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Official Report of DEBATES OF THE LEGISLATIVE ASSEMBLY

(Hansard)

THURSDAY, FEBRUARY 14, 1974

Afternoon Sitting

[<u>Page 205</u>]

CONTENTS

Routine proceedings

Administration of Justice Act (Bill 2). Hon. Mr. Macdonald. Introduction and first reading -205Bonded Businesses Act (Bill 27). Mr. Wallace. Introduction and first reading -205Senior Citizens Home Repair Assistance Act (Bill 28). Mrs. Jordan. Introduction and first reading -205Training on the Job Act (Bill 29). Mrs. Jordan. Introduction and first reading -205Occupiers' Liability Act (Bill 4). Hon. Mr. Macdonald. Introduction and first reading -205Frustrated Contracts Act (Bill 5). Hon. Mr. Macdonald. Introduction and first reading -205Oral questions Closed-door discussions on Vancouver public transit. Mr. Bennett — 205Government policy on single department for transportation. Mr. D.A. Anderson -206Sooke Road flooding. Mr. Wallace — 206Autoplan applications. Mr. Curtis — 206

Possibility of 15 days free auto insurance.

Mr. Morrison — 207

Possible prosecution of insurance companies.

Mr. Gardom — <u>209</u>

Budget debate (continued)

Hon. Mr. Nicolson — Mr. Fraser — Mr. Nunweiler — Mr. Curtis — Ms. Sanford —

THURSDAY, FEBRUARY 14, 1974

The House met at 2 p.m.

Prayers.

HON. D.D. STUPICH (Minister of Agriculture): Mr. Speaker, in the galleries today we have a group of students from Nanaimo Senior Secondary High School. I'd like to ask the House to join with me in welcoming them, and sending them away with an impression of the House that will make them want to come back again some day in the future.

MRS. P.J. JORDAN (North Okanagan): Mr. Speaker, today is the traditional day of love and quivering arrows. I see I've been so favoured with love and quivering arrows from the Premier, and I'd like to thank him very much. I would note that the card is signed, "Davey Baby" and not "Robin Hood," so I trust this augurs well for the Member for North Okanagan.

MR. G.S. WALLACE (Oak Bay): Mr. Speaker, I'd like the House to welcome a class of grade 11 students from Oak Bay Senior Secondary School with their teacher, Mr. Don Taylor.

Introduction of bills.

ADMINISTRATION OF JUSTICE ACT

Hon. Mr. Macdonald presents a message from His Honour the Lieutenant-Governor: a bill intituled *Administration of Justice Act*.

Bill 2 introduced, read a first time and ordered to be placed on orders of the day for second reading at the next sitting of the House after today.

BONDED BUSINESSES ACT

On a motion by Mr. Wallace, Bill 27, *Bonded Businesses Act*, introduced, read a first time and ordered to be placed on orders of the day for second reading at the next sitting of the House after today.

SENIOR CITIZENS HOME REPAIR ASSISTANCE ACT

On a motion by Mrs. Jordan, Bill 28, *Senior Citizens Home Repair Assistance Act*, introduced, read a first time and ordered to be placed on orders of the day for second reading at the next sitting of the House after today.

TRAINING ON THE JOB ACT

On a motion by Mrs. Jordan, Bill 29, *Training on the Job Act*, introduced, read a first time and ordered to be placed on orders of the day for second reading at the next sitting of the House after today.

OCCUPIERS' LIABILITY ACT

Hon. Mr. Macdonald presents a message from His Honour the Lieutenant-Governor: a bill intituled *Occupiers' Liability Act*.

Bill 4 introduced, read a first time and ordered to be placed on orders of the day for second reading at the next sitting of the House after today.

FRUSTRATED CONTRACTS ACT

Hon. Mr. Macdonald presents a message from His Honour the Lieutenant-Governor: a bill intituled *Frustrated Contracts Act*.

Bill 5 introduced, read a first time and ordered to be placed on orders of the day for second reading at the next sitting of the House after today.

Oral questions.

CLOSED-DOOR DISCUSSIONS ON VANCOUVER PUBLIC TRANSIT

MR. W.R. BENNETT (Leader of the Opposition): Mr. Speaker, I would like to direct my question to the Minister of Municipal Affairs in regard to public transit in the greater Vancouver area. Would this Minister advise the House if it is government policy not to hold these discussions in public? And would he advise the House what purpose these closed-door discussions would serve?

HON. J.G. LORIMER (Minister of Municipal Affairs): There will be public hearings, of course, in regard to the transit. The question of the closed-door meetings, of course, is involving areas in which acquisition of lands will be discussed. They will have to be closed-door meetings.

MR. BENNETT: A supplemental, Mr. Speaker. If there are closed meetings with publicly elected officials, how do you propose to keep them secret? Is there an oath of secrecy involved?

HON. MR. LORIMER: No, I just hope that I can trust the elected people who also have closed meetings when they're dealing with this sort of subject in their own council chambers.

[Page 206]

GOVERNMENT POLICY ON SINGLE DEPARTMENT FOR TRANSPORTATION

MR. D.A. ANDERSON (Victoria): I have a question to the Minister of Finance as to whether the Minister of Highways (Hon. Mr. Lea) is expressing government policy when he advocated a single department of transportation responsible for highways, ferries, urban public transport, rail and commercial transportation.

MR. SPEAKER: Is this a statement on your own authority?

MR. D.A. ANDERSON: No, Mr. Speaker, it is a statement made outside the House by the Minister of Highways. I ask whether it's government policy.

HON. D. BARRETT (Premier and Minister of Finance): We don't check on every Minister's statement.

He's entitled to his opinion. This is a different government than the previous one.

MR. D.A. ANDERSON: Mr. Speaker, I am in no way critical of the Minister's proposal, which I feel is a good one.

May I ask further, then, whether there were any management studies commissioned and undertaken to evaluate the cost increases and efficiency decreases of cabinet expansion over the last 18 months?

HON. MR. BARRETT: There's really nothing to compare our slight increase with. If we do it in relative terms with Ottawa, we are so far behind it is impossible to compare.

MR. D.A. ANDERSON: Do you admit that it has decreased in efficiency?

HON. MR. BARRETT: Well, I don't know. Why don't you...?

SOOKE ROAD FLOODING

MR. WALLACE: Mr. Speaker, could I ask the Minister of Highways a question with regard to the serious flooding on the Sooke Road area? Could he tell us what longer-term plans there are to relieve this serious situation, and to what degree there is a real health hazard? I understand that more than one homeowner has been advised to leave his home because of the danger from contamination of septic tanks. Would the Minister care to give a statement in answer to these questions?

HON. G.R. LEA (Minister of Highways): Mr. Speaker, it's not under my jurisdiction.

MR. WALLACE: A supplemental question. Could I then try and get this defined? This homeowner in particular has contacted three separate departments of this government and has just been given that useless answer, that "it's nobody's responsibility." Now I think it's about time one Minister took the responsibility for what has happened on Sooke Road. I would like some Minister to stand up and explain who is responsible.

AUTOPLAN APPLICATIONS

MR. H.A. CURTIS (Saanich and the Islands): Mr. Speaker, to the Minister of Transport and Communications. Could the Minister confirm that out of the expected 1.3 million automobile insurance applications to be processed, approximately 450,000 have been processed thus far? That figure comes from perhaps Monday or Tuesday of this week.

HON. R.M. STRACHAN (Minister of Transport and Communications): Monday or Tuesday of this week? I think you've been misinformed. I had a meeting yesterday with the manager of the Insurance Corporation, and the figure I was given was between 600,000 and 700,000 in the works right now.

MR. CURTIS: Supplementary, Mr. Speaker. That still represents something approximately half, or just under half, of the total expected premiums. The Minister, I assume, realizes there are 13 working days left in February.

HON. MR. STRACHAN: Yes. Again your figures, Mr. Member, are not quite correct. There are 1,000,000 passenger vehicles in the province; there are approximately 6,000 people to handle this job. I'm quite confident that people will come in and they will be handled.

I've spoken to a number of the agents and they're quite prepared to handle the crowds as they come in. I've already had discussions with the Motor Vehicle Branch with regard to staying open on Saturdays, and so on.

I'm quite confident that with that number of people able to.... And I've timed it myself — it takes about four minutes to fill out the standard form; it takes about six minutes for the APV-9. You can work it out anyway mathematically. But, as you say, there are still 13 working days. But it will be more than that as they will stay open

later. As far as I'm concerned, I would simply ask from the Members of this House....

Interjections.

SOME HON. MEMBERS: Order, order.

[<u>Page 207</u>]

MR. D.M. PHILLIPS (South Peace River): If you were over here you'd tell the people not to buy insurance until the last day.

MR. SPEAKER: Order, please.

HON. MR. STRACHAN: Mr. Speaker, I would ask the Members of this House to help the ICBC get the people in.

MR. PHILLIPS: So should you.

HON. MR. STRACHAN: That's all I'm asking.

POSSIBILITY OF 15 DAYS FREE AUTO INSURANCE

MR. N.R. MORRISON (Victoria): I'd like to address my question to the Minister of Transport and Communications. In this morning's Province and widely throughout the province through the other media, ICBC has announced that there will be approximately 2,500 motorists who will receive free auto insurance for the last 15 days of this month.

SOME HON. MEMBERS: Oh, oh!

MR. MORRISON: I'd like to ask how they propose to handle it. Why was it necessary? I'd like to find out what happens to those people who have been looked after. Can they ask for a rebate also — for 15 days free insurance?

SOME HON. MEMBERS: Hear, hear!

HON. MR. STRACHAN: I haven't seen the story you're referring to, but I do know it was looked at. I want the Members to remember the problem that many individuals have had for more than six months in attempting to obtain interim insurance from the private insurance companies....

MR. PHILLIPS: Who created that problem?

AN HON. MEMBER: Whose problem was it?

MR. SPEAKER: Order, please.

HON. MR. STRACHAN: The company who promised....

AN HON. MEMBER: Will there be a refund?

AN HON. MEMBER: You can't blame us. (Laughter.)

AN HON. MEMBER: Will there be refunds? Yes or no.

HON. MR. STRACHAN: The companies who promised co-operation during the transition period.... I want you to remember the charges that were levelled against the individual by the private companies for that rate. We

examined the situation and in this last two-week period it was decided that rather than go through a procedure of charges which would have cost as much as the fee would have been, this was the most expeditious way of handling it. I would remind you also....

Interjection.

HON. MR. STRACHAN: It's not ad hockery. I want to remind you that....

AN HON. MEMBER: Mockery ad hockery.

HON. MR. STRACHAN: I hear all sorts of statements about ICBC, but you don't want to listen to what the situation is. There are people who don't want this system to work.

AN HON. MEMBER: Whatever gave you that idea?

Interjections.

MR. SPEAKER: Order, please.

HON. MR. STRACHAN: Because now, okay, I'm trying....

MR. SPEAKER: I would ask the Minister to confine himself to an answer.

HON. MR. STRACHAN: I'm trying to answer the question.

MR. PHILLIPS: I don't think you want it to work the way you keep putting us off.

MR. SPEAKER: Order, please.

MR. MORRISON: Come on, sit down. I've got another question to ask.

HON. MR. STRACHAN: The accusation was that it was ad hockery. I want to tell you it's a continuation of the system that was started last August because the fire insurance companies refused to continue to support their own system of exchange. We have to move in and support the exchange.

Interjections.

HON. MR. STRACHAN: This is simply a continuation of our operations within the insurance

[Page 208]

field which we had to pick up because of the failure of the private insurance companies who have let the people of this province down, and down badly.

MR. MORRISON: I have a supplemental to that. I'd like to know exactly what happens, then, if an individual has an accident between now and March 1 and has no insurance. Now, does that mean that ICBC will pay the damage and the claim and any liability that might be part of it if that man is on the road in the next two weeks with no insurance? Is that exactly what you mean?

AN HON. MEMBER: Free coverage.

MR. MORRISON: No?

HON. MR. STRACHAN: Now, my understanding of the situation is: he goes into an agent and he gets an interim certificate which indicates he's carrying insurance for that period.

MR. MORRISON: For free.

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

MR. MORRISON: He gets that for free.

HON. MR. STRACHAN: So he has insurance; he's covered. But if you want some more information....

AN HON. MEMBER: We do.

HON. MR. STRACHAN: You people are supposed to read orders-in-council and don't!

I haven't heard a word about the order-in-council, which was passed months ago and which meant we had to invoke I think it was section 109 of the *Motor-vehicle Act* because the private insurance companies, after having collected 3.5 per cent of the premiums up until the end of February, walked away from the whole traffic indemnity fund, absconded with the money, and because we had to invoke that section....

SOME HON. MEMBERS: Oh, oh!

AN HON. MEMBER: Lay a charge. Lay a charge.

AN HON. MEMBER: Be careful what you're saying.

MR. SPEAKER: Order!

AN HON. MEMBER: You're in trouble now. You're in trouble right now.

MR. SPEAKER: Order, please!

HON. MR. STRACHAN: They charged the people 3.5 per cent on their premiums. They walked away from the traffic victims indemnity fund. We brought in that section of the *Motor-vehicles Act* passed under the previous administration and we're happy to take it out of this year's 1973-74 licence fees.

MR. MORRISON: Would you repeat that outside the House?

HON. MR. STRACHAN: I'm reporting to this Legislature.

MR. P.L. McGEER (Vancouver–Point Grey): A supplementary question, Mr. Speaker. I wonder if he could be specific as to the people in the insurance industry who have absconded with funds. We need to know names.

HON. MR. STRACHAN: Every company who collected premiums up until the end of February are included in that 3.5 per cent.

MR. PHILLIPS: Mr. Speaker, I have a supplementary question to the Minister. I would like to know if those people who are unable to obtain their insurance on the last day are going to be covered on subsequent days, the same as those who haven't obtained it prior to the insurance coming in. Are they going to be covered? Those poor individuals who have to wait for that last pay cheque and are unable...because of the line-ups and because of the way you've brought this in — are they going to be covered if they don't get their insurance?

AN HON. MEMBER: Free of charge.

MR. PHILLIPS: Free of charge. Are they going to be covered?

HON. MR. STRACHAN: Everybody is supposed to be in by the 28th day of February. They've been told that's when the insurance comes due. They've been sent notices. They've been told what to do if they don't get notices. It's an entirely different situation between these last two weeks and what happens after the 28th day of February.

MR. PHILLIPS: Mr. Speaker, I would like to ask the Minister: is he going to answer my question in a simple yes or no?

AN HON. MEMBER: Double standard.

HON. MR. STRACHAN: There is no person today under the laws of this province who can legally drive

[Page 209]

a car without insurance or a licence.

MR. PHILLIPS: Would you answer my question? Yes or no.

HON. MR. STRACHAN: Any person.... I understand....

MR. SPEAKER: I think the question has been answered, Hon. Members.

POSSIBLE PROSECUTION OF INSURANCE COMPANIES

MR. G.B. GARDOM (Vancouver–Point Grey): I have a question to the same Minister. Since he has accused corporations of absconding with funds, which is an offence against the Criminal Code of Canada, has he reported that to the Attorney-General? Will steps be taken towards prosecution? Or is the Minister prepared to withdraw the remark or resign?

SOME HON. MEMBERS: Hear, hear!

HON. MR. STRACHAN: I didn't use that....

AN HON. MEMBER: Oh, yes you did.

MR. GARDOM: Abscond. Absconding with funds.

HON. MR. STRACHAN: I didn't use it in the criminal way....

SOME HON. MEMBERS: Oh, oh!

HON. MR. STRACHAN: They kept the funds.

MR. GARDOM: Curiouser and curiouser!

MR. McGEER: I'd like to ask a supplementary question of the Minister, if I may, Mr. Speaker. Will steps be taken by the government to recover the 3.5 per cent and return that to the motorists who paid?

HON. MR. STRACHAN: Well, I don't know of any procedure under which we can recover, first of all, the 3.5 per cent, or secondly, the reserve accumulated by the private companies from the policy holders over all the years they were in....

Interjection.

HON, MR. STRACHAN: I don't know of any way in which these funds can be recovered.

Interjections.

HON. MR. STRACHAN: I don't know of any way in which these funds can be recovered. I don't know of any way in which either of those two groups of money can be recovered.

MR. McGEER: Why don't you ask the advice of the Attorney-General (Hon. Mr. Macdonald)? (Laughter.)

