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Official Report of
DEBATES OF THE LEGISLATIVE ASSEMBLY
(Hansard)

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Afternoon Sitting

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The House met at 2 p.m.

Prayers.

HON. L.T. NIMSICK (Minister of Mines and Petroleum Resources): Mr. Speaker, I'd like to draw the attention of the House to two visitors in the gallery today, friends of mine from Penticton, Mr. and Mrs. Milligan.

MR. G.S. WALLACE (Oak Bay): Mr. Speaker, I'd like the House to welcome a friend of mine from Kelowna who is in town for the annual convention of the toastmistresses. She is also a stalwart worker for the Conservative Party, Mrs. Norah Woodman.

MR. L.A. WILLIAMS (West Vancouver–Howe Sound): Mr. Speaker, in the gallery we have 10 students from the grade 10 class at St. David's School for Boys in Squamish with Mr. John Kemchenten, their instructor. I wish the Members would make them welcome.

MR. N.R. MORRISON: (Victoria): Mr. Speaker, I ask the House to welcome the former Member for Dewdney, Mr. George Mussallem, who is in the gallery today.

Oral questions

PLANS FOR HIGHLAND DISTRICT

MR. D.A. ANDERSON (Victoria): To the Minister of Housing, Mr. Speaker. We've received the first annual report of his department. I congratulate him for it. He set a new first for government Ministers; he has managed to have seven pictures of himself in 48 pages, which I am sure other Ministers will be emulating.

But my question deals with the Highland district. On page 22, dealing with the capital regional district, it talks about the acquisition of land. Yet the planner for the area for the regional board simply has no idea what the government's plans are. I wonder whether the Minister can now inform the House and, of course, the people who live there whether the original programmes to have this area developed for 30,000 people will be proceeded with.

HON. L. NICOLSON (Minister of Housing): Mr. Speaker, I think the Member knows that this was assembled with the request, consent and, in fact, through the capital regional board. The aims were for long-term land banking. We have had studies which have taken place. We've also had studies into sewage servicing for the entire Colwood-Langford-Highland area. The original intention was for 5- to 10-year land banking. It would have been desirable, in view of the current need for serviced land, if that time could be stepped up, but it appears that it will have to be in the long range because it appears that with the present technology available to us we will have to build the sewer line to the project in stages through the area to be serviced first.

MR. D.A. ANDERSON: Supplementary to that question, Mr. Speaker. The Minister has talked about these plans and studies, and apparently the planning and the studying has been done but has not yet been released. Indeed, the regional planner said: "But your guess is as good as ours as to what plans there are for the Highlands." Would the Minister please indicate when he intends to table the plans for the area so that the residents who are there now, as well as others who have concern for the capital regional of British Columbia, can at least have some idea of what was recommended?

MR. SPEAKER: Is that a speech or a question?

HON. MR. NICOLSON: He asked when I would table the study. I will do that in due course.

MR. D.A. ANDERSON: Could I ask, if it's going to be tabled in due course, whether the planners for the area will receive advance copies prior to tabling in due course? It seems absurd to have a tremendous amount of money spent on planning and to have these studies done, and yet have the regional board planner unaware of what these studies say.

MR. SPEAKER: Before we proceed, I'd ask the Members to put their microphones up, because if they intend to ask a question they won't have to keep jumping up and down if I see the microphone up, but put it down when you are finished. See if you can work that without all that exercise.

MR. H.A. CURTIS (Saanich and the Islands): Mr. Speaker, a supplementary on the same subject to the Minister of Housing. Has a planning study, commissioned by the province, by the Minister's department, in fact been completed? In the statement by the regional planner there is reference to a study which he has not yet seen. Is it complete?

HON. MR. NICOLSON: Mr. Speaker, a preliminary feasibility study has been completed.

MR. CURTIS: A supplementary to the Minister: Is it this plan which has not yet been submitted to the regional district or to the planning staff of the regional district? The Minister indicates that is the case.

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AVAILABILITY OF TEMPORARY OPERATING PERMITS

MR. A.V. FRASER (Cariboo): The other day I asked the Minister of Transport and Communications about the availability of temporary operating permits which are causing a lot of difficulty in the province. Today I would like to ask if it is correct that temporary operating permits can be obtained from a travel agency in Mackenzie and from the village clerk in McBride.

HON. R.M. STRACHAN (Minister of Transport and Communications) : I will have to take that as notice. I have no knowledge that any agency has the authority to issue such permits. What did you say — Mackenzie and where else?

MR. FRASER: Mackenzie and McBride.

HON. MR. STRACHAN: And from the travel agency?

MR. FRASER: Yes.

HON. MR. STRACHAN: A commercial travel agency?

