum Resources (Hon. Mr. Nimsick) is listening. If the loan under the tax deferment Act is \$10,000, which it could well be, there's a payback of \$18,000.

**Mr. Chairman:** Order, please.

**Mr. Gardom:** Now, Mr. Chairman, I know you'd like to hear the comparison with compound interest.

**Mr. Chairman:** Order, please.

Interjection.

**Mr. Gardom:** You don't know what I'm talking about. You haven't even the faintest....

**Mr. Chairman:** Order, please.

**An Hon. Member:** Go back to Hawaii.

**Mr. Gardom:** I've not been to Hawaii. Haven't been to Tahiti. Try again.

**Mr. Chairman:** Order, please.

**Mr. Gardom:** Or Cuba. That's where you belong, my friend. That's where you belong. The Castro of the north, sitting right there.

**An Hon. Member:** Where? There?

[Mr. Chairman rises]

**Mr. Chairman:** The point I wish to make to the Hon. Member is that if... Certainly a matter of this nature would be the responsibility of the Minister of Consumer Services if, in fact, it were not the responsibility of some

other Minister. That is stated clearly in section 4. However, since it is the responsibility of another Minister, the Hon. Member may direct his question to the Minister on this matter. Therefore, it would be the appropriate place to do this.

I would ask the Hon. Member to proceed with his speech.

[Mr. Chairman resumes his seat.]

**Mr. Gibson:** On a point of order, Mr. Chairman, I just want to point out to you — I'm not sure if you were in the chair at the time — that an hour or so ago we were discussing a similar sort of case and the Minister mentioned that she had, in effect — I think she used these words — "rapped the knuckles" of several government departments with respect to their practices of this kind. These were advertising practices that were being discussed. The matter has, in effect, been made admissible in the debate earlier, and it would seem to me that this is simply an extension of the earlier remarks the Minister was making.

**Mr. Chairman:** Order, please. The point of order is not well taken in this respect. The Chair must make the ruling, and the Chair has to decide which Minister should be questioned on a particular matter. The Chair has ruled that, according to section 4 of the Department of Consumer Services Act, the Minister is responsible in those areas unless it is specifically covered by a statute or it is a matter assigned to the responsibility of another Minister. Therefore, the Chair rules that the matter which you raised — namely, on the assessment — should be.... The Minister of Finance is the proper person to answer that question.

**Mr. Gibson:** On a point of order, if I could just read to you, Mr. Chairman, from the Trade Practices Act, I think you cited — I forget which section you cited — section 2(r). This is the Act under which the Minister is operating. "For the purposes of this Act, deceptive act or practice includes" — and, of course, this is the sort of thing the Minister is asked to regulate section 2(r) — "the use in any oral or written representation of exaggeration, innuendo, or ambiguity as to a material fact, or failure to state a material fact, if the representation is deceptive or misleading."

Now, I would suggest to you, Mr. Chairman, that the difference between simple and compound interest.... And I said earlier on it would be 2.5

[ [Page 1120](#) ]

times. I correct myself; it's only 1.5 times in this particular case over 10 years. That is in fact, a failure to state a material fact, or an ambiguity.

**Mr. Gardom:** Mr. Chairman, in straight dollars and cents, this is the difference over the 10-year period.

Interjections.

**Mr. Gardom:** Are we out of electricity? The loan's not being called or anything? I'm glad of that. (Laughter.)

The difference in dollars and cents...and this is the point; this is how it's deceptive. The difference in dollars and cents over a 10-year period: under simple interest an individual, on a loan of \$100, would pay back \$180, under compound \$216. Under a loan of \$1,000 for a 10-year period he would pay back \$1,800 simple interest and \$2,160 total payback -\$1,160 interest in the 10-year period.

**Mr. Chairman:** Order, please.

**Mr. Gardom:** On \$ 10,000, my last figure...

**Mr. Gardom:** Order, please!

**Mr. Gardom:** ...and I do hope I can get it across ...

**Mr. Chairman:** Order, please!

**Mr. Gardom:** ...he would have to pay back \$21,600 as opposed to \$18,000.

**Mr. Chairman:** Order, please! I believe the Hon. Member is still out of order.

**Mr. Gardom:** That's \$3,600 worth of misleading advertising in that instance.

**Mr. Chairman:** Order, please. I think the Hon. Member is out of order.

**Hon. Ms. Young:** Mr. Chairman, in this matter I would refer the Hon. Member to the Trade Practices Act, section 1 (1), and the definition of supplier. The Act very specifically outlines that a supplier is somebody who deals with a consumer in a retail transaction. It's very specifically spelled out, and I have that from good legal counsel.