AN HON. MEMBER: He needs a walkie-talkie.

Orders of the day.

ON THE BUDGET

HON. L. NICOLSON (Minister of Housing): Mr. Speaker, I welcome this opportunity to say a few words about the housing situation in British Columbia and what my department is doing about it.

The shortage of decent housing at a reasonable cost poses a serious challenge to this government and all the people of British Columbia. But this has not come about through any decrease in the growth of the housing starts. In fact, preliminary figures that I have obtained indicate that a record 37,627 new housing starts occurred in the province in 1973. This figure represents an increase of 6.5 per cent over 1972. In metropolitan Vancouver housing starts were up 6.9 per cent last year, and in communities with less than 10,000 population, they were up 19.4 per cent.

Despite this, we are not building new homes fast enough to house all the people who are arriving to take advantage of opportunities in this province.

It is true to say that many of the housing problems in this province stem from our high rate of economic growth. As economists are now beginning to recognize, too rapid economic development can have serious social and environmental costs, and a shortage of housing is often one of these costs.

It is the intention of this government to achieve balanced economic and social development. I can assure you that we are taking steps to put a great many new homes on the market.

The Vancouver press calls it a housing crisis when the middle class has trouble locating suitable accommodation. Unfortunately they fail to realize that there has been a continual housing crisis over the years for families of low income. Let me assure you, Mr. Speaker, that this government is dedicated to the proposition that good housing at a reasonable cost is the right of each and every British Columbian, regardless whether he is rich or poor, lives in Vancouver or Chetwynd, comes from pioneer stock or is a newcomer to this province.

Mr. Speaker, I do not intend to dwell at length on the causes of the present housing shortage, for these are becoming increasingly well-known. As a great

[<u>Page 210</u>]

scholar once wrote, the task is not to understand the world but to change it. It is enough to mention that while high interest costs and soaring prices of building materials have their part to play, the most important factor is the scarcity of serviced lots.

Associated with this lack of land that can be immediately built upon is the problem of inappropriate urban densities. The typical single-family home simply no longer is an appropriate form of accommodation in metropolitan Vancouver. It is too wasteful of land. What we must do is to concentrate on forms of residential design that make better use of land.

The innovations are catching on, Mr. speaker. For example, while a year ago the zero-lot line concept was untested, now zero-lot line developments are being built or are underway in Coquitlam, Surrey, Pitt Meadows, Langley and other municipalities. I understand that the planned unit development concept received wide acceptance at the Greater Vancouver Regional District Board meeting yesterday, as being the most appropriate way to develop the large tracts of land remaining in the lower mainland.

The recognition that provincial government action is necessary to come to grips with housing problems came

late in British Columbia. In fact, when this government took over its responsibilities less had been done about housing by the government than by any other province in Canada. In fact, the Social Credit government simply did not recognize that housing is a provincial responsibility. This is unfortunate. However, I am determined to bring British Columbia up to date, not by simply copying the housing programmes of other provinces, but by using innovations to put British Columbians in the forefront of those jurisdictions who are prepared to take strong measures to house their people.

When I was appointed Minister Without Portfolio last year, I found that what housing programmes the province had were scattered hither and yon. The director of home acquisition reported to the Minister of Finance; the administration of the Elderly Citizens' Housing Aid Act was the responsibility of the Provincial Secretary, whereas Municipal Affairs looked after public housing and urban renewal. Incredibly, the previous government had but one civil servant responsible for social housing programmes.

The previous government's lack of interest in housing meant that the province was forced to rely practically exclusively on the services of Central Mortgage and Housing Corporation. Public housing was developed on a federal-provincial basis under section 40 of the National Housing Act, an extremely cumbersome and time-consuming procedure which entailed architects' designs being prepared in Ottawa by people unfamiliar with communities for which the accommodation was destined.

An example of the federal-provincial approach used by the former government was that a large senior citizens' project for Vancouver's West End was initiated in 1968 and it is still under construction. The document I have here is a chronology of every bureaucratic bungling that went into that development, and it is a very sorry story of delay on the part of civic agencies and interference at CMHC's head office. I have here a list of some 137 correspondences, letters and Telex messages. This doesn't include the phone calls that took place between October of 1968 and February of 1973.

Instead of following the red-tape written procedures of the former government, I have directed the Department of Housing to make use of section 43 of the National Housing Act, under which the province becomes the initiator by simply borrowing the necessary funds from Ottawa. Under this procedure it will be possible to employ builders' proposals which are often more realistic in terms of both design and price than asking for tenders on the basis of architects' designs.

The former governments also gave little interest to land assembly, except as giveaways to their friends such as Alcan in Kitimat, Crows Nest Industries in Fernie, and Tahsis in Gold River. It is really remarkable to go into these communities and see the hamstrung municipal councils in these company towns where there is not one bit of land that was ever set aside, even as recently as slightly over 20 or 25 years ago when the Alcan agreement was negotiated, apparently not realizing that this is a crucial and successful prerequisite to a housing programme.

It might be of interest for the House to know that in 1973 we have acquired over 746 acres of land for housing in 17 municipalities. This is a vastly greater programme than occurred in any of the years under the Social Credit administration. Although the former government did nothing to encourage co-operative housing, today there are nearly 1,000 co-operative rental dwellings under construction or in the planning stage in nine different communities.

The measures I have taken, although they are only an indication of things to come, illustrate the callousness and ineptitude of the previous administration in relation to meeting the housing needs of British Columbia. I will dwell on co-operatives a little later.

Mr. Speaker, after having had an opportunity to study the housing policy in depth for a number of months, I am now able to sketch out the general approaches that I intend to take.

In the first place, the purchase and servicing of land that was started last year will be continued, but with an emphasis on achieving quick housing starts rather than long-term land banking.

What we are now engaged in is the development of a strategy to put housing on each and every piece of

[<u>Page 211</u>]

land that has been acquired by the province. And this includes the University Endowment Lands and the Blair Rifle Range in North Vancouver. For the first part, the government will lease rather than dispose of land on a fee simple basis, because we believe that it is proper that future further private speculation be prohibited and that any windfall profits that accrue should accrue to all the members of the community.

I am particularly pleased with the response to my offer to municipalities to enter into agreements for servicing land with water and sewers. Under this arrangement municipalities are authorized to prepare lands and accept bids for servicing, with the provincial government underwriting the total costs. Arrangements for servicing are now going ahead in Kamloops, Chetwynd and Williams Lake — but the Hon. Member for Chetwynd (Mr. Phillips) is not interested.

In the planning stages are servicing operations in Port Hardy, Prince Rupert, Mackenzie, Saanich, Port McNeill, Alert Bay, Squamish, Campbell River, Ladysmith, Cumberland, Courtenay, Penticton, Powell River and Fort Nelson. I'll have more praise for Penticton in a few minutes. I would welcome more requests from municipalities and provide them with assistance of this nature.

This government believes that mobile homes can provide decent accommodation for many British Columbians. With the Mobile Home Tax Act these premises became part of the municipal assessments for the first time, thereby giving mobile home dwellers the same status as ratepayers. One of the difficulties in expanding the amount of this accommodation has been the problem of obtaining land for mobile home parks. To remedy this situation, the Department of Housing is entering into an agreement with the municipalities of Nakusp, Port Hardy, Elkford and Prince Rupert to develop mobile home parks.

The Minister of Consumer Services (Hon. Ms. Young) has also taken a keen interest in mobile homes from the point of view of upgrading standards of construction and management of mobile home parks.

As our province has the highest proportion of elderly people in Canada, it is only natural that there is a strong demand for various types of senior citizens' housing. To immediately come to grips with the need for senior citizens' housing, last July I wrote to the mayor of every municipality in the province inviting them to request the provincial government to build senior citizens' housing in their community. This initiative has produced approximately 1,200 units in the construction or planning stages in such places as 100 Mile House, Victoria, Penticton, McBride, Kamloops, Prince Rupert, Oak Bay, Lillooet, Terrace, Vancouver, New Westminster and Burnaby.

I've determined that the needs of elderly British Columbians should be primarily met by the senior citizens' housing development by non-profit sponsors such as churches, service clubs and other citizen groups. It is preferable that local people and volunteers be involved in looking after the elderly rather than a large government agency.

Therefore, when I took over the responsibility of the Elderly Citizens' Housing Aid Act, I decided that this measure would be the principal one to aid in the construction of senior citizens' housing. I will be taking steps to ensure that this legislation can meet the needs of a broad income range of elderly people and produce the quality of housing required.

Mr. Speaker, in recent years the production of housing under the Elderly Citizens' Housing Aid Act has been held up by municipalities objecting to the tax exemption they were obliged to give to this accommodation. Today, I wish to announce that the government has agreed to amend the Municipal Act at this session in order to change the obligatory municipal tax exemption for new developments to a permissive one. This means municipalities will be able to include such housing in their assessments for the first time.

To protect elderly residents from rent increases resulting from this change, the Department of Housing will be willing to enter into rent supplement agreements with the sponsors of elderly citizens' housing aid developments.

As there are now a great many senior citizens' developments awaiting approval for grants under the Elderly Citizens' Housing Aid Act, I intend to see that these applications are quickly processed in co-operation with the

officials of the Departments of Human Resources and Health. The \$10 million that is allocated for construction of housing for senior citizens is more than double the amount of any previous year. I think the year ahead will see a vast expansion in the building of homes for the pioneers who made this province what it is today.

Rental housing has been made less attractive by federal amendments to the Income Tax Act and other measures, with which I agree incidentally; I'm not against the recommendations of the Carter Commission. But recognizing this fact, the provincial government realizes it will have to help fill the gap by building and operating rental accommodation. Such accommodation is particularly needed for families with small children who find themselves discriminated against in the housing market by landlords who would rather not provide the facilities which children need. Approximately 1,000 family rental houses under provincial auspices are in the planning stage and we will be building many more.

But let me stress that we don't intend to build public housing of the type favoured by the previous government, in which all the tenants are heavily

[Page 212]

subsidized. We intend to have a range of income groups in our family rental housing. Some families will be well off and others poor. This will be achieved by subsidizing only a portion of the units. In large projects the subsidized units will not exceed approximately a quarter of the total residents.

In addition, my officials are developing a new rent supplement system which should do away with the old public housing rent scale.

To encourage municipalities to request family rental housing and to co-operate with this development, I am pleased to further announce today that the 12.5 per cent operating subsidy, which the previous government — that group over there — required municipalities to pay, will be abolished for new projects effective April 1. This is in line with the government's overall policy of lessening the cost of social programmes to municipal ratepayers. I should add that all family rental projects pay full municipal tax.

Soon after I took over my responsibilities, I realized that co-operative housing is one of the soundest ways of meeting the housing needs of low- and moderate-income people. Co-operative housing, Mr. Speaker, provides for citizen participation in its design and management, and also results in lower than market rents.

Yet co-operative developments, such as the one in Abbotsford, started in about 1968, and Vancouver's Amor de Cosmos Village received no special help from the previous government other than what was available to anyone else by way of home acquisition grants. In fact, they allowed such groups as the Barkley Sound Housing Co-operative up island to flounder.

In contrast with that, this government, with the assistance of the United Housing Foundation, a non-profit organization, was able to step in and help the Burquitlam Housing Co-operative when it was in trouble. Today the people who invested both their money and their dreams in that Burquitlam Housing Co-operative see it as a reality, and it's now occupied. One can only speculate on what might have been done by the previous administration.

The Department of Housing now actively assists co-operative housing projects by leasing land at a ground rent of 4 per cent of its value and by providing bridge financing.

My personal enthusiasm for co-operative housing has in recent months been justified by the dramatic increase in the demand for this type of accommodation. I'm informed by the United Housing Foundation, the main promoter of co-operative housing, that developments are now selling out considerably in advance of their completion. The day of experimentation is over, so I've engaged Mr. Glen Haddrell, director of the National Co-operative Housing Foundation in Ottawa, to advise us on how the co-operative housing sector can most rapidly be expanded.

To provide a means of upgrading older residential neighbourhoods I have on behalf of the province entered

into an agreement with the federal Minister of Urban Affairs (Hon. Mr. Basford) to secure the application of the Neighbourhood Improvement Programme in British Columbia. Instead of the old bulldozer approach so favoured by the previous provincial government, this programme provides grants for rehabilitation of those dwellings worth saving as well as funds for the improvement of social and recreational facilities in the neighbourhood.

I am pleased that the Strathcona Property Owners and Tenants Association played an important role in halting the old urban renewal programme and developing an approach that can be applied in other communities in the province and, indeed, in Canada.

It is the responsibility of the province to designate which communities shall participate in the Neighbourhood Improvement Programme. So after studying submissions from various municipalities, I'll be making an announcement in early March concerning which communities will receive funding this year.

You will recall, Mr. Speaker, that the Provincial Home Acquisition Act was amended last year to provide that persons who had received an acquisition grant could qualify for a second mortgage loan, providing that the grant was repaid first. It was also amended to provide that persons who had repaid a second-mortgage loan on the sale of property could qualify for another on the same property.

Mr. Speaker, in January, 1974, an all-time record number of acquisition grants and second-mortgage loan applications was received by the Home Owner Assistance Branch which is now under the Department of Housing. It was also an all-time record for the number of applications for grants and loans on new houses. A total of 3,686 applications was received in January. The monthly average for 1972 was 2,500; and for 1971: 2,200. The number of January applications in respect to new houses was 2,196; the monthly average in 1972 was 1,269, and in 1971: 1,115. The amount of the grants and the loans for new houses was approximately \$5 million for the month.

MR. D.E. SMITH (North Peace River): Who initiated that programme?

HON. MR. NICOLSON: And who improved it?

Interjection.

HON. MR. NICOLSON: You didn't recognize Indian reserves, which I'll be discussing later; you didn't recognize mobile home parks; you didn't give

[<u>Page 213</u>]

people a second chance when they were expropriated out of their property. Inflexible, unimaginative.

AN HON. MEMBER: Hear, hear!

HON. MR. NICOLSON: You will also recall, Mr. Speaker, that municipalities have for years complained that they received no taxes from mobile homes, although the residents of such accommodation absorb substantial school and municipal costs. Last year at the spring session we passed the Mobile Home Tax Act to make mobile home owners subject to local taxation and also eligible for the annual homeowners grant as well as benefits under the Provincial Home Acquisition Act.

Since November, 1973, over 400 home acquisition grants of up to \$1,000 were made to mobile-home owners throughout the province, and applications are now coming in at a rate of 200 to 300 per month.

Indians living on reservations for the first time became eligible for the benefits under the Provincial Home Acquisition Act by virtue of amendments passed in the spring, 1973, session of the House. Since July, 1973, 194 acquisition grants on older houses and 765 grants on new houses have been paid to the Indians living on reservations. This represents a sum of \$862,000. Applications are now being received at the rate of 100 to 200 per month.

Mr. Speaker, the Premier announced in his budget speech that I would be seeking the approval of this House

for two new programmes: first mortgage and house conversion loans.

The first-mortgage programme combined with our land leasing policy will create a package that will do more to assist low- and moderate-income people to get into the position of home ownership than has ever been done before by any other government in Canada.

It is necessary for the province to get into the first mortgage business because we have come to the conclusion that the federal government-assisted home ownership programme is simply irrelevant to the needs of many British Columbians. CMHC keeps the house price limitations so low that this programme has little relevance in the Vancouver area.

Also the low subsidy assistance in the federal programme prevents it from reaching low-income people — those who need the help the most.

Another consideration is that we have, in this Province of British Columbia, experienced mortgage famines, which so often account for counter-cyclical financial policies pursued by the federal Department of Finance. We need to have our own mortgage system in the event that the tap is turned off again in Ottawa. This is a start, Mr. Speaker, and we'll be looking for a greater control of our destiny in terms of the supply of mortgage money in the future.

The mortgage programme that I will be bringing before this House will be one that will enable moderateincome families to get a start on home-ownership without providing them with a life-long subsidy. Our first mortgages will initially be restricted to new homes or strata-titled dwellings built on leased Crown land, and the interest rate will vary with income.

Mr. Speaker, as many Members of the House know, there is a need to encourage higher residential areas in some of the large urban areas of this province, without disrupting the neighbourhoods with comprehensive redevelopment. As one contribution to this end, I will be introducing legislation that will offer homeowners mortgage money to convert part of their dwellings into new rental accommodation.