MR. FRASER: Right.

BACTERIA COUNT IN MILKSHAKES

MR. WALLACE: Mr. Speaker, I would like to ask the Minister of Health with regard to the findings by the Consumers Association of Canada, which from the bacterial testing of chocolate milkshakes sold at fast-food outlets in Vancouver discovered that 23 out of 60 samples greatly exceeded the maximum coliform count. With the upcoming summer season and the tourist influx, I wonder if the Minister has initiated any immediate testing by his laboratories to find out if these results are accurate.

HON. D.G. COCKE (Minister of Health): I don't believe that it's necessary to rediscover the wheel. We feel that the results were accurate. Incidentally, I would like you to look at the addresses. I was very pleased when I read the paper myself and found that the Member for Vancouver-Little Mountain's (Mr. Cummings') establishment, which happens to be the one on Main Street, had no coliform count. I think that should be noted.

MR. D.M. PHILLIPS (South Peace River): He must have known they were coming.

HON. MR. COCKE: Just for the record, and for the Member for South Peace River, I didn't even know they were going. So that's the kind of remark I think is quite unnecessary and uncalled for.

We, naturally, are quite concerned about the question of food, restaurants and so on. We are trying, with the staff that we have, to cover as much ground as we possibly can. We will be following up on this work, but I must suggest to you that we do have a great deal of difficulty in the whole area of inspection when you consider the

number of establishments there are in the province and the number of inspections that must be made in order to keep them up to standards. We hope that people themselves will protect their own industry from this kind of stigma by seeing to it that they do apply the cleanliness aspect.

ASPESLET MAULING CASE

Mr. Speaker, I was asked the other day by the Member for Langley (Mr. McClelland) about a request from the Royal Canadian Humane Association with respect to Malcolm Aspeslet. He was mauled by a grizzly bear in October, 1971, and as the Member for Langley indicated, Mr. Aspeslet lost his scalp. The matter has been discussed with my departmental officials, and we most certainly view the tragedy with a great deal of sympathy. If the treatment proposed proves to be medically acceptable — that's the proviso — then arrangements will be made to meet part or all of the costs involved in view of the financial and emotional burden already borne by Mr. Malcolm Aspeslet and his wife.

Our director of the bureau's special health services is presently investigating the details of the plastic surgeon and others involved, the feasibility of the surgical procedures, proposed costs, et cetera. Such assistance as seems justified will therefore be undertaken from our alternative-care vote as soon as we possibly can.

Incidentally, it might be very much more than was suggested by the Member for Langley, but we feel that it's certainly the kind of thing we should be doing.

MR. WALLACE: I appreciate that we don't want to reinvent the wheel, but if the wheel has a puncture maybe we should fix it. I'm suggesting that when the medical officer of Health from Vancouver says that his efforts have been hampered by inadequate laboratory facilities, and the health inspector, Mr. Hutton, says there has been no testing of dairy products at the retail level because the provincial laboratory facilities formerly used have been denied Vancouver since January 1, I have to suggest to the Minister that the rather simple answer isn't adequate with the summer season and the risk of outbreaks of food infection. What is the plan to provide the laboratories and the facilities and the personnel? I

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notice that the budget for laboratories is up by 50 per cent, but it doesn't seem to be enough.

HON. MR. COCKE: Mr. Speaker, naturally the laboratory situation in the province is totally inadequate, and that's one of the reasons why we're planning a large provincial laboratory in conjunction with B.C. Medical Centre.

There are alternatives, of course. Yes, there are alternatives. One of the alternatives is being discussed at the present time by giving some crash assistance to the B.C. laboratory. But I must suggest to you that this is an area where we have been thin. When there are outbreaks, as we have had viral outbreaks this year — and you as a doctor know that — then you move priority from priority to priority. We have some of our bacteriologists backing up the virology aspects of the lab. The lab people have to be reinforced — no question about it.

MR. R.H. McCLELLAND (Langley): If for some reason the proposal that was made by Mr. Aspeslet proves not to be medically acceptable, will the department on its own search out some measure of relief for Mr. Aspeslet that will be medically acceptable?

Secondly, will the department be approaching Ottawa to perhaps share in some of the costs, since it did happen in a national park?

HON. MR. COCKE: Well, I would have to take that, Mr. Speaker, as notice. It is a technical question. I rather think that there's a strong possibility that it will be medically feasible.

As far as Ottawa is concerned, we'll write a letter.

TRIP TO GREAT BRITAIN FOR OIL REFINERY TALKS

MR. W.R. BENNETT (Leader of the Opposition): Mr. Speaker, to the Attorney-General in the absence of the Premier, in regard to the proposed oil refinery and the trip to Britain in June to discuss it. I wonder if the Attorney-General as a director of the B.C. Petroleum Corp. and responsible for energy will be accompanying the Premier on the trip.