In fact, when your colleague, who is absent from your ranks today, asked a similar question, he was given a letter answering this very question. I would suggest that you ask him for a copy of that letter so that you can have the full legal definition — the legal analysis — of that particular matter. It does not come under the Trade Practices Act. I would like just for once to see somebody try not to use this Act for political purposes.

**Some Hon. Members:** Oh, oh!

**Hon. Ms. Young:** Use it for what it's meant to be used for, and that is the protection of the consumers in this province. Stop using everything for your own political nit-picking.

**Some Hon. Members:** Oh, oh!

Interjections.

**Mr. Gardom:** What the Hon. Minister is saying.... She's the one who has raised the political nit-picking. We're talking about a question of morality, and her answer is this: "It's out of my jurisdiction because of the definition section."

Interjection.

**Mr. Gardom:** I tell you, Lady Minister, if you were...

**Mr. Chairman:** Order, please!

**Mr. Gardom:**...doing your job in this province, you would resign if that thing was not properly amended. You should do that, make no mistake. The public are being deceived by that advertising — it's just that simple. It's just that simple. You're supposed to look at the whole scene. You're not supposed to just pick up and say: "Well, I took a look at section 4 of the Act...."

Interjection.

**Mr. Chairman:** Order, please!

**Mr. Gardom:** But you're a....

Interjection.

**Mr. Gardom:** Right! All right. But, Lady Minister, you are a...

**Mr. Chairman:** Order, please!

**Mr. Gardom:** ...member of the cabinet of the Province of British Columbia....

[Mr. Chairman rises.]

Interjection.

**Mr. Chairman:** Would the Hon. Member be

[ [Page 1121](#) ]

seated and remain seated until the point of order has been made?

Interjection.

[Mr. Chairman resumes his seat.]

**Mr. Chairman:** On two counts. First of all, the Chair ruled that this is under section 4 of the Department of Consumer Services Act. Clearly, the matter which the Hon. Member was discussing is the responsibility of another Minister. Also, it was indicated by the Minister that this was not within her administrative competence or responsibility.

**Mr. D.A. Anderson:** Mr. Chairman, I rise to challenge a ruling that this is outside her jurisdiction.

**Hon. G.R. Lea (Minister of Highways):** I bet you lose.

**An Hon. Member:** Oh, oh!

Interjections.

The House resumed; Mr. Speaker in the chair.

**Mr. Chairman:** In committee, while we were considering vote 31 under the votes of the Minister of Consumer Services, the Hon. Second Member for Vancouver–Point Grey (Mr. Gardom) chose to discuss a matter which, in the judgment of the Chair, was under the responsibility of the Minister of Finance (Hon. Mr. Barrett). So I ruled him out of order. My ruling was challenged by the Member for North Vancouver–Capilano.

**An Hon. Member:** No, no, no, you're incorrect.

Interjections.

**Mr. Speaker:** Order, please. All those who support the ruling of the Chair say "aye."

**Mr. Gardom:** A point of order.

**Mr. Speaker:** What is your point of order?

**Mr. Gardom:** If the Chairman would return to the microphone he could give you a little more information.

**Mr. Speaker:** If there is any question of what the ruling is, I think.... There's no question of what the ruling is? Is the House aware of what the ruling is?

Interjections.

**Mr. Speaker:** Order, please!

Interjections.

**Mr. Chairman:** Correction, the second Member for Victoria (Mr. D.A. Anderson) appealed.

**Mr. Speaker:** The second Member for Victoria challenged the ruling. Now we know what the question of order is all about.