Home improvement loans are available under the National Housing Act. However, these are handled by the banks and I understand they do little to aid "the average working people. There are vast areas of Vancouver, Burnaby and North Vancouver in which owners could take advantage of these house conversion loans that I will be proposing. However, it will be necessary for the municipalities to broaden their areas of two-family dwelling zoning. For the life of me, I fail to understand why two-family dwelling zoning should not pertain throughout the municipality. However, I am pleased to hear that the City of Vancouver will be holding hearings on extension of its narrow duplex areas, to put an end to the fiction of illegal suites.

Let us hope, Mr. Speaker, that the same enthusiasm for duplexing that is catching up in the East End will spread to Shaughnessy as there are a lot of large residences in that area that could be very well converted to provide family housing.

One of the virtues of this system is that it will prevent the destruction of existing neighbourhoods, Mr. Speaker. There is a tremendous pressure where there is single-family zoning to get it rezoned not just to a duplex, but to get it rezoned for multiple-family dwellings. That brings in the bulldozers, that changes neighbourhoods, and destroys communities. That's why we think that this measure will be very productive, very useful, and very timely.

Now, Mr. Speaker, housing programmes are of little use just on paper. We need to move from talk to working with hammers and saws. Therefore in order to put the government in a position to build housing as quickly as possible, we have among other things made an offer to acquire 90 per cent of the shares of Dunhill Developments Limited, a company with an excellent reputation in the housing development field.

The alternatives to acquiring Dunhill were either to engage in a complicated and time-consuming task of establishing a large Crown house-building organization from scratch, or to continue to rely

[<u>Page 214</u>]

completely on consulting firms. I rejected the first proposition for the time being because we must move rapidly to get houses on the market. To rely solely on consultants simply means a lot of expense and nothing left over in the way of architectural or engineering capacity that can be applied to other projects.

I'm pleased to advise the House that 95 per cent of the shares — more than the proportion we required to make our offer for Dunhill — effectively have been tendered. Dunhill is now operating as one of the housing development arms of the province in the Vancouver and Victoria area. I say one of the arms because the Department of Housing will continue to develop housing through other arrangements such as tenders and builder proposal calls, and because I do not rule out the eventual establishment of a major provincial housing corporation. Also I do not intend to so overload Dunhill that it's required to establish additional levels of management. We want to keep it the fine organization that it is today.

MR. R.H. McCLELLAND (Langley): How many houses did you get with Dunhill?

HON. MR. NICOLSON: There was some comment in the press about the price we have offered for Dunhill shares — \$4.28 per share. I must confess being surprised about the presumptuousness of those who are commenting, since I doubt that they know very much about the company. However, I can assure the people of this province that they're getting full value for the money for the acquisition in Dunhill. The price that the province offered is completely justified by our appraisal of the company's land assets.

MR. G.B. GARDOM (Vancouver-Point Grey): Who did the appraisal?

HON. MR. NICOLSON: We paid no premium for their management team, even though I expect it to be one of considerable assistance in delivering my housing programme.

As far as Dunhill's land holdings are concerned, these will be disclosed as the takeover transaction is completed.

Of course, Mr. Speaker, it would be impossible for the provincial government alone to solve the housing problems faced by the province. I'm looking for co-operation from many sources. In particular, I want to work as closely as possible with the house building industry, because they are the people who know what needs to be done if we're to get less expensive homes on the market. I've had a good liaison with the B.C. section of the Housing and Urban Development Association of Canada. But we must work even closer together to see that Volkswagen-type homes are built as well as Cadillac-type homes.

I also need the co-operation of the Central Mortgage and Housing Corporation. The programmes of the Department of Housing are going to require large expenditures of capital funds, and much of these must come from Ottawa. I think that it's logical to argue that the onus is on the federal government to give special consideration to ensuring that adequate funding is available for housing programmes in British Columbia, both because the former government chose to make such little use of CMHC funds and because the high growth rate of this province means that there is a specially strong demand for housing.

So far I've been very satisfied with the service given by Central Mortgage and Housing officials. However, I wish the corporation would decentralize and that decision-making could take place at the regional level, as has been promised, rather than being left to the mandarins in Ottawa.

Of course, Mr. Speaker, the people I need the most co-operation from are the mayors and aldermen of British Columbia's municipalities. This is because many of the important decisions about housing rest on their shoulders. Municipalities can decide whether new developments should go ahead or not and what form they should take. I regret that a few municipalities around Vancouver appear to be discouraging housing. This is something I intend to work on, because I simply will not tolerate outright opposition to providing new homes for the thousands of families in this province that require better accommodations.

MR. D.M. PHILLIPS (South Peace River): What are you going to do — take over city councils?

HON. MR. NICOLSON: In this area, the planning department of the Greater Vancouver Regional District should be congratulated for the steps it is taking to get the Greater Vancouver Regional District Board to adopt a fair share of growth formula. My hope is that the Greater Vancouver Regional District speeds up its deliberations, because it's such a vital matter and it is better for the municipalities to work out their own formula for growth sharing than to have it imposed.

Fortunately, most municipalities are sympathetic to housing people. The City of Vancouver is to be commended for its careful planning of the False Creek area which should provide new homes for many thousands of people. I hope that adequate consideration will be given to rental and co-operative housing in this scheme. The City of Vancouver's housing committee, ably led by Alderman Michael Harcourt, is also pressing for the renovation of hotels and lodging houses in the skid row and Gastown areas. I can assure him that my department will do its utmost

[Page 215]

to co-operate in this matter.

The City of Port Moody is putting housing first by planning in its North Shore district. To help finance in this scheme and to ensure that it provides housing for all income groups, the province will provide bridge or interim funding.

The City of Penticton has led the way, as far as the participation of the smaller communities in housing developments is concerned. Penticton is developing a subdivision for 63 modest homes which will be purchased and sold by the municipality with the province providing the bridge financing which is required until the Central Mortgage and Housing financing can be given to the purchaser.

I must say that in a very short time we've had a very good liaison with Mayor Frank Laird of Penticton. He's been most co-operative in this matter and we're looking forward to greater things in that area.

In addition, the City of Penticton has provided considerable assistance in the way of capital and land to Penticton and District Retirement Service, a non-profit society which is imaginatively putting together a package of a special-care home and a senior citizens' centre and a 125-unit provincial senior citizens' apartment building. I might say on that point, Mr. Speaker, that we already have other municipalities coming to us and saying, "We want to go on the Penticton model." We've got the model there. We have the precedent with Central Mortgage and Housing, and I can assure the other municipalities there'll be no hang-ups from this department.

I'm also gratified that the Greater Vancouver Regional District intends to set up a non-profit housing corporation to build rental housing for low and moderate-income people. To facilitate the Greater Vancouver Regional District plans I'm prepared to provide bridge financing in order to see that some of these homes which they build are eligible to receive provincial rent supplements. This offer also holds good for any other municipality or regional district that wishes to set up a non-profit organization to build housing, especially for low-income people.

Mr. Speaker, I was really astonished that the Leader of the Opposition (Mr. Bennett) had the courage to make charges earlier last week about the lack of government action on the housing front, when one considers the pathetic record of the previous government in obtaining Central Mortgage and Housing funds for family and senior citizens rental housing and land assembly in British Columbia.

Just listen to how much the Social Credit administration obtained from Ottawa in the last decade. In 1963 — nil; in 1964 — \$5.4 million; then \$2.5 million; then \$2.3 million; \$13 million; \$10.4 million; \$11.5 million. In 1970 they finally did something — \$23.5 million; 1971 — \$20.8 million; 1972 — \$23.9 million.

Mr. Speaker, in 1973 Central Mortgage and Housing Corporation committed \$72.2 million for family and senior citizens rental housing and land assembly — more than triple the amount in any previous year. In fact, it was two-thirds the amount for the entire cumulative previous decade. And I can assure you that we're going to get Ottawa

to devote a great deal more money in the current year for provincial housing programmes.

Last week the Premier announced that \$50 million is to be placed in my department's estimates for housing and development. This is 900 per cent more than was allocated for this purpose in any previous budget. Where will this money go? It will be spent on initiating 2,500 family rental housing units in the towns and cities in British Columbia in the coming year. It will be used for 3,000 senior citizens housing units. It will be used to provide land for 1,500 co-operative housing units that I want to see built in the coming year.

It will be used to service more than 1,000 home lots and Crown subdivisions throughout British Columbia. And it will be used to buy land for the massive housing programmes we're planning in the coming year and for the upcoming years to follow. It will also be used to help municipalities meet the cost of neighbourhood improvement programmes.

The targets that I just have mentioned may come back to haunt me. I can assure you, Mr. Speaker, that, one way or another, I am determined to see that the people of this province are properly housed; that the scream of fire engines is not a nightly occurrence in East Vancouver; that the elderly citizens have quiet and comfortable places for their retirement; that children do not have to sleep three and four to a room, and that low-income people do not have to pay such a high rent that they have nothing left over for food and clothing. Good housing, Mr. Speaker, is the right of all British Columbians, and I'll see that they get it.

MR. A.V. FRASER (Cariboo): Mr. Speaker, first of all I'd like to wish you a happy Valentine's Day, and all Members of this House. They're all good people you know, Mr. Speaker, in this Legislature, but some of them are mixed up a little politically. That doesn't stop me from wishing you all a happy Valentine's Day.

I want to congratulate the Member that just spoke — the Hon. Minister for Housing (Hon. Mr. Nicolson) — and I wish him well in his programmes, in the latter part of which he said he was going to spend \$50 million. I very much question that he'll get that spent. But in any case, I wish him luck.

I would like to take him to task in view of his remarks at the beginning of his address when he said that the prior administration had never done anything

[<u>Page 216</u>]

about housing.

I would like to remind him that it was the Social Credit administration that inaugurated the homeowner grants in British Columbia. I might say, Mr. Speaker, they inaugurated them long before that Minister was ever born. So I don't know what he's talking about. It's now been copied all across Canada.

How about the home acquisition grants, first mortgages for \$5,000 and mortgages on older homes at \$2,500? Who inaugurated that? It was the first in the western world as far as that goes. Something that we lose sight of.... They always like to remind us of what happened in that "bad 20 years."

I'll remind you of some good things that were inaugurated, again, long before you were born, Mr. Minister: the development of Crown subdivisions by the prior administration; and one of the most successful projects — and still going on — which I note you take credit for, is in the great City of Prince George. We have one of the exalderman here who knows how successful that was. And that was certainly not during your regime, as you are trying to lead us to believe.

I think that some of the announcements this Minister's made today will probably slow up housing. He really has said that in this province we are going to have lease-only policy for future housing. I say to him that the people of this province will be serfs of the state forever, and they will not go along with this problem.

As far as senior citizens housing projects are concerned, that again was started by the prior administration, practically before this Minister was born. Nobody could criticize the programme that was instituted, and now I'm

happy to see that he's carrying on.

We have a lot better housing critics than I, Mr. Speaker, but I couldn't let this young and new Minister get away with these remarks right off the bat.

I'm happy to participate in the budget debate. It's the first budget in the history of this province that has exceeded \$2 billion. The budget for 1973-74, the fiscal year that we're in, was for \$1,700 million. In fact, it was so underestimated that the revenue for this fiscal year ending March 31 will exceed the budget estimates by approximately \$500 million. In effect, this year, concluding in 1974, this budget will really go over \$2 billion.

I would anticipate, due to the budget brought down by the Hon. Minister of Finance, that he has missed the revenues and the estimates in this budget by about \$500 million. I believe he budgeted some \$2,177 million, and I wouldn't be surprised to see, when the year ends March 31, 1975, that this budget will probably take in and spend closer to \$2,700 million.

There are a few items that I'd like to comment on in the budget. On the revenue side of the budget in this fiscal year the Minister of Finance budgeted for \$90 million from timber sales. I refer to the stumpage derived from the sale of public timber in the province.

They budget at \$90 million. In effect, they are going to take in around \$230 million, Mr. Speaker, by March 31, 1974. This, of course, is caused by buoyant world markets for all wood products; the provincial treasury was the beneficiary of that, and that is good. But what the Minister of Finance goes on and does — and I think he's incorrect — is to assume that this amount of funds is going to continue in the fiscal year 1974-75. I predict that this will not happen, unless a few other things happen.

What I am really saying, Mr. Speaker, is that we are now currently in a depressed lumber market, a good pulp market and a fairly good plywood market. But the price of lumber is off \$40 or \$50 a thousand, and it has been off since November. I would like to see it come back, but I doubt that it will.

In view of this fact and that stumpage rates are — and have been up till now — tied into the sale of lumber products, this is going to have a direct effect on the revenues for the 1974-75 year. Therefore, I don't agree that we should be budgeting from this source of revenue in the amount of money like we have received in this last year — this buoyant year of 1973.

There is, of course, one thing that can happen. For the drop in revenues under the present formula they can institute new policies of taxation for timber to take up the slack. I only say to the government that I hope they're not entertaining this because the forest industry of this province is the most heavily taxed industry in this province and, in the forest industry, in the western world. Their rate of taxation is around 50 per cent. I feel that if this is raised further by further levies, we won't have any more major forest industry in this province. And it will backfire all along the line.

There is no relief in this budget for our citizens from the 5 per cent tax — the 5 per cent sales tax — gasoline tax, fuel oil tax, personal income tax, or succession and gift taxes. Inflation is working a real hardship on all our citizens and the Minister of Finance could well have reduced the burden on our citizens on some of this heavy tax load, to help them with their inflation problems.

I was very surprised to see the amount of funds allocated for education. In relation to the total budget, the Education department is getting 5 per cent less of the budget than they received two years ago. I say I am surprised, Mr. Speaker, because the NDP campaigned in 1972 and stated that education was in a mess and that it was a high priority item for them.

They've now been government long enough to

bring in two budgets, Mr. Speaker, and we see the amount of money allocated for education declining with each budget. The education budget has only increased enough to take care of teacher salary increases.

[Mr. Dent in the chair.]

I welcome you, Mr. Speaker, to the chair. If I get time I'm going to say something about those rotten eggs we get from the lower mainland that you were talking about yesterday.

I wonder how this will cure everything that the NDP said was wrong with education in 1972. Do you really believe that by only increasing teachers' salaries, it will increase the quality of education for the students? That should be the main concern for all of us.

I realize this government does not give much priority to the Department of Highways. This year the Highways budget is up slightly from last year. But I'm sure the increase in funds will only allow enough to pay for increased salaries and will not provide enough to maintain and build the roads that are required.

Much highway work must always be done, Mr. Speaker, just to keep up with the increased traffic. I do not feel, and have never felt, that this department gets its share of funds from the provincial budget.

I'm glad to hear the Minister of Highways (Hon. Mr. Lea) applauding me here.

I'm happy to see an increase in the Highways budget for the purchase of new equipment. It is being increased from \$4.5 million to \$8 million. This is certainly something that is badly needed. The Highways department cannot do a proper job of road building and maintenance with outdated equipment. I hope the Minister of Highways does not buy too many Datsun cars with this money because Datsuns cannot haul very much sand, gravel or snow, and we need equipment for the Highways department for these duties very badly.

AN HON. MEMBER: You think too rich.

MR. FRASER: While I'm on the subject of highways, I see in the headlines today that this new Minister has effectively stopped about \$100 million in immediate future development. We'll wait and see how long he will review this and what finally comes out after this review. But I would imagine there's quite a lot of concern throughout the Province of British Columbia today in view of the Minister's remarks.

I note with interest the increased funds to provide our citizens with housing, which is badly needed. I mentioned this earlier because I followed the Minister of Housing (Hon. Mr. Nicolson). But we really have to wait until the legislation is brought down to see how effective it's going to be.

I was happy to see the net costs of welfare for the municipalities reduced from 15 per cent to 10 per cent. I've spoken many times on this subject in this House. As a matter of fact, as the present Premier will recall, when I was on the other side of this House I voted with the opposition to have this reduced. I hope the Minister of Human Resources (Hon. Mr. Levi) doesn't have any ideas about adding further and new responsibilities to the municipalities to take the place of this most welcome reduction in cost.

I would like to point out here, Mr. Speaker, that while this is welcome for the municipalities involved, there are a lot of municipalities that this welcome reduction won't affect. I have had this checked out.

For your information, no municipality in the Province of British Columbia has the welfare responsibility if they have a population of 2,500 or below. In the province today we have 69 municipalities in this category. Of course, they will not have any benefit from this reduction in welfare charges because they are not responsible for any welfare costs. I just wanted to make that point.

Mr. Speaker, I am amazed at the very small increase in this budget given to the municipalities through the per capita grant. The per capita grant has increased from \$32 to \$34. Percentagewise, this is an increase of just over 6 per cent. Mr. Speaker, it is a disgrace, in view of the fact that the inflation costs to our municipalities, like everybody

else, are at least 10 per cent. The municipalities again have only received the crumbs from the table of the Minister of Finance.

AN HON. MEMBER: Tell it all.

MR. FRASER: I'm telling it all, sir. The Minister of Finance didn't. I'm trying to get it all out here on the table.

AN HON. MEMBER: Tell them how much you'll get in....

MR. FRASER: You weren't listening. I just got through telling the Attorney-General (Hon. Mr. Macdonald) that I want to tell him about the cost of justice in a minute too, if you'd be quiet.

I predict, with the small increase in the per capita grant and the huge increase in assessments because of Bill 71, that taxes in every municipality in British Columbia will increase by at least 15 per cent and probably, to a number of citizens, will increase in excess of 20 per cent for the year 1974.

I note with interest that — I believe he's finance chairman — an alderman of the City of Vancouver said *The Province* had a great headline the other day: "Barrett Budget Windfall for the City." Then he read the first paragraph and it said that it was a great

[Page 218]

windfall because it would reduce the increase in taxation down to 9 per cent. Well, I have no faith in the arithmetic of the City of Vancouver or their finance chairman or anything else. I predict that it will be a lot more than a 9 per cent increase in the City of Vancouver as well as throughout all the rest of the municipalities of this province.

When the NDP campaigned in 1972, Mr. Speaker, they campaigned and said they'd have a new deal for all the municipalities. They sure have a new deal all right. The new deal is to increase property taxes to everyone — a wonderful, great new deal. I can tell you that the municipal citizens really appreciate the new deal they're receiving after 18 months of office of the New Democratic Party.

Mr. Speaker, I would like to comment on statements made by the Premier of this province with reference to what he called tax concessions made by the previous administration in the '60s.

There are certain industries, and there were other industries in this, but mainly the pulp mills that located throughout the Province of British Columbia. While I'm on that subject, it's quite interesting to note that we've had nobody say that they'll build pulp mills in the Province of British Columbia today. There hasn't been an announcement since the socialists took power here. And I don't think we'll have one until they're gone either.

In any case, the Premier of the province ran around with the MLA for Fort George (Mr. Nunweiler) who will derive all the benefits — three pulp mills in his riding. They ran around there and said that all these arrangements that had been made were thereby and forthwith cancelled effective December 31, 1973. As far as I know they are cancelled.

Mr. Speaker, this action points out clearly again that the socialists do not believe in honouring legally drawn contracts. I would point out that practically all of these legal contracts were entered into by the municipalities with the various industries involved. These arrangements were made by those two responsible groups and were validated in this Legislature. None of these agreements were voted against in this Legislature when they were presented, Mr. Speaker. No MLA voted against this legislation at the time, including the present Premier of British Columbia when he was the Leader of the Opposition.

MR. PHILLIPS: How about the woods Minister?

MR. FRASER: Oh, yes, and the woods Minister is another one who never observed at that time; or if he did, he didn't do anything about it and stand up and be counted on the vote.

All these industries made arrangements with their respective municipalities to pay full school and hospital taxes and to pay general taxes for services rendered. In other words, Mr. Speaker, if a municipality did not or could not supply fire protection, as an example, to a pulp mill, they were not charged for this service and were given a tax reduction because the services could not be supplied.

The Premier made a big noise about this late last fall. But I predict this hasty action of his, as usual, will backfire on him. Now that these large industrial concerns have to pay taxes for services not received, I predict that they will demand these services from their respective municipalities. Some of them, for example, have volunteer fire departments. If they are called upon by the large industries concerned they'll probably have to move to paid fire departments. If this occurs, the increased revenue received from the cancellation of these legal contracts will be peanuts compared to the cost of delivering these services — as an example: going to a paid fire department.

AN HON. MEMBER: Some peanuts.

MR. FRASER: Yes, big deal.

Mr. Speaker, I welcome the announcement of the task force on forest policy. I hope this force will not be too long in reporting and making recommendations for future policy.

The forest industry has been very uneasy since the election of this government in 1972 and the industry has not been able to get very many answers from this government about the future of this, the largest industry in our province. Consequently, no new investment in plant and equipment has been made and will not be made until government forest policy is more clearly defined.

Public hearings should be held by the task force all over this province. I remember you speaking yesterday for your riding and saying what wonderful public participation there was. I'm glad the Minister of woods (Hon. R.A. Williams) is here and listening to this because I have heard no announcement that this task force is going to have public hearings. They are going to have private, behind-the-cupboard, behind-the-drapes hearings, and then Mr. Minister of Lands and Forests will tell them what to release.

That's not good enough, Mr. Speaker, in this day and age of open government. Open government.

I note, with interest, the intention of the government to create a British Columbia police commission. I expect this will lead to a B.C. police force and will eventually mean the end of the RCMP in the province working on the enforcement of provincial laws. I consider this a great mistake because I believe that with the RCMP we have the most efficient police force in the world. By creating a B.C. force, the citizens of British Columbia will be the losers.

It is supposed to be brought in for a standard of training, but I feel the RCMP have the best training

[Page 219]

standards and training depot in Canada located at Regina. I can just imagine what direction they will take from a created B.C. police commission.

I see the Attorney-General wants to speak but I've got a few more things to say about your department on the subject of law and order,

I note the government intends to relieve the municipalities of the financial burden of the court system. I congratulate the government, Mr. Speaker, on this move. As you are aware, I have spoken many times in this House about the high cost to our municipalities of the administration of justice. As a matter of fact, I spoke on this in the fall session. This step is certainly one in the right direction, but will only be a small step.

While it is the intention of the government to relieve municipalities of the cost of the court system, I do not recommend that these municipalities become too excited about this move because they still have to pay far too much for the police forces they must have.

Police service is by far the most expensive part of the administration of justice. The province should be paying far more of this cost than they do at the present time. Police costs should be the full responsibility of the provincial and federal or national governments. The municipalities shouldn't have to pay this at all.

I've done a little checking on the relief of the costs of the court system. Out of 140 municipalities in the Province of British Columbia there are 91 of them that had no court costs attached to them because they did not have this jurisdiction. So therefore it's no saving to 91 out of 140 municipalities. It will be a saving to the rest of them, I would say, to the tune of \$4 million or \$5 million. The final situation hasn't been clarified; maybe there's not that amount of net saving when you consider that.

Reference has been made in the budget speech to the problems of assessments. The government has indicated that there will be a special committee of this House to deal with this subject. There is indication that that is going to happen shortly and I consider that good.

I refer to the problems of assessment. There certainly are problems in the present policy of assessments. These were created by this government by the passage of Bill 71 in March of 1973. As you are aware, Bill 71 recommended that the 10 per cent ceiling on assessments applied to all land and improvements that were not designated residential or farmland be removed.

When the assessors received Bill 71 they immediately went all over the province increasing assessments to ridiculous figures. I have many citizens who advise me that their assessments have increased 500 per cent, but I also have some who have increases of 3,000 per cent. Consequently, the courts of revision have been swamped with appeals and we have chaos in British Columbia today.

For the record, I want to remind the House that when this Bill 71 passed this House in March of 1973, all Members of the official opposition voted against this discriminatory legislation. All Members of the government voted for it. So did all the Members of the splinter parties, the Liberals and the Conservatives.

MR. H.A. CURTIS (Saanich and the Islands): That's right. Why didn't you speak on it? Where was your amendment?

MR. FRASER: Why speak on it? We are on the record here, right on the division record that we voted against it.

SOME HON. MEMBERS: Hear, hear!

MR. FRASER: I'm glad the Hon. Member for Saanich has joined in because I've got a message for him. The Hon. Member for Saanich, as I pointed out, voted with the Conservatives for Bill 71. However, the Hon. Member had this to say about Bill 71 on December 14, 1973. Commenting on the changes in assessments, the Member for Saanich said:

"Altering assessments is the wrong way to achieve equity. If the government wants to help the homeowner it should do so through taxes. The sooner governments stop fiddling with assessments as the mood suits them, the better."

If prizes were given for doubletalk the Member for Saanich would win the first prize hands down. He voted for Bill 71 with the NDP and the Liberals. Bill 71 certainly did change the method of assessments, yet the Hon. Member voted for this legislation and stated after he voted in favour that assessments should not be fiddled with.

Interjection.

MR. FRASER: Why did you vote for it so they could fiddle with it, then? I am even more surprised when I consider that the Hon. Member for Saanich held a very high municipally-elected office for a considerable time. With his extensive municipal service he should have known the effects of Bill 71 and voted against it instead of for it. I feel the Member for Saanich has been less than frank on this issue.

As far as the amendment is concerned, how can you amend a rotten piece of legislation?

MR. L.A. WILLIAMS (West Vancouver–Howe Sound): To try and correct the rotten legislation that your party backed before. (Laughter.)

[<u>Page 220</u>]

MR. FRASER: It appears that as soon as it's British Columbians we are dealing with we only have socialists, Liberals or Conservatives who want it changed.

While commenting on Members on assessments I would like to bring to the attention of this House that the Hon. Member for Comox (Ms. Sanford) has turned out to be an expert on assessments, or she feels she is. I have a copy of something here where she was out explaining assessments to the public. Through her explanation, I think she should go back to the classroom and stay with that part of things rather than lecture about assessments.

She says a lot of things here. For example: "While residential property is now being assessed at the 38 to 40 per cent level, commercial-industrial vacant property has dropped in many cases to the 35 per cent range." I would like to see those cases where commercial or industrial property has dropped to 20 or 35 per cent. I'd like to see some proof of that statement.

Interjection.

MR. FRASER: The Minister of Finance (Hon. Mr. Barrett) has had plenty to say about assessments since the passage of Bill 71. He states that many property owners will get relief from the effects of Bill 71: senior citizens, small business, et cetera.

What a mess! How can the assessors, administrative people, municipal councils, and all others involved keep up with the political gerrymandering that is going on by this government? There is no way they can sort it all out.

I feel the latest statement made by the Minister of Finance is the wildest of them all. He stated on an openmouth show the other day that the assessors have given a wrong interpretation to the assessment legislation. The Minister of Finance said that persons owning improved land of less than five acres in size should not have received assessment increases of more than 10 per cent this year.

I would like to emphasize that this might be the interpretation of the Minister of Finance but it is not the interpretation of the assessment commissioner. As a senior official in the Department of Finance, I suggest the Minister of Finance contact him to get the proper advice.

Mr. Wright, the assessment commissioner, sent a memo to all assessors. With reference to the assessing of vacant residential land, the memo had these instructions to all assessors in the Province of British Columbia:

"Where two or more parcels under the same ownership make up the residential unit, it will be in order to apply the same value to the contiguous parcel as that applied to the parcel on which the residence is actually located.

"Use of a vacant lot contiguous to a home for gardening or landscaping purposes is an example of where this policy is to be applied."

I want you to note this, Mr. Speaker:

"Undeveloped residential vacant lots or parcels not used in connection with, even if adjacent to, the owner's residence are to be assessed at 50 per cent of actual value standard."

Mr. Speaker, you will note from the instructions of the assessment commissioner to all assessors in the province that no mention is made of assessing parcels of residential land of less than five acres, as the Minister of Finance (Hon. Mr. Barrett) suggested should have happened. In fact, the instructions of the assessment commissioner were to assess undeveloped residential vacant lots or parcels at 50 per cent of actual value. This action effectively

caused a major increase in the assessed values of all vacant residential lots in the Province of British Columbia. It really means, Mr. Speaker, confiscation of land by taxation, as the Minister of Agriculture (Hon. Mr. Stupich) suggested should happen last year.

The government should hold assessments on land and improvements for 1974 at the 1973 level, while the legislative committee that is proposed studies and reports back to this House. The new assessment Act would then apply to the 1975 taxation year. If this course is not followed, a terrific burden of taxation is going to be placed on many citizens in the province. If the government will not consider this course, they should consider reducing the general levy for taxation of 10 mills on the taxable values in the non-municipal areas of this province. That would effectively reduce the amount of taxes that would be levied.

I am aware that the municipal councils have full control of the mill rates, Mr. Speaker, in their municipalities and they could also reduce their mill rates to accommodate the increased values. You know, the Minister of Municipal Affairs (Hon. Mr. Lorimer) wrote a letter out to all municipalities in the province, under date of January 29, more or less telling them that they had better be careful how they set their mill rates in 1974.

There was one other person he should have sent this letter to, and that was the Minister of Finance (Hon. Mr. Barrett) of this province, because I'm going to quote from the text of this letter from the Minister of Municipal Affairs to all mayors and councils in the province. And this is what the Minister of Municipal Affairs has to say:

"I am aware that in a number of municipalities the assessment value which is placed on industrial, commercial and unoccupied real property has risen substantially over the previous year. Owners of many of these properties have appealed their assessments to court of revision, and in due course the court

[<u>Page 221</u>]

will deal with these appeals. In those cases where the values are upheld by the court there will be a broadening of the tax base in the municipalities to the extent to which these values have increased.

"Annual budgets adopted by council and the resulting mill rates for general municipal purposes will, no doubt, reflect the increased costs in various sectors of the economy. However," — there's that great word — "I would point out that it is important to recognize that the mill rate levied for general municipal purposes in the current year should be lower than it would otherwise be as a consequence of the increase in the areas of assessment mentioned, and this should be known to the taxpayers in your municipality."

Mr. Speaker, I read that letter for the reason that the Minister is warning the municipal councils all over the province to be careful about the mill rate they set. I don't think this letter was necessary, as the municipal councils are, in most cases, responsible people.

But I repeat that he should have also written the same letter to the Minister of Finance because he controls the mill rate on all the unorganized areas in British Columbia — he, and nobody else. If their assessments in the municipalities have gone up, they certainly have gone up in the unorganized areas well, and the Minister of Finance should take heed of that letter as well.

We haven't heard a squeak out of the Minister of Finance that he'll reduce the 10 mill general rate, but he's sure come up with a lot of Band-aid suggestions and gerrymandering around about special groups of people who he'll help. Nobody knows how it's going to happen, but it is supposed to happen in this Legislature — apparently before we can get out of here.

Mr. Speaker, the motorists of the Cariboo are very upset at the Insurance Corporation of British Columbia, and they'll be far more upset after the question period we had here today, when we heard that Minister get up and make charges and flip-flop all around about what's going on in that large monopoly corporation, and then accusing people who can't defend themselves. He hasn't even talked to the Attorney-General (Hon. Mr. Macdonald) about it. Anyway, I want to tell you about the Cariboo people. The Hon. Minister of Transport and Communications (Hon. Mr. Strachan) has got his troubles. I'm not worried about them; I'm worried about the problems in the Cariboo.

It appears the majority of the citizens have received their new insurance rates from ICBC, and they are shocked at the rates they will have to pay on or before March 1. Many motorists' premiums have doubled, but I would say the average increase is about 35 per cent, and I'm referring to the Cariboo. This certainly amazed the citizens of the Cariboo because they believed your party, Mr. Speaker, when it campaigned in the '72 election and promised them cheaper auto insurance.

Where is the Minister of Public Works (Hon. Mr. Hartley)? He said there would be no administration costs. They would have no costs at all for administration. Well, their office rental for the head office is \$800,000 a year, and that doesn't include what they are paying for the computer rentals for that office. It is full of \$20,000 a year flacks and hacks, and those are administrative costs. He must have known I was going to talk about insurance, because he's left. He's probably taken one of his Jaguars for a spin around the lot.

Interjection.

MR. FRASER: Doing a recalculation. Well, in any case, Mr. Speaker, the people of the Cariboo are amazed, after the NDP campaigned for cheaper auto insurance. They just cannot believe the rates of the government monopoly insurance plan.

The Insurance Corporation of British Columbia is a complete mess, Mr. Speaker. It is just a big, socialist, bureaucratic bungle from start to finish and unfortunately our citizens are going to have to pay for all this mess.