Ruling sustained on the following division:

YEAS — 25

Daily	Strachan	Nimsick
Hartley	Brown	Sanford
D'Arcy	Cummings	Levi
Lorimer	Cocke	King
Lea	Young	Radford
Lauk	Nicolson	Skelly
Gabelmann	Lockstead	Rolston
Anderson, G.H.	Steves	Webster
Lewis		

NAYS — 11

Smith	Phillips	Chabot
Fraser	Curtis	Morrison
Schroeder	Anderson, D.A.	Williams, L.A.
Gibson	Gardom	

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

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

**Mr. Chabot:** Just a couple of questions which the Minister hasn't answered regarding Budget Freezer Foods of Kingsway, Burnaby. I wonder if there is any hope for these people to recover the money which they have invested in meat from this firm — either getting the money or the goods delivered. I have taken the matter up with the department and with the Minister in the month of January, and considerable time has elapsed. I am wondering how long it's going to take. My constituents are approaching me and there are probably other people in British Columbia who are concerned as well. What is the situation? Is there any hope at all of recovering these dollars and, if so, how long will the negotiations that are presently taking place between the department and Budget Freezer Food Processors Ltd. take? How many people really have complained to the Department of Consumer Services that they have been defrauded by Budget Freezer Food Processors Ltd.?

[ [Page 1122](#) ]

**Hon. Ms. Young:** Mr. Chairman, I believe I replied to that earlier. My people have met with the principals of the company and I have information. But would refer the Member to section 9 and section 12 of the Trade Practices Act.

**Mr. Chabot:** I've read it.

**Hon. Ms. Young:** All right, then you appreciate that in this particular situation I'm not at liberty to speak. If you read section 12 you will appreciate that I would be breaking my own legislation if I spoke on this matter.

**Mr. Chabot:** I don't know really whether you would be breaking your oath of secrecy. It appears now that, people who are being bilked in British Columbia no longer have a right to know whether there is any hope of ever

recovering the kind of money that they've put up on these prepaid contracts. Certainly the Minister has a responsibility to either change the legislation that applies to her....

**Mr. Lewis:** What about Commonwealth Trust?

**Mr. Chabot:** These people have the right to know how long these negotiations.... I'm not asking you to divulge to me some of the confidential aspects of the negotiations that are taking place between your department and Budget Freezer Foods. All I'm asking is: is there any hope? I'm asking how many people have been bilked by this outfit in Burnaby. Surely that's not betraying any confidence that is taking place or any of the negotiations that are taking place between the two. Is there any hope that these people will get their money?

**Ms. Brown:** More hope than there was in the past.

**Mr. Chabot:** And the Member for Vancouver-Burrard says more hope than there was in the past. Now what a bunch of nonsense that is. That's an absolute bunch of nonsense and you know it. I want to know. The Minister's not betraying any confidence of what took place between the two parties if I ask the Minister approximately how long more it will take. It's been three and a half months now. How much longer do these people have to wait? How many are there as well?

**Hon. W.L. Hartley (Minister of Public Works):** Mr. Chairman, it's sure interesting to see the hollow man. After 20 years of evasion and frustration... I don't blame him for being frustrated now.

**Mr. Chabot:** Mr. Chairman, would you have that Minister withdraw the statement that he just made?

**Mr. Chairman:** Order, please. On the point of order, I haven't heard the Minister long enough yet to know whether he's out of order.

Interjections.

**Mr. Chairman:** Would the Hon. Member for Columbia River state the point which he would like withdrawn?

**Mr. Chabot:** I wish he would withdraw the derogatory statement he made about me when he stood in his place.

Interjections.

**Mr. Chairman:** Order, please. I presume it was the reference to the fact that another Hon. Member was guilty of something like evasion. Is that correct?

Interjections.

**Mr. Chabot:** I don't have to repeat it if you were listening.

Interjections.

**Mr. Chabot:** I don't like this kind of language in this assembly. (Laughter.)

**Mr. Chairman:** Order, please. I would ask the Hon. Minister of Public Works to withdraw any offensive word against another Hon. Member.

**Hon. Mr. Hartley:** I will withdraw it, but I made no offensive statements. I didn't say "the fat man;" I said "the hollow man."

**Mr. Chairman:** Would the Hon. Minister withdraw the offensive word unconditionally?

**Hon. Mr. Hartley:** I didn't say "fat man." I will withdraw "man." (Laughter.)

**Mr. Chairman:** Order, please. I ask the Hon. Minister of Public Works to withdraw the statement that he made unconditionally, without comment.