I realize that again the Premier (Hon. Mr. Barrett) has entered this situation and has attempted to gerrymander this operation as well. The Premier has made statements that everyone who had an increase in his auto insurance premiums can apply for a refund and he will get it. The catch to this is that you have to have the identical circumstances you had last year. You try it on sometime, Mr. Speaker, and see if you can come up with identical circumstances so that you can properly claim for a refund. So I don't believe this, and I'm sure that there are very few citizens in this province who will ever get a refund out of ICBC. There is no system worked out for refunds on ICBC and I don't think there ever will be.

I have received many letters from people complaining about the new auto insurance rates. I am sure all MLAs have received many letters as well, including you, Mr. Speaker. It would be interesting to watch the backbenchers of the government criticize this plan which they voted for. Or will they just remain silent, as they usually do?

MR. PHILLIPS: Put them in a raffle and let's have a sweepstake!

MR. FRASER: I would like to quote from one of the letters I received. This letter was addressed to the Hon. Robert Strachan, the Minister in charge of the Autoplan. I was fortunate that this citizen sent me a

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[ Page 222 ]
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copy. The letter heading states:

Re: ICBC, or Insurance can be costly if construed by clowns.

"Sir, you will not find this letter very respectful, but then \$90 of unwanted insurance does not buy very much respect, so that is certainly not what you are seeking.

"Where did you get the audacity to force people to insure their own conglomeration of iron and plastic on wheels? Whatever your reasons, financial or political, I claim gross injustice and an infringement of our rights as citizens of a democratic society. You have no right to do that, and this I cannot over-emphasize.

"Personally I would rather be confronted by a robber holding a gun. I can cope with an honest situation like that.

"I feel that you realize your own violation of our rights and you show it very well in your ICBC propaganda. You offer nothing but free information and forms filled out at no cost. Do you really think anyone has ever paid for that? Don't be silly.

"You deceive by advertising that most people might pay less for insurance from Autoplan. I am quite certain that this is not true, and I defy you to prove me wrong."

This letter goes on and on, and I have had many similar letters, Mr. Speaker.

Interjection.

MR. FRASER: I don't know whether mine went down or not, Mr. Minister, and I'm not going to find out until about March 10.

In the Interior of British Columbia a motorist can go to three private insurance agents of the ICBC and also to the provincial government offices, and from these four different locations receive four different rates.

I say to the citizens of British Columbia: don't you accept that if you're looking for a special on coffee you go to three or four stores? I am saying that you can find four different rates in one municipality in this province. So shop around. Maybe you'll save yourself a few bucks because you sure need to. What a mess! What a rip-off for the citizens of this province.

The only answer to this chaos is to license the insurance companies before March 1 so that motorists will at least be able to compare rates with the rip-off monopoly.

Mr. Speaker, I have just mentioned auto insurance premiums. I have not mentioned the drivers of this province who have a rip-off facing them by the end of March when they will have to buy a driver permit for \$10, pay the penalties for points, and the rest of the guff. You will have to purchase this as well as retain your card driver's licence. The citizens don't understand this yet, but I imagine TV will get plugged with it after everything has been cleaned up with the car insurance on March 1.

Mr. Speaker, some of the natives in the riding of Cariboo are making claims for land. I don't want to discuss the legality or otherwise of these claims, but they are being made. I wish the Attorney-General (Hon. Mr. Macdonald) was here.

The Nazko-Kluskus band are making a claim on Crown land. So are the Ulkatcho Indian band. The Nazko-Kluskus band is located approximately 75 miles west of Quesnel; the Ulkatcho band is at Anahim Lake in the Chilcotin.

The Nazko-Kluskus are very upset about a proposed logging road that is to be built in this area over Crown land. The length of the proposed road is approximately 20 miles.

If this road is built it will make approximately \$1 billion worth of timber available to the established forest industry over the next 20 years. If it is not built, the jobs of approximately 1,000 people will be lost because of the lack of timber to manufacture.

The Nazko-Kluskus Indians have been making written representation to the Premier of this province and to the Minister of Lands, Forests and Water Resources (Hon. R.A. Williams) for over a year now, but with very few results. The Minister of Lands, Forests and Water Resources, whose department is affected, does not even have the courtesy to acknowledge this correspondence — let alone do anything about it. It is my opinion that the Indians of this area deserve at least the courtesy of a reply from this government. The forest industry would also appreciate some directions from this Minister, as they require a permit to build this road over Crown land.

Osoyoos, North Vancouver, Terrace and other locations in British Columbia are not the only areas affected by the native claims for Crown lands. This problem must be dealt with as soon as possible by the provincial and federal governments. It is not good enough for the provincial government to brush off this problem by saying it's a federal problem. And this is what they've been saying for over a year. It is also a provincial problem because it affects provincial Crown lands, timber and minerals which the provincial government claims ownership to.

I realize this government has had its problems with the natives. I refer to the dismissal from the cabinet of the Hon. Member for Atlin (Mr. Calder) who was working to try and resolve these problems. At the time of the dismissal of the Hon. Member from the cabinet by the Premier, the Premier announced he would carry out the work of the provincial government with the natives.

It is my opinion the Premier has done nothing

[<u>Page 223</u>]

about the many problems of the natives since he assumed this Responsibility. I might add here, he didn't keep it very long — he dumped it over and it exists now with the Minister of Human Resources (Hon. Mr. Levi).

[Mr. Speaker in the chair.]

On Indian land claims: I am now advised that the Attorney-General is in charge of Indian land claims in this province. He hasn't done anything about the Indian land claims either, because he's not been formally invited to the discussions by the federal Indian Affairs Minister in Ottawa.

I understand the federal Minister has publicly requested the B.C. government to take part in these discussions, but so far they have declined to do so. I strongly suggest that the Attorney-General get cracking as soon as possible about this serious problem. As usual, this Minister has already left this problem far too long and it is now very serious in our province.

Mr. Speaker, we've had many discussions about the operations of the British Columbia Railway in the fall session. This railroad still has a shortage of rail cars to move the forest products from the Interior sawmills. This rail car shortage has now lasted for over a year. It has cost the forest industry and the railroad millions of dollars in lost revenues which can never be recovered. It has also cost the provincial Treasury — the citizens of this province — millions in lost taxes.

The lumber market, as you are aware, was very buoyant for most of 1973. The producers could not ship their product to market because of lack of rail cars from the British Columbia Railroad. Some relief has been received just recently, but the mill operators feel the situation has not been relieved enough and on a permanent basis, and it will recur again.

A fair supply of rail cars became available in December after the price of lumber had dropped substantially. No one will ever know how many millions of dollars this shortage of rail cars has cost the citizens of this province. It's an outright scandal and this government must accept the entire responsibility for this catastrophe. An investigation of this continued shortage of rail cars should be made at the earliest possible time.

Mr. Speaker, I have outlined only a few problems confronting the citizens of the Cariboo caused by the policies of this government.

The three most pressing problems in the Cariboo which have been caused by the actions of this government are as follows:

Bill 42, the Land Commission Act passed last year, which transfers all land controls from locally-elected officials to the NDP party in charge of the Land Commission.

Bill 71, amendments to the Assessment Equalization Act, which increases assessments drastically and is causing severe hardship to citizens all over this province.

Three: Autoplan — the monopoly NDP auto insurance plan.

In view of the fact that Cariboo citizens did not vote for this government, and as their elected representative I voted against these three laws, I request that Bill 42, Bill 71 and the monopoly Autoplan not be applied in the riding of Cariboo.

If the government will not recognize these requests for exemptions from these stupid socialist laws, the Cariboo citizens will have no alternative but to leave the jurisdiction of the Government of British Columbia and operate on their own — expecting no help from Victoria — nor will they share any of their wealth of resources with the socialists who are in charge of the Province of British Columbia.

MR. A.A. NUNWEILER (Fort George): I wish to rise to take my place in the debate of the budget which was introduced here a few days ago.

I'm very happy to be back again together with everybody in this House. I would like to also thank my constituents for the opportunity for me to be here.

I would like to recall a couple of comments that were made a few moments ago by my friendly neighbour, the Hon. Member for Cariboo (Mr. Fraser). He happened to mention something about roads which is very interesting in my riding, as well as in his, I'm sure. But I made a quick check here just to see what the situation really is in his riding. I find, Mr. Speaker, that from the last year of office of the old government and the first year of office of the new government, the riding of Cariboo has, in fact, had an increase in road expenditure by 18.3 per cent — \$1.838 million!

MR. FRASER: It couldn't happen to a better area in the province.

MR. NUNWEILER: That's a Social Credit riding. Very interesting.

MR. J.R. CHABOT (Columbia River): Take a look at the Yale-Lillooet picture.

MR. NUNWEILER: One other riding — Chilliwack — 133 per cent increase. Very interesting. That is, I believe, a Social Credit riding. One other riding here which is an NDP riding — 58 per cent decrease.

AN HON. MEMBER: A Vancouver region.

MR. NUNWEILER: That's the riding of the Premier — 58 per cent decrease. I'm not going to tell

[Page 224]

him about it because I want some more money in my riding, too.

Mr. Speaker, I'd like to make a few comments about my riding of Prince George, which is after all the gateway to the north, to the northern development, to the northwest and the northeast of the Province of British Columbia. It is a referral centre for many services in the region where there are industrial, commercial business services, government services — education, health care, vocational training, and so on.

One thing I really want to make an observation on, speaking of the northwest part of the province — I'm very happy to repeat this observation like the Hon. Minister did yesterday — is that the government action in the northwest of purchasing a major industrial pulp operation, Columbia Cellulose, was a spectacular achievement on the North American continent. The company was on its way down the tube, obviously, because it was of concern for a number of years and had been propped up by tax concessions, stumpage concessions and in many other ways. But by pulling it out of the fire, as it were, by the Minister, through his team, it has really created a new life in the region. It is also spinning off into my region and will continue to do so; I'm very confident of that.

Many communities in the area would have found themselves in a real state of recession. It's of much pride to many of us that this company is now owned and controlled by the people of the province, rather than by the boardrooms of some foreign country. Not only did the government action rescue the employment and the economy in the region, it has also made it possible for this company now to be able to pay its full taxes to the towns and the cities and communities of the region — its full taxes. No more tax concessions.

Somebody mentioned tax concessions a moment ago. Why does any group need to have tax concessions? That company now is able to pay full taxes and they will no longer have to be propped up by tax concessions,

stumpage concessions, to keep the area alive, or to keep the company alive.

MR. CHABOT: They are stealing their chips, though.

MR. NUNWEILER: In addition to all this — a very interesting observation — they are able to make a profit rather than a loss. Up to this time, which is less than a year, Canadian Cellulose has generated a profit which is the equivalent to financing two major extensions of the hospital in our city — in fact, it's close to three hospital extensions. That's the kind of profit that this corporation has already made. A very interesting observation: no more concessions, and making a profit which is being injected into the economy of that part of the province — and throughout the province as a whole, of course.

The concessions of the industries mentioned a little while ago by my friendly neighbour were removed effective January 1. This had a tremendous impact in my region. Just to give you an idea, it turns out to be about a \$500,000 additional tax revenue by removing that tax concession alone. The industries have certainly.... Well, nobody likes to pay higher taxes; you can't blame them for being unhappy about it. But it's a fact of life that we don't want to overtax anybody.

Also, I don't think we want to under tax them. So I think it's just a case of everybody paying their fair share.

Now this tax concession also removed the stipulation that had originally restricted the collecting of business tax on some of the pulp mills in the province. I notice that Prince Rupert has taken advantage of this and now is getting the full business tax from Canadian Cellulose, which obviously would indicate that if the industry can pay the taxes in Prince Rupert, surely they can do the same in other communities throughout the province.

My friend mentioned that there was a contract giving these tax concessions. I don't know if he was implying that the contract was broken or something. When I heard this word "contract" — that the industry had a contract with the government not to pay taxes, or to pay less taxes, rather — I tried to get hold of a copy of this contract to see what it says, to see what it's all about. I've been trying ever since I heard these statements — for the last couple of months — and I'm still waiting for a copy of a contract.

There is no contract that exists; there were letters patent that were signed a number of years ago that simply stated: "You will charge the mill rate of the industry a certain amount" — which works out to the 10 mills, as compared to 52 mills in my city.

You were able to charge only 10 mills to the industry. There was no contract; it was a letter patent, which in fact is a licence issued to a city to be able to administer within a certain boundary. Of course, these are some of the conditions that were listed in the letters patent, and that was one of them.

Just to give you an idea of the way the structure of the assessment and taxation was in our industry, the assessment of our industrial plant site is \$60 million. Many think sometimes that they are paying taxes on the \$60 million, but they're not. Of that \$60 million, \$35 million is knocked right off the top, which they call machinery. A lot of this machinery makes you wonder whether it's machinery, but it's a term that is used because it's got a different function than the actual structure itself. Some of them are on cement foundations and so forth, but they still call them machinery.

Anyway, it brings the amount down to \$25

[Page 225]

million that the municipality is able to tax. On top of that reduction, instead of charging 52 mills on the \$25 million, they were only getting 10 mills on the \$25 million. So it would be just the same, as if in your own home you were able to pay taxes on just a chunk of your property and get off free on the rest of it. The same formula, where applied in the average home, would work out that a person would be paying about \$40 to \$50 municipal taxes in one year.

[Mr. Kelly in the chair.]

AN HON. MEMBER: Do they get all the services?

MR. NUNWEILER: Most municipal services are based on a self-liquidating utility basis. So if you have a water utility, you pay your bill every three or four months of so many dollars, and the revenue from that will pay for the operation of that utility. It does not come out of the mill rate in most municipalities. So a lot of people are supplying their own water service and their own garbage service by virtue of a self-liquidating utility which has no reflection in the mill rate, generally speaking.

As I mentioned, Mr. Speaker, the industry has complained, and I don't blame them, naturally. But I'd just like to explain to them that we are not out to overtax them, we're not out to under tax them; we're out to ask them to pay their share like everybody else — that they don't pay the equivalent of what a homeowner would pay if he had to pay on half his house.

Mr. Speaker, I would also like to touch on the policies of this government in the budget that have been very significant to help our area: the one-third reduction of welfare cost to the municipalities, the extra \$2 per capita grant, the \$30 renters grant and up to \$40 grant to homeowners for school tax reduction. If I work all this out since January 1 up until the present day, between the new government policy and this budget, the municipality in my community has actually gained up to \$800,000 to \$900,000 as a result of the policies of this government. We always hear the story that the former speaker had mentioned about municipalities, but I'd just like to simply draw that to his attention, and that equals from 10 to 12 mills in taxes from which they are benefiting in my city.

I'd like to mention some of the problems in my area regarding health care. We are a major referral centre. We have a new extension to the hospital opening shortly, but one of the real problems in the area is the need for intermediate care. We find that there are just no such facilities available. The crowding situation is overwhelming. We do have a facility which is called personal care which is, in fact, a boarding home for senior citizens. In this case it has only 40 units.

It doesn't take long for the senior citizens to graduate into a situation where they need some form of minimum care — in effect, intermediate care. Consequently, in this special-care home of ours, over 50 per cent of the people in there are no longer special-care residents; they are intermediate-care residents, living in a boarding-home situation and it's just creating a tremendous pressure on the people that run it. I would urge the Minister of Health (Hon. Mr. Cocke) by all means to expedite a programme for intermediate care in my region, because the need for that care is bordering on an emergency situation.

Another thing is the shortage of psychiatrists for our area. We have a large region. The ratio of psychiatrists for the lower part of the province generally, I think, runs around one doctor per 20,000 population. In our area, with approximately 125,000 population, we've got one psychiatrist, and the work pressure is tremendous. But now I find out that he is going to be leaving in a couple of months, so we're not going to have any unless we're able to make some special arrangement. I want to draw this to the attention of the Minister to see if something can be worked out to give relief in this area of need.

I was very pleased to hear the Minister of Housing speak on his subject. It's very encouraging. I want to take particular note of his land assembly policy. When I go out into the rural areas, quite often I find that a young couple will come in, they've got a job, they want a place to live and there's just no way that they can make any satisfactory arrangement because nothing exists there. What is needed is for the community to have some way for a land assembly and then some way to build the homes on them. The only way it can be done is to have leadership from the Department of Housing, together with Municipal Affairs. I heard it mentioned that he would invite municipalities to put in their requests for assistance for land assembly. I think this is going to be a very relevant thing in my area and I'm certainly going to ask my people to take advantage of that.

Another problem I would like to raise is the quality of some mobile homes. I've had many complaints about this. I would urge the Minister of Consumer Affairs (Hon. Ms. Young) and perhaps also the Minister of Housing (Hon. Mr. Nicolson) to take special note of this problem, to make sure that the standards of mobile homes are somehow set to avoid the exploitation of people who buy them and find out later on that something has gone wrong such that they wish they hadn't touched it.

I ran into one situation just a few weeks ago where these people were sold a mobile home and they were promised that it was going to be set up on their lot and so forth. This all happened last summer — sometime in the early fall, I guess it was. It was a double-wide, and shortly after they moved in they had problems with a leak in the roof. They kept

[<u>Page 226</u>]

coming back and patching it, and it would hold for a short while and then start all over again.

When winter rolled around, by the time the holiday season arrived, they had already made arrangements and they were forced to move out of it because it was just so terrible. The roof kept leaking whenever there was a thaw in the ice, and one thing and another. There was also a leak coming through, not only at the joint where the two halves were welded together, but throughout the rest of it as well.

When I was invited in to have a look at it, there was water coming out of the dining room light and there was water coming in from the edge of the outside walls. I was told that they could feel the icicles dropping down from inside the walls. So whether there was insulation in it or not wasn't clear. But they suspected that there was not even any insulation in it.

There was a number of problems with shabbiness and one thing and another, so I think there must be some device to get at this type of problem and to ensure people that they're not going to be exploited by people dealing with substandard mobile homes.

Mr. Speaker, I'd like to also make mention of one other item which my colleague mentioned yesterday regarding the Egg Marketing Board. There has been a great deal of frustration with the producers up in the northern regions. The Member for Cariboo (Mr. Fraser) also touched on that, too, I believe.

There is the problem of quota, which in effect is a licence for people to be able to market. The production in our area is approximately 20 per cent of what the consumption is. In Prince George there is around a 750-case quota, and the consumption in the region is around 6,000 to 7,000 cases a week, so that's a very small part of production in relation to the consumption in the region. There is absolutely no quota, no production permitted in the Peace River. There's absolutely no quota, no production.

As a matter of fact, in the Bulkley Valley, which is the Burns Lake-Smithers-Hazelton-Houston area, there was a quota of 28 cases until late last year, and that quota was transferred to the southern part of the province, where there already is a glut, an overproduction. They permitted 28 cases to go from that area to an area where it's just absolutely useless. I was told by the board, "Well, the only reason we did that is because the fellow that had these 28 cases sold it for \$300 apiece." — \$300 per case, that is. Twenty-eight cases would bring about \$8,000 or so in revenue, and that is just one piece of paper, one licence that is valued to that amount to transfer from the Bulkley Valley to the southern part of the province.

I think that this is really doing a disservice to the region as well as to the people who want to get into production to be able to serve the local consumers with fresh eggs, as well as protecting the consumer prices.

The Minister has indicated that he's going to inquire into this, and I certainly am very pleased that he's going to do this. But I certainly would like to see some results in the very near future.

Another matter I was going to raise was the matter of energy. The question has been coming up from time to time about generating electricity from sawmill and pulp mill waste from the hog fuel. Northwood Pulp is one company that has just recently installed a generator to generate electricity that is fed by the hog fuel. I'm advised that they're getting almost enough electricity out of the waste to provide the electricity for the plant — that is, they've got a pulp mill and an adjacent sawmill.

That is an indication that these kind of things can be done. I understand that there are one or two other places in the province that are doing it. I also understand that B.C. Hydro is now going to do some experimenting in the

economics and the feasibility of setting up generating systems that are fueled by sawmill wastes, so that we can at least utilize this waste and get some energy out of it. I think it's a step in the right direction.

I've also talked to some sawmill owners in our area who are very interested in seeing some way to get together to be able to pool their hog fuel and have it generated into electricity. I would hope that B.C. Hydro would provide their experience from their experiments to be able to assist these types of smaller industrial people to pool their hog fuel and come up with useful production out of it.

Also I would urge the Ministers of Municipal Affairs (Hon. Mr. Lorimer) and Lands and Forests (Hon. R.A. Williams) to be conscious and to take notice of the need for a hydro grid from the Valemount-McBride area through to Prince George.

That would be the grid that ties together the Mica Dam and the Peace River Dam and that's the gap that needs to be filled from Prince George to McBride-Valemount. It's just south of Valemount that they tie into the Mica Dam. The hydro rates are still high in that region even though they have been brought down considerably, thanks to B.C. Hydro and our directors here. But the rates are still so high compared to what they are in Prince George or down here in Vancouver that the grid should be the answer to it.

It's obvious that the Mica Dam, when it's dammed up, is going to be 13 miles from Valemount. Yet Valemount has to pay a hydro rate based on diesel-fuel generation which is a higher cost. It doesn't really make that much sense to have a hydro dam on your doorstep and have to pay a high diesel rate for the use of your electricity.

Mr. Speaker, I won't make any more points at this time; I'll save it for the rest of the estimates. Thank you very much.

[<u>Page 227</u>]

MR. H.A. CURTIS (Saanich and the Islands): Mr. Deputy Speaker, it's good to see you in the chair. You must tell the House about McIntyre Bluff some time. But perhaps not this afternoon.

I'm also sorry that on Valentine's Day, a day traditionally associated with good feelings and love, that this has to be a reasonably unpleasant address. But I think there are a few things to be said.

I wouldn't have expected it possible for this new and once-enthusiastic socialist government to have created such widespread and often bitter resentment as it has in such a relatively short space of time. The budget document which we are now debating has, in my view, done relatively little to ease the situation or to ease the fears of British Columbians.

Surprisingly, perhaps, to some that bitterness and disenchantment appears to be at its most intense level not in the management boardrooms of Vancouver, Toronto, Montreal and New York, not in the plush offices of the corporate presidents — the "corporate giants" I think is the phrase that has been used quite often — but through a very wide spectrum of our entire provincial community: in homes and offices, in coffee shops, in service stations, in stores, wherever the so-called average citizen gathers to spend just a few minutes discussing the present and future circumstances of life in B.C. Disenchantment, disappointment, a feeling of frustration and annoyance with the now almost countless examples of this government's incompetence and amateurism in guiding the affairs of the province and its people.

For the government, when the next general election is called, that disappointment and disenchantment and frustration I think will be translated into a very significant vote against the New Democratic Party.

The NDP, as I understand it, has made some mileage provincially and federally in speaking about the corporate rip-off. However, the people of this province are now coming to realize that they have fallen victim to something resembling a socialist rip-off: in Autoplan; in property assessments; in land prices; in action or, more correctly, inaction in the housing Ministry; in poorly conceived and very hastily executed purchases of a number of companies where such purchase was not necessary in the interest of British Columbia; in the clearly evident

intention on the part of the Minister of Lands, Forests and Water Resources (Hon. R.A. Williams) to settle some old scores, to retaliate for real or imagined injustices stretching back over a number of years. There is an element, Mr. Speaker, of jealousy and vindictiveness apparent in many of the actions of this government which is not in the best interests of the province or its people.

Other Members have spoken about the budget document itself and the fact that it is inflationary, that it carries many reminders of an earlier era in terms of boasting about bigness and record spending and new highs in this department and that department.

However, it isn't the document itself which concerns me as much as the doubts I have, I believe along with so many British Columbians, about the ability of this government to carry out the necessary degree of careful and diligent management of the affairs of the province.

Now, Mr. Speaker, the Minister of Finance (Hon. Mr. Barrett), who is actively consulting at the moment with the Minister of Transport and Communications (Hon. Mr. Strachan) — I wonder about what — is an excellent tactician in this Legislative Assembly. No question about it. He performs well on radio and television — and I don't use the word "performs" in any derogatory sense.

But many of us now wonder, and I think with very real justification, about his capability to guide and control the fiscal affairs of British Columbia. In his capacity as Premier we have to ask about the way in which he guides and directs some of his cabinet Ministers. We have to ask also how he can effectively handle the varied and vocal opinions of his caucus. I'm sure he must ask the same kind of question in his quiet moments when the television and radio and newspaper reporters aren't around, when the hotline shows have closed for the day.

How does he react to some of the incompetence and the carelessness with which certain government departments and agencies are operating in British Columbia? How does he really feel about his Minister of Transport and Communications (Hon. Mr. Strachan) pro tem and the incredible blunders of ICBC and the ad hockery of Autoplan rate adjustments, revisions and "corrections"? I wonder how he feels about the Minister's thoughtless comments during question period this afternoon.

How did the Premier enjoy breakfast or his midmorning coffee with the headlines such as that which appeared in the Vancouver *Province* on February 6 which reads: "More fast switches on Autoplan premiums"?

How does the Premier respond when a lifelong CCF-NDP voter says he is so angry over this government's amateurism that he is determined never to vote socialist in British Columbia again? How about the former NDP candidate — a candidate, Mr. Speaker — who has given up in disgust and is prepared to work towards the defeat of this government starting today, right now?

The government backbenchers. I wonder what their reaction is to the lead editorial in the *Vancouver Sun* for February 12?

HON. D. BARRETT (Premier): We don't pay any attention to the Sun anymore.

[<u>Page 228</u>]

MR. CURTIS: Well, perhaps you should, Mr. Premier, through you Mr. Speaker. The lead editorial of February 12 reads in part:

"Premier Dave Barrett's new budget is irresponsible. At a time when inflation is gorging itself on the expectation of worse to follow, any government should be relied upon to show some evidence of a decent restraint in its scale of its expenditure. Mr. Barrett's monstrous spending programme for 1974-75 shows none."

The assessment matter, Mr. Speaker. I see the Member for Cariboo (Mr. Fraser) is back and we can have part two of that little battle in a short while.

The assessment mess: a tangle of mass confusion, with a directive to assessors coming out of the assessment

commissioner's office on January 22, 1974, more than three weeks after assessors have closed their rolls for the new year. We have the spectacle of the Premier and the Minister of Finance of this province pleading the excuse, publicly, that assessors have somehow misinterpreted the directives issued after the spring session last year, that they didn't quite understand what it was all about.

What directives? What directives, Mr. Speaker? Well, there were six different letters to assessors from the assessment commissioner's office in the course of the balance of 1973 — that is, after the spring session and into 1974 — all of them with slight changes in interpretation and various shadings of instructions for the individual assessors.

Then we have that very regrettable attempt on the part of the Minister of Finance to pass the buck to the assessors, perhaps to ultimately place the responsibility at the door of the assessment commissioner's office itself. I'm not prepared to stand back quietly when the first Minister of this province, in a chaotic situation like this, trundles out the lame excuse that the assessors didn't quite understand their instructions. Neither am I prepared to place the blame in front of the assessment commissioner, because I'm quite sure he tried his best to warn government, to warn the cabinet of the impending chaos and to seek clearcut, businesslike policy instructions.

The assessment fiasco is just that. It is a further indication of the inconsistency, the ineptness, with which this government and some of its Ministers operate.

Yes, Mr. Speaker, they are generally polished and quick on the floor of the House; they are competent speakers here and in public. What happens when they close the executive council doors and get down to work? What goes wrong? What causes them to act so impulsively when an idea is brought to the cabinet table?

Mr. Speaker, where, where is the careful, well-documented, fully-justified research that is vital, absolutely vital before a new and a major government policy is instituted? It seems to me that the people of B.C. have very real cause for concern over the apparent inability of the Premier and his cabinet to carefully initiate and research a given policy, to analyse the advantages and disadvantages, to hear all opinions on a specific course of action, and then make a firm, clearcut and lasting decision.

Others have cited examples, Mr. Speaker, and yet some of them have to be mentioned once again. In fiscal and related matters particularly this is a Band-aid government — Band-aids on various insurance categories under Autoplan, Band-aids on the assessment equalization thing, Band-aids for Ocean Falls, Band-aids for Can-Cel. The executive council chamber, Mr. Speaker, must be littered with empty Band-aid boxes from Curad or Johnson & Johnson.

On the basis of recent performance this government is going to need increasing quantities of Band-aids, I suggest, but not just Band-aids. Probably very large amounts of — the Member for Oak Bay (Mr. Wallace) can help me; what would we call it? — gauze dressing, clinical adhesive tape and splints are needed to hold together its cracks, its cuts, its scrapes, its burns.

On second thought it's the people of British Columbia who are being burned. It's a socialist rip-off. That's what's been perpetrated on British Columbia since the summer of 1972. All the good intentions, all the genuine desires of this government's backbench Members to improve conditions in the province, all their understandable frustrations with the policies of the former government have turned to ashes.

They have been burned at the hands of a Premier, Minister of Finance (Hon. Mr. Barrett), Minister of Lands, Forests and Water Resources (Hon. R.A. Williams) — who apparently, by the way, admits to impatience with detailed work (that is some admission) — and cabinet Members who lurch from one error to another. They compound those errors with hasty second thoughts and with press releases later, after the facts — press releases supposedly designed to clarify the misunderstanding or to elaborate on the previous press release.

On a Vancouver hotline radio show not over two weeks ago we had the incredible spectacle of two senior executives of ICBC literally contradicting each other on various points associated with Autoplan. It was really frightening to hear. But I suppose they can be excused somewhat, because the alterations, the exemptions, the

changes and the ad hoc rate adjustments are coming so rapidly from the Minister of Transport (Hon. Mr. Strachan) and his principal advisers that not even ICBC top brass are able to keep track. And still we rush full bore towards that ominous March 1 deadline when hundreds or

[<u>Page 229</u>]

thousands of motorists may find that they are unable to drive or to have their automobiles repaired if they have an accident.

Let's examine Autoplan more closely for just a few moments, Mr. Speaker. The ICBC ivory tower in Vancouver is a headquarters establishment that is pure television science fiction — a Hollywood set worthy of the old series "Time Tunnel." Perhaps you remember "Time Tunnel" with — what's their names? — Tony and Doug, I think. It's the one where the principal characters at the end of every series are electronically catapulted from one place to another, helplessly out of touch with reality — moved, bounced, jostled from crisis to crisis. Well, that's ICBC, with another crisis coming up before the last one is solved — if not at the end of this month, then certainly when the drivers of British Columbia fully and clearly understand that they are not yet through the hoops of auto insurance for the year.

On May 1, 1974 — one day after the deadline for federal income tax, by the way — there is another \$10 minimum for the privilege of driving an automobile. And the Minister of Finance (Hon. Mr. Barrett) tells this House and the people of British Columbia that there is no increase in taxes for the fiscal year. The government calls it driver's insurance. Mr. Speaker, I call it a driver's tax.

I did a little canvass today with some agents in the greater Victoria area to try and get an idea about the Autoplan mess. Perhaps the House would be interested in a couple of comments.

[Mr. Speaker in the chair.]

One large agency in greater Victoria said that they will not be able to handle all of the business between now and the end of the month, even though they have greatly extended their hours. They are going to be open Thursday nights, Friday nights and Saturdays until late in the afternoon.

In talking to ICBC officials yesterday, I found that only half of the vehicles in the province have been insured.

AN HON. MEMBER: Will you file that?

MR. CURTIS: With the agent's permission I would be happy to file it.

AN HON. MEMBER: Will you check that?

MR. CURTIS: Yes, I'll check that. I will first, through you, Mr. Speaker, get the agent's permission since I indicated to them that the information was to be related to the House but that I would not identify them in using the information today. But with their permission I will file it.

This one agent went on to say that most people do not like being told what to do. There's a lack of choice in picking the insurer. The financing plan is fine for some people, but in Victoria many premiums range between \$80 and \$90 and so they can't get financing. I think it's interesting to note that the financing plan applies only if the premium is over \$100. And that is just for the premium, not for the cost of the licence.

They've done only half the business they expected to do. They had eight weeks to get this work done and there are just less than two weeks remaining to get the remaining one-half of the drivers insured.

Interjection.

MR. SPEAKER: It's not fair to speak in another Member's seat.

MR. CURTIS: Was that an interjection?

MR. SPEAKER: It was an interjection all round — a warning that Members may not speak in some other Member's seat because the gallery might make the mistake of thinking it was some other Member.

MR. CURTIS: Thank you, Mr. Speaker. I suppose that at times we wonder if it is some other Member.