**Hon. Mr. Hartley:** I withdraw, unconditionally.

Interjections.

**Mr. Chairman:** Order, please. The Hon. Minister of Economic Development on a point of

[ [Page 1123](#) ]

order.

**Hon. G.V. Lauk (Minister of Economic Development):** Mr. Chairman, in fairness to all the Members of this House the Chairman must ask the Member to withdraw a specific statement. Now you can't ask the Minister of Public Works to withdraw his whole statement. I heard his speech and I thought it was fine. (Laughter.)

**Mr. Chabot:** I asked the Minister to give some answers, Don't hide behind your legislation. Don't hide behind your legislation.

**Hon. Ms. Young:** It really distresses me. We are meeting with the people. I am not in a position to tell you right now how many people are involved. I cannot tell you. I would tell you that the other side has solicitors involved.

**Hon. Mr. Lea:** Lawyers too.

**Hon. Ms. Young:** That's even worse.

But due to the legislation.... Look, if everything is above board, and I mean actions or processes that are going on, it may eventually be that it will reflect unfairly on a company, or something like that, and that is not right. That was the whole point of the legislation. That was the point of section 7 and section 9 and sections 11 and 12, that firms would be protected against allegations that were later found to be unfounded. That was the whole point.

Last year, when I saw questions on the order paper demanding the name of every consumer, the name of every company complained against, and the nature of the complaint, I drew the attention indirectly of that Member who put those questions on the order paper to it, suggesting that was a very dangerous thing to do because you were in effect condemning a lot of people who were- perfectly innocent merely by mentioning their names, so this is why those sections are there. I will be happy to keep the Hon. Member informed as soon.... The whole thing is very fluid right now. Under section 9 we're doing certain things. Until we finish doing them, we won't know what's there. Got the message?

**Mr. Chabot:** I certainly appreciate that the Minister is doing everything she possibly can to assist these people who have been bilked by this firm. Just one further question in this respect: I wonder if the Minister could tell me whether the principals of Budget Food Processors Ltd., or friends or relatives of this former firm, are operating in British Columbia the same kind of operation under a different name?

Vote 31 approved.

On vote 32: general administration, \$1,798,344.

**Mr. L.A. Williams (West Vancouver-Howe Sound):** I wonder if the Minister could indicate whether her present departmental establishment is up to the number of 45 which was shown for the last fiscal year and to what extent she believes she will be able to hire the additional 23 people who are to be taken on to the establishment during the current fiscal period.

**Hon. Ms. Young:** In the community programmes branch, that includes our debtors' assistance programme which, at the time the estimates were brought forth last year, we did not have. That came in with the Act, but that is included in these estimates, so those people are included.

In addition, in this section we have the Cemeteries Act, and we have the personnel associated with that. Those are some of the increases, and also there have been increases in numbers of personnel. We have found that we simply did not have enough people. For instance, in our Vancouver office we had to extend the staff substantially. The problems in that large metropolitan area were so numerous that we simply had to have additional staff.

**Mr. L.A. Williams:** I am sorry the Minister didn't understand my question. How many do you have on staff now? You are calling for 68 in your total department. I want to know whether you have filled all of the positions which are listed in these estimates. That is question No. 1.

There are other matters, Mr. Chairman, on which I think I'd like to hear from the Minister. I notice that the Legal Services Branch, except for three clerk-stenographers....

**Hon. Mrs. Dailly:** Mr. Chairman, I wonder if I could ask the Hon. Member if he has a number of further questions.

**Mr. L.A. Williams:** Yes.

**Hon. Mrs. Dailly:** All right. Then, Mr. Chairman, I move that the committee rise, report resolution and ask leave to sit again.

Motion approved.

The House resumed; Mr. Speaker in the chair.

**Mr. Chairman:** Mr. Speaker, the committee reports resolution and asks leave to sit again, Leave granted.

[ [Page 1124](#) ]

### **Presenting reports.**

Hon. Mrs. Dailly tables the first report from the Universities Council of British Columbia.

Hon. Mrs. Dailly moves adjournment of the House. Motion approved.

The House adjourned at 5:57 p.m.

---

[ [Return to Legislative Assembly Home Page](#) ]