Another agent — and again I'll identify him, with his permission — expects a big rush now until the end of the month. Most people simply did not have the money available right after Christmas, plus the fact that they resent having to pay the government money in advance. For the life of me, I cannot understand what possessed the ICBC senior people, the icky-picky executives in Vancouver and the Minister responsible here to not accept post-dated cheques. Surely that is a simple and businesslike arrangement.

This particular agent anticipates rough times ahead for the Motor Vehicle Branch and all insurance agents in the province, with long line-ups and a number of people who can't afford to wait in line because they have to work. So they will have to be jammed into the evening hours or during those hours that they are open on Saturday.

He feels that most people, except those under 25, are paying more for their insurance, that business people are very unhappy, and commercial fleets much more expensive. There's no question about the fact that the higher premiums that the operators of those fleets will have to pay will result in increased costs being passed along to the public in the commodities and services and goods that they purchase. They will simply have to put up their prices to pay for the increased insurance.

Mr. Speaker, I'm sorry also that at least one reporter and a few British Columbia mayors and alderman fell into a very nicely concealed trap in reading this budget, or in reading reports of it.

[<u>Page 230</u>]

"Long-awaited help for local government" — not really, when one carefully analyses what the budget says about our cities and municipalities. It's still a further indication that the provincial government, regardless of the party in power — and I emphasize that point — the provincial government structure cannot and clearly does not understand the continuing and increasing pressure on municipal taxpayers. I think it's noteworthy that the president of the Union of B.C. Municipalities, Mayor Marks of 100 Mile House, who has spoken favourably about some previous actions of this new government, was just slightly lukewarm in his response this time.

This budget document crows about a 25 per cent increase in provincial revenues, but can still find just a miserable \$2 increase for the local government per capita grant. If the 25 per cent increase in provincial revenues is genuine or realistic, then that per capital grant should have been \$8, not \$2. That grant, which after all should genuinely and sincerely reflect a fair sharing with the cities and towns of increasing provincial income, has been held down far too long. It was \$25 in 1968, \$28 in 1969, \$30 in 1970, unchanged from that \$30 in 1971, unchanged in 1972 and boosted a year ago by a grudging \$2. It hasn't even kept pace with inflation, yet alone recognize the increasing pressures for more services — pressures that are felt every day on civic administration.

I was interested to see the enthusiasm in the government seats a few days ago when the Minister of Finance (Hon. Mr. Barrett) proudly announced that the local share of social assistance cost was being reduced from 15 per cent to 10 per cent. Big deal! That's not such a significant achievement, Mr. Speaker; in fact, it's just turning the clock back to 1958, when the former government established a cost-sharing formula in partnership with Ottawa of 50 per cent federal, 40 per cent provincial and 10 per cent local.

That 10 per cent, by the way, doubled in the 1968-69 fiscal year under the Social Credit government, and then it dropped back to 50 per cent, 35 per cent, 15 per cent for 1971-72. So a reduction to 10 per cent is not progress. It is back to 1958. It is not progress. No Member of this House and no municipality should be led to believe that it is.

Further, Mr. Speaker, around 70 municipalities in the province, those with a population below 2,500, have had no social assistance responsibility in any event, and so it is difficult to use that action to rationalize any great

assistance to our smaller communities.

A big play was made about court costs. Approximately 100 municipalities in B.C., those with a population under 5,000, have not been contributing to the expenses incurred in the operation of the courts anyway. And again, reduction of these costs is meaningless to the smaller local government units. If you haven't been sharing, a reduction means no more money.

Now, Mr. Speaker, if everything is so prosperous in British Columbia today, if our financial health is better than ever, do some Members not think it would have been possible for the Minister of Finance and his advisers to finally introduce full payment of local government taxes on provincial government property? Our cities and towns are still stuck with this purely artificial, totally unrelated 15 mill tax rate. Why 15 mills? Why not 12? Why not 20? Why not 25 mills? Or, more honestly, perhaps, and realistically, why not the same mill rate levy paid by every other municipal taxpayer? The federal government manages to come through with its full, fair share in local taxes, so what's so special about this province — particularly in these supposedly buoyant, prosperous times of an enlightened NDP administration?

Previous opposition speakers have referred to the Bremer affair and I have to join with them in referring to the whole exercise as a hasty, amateurish and a very costly example of how this government cannot do its research, do its homework and make up its mind.

The Minister of Education (Hon. Mrs. Dailly) has very clearly demonstrated that she really did not know what was required or wanted in terms of a broad, free flowing review of education in this province. In 1973 John Bremer was just about the greatest thing since sliced bread, according to the report. And a few months later, according to the Premier, a bit of a flop. Where were the carefully-thought-out, fully detailed terms of reference which the public, any public, has the right to expect when massive quantities of tax dollars are about to be spent in such a study?

Here are some quotes from *Open Line* No. 1, dated June, 1973, issued by the Department of Education. I suppose the Minister is just a little embarrassed about issue No. 1 of *Open Line*.

"Though John Bremer is an accomplished and widely known educator, his name has not been a household word in British Columbia. It is likely to become one."

She was right, but not in the way she expected.

"He's the man chosen by the Hon. Eileen Dailly to head a continuing examination into public school and post-secondary education in this province. Part of his assignment by the Minister is" — and then quoting the Minister, presumably — " 'to get out into the community to create a dialogue with the citizens.' "

That's the end of the quote from the Minister, but continuing to quote from the article:

"He is in a position to exert a profound influence on the total British Columbia education system. How profound will depend

[Page 231]

on his recommendations, the recommendations his agglomerate commission makes to the commissioner and the extent to which they are accepted."

Then, skipping a paragraph, which I could read if the House wished, but which doesn't appear relevant at the moment:

"Certainly he gives no indication of wanting to be a superstar. On the contrary, he believes deeply in broad, public involvement in education and insists that the community is the commission."

And still further down:

"In a typical, low-key manner John Bremer summed up his attitude to change at a recent press conference in Victoria. 'I am not committed to orthodoxy.' The adjoining article explains him further, and so do the excerpts on the following page. They are from published works by or about him."

And then the one column on the right-hand side of this page by John Bremer:

"I am delighted to be working in British Columbia and I look forward to a challenging and happy relationship with everybody concerned with education and interested in it."

End of quote from Open Line, issue No. 1.

Mr. Speaker, I don't place any blame at all on the former commissioner. Surely in business management and in government — in any sector of responsible activity — it is essential, absolutely essential, for the individual or the group about to engage a consultant to make certain that the arrangement is fully understood by both parties prior to authorizing that the work commence.

Instead, we have doubts, we have uncertainty, we have confusion and an unfortunate trail of wasted time and effort on the part of the teachers, school trustees, parents, administrators, everyone concerned with education — all of whom met with and participated in discussions initiated by the commissioner, apparently with the blessing, the understanding and the best wishes of the Minister of Education.

But while the commissioner was rapidly running out of time in British Columbia, the Minister launched her infamous attack on school boards throughout the province. I have to say that I have reviewed the December 14 press release from the Minister on this topic, and I've listened to her comments since that time. The fact remains that the headlines in a number of newspapers gave all who are genuinely interested in education a very real shock.

From The Victoria Express, December 29, 1973: "Attack Puzzles Trustees." This is The Victoria Express:

"B.C. school trustees, a much maligned lot at the best of times, can't be blamed for wondering whether they are coming or going. Fresh from having the spending rug pulled out from under their feet by Education Minister Eileen Dailly, the elected men and women who help to decide what goes on in the province's schools are probably asking themselves: with an NDP like this, who needs the Socreds?"

In *The Sidney Review* on December 19, a very big headline, right across the page, the first page of the second section:

"Dailly Unfair on Board Finances.

"Provincial Education Minister Eileen Dailly was being grossly unfair when she accused school boards across the province of fiscal irresponsibility Friday, Saanich Peninsula school board chairman Rubymay Parrott told the Review on Monday. Quoting Mrs. Parrott: 'I don't mind being blamed for something I have done, but it seems grossly unfair to be lumped en masse with such a large group.'

"The board chairman was reacting to a press release Friday in which Mrs. Dailly said she was very concerned about the enormous increase in this year's provisional budget over last year's total in the province's 74 school districts."

And then from a fine weekly in the Islands section of my riding, Mr. Speaker, the *Gulf Islands Driftwood*, also in December, a headline:

"From Behind Wall of Secrecy, Massive Hike in Taxes for the Islands.

"Education financing in British Columbia is working under a cloud of great secrecy, charged Gulf Islands school board chairman Charles Baltzer on Monday afternoon. Referring to the massive tax hikes demanded by the provincial government next year, Baltzer told his colleagues that he cannot explain the tax hike to anyone on the street because the Department of Education has explained nothing. 'We can't tell anyone what's happening; we don't know.' "

I talked with Mr. Baltzer yesterday and the situation remains as clouded as it was when he reported to that

newspaper.

Now, Mr. Speaker, I would like to spend just a few moments to sound a very sincere note of caution to the Attorney-General (Hon. Mr. Macdonald) as he proceeds with a review of policing standards and responsibilities in British Columbia. I'm sure that the Members of this House are aware that Dr. John Hogarth has been acting as a special consultant to the Department of the Attorney-General and that his findings will be forwarded to the Minister at some early date.

Our municipal police forces and the RCMP are serving the people of British Columbia in a generally satisfactory manner — satisfactory to, in some cases I feel, excellent. I am familiar with a number of

[<u>Page 232</u>]

municipal police people because of a long-standing association with them, and they have my respect and admiration for the way in which they function in this increasingly complex society where there are new challenges in crime prevention and detection at almost every turn.

It would be folly, I feel, for this government to rush into yet another ill-prepared and hurried major change in this vital field. We don't want another Bremer snafu in policing, in this complicated and delicate area. I hope the Attorney-General — and I'm sorry he's not in the House at the moment — but I hope the Attorney-General realizes that of the 12 municipalities in British Columbia with their own police departments, only one local force has settled with its municipality. The remaining 11 are still in active negotiation, a process which, you will realize, could take another several months to finally resolve.

I'm aware of Dr. Hogarth's qualifications, and I'm not prepared at this time to criticize his actions or attitudes thus far. But again, and I have to underline the point, there is to my knowledge absolutely no reason to rush in, this session, with sweeping changes that have not been thoroughly, exhaustively researched.

The men and the women who serve in our municipal police forces, whether they are in uniform or in civilian clothes, are career people. They're closely associated with their respective communities. In the vast majority, they are totally dedicated and they form an important part in the life of that community. These police deserve an assurance from the Attorney-General, a very firm indication from the Minister and his consultant or consultants, that police forces will not be victims of an incomplete, a half-baked or a rushed job which affects their careers and, in fact, which could affect the safety and the well-being of the citizens they serve.

I want to speak also about foreign ownership of land. I find it incredible that this government, now in power for almost a year-and-a-half — and I'm pleased that the Minister of Agriculture (Hon. Mr. Stupich) is listening — that this government, with 18 months behind it, has yet to introduce any legislation to control and limit foreign ownership of land.

I've spoken about this before. This party introduced legislation at a previous session in an attempt to focus attention on this increasingly serious situation. Far too many of the actions taken thus far with respect to land and land control, in my view, have been punitive in their impact on permanent residents of British Columbia — our own people. This should not have been one of the first responsibilities or priorities of the NDP. Rather, the government should have introduced a plan under which foreign capital could not make major inroads into our most precious resource of all, after people: land — land in the cities, in the rural sections of British Columbia.

I think that we should continue to welcome citizens of other nations, of course — those who intend to move here and live among us. This legislation, therefore, need not penalize landed immigrants. But, in our view, this omission from the government's programme so far through all these sessions represents a very major failure.

I listened with interest to the statements made by the Minister of Housing (Hon. Mr. Nicolson) earlier in the day. Not a bad speech. I think it has to be observed, though, that some Members of the opposition are still not confident about the Minister's capability to move quickly and effectively, decisively, in this most important area. Again it's a case of dollars being available, yes, but perhaps an uncertainty as to where and how and when to use

those dollars most effectively.

It was interesting yesterday to hear the Hon. Member for Dewdney (Mr. Rolston) speak about the cost of servicing lots. It has to be recognized by the government that this is a most important factor in the provision of new homes, new housing, and it's an item of significant expense not only for the developer — therefore, eventually the homeowner or tenant — but also for the municipality involved. Those costs are going up very, very rapidly.

In his remarks on February 1 the Hon. Member for Esquimalt (Mr. Gorst) spoke at some length about the capital district of southern Vancouver Island and the need for some form of capital commission to guide the destiny of this district. He said in part, and I'm quoting from *Hansard*:

The southern tip of this island, of Vancouver Island, is itself an example of the effects of not having control over development.

We all know that this island is one of the most amenable places in a beautiful province. There are literally hundreds of miles of coastline. But the surprising thing is that today, only eight miles of that coastline in this regional district, which covers 900 square miles from the Malahat to Sooke to Port Renfrew and all the way back to the Gulf Islands and back to the doors of this legislative building, are available for public use. A drive around this region will confirm to you that over 90 per cent of this area's accessible coastline is alienated from public access.

Now I don't want to suggest for a moment that the Member misled the House. But I do think that his comments need some correction and clarification. Greater Victoria, for the moment excluding the Saanich Peninsula, is relatively fortunate in the amount of shoreline which is available to the general public in one form or another.

From Pedder Bay in the Member's constituency, through View Royal, Esquimalt, Victoria, Oak Bay, Saanich and then on to the peninsula, we have roughly 118 miles of shoreline. Of this total, there are

[Page 233]

the eight miles referred to by the Member. But it has to be recorded here, in order to have a clearer understanding of the problem, that those eight miles are identified as undeveloped frontage. Those are parcels of four acres or more with no more than one major development per parcel, and excluding all Indian reserve land and land owned or held by the Department of National Defence.

So to that one must add, in order to get a correct and accurate picture of the situation, a significant 15 miles of shoreline, excluding street frontages which terminate at the shoreline. These 15 miles are indeed open to the public and include Dallas Road, Bazan Bay, Shoal Harbour — even the spit to the south of Fort Rodd Hill. This is not a complete list. It is used as an example only.

In addition, there are approximately seven miles of undeveloped land which, for topographical reasons, are not available for any access to the water. These are principally areas where there are relatively high and steep cliffs. So the situation is not nearly as serious as the Member for Esquimalt indicated.

Again, rather than eight miles, there are some 22 miles where the public can either get to the water or to a satisfactory vantage point above the water, and this 22 miles does not include the eight miles to which he referred.

Now if we're talking about spending of dollars, I'm not at all convinced that the type of capital commission which the Member proposed at that particular time, and which he suggested earlier, is either necessary or in the best interests of greater Victoria or of the province as a whole. There are mechanisms already in existence which will assist all agencies and all levels of government in protecting the attractiveness of this area and which will promote the introduction of both public and private uses which are compatible and desirable.

The CIDC, the Capital Improvement District Commission, apparently enjoys the continuing confidence of this government, although I would again urge that its terms of reference, its boundaries, be extended on the peninsula. The Capital Regional District is very keenly aware of the need for co-operation and consultation between

its component municipalities and the province. And the municipalities in this area themselves are not lacking in a sense of responsibility in this respect.

I don't want to see the shoreline areas of greater Victoria turned over completely and totally to a wall of private development, not at all — choked streets and a solid wall of high-rise offices and apartment buildings — in any section of the Inner Harbour and the seafront areas.

On the other hand, I don't think our shorelines should be completely sterile and given over solely and exclusively and perhaps rather tediously to park-like treatment. What is most desirable, in my view, is a tasteful and a realistic blending of private development and public ownership in order that this very important part of the capital region has both — that it has areas of activity and employment-generating facilities, commerce, located in close proximity to open spaces and parks and green areas where our residents and visitors can stroll and relax.

One extreme or the other — that is, all private, commercial or industrial on one hand and all open, empty foreshore on the other — is not the answer. So let the province — through the Minister of Municipal Affairs (Hon. Mr. Lorimer) or the Provincial Secretary's (Hon. Mr. Hall's) office, if that's more appropriate — bring all interested individuals, groups and agencies, including local and regional government, together, perhaps in a seminar situation, to fully explore the entire question, and then to clearly document what has been accomplished thus far and what needs to be done in the short- and long-term future.

Mr. Speaker, the Minister of Transport and Communications (Hon. Mr. Strachan) is to receive an allocation of \$35 million for a ship-construction fund in this budget, for the construction of new ferries to be added to the British Columbia fleet. I certainly hope that they will be built in British Columbia.

It's already been made clear that these new vessels are going to be much larger, I think longer, higher, wider, more complex in their operation. We in this party urge the Minister to make absolutely certain that there is the fullest and the most unrestricted consultation between the designers and the men and women who will operate these ferries. This is not necessarily any reflection on any member of the British Columbia Ferries' senior management group.

The fact remains that the masters who will assume responsibility for the lives, the general safety and wellbeing of passengers must be given every chance to comment on and to criticize, without fear of any retaliation from any source whatever, on the general design, the operating characteristics, the size and every other aspect of these new and expensive vessels.

That consultation must not stop at the captain's level but, I believe, should involve other officers, engineers and catering personnel; all persons who will be among the operating complement of each ship. Cafeteria waitresses, the stewards and the cashiers, the men who direct the loading and unloading of motor vehicles, and the deck crew can all tell the Minister and the manager of B.C. Ferries about those things which are inefficient or awkward with our existing fleet and what can be done to correct those errors or those inconvenient arrangements. They know better than any shore-based management person.

I'm not satisfied that the British Columbia ferry system over the years has had this sort of frank and unrestricted input. I think it's incumbent upon the Minister to correct that situation immediately while

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[ Page 234 ]
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these vessels are in the design stage.

It's simply not good enough, Mr. Speaker, through you to the Minister, for ferry management and the Minister of the day, whoever he may be, to say, in effect, "Okay crew, here's your brand new boat; we hope you like it. Your first regular run is a week next Tuesday."

Mr. Speaker, I can't take my seat this afternoon — and I didn't really want to do this because I thought we had gone into it before — but without touching on the attack by the Member for Cariboo (Mr. Fraser) with respect to the Liberal and Progressive Conservative Party Members on the subject of Bill 71.

HON. A.B. MACDONALD (Attorney-General): Shameful attack.

MR. CURTIS: Well, not so much shameful as stupid, I think really. And I was surprised. I refer to *Hansard*, April 6, 1973, and also April 13, 1973.

MR. SPEAKER: Excuse me, Hon. Member, I wonder if you could perhaps revise your choice of words and not use the word "stupid."

MR. CURTIS: I'll be happy to withdraw the word "stupid." Thoughtless. Is that satisfactory?

AN HON. MEMBER: "Shameful" is better.

MR. CURTIS: The Attorney-General made that interjection, Mr. Speaker, not I.

It's just great to be able to crow about voting against the Act to amend the Assessment Equalization Act, Bill 71, but where were the comments? I think my colleague, the Member for Oak Bay (Mr. Wallace), talked about this not too long ago; but let the record show once again that not one Member of the Social Credit Party spoke against Bill 71 when it was before the House.

In order of appearance on April, according to *Hansard*, page 2337, the Member for South Peace River (Mr. Phillips) attempted to adjourn the debate. There was no explanation given.

The Member for West Vancouver-Howe Sound (Mr. L.A. Williams) said, in part:

Mr. Speaker, I take it from what the Hon. Premier says that this is an interim step and we hope to have some further and perhaps complete revision of the *Assessment Equalization Act*. With that assurance we will reluctantly support this amendment.

I'm concerned, Mr. Speaker, that this is just another interference with the true function of equalization. While it may create some apparent advantages for homeowners and for farmers, it interferes in another way with equalization and therefore with the true functioning of the tax system which is based upon a value assessment.

And then the Member for Oak Bay (Mr. Wallace) opened his remarks on the same page, 2337:

Mr. Speaker, I also feel that the important qualification in supporting this bill is that the Premier has stated that a review of the *Assessment Equalization Act* shows many inefficiencies and inadequacies, and that this is the one particular area that stands out like a sore thumb, I'd say, and that is the one aspect which he feels entitled to try to correct at this time.

MR. FRASER: It hurts.

MR. CURTIS: No, it doesn't hurt at all, not at all. Later at the end of his remarks: "On that sort of qualified basis, this party will support the bill."

I think it is empty criticism for the Member for Cariboo (Mr. Fraser) to say that we voted for it. Where were their suggestions at the time? Not one word in the debate — and let the record show that — not one word in the debate against Bill 71, not one word.

MR. FRASER: Join them, join them. Go over to the other side.

MR. CURTIS: It is nice to see the Member for Cariboo so active this week.

Mr. Speaker, this government has been fortunate since coming to power. It has had a buoyant economy and a rapidly expanding economic base. I think the Minister of Finance (Hon. Mr. Barrett) said previously last year that he doesn't intend to take credit for that type of situation.

But the fact remains — and it's the main point I want to leave with this House this afternoon — that what concerns British Columbians most today is not how big the budget we are debating may be, how rapidly the provincial economy is expanding, how much money there is to spread around. None of these, not one of these is as

important as the skill with which these funds are to be spent.

Thus far, in so many areas of government activity, that skill is not readily apparent. In spite of the Minister's assurances, there's no encouraging sign that incompetence in the cabinet and in the government is about to be replaced by the prudence he spoke of and general fiscal responsibility.

MS. K. SANFORD (Comox): I would like to start this afternoon by expressing my sincere thanks to the Premier for a special recognition on Valentine's Day with this beautiful bouquet of flowers which we each have on our desks.

I'm pleased to take my place in this debate discussing the largest budget we've ever seen in this province. We've seen reaction this week from columnists, editorial writers and Members of the opposition. But, Mr. Speaker, I get confused by the

[<u>Page 235</u>]

opposition. We've just been attacked, viciously attacked, by the MLA for Saanich and the Islands (Mr. Curtis) for overspending. In his opening remarks he calls us irresponsible because it's inflationary. Yet other opposition Members are criticizing us because we aren't spending enough here and we aren't spending enough there. I get confused.

Another thing the MLA for Saanich and the Islands (Mr. Curtis) was critical of was the fact that, according to him, we aren't doing enough research before we proceed with various projects in this province. But side by side with that criticism comes criticism from so many other opposition Members about hiring too many people to do research and to serve on task forces commissions to find out what the score is before we proceed.

This afternoon I was quite excited by the speech given by the Minister of Housing (Hon. Mr. Nicolson). I'm convinced that with this new programme we will be able to provide moneys for housing for people in low-income brackets — that's a new step in this province — for the old age pensioners — some work had been done in that field before — and also for those who are interested in co-operatives. I think all of those needs will be met under this new programme.

The housing crisis is one that we've heard a lot about for a long, long time. The Premier not too long ago said that it had gone from bad to worse to terrible. We heard a lot over the years from the federal government about the need for action in housing. We didn't see too much action from that federal government.

Here in this province, in this budget, we see an injection of over \$100 million to solve the housing problem; \$100 million in one budget.

The opposition, since the budget was introduced on Monday, has been very quiet in its criticism of our ability to meet the housing crisis in the province. Very quiet since Monday.

Interjection.

MS. SANFORD: Yes, I said, "...in its criticism," didn't I, Mr. Member?

The criticism we did receive this afternoon from the MLA for Cariboo (Mr. Fraser) was not about the housing programme but about the Minister of Housing's attack on the lack of action by the previous government. He cited the kinds of programmes the previous government had brought in to solve the housing problem in the province. But his criticism was not very convincing to me because the housing crisis did not occur in the 18 months we have been in office. All the programmes they had introduced did not solve the problem at all.

An erroneous assumption is frequently made with regard to the housing shortage. It isn't just in the major metropolitan areas that the housing crisis exists; it is also felt very severely in the smaller communities such as Campbell, River, Port Hardy, Port McNeill and Alert Bay.

Those people are pleased with the assistance the Minister of Housing has already extended to them in those communities in my riding. They've had a lot of help already. They have told me time and time again that they are more than satisfied with the way in which they are proceeding with developing lots for housing in those communities.

It's not just in the Vancouver area where the tenants are feeling the pressure of the housing shortage. I'm pleased to note that in this budget tenants are recognized and that they will be granted a \$30 resource dividend. For far too long the tenants have been overlooked. The homeowners of this province have been receiving the homeowners grant and the grant has gone up regularly. But all the time the tenants have been paying taxes too through their rents in the premises in which they have lived. This is the first time the whole group of tenants has been recognized in a budget.

I am calling on this government, because the tenants have been ignored so long in this province, to increase substantially next year that grant for tenants.

As an MLA who has nine ferries operating within the riding, I was especially interested to see that more ferries are going to be built in this province. I would agree with the Member for Saanich (Mr. Curtis) that more consultation should take place with those people who are actually operating those ferries and working on board. He's right; they are the ones who know and they are the ones who are not consulted frequently enough.

Any MLA who has had several ferries operating within their riding is faced with normal headaches.

AN HON. MEMBER: Trouble.

MS. SANFORD: Trouble. You're right. Normal headaches of scheduling, ferry slips, fares, ramps, terminals; these are daily headaches the MLAs in these ridings face. I'm hopeful that the construction of these new ferries will give the B.C. Ferry Authority some flexibility in order to maybe shunt the ferries around in order to meet the needs as they arise on the runs.

One of the things I have been encouraged by in Comox riding is the development of the community resource board. In Campbell River they have gone through various stages. They had first of all an interim community resource board followed by a permanently-elected community resource board, elected by the community at large. They have determined the needs for services of the Campbell River area and have submitted an interim budget to the Minister of Human Resources (Hon. Mr. Levi).

[Page 236]

That budget has been approved.

Tonight in Courtenay there will be the inaugural meeting of their community resource board. They are getting underway. Cumberland has already had a meeting in order to establish a community resource board. I'm encouraged because I feel this is the best way we're going to be able to provide services for people.

One of the other encouraging things in the riding has been the development of day-care centres. I would just like to inform the House this afternoon that on tiny Hornby Island there is now a day-care society. The first day-care is in operation on that island which has about 150 people.

MR. GARDOM: How many babies; two?

MS. SANFORD: In the field of education I am watching with interest the task force which is looking at community colleges. I have written to Hazel L'Estrange, who is chairing that task force, requesting that she pay particular attention to Comox riding. It is not too long ago that there was a referendum held which was narrowly defeated. A college would have been established at that time and I think at this time the task force will find that a community college should be located within Comox riding.

I'm also encouraged to see that, in addition to the \$67 million increase in funds directed to education, the Minister of Education (Hon. Mrs. Dailly) has been authorized to obtain special supplementary warrants in order to reduce class sizes. I'm confident that we'll see a reduction in class sizes in this province in September as a result of those special warrants.

One of the criticisms levelled by the Leader of the official Opposition (Mr. Bennett) and other Members of that party was directed at this government for spending in social services, including education, health and human resources. It was with disbelief that I listened to the Leader of the Opposition the other day when he was giving his speech on the budget. Did he forget all of a sudden which party he belonged to? At one point, when he was dealing with education matters, I think, he made some comment about the programme being "completely unacceptable to his party." Can you believe it, coming from that party which had such a lack of a programme in education, health or social welfare for all those years?

Interjections.

MS. SANFORD: That party continues to criticize in that vein. It's just over a week ago that that party was reminded by Members in all the other parties, by the people who sat here year after year when that party was in office. When they were being reminded the other day, those were the most moving speeches I have heard in this House. They are the ones who know. They've sat here and they didn't forget. But that group must have forgotten.

Mr. Speaker, I was interested, also, in the initial reaction of the leader of the Liberal Party (Mr. D.A. Anderson) who was worried about too much fat and bureaucracy in government in place of "efficient spending" he said. He, too, must have a short memory because he sat in the government benches in the federal House of Commons when we had one incident after another which made us question the efficiency of spending by that government. Has he forgotten the Bonaventure? Has he forgotten the horses on the payroll? Has he forgotten the fact that there were officials flying around, hunting up in the Queen Charlottes using military aircraft?

MR. PHILLIPS: How about the shoe factory in Saskatchewan?

MS. SANFORD: I think the two leaders of the Liberal and the Socred Parties would have done well to exchange their criticisms. I think that the leader of the Social Credit Party (Mr. Bennett) would have retained more credibility if he had attacked on the grounds of efficient spending, and I think that the leader of the Liberals (Mr. D.A. Anderson) would have retained a little more credibility if he had attacked on social services, based on the position that they were in this House in the past.

Mr. Speaker, I was quite surprised to hear the Member for Cariboo (Mr. Fraser) make comments today about assessments and what has happened since Bill 71 was passed. You know, I really expected that he would know more. He has been involved in civic politics for a long time and I thought that he would have had some knowledge about assessments and how they work.

He made reference to a press release that I had made concerning assessments and the inequity of assessments, which came about as a result of a 10 per cent limitation put on by that government in 1971. We were trying to correct that situation, Mr. Speaker. Certainly there are difficulties in trying to correct the mess that they had left in terms of assessments. I too will be pleased when we have a committee to look into this problem and come up with some sense in terms of assessment.

He spoke proudly of having voted against Bill 71. But he knows, Mr. Speaker, that the 10 per cent limitation which that government put on resulted in inequities in assessments throughout the province. He talked about ridiculous increases in assessments — up to 1,000 per cent, I think he said at one point.

MR. H.W. SCHROEDER (Chilliwack): Three thousand.

MS. SANFORD: Three thousand, he may have

said. If that is the case, surely he could not have voted against Bill 71, because that shows the inequity that existed. If they were under assessed by 3,000 per cent how could it be that he would vote against that?

MR. PHILLIPS: Aren't you the Member who said land should belong to the state?

MS. SANFORD: He was speaking today of removing assessments in terms that he should never have used, because he should have known better.

Mr. Speaker, this government has also been criticized by the opposition for spending sums on the purchase of companies, firms and corporations owned by foreigners. Mr. Speaker, I applaud the efforts of this government to repatriate our land and our economy.

You know, it's been the accepted wisdom over the years that we can't survive unless we have all of this foreign investment. Historically we have accepted foreign investment, and we've also accepted foreign control with it.

More and more, Canadians are saying that we want to control our own destiny, and not be subjected to the whims of foreign-owned companies. It is intolerable to have boardroom decisions in Portland, San Francisco or New York, to arbitrarily create unemployment and shut communities.

MR. PHILLIPS: And Moscow!

MS. SANFORD: Foreign companies are obviously geared to maximize profits. In the past, they have been welcomed and they have been encouraged. But to me, Mr. Speaker, it is galling to have an IT&T-owned company threaten to slow down or to close down their operation in Port Alice in Comox riding if it is obliged to adhere to pollution standards that are established by this government. It's galling.

It is especially galling when one realizes that 85 per cent of the U.S.-invested capital is generated here in Canada. Also, the outflow of dividends in recent years has exceeded the direct U.S. investment.

Interjections.

MR. SPEAKER: Order, please. I think there is an excess of heckling going on which is really not justified.

MS. SANFORD: Mr. Speaker, in order to control our own destiny we need to control not only the foreign investment in this country in industry, but also in land. I agree with the Member for Saanich and the Islands (Mr. Curtis): we should not allow any more of our land in this province to be sold to non-Canadians. I feel very strongly that this government has got to put a stop to the sale of land to people who are non-citizens or those who are not intending to become Canadian citizens. I think we should continue to sell land to landed immigrants and to Canadians. But absentee foreign landowners we do not want here in this province.

I disagree, however, with the Member for Saanich when he is talking about the sale of land to foreigners here, because he, as I recollect, introduced his own bill on this which permitted the sale of anything 10 acres or under to non-citizens for their use. I don't know if we can accept this — 10 acres of beachfront or 10 acres of downtown Vancouver for their use. I have some questions about that.

Mr. Speaker, again I join the Member for Saanich and call on this government to bring in legislation allowing only Canadians and landed immigrants to buy land here. Thank you.

Mr. G.H. Anderson moves adjournment of the debate.

Motion approved.

Hon. Mr. Strachan files answers to questions 33, 92, 103 and 120.

Presenting reports.

Mr. Speaker presents the report required under the *Legislative Procedure and Practice Inquiry Act*, which was taken as read and received.

MR. CURTIS: I ask leave to withdraw question 45 standing in my name on the order paper.

Leave granted.

MR. P.C. ROLSTON (Dewdney): I ask leave to remove motion 3 on diking on the order paper in my name.

Leave granted.

Hon. Mrs. Dailly files answer to question 57 on the order paper.

Hon. Mrs. Dailly moves adjournment of the House.

Motion approved.

The House adjourned at 5:38 p.m.

[Return to Legislative Assembly Home Page]

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