HON. MR. MACDONALD: (Mike not on.) ...not impossible, Mr. Member.

MR. BENNETT: Well, just a supplementary, then. As this trip seems to be very clearly defined, can the Attorney-General advise whether the planned talks on the refinery with the Prime Minister of Great Britain include financing of the project?

HON. MR. MACDONALD: Mr. Speaker, I'd rather let the Premier answer these questions, but again that's not impossible.

TREASURY BOARD DIRECTIVE

MR. L.A. WILLIAMS: Mr. Speaker, a question to the Hon. Provincial Secretary in his capacity as a member of Treasury Board. Does the directive from Treasury Board with regard to expenditures to be reduced 10 per cent and no hiring of additional staff or acquiring additional space apply to all departments of government?

HON. E. HALL (Provincial Secretary): I'll take that question as notice, if I may.

ADS FOR B.C. GOVERNMENT NEWS

MR. G.F. GIBSON (North Vancouver-Capilano): A question for the Hon. Provincial Secretary, Mr. Speaker. Is the Minister aware of full-page ads in the *TV Guide* for people to write in for that government propaganda rag, *B.C. Government News*? What other ads are going on, how much do they cost and how does he justify this brainwashing of the public with their own money?

HON. MR. HALL: I suggest to the Member that he place the question on the order paper and I'll answer it then.

ADS FOR INAUGURAL RUN OF *Queen of Surrey*

MR. D.A. ANDERSON: A supplementary, Mr. Speaker, on the question of advertising. May I ask the Minister of Transport and Communications how much the full-page ads inviting people to the inaugural run on the *Queen of Surrey* cost and why they were put in view of the fact that the ship came into service in August of 1974 and in view of the fact the only real change that we know of since that time is that the department of ferries has been good enough to get rid of the fleas on board the vessel?

MR. SPEAKER: Order! Really, this is not a supplementary and I must ask the Minister to refrain from answering. I don't think that we should ask questions that are not supplementaries on that basis because it's not fair to the Members who haven't had a question.

NEGOTIATIONS WITH OTTAWA ON HIGHWAY PROGRAMME

MR. PHILLIPS: Mr. Speaker, I'd like to direct my question to the Hon. Minister of Highways. I'd like to ask him how he's getting along with Ottawa these

days. More specifically, with regard to the DREE programme that was signed last year for upgrading the Alaska Highway, for upgrading the John Hart Highway and for upgrading Highway 16 from Prince George to Prince Rupert: is the agreement being carried on this summer? Is the money forthcoming from Ottawa to carry on the work?

HON. G.R. LEA (Minister of Highways): Negotiations are still being carried on with Ottawa. But, if you recall, the agreement that was signed by the Province of British Columbia and the federal government was a one-year agreement, which is expiring. We're on that second-, third- or fourth-year check.

MR. PHILLIPS: What happened?

HON. MR. LEA: It's expired: that's right.

MR. PHILLIPS: Supplementary, Mr. Speaker. There was a one-year agreement in there, but it did allude to a continuing programme. Could the Minister advise what state the talks are at? Is an agreement expected to be reached imminently? The, building season is on us. I am concerned that that programme might not be carried on for the betterment of British Columbia.

HON. MR. LEA: We are going ahead with the programme. We are still negotiating on how much of the money is going to be picked up from Ottawa. The programme is going ahead. The fact of the matter is that the negotiations have not been going on with Ottawa quite as well after the federal election as they were before.

MR. PHILLIPS: Just a final supplementary, Mr. Speaker.

MR. SPEAKER: I'm afraid not.

Interjection.

MR. SPEAKER: Order, please.

Orders of the day

HON. E.E. DAILLY (Minister of Education): Mr. Speaker, I ask leave of the House to proceed to public bills and orders.

Leave granted.

HON. MRS. DAILLY: Mr. Speaker, I had informed the opposition that we would be going to the Minister of Finance, but as he has been delayed this afternoon, of which I was not aware at the time I gave you that information, we will now proceed to the Attorney-General's bills and second reading of Bill 76. I regret that we had to change the order. We will go onto Finance this afternoon when the Premier returns.

LEGAL PROFESSIONS

HON. A.B. MACDONALD (Attorney-General): Mr. Speaker, I have the pleasure to introduce to the House Bill 76, the Legal Professions Amendment Act, 1975, which has received careful attention from the barristers and solicitors of the province. It makes no substantial difference whatsoever in the substantive law of the land, with the exception that it allows the Law Society of British Columbia to own property and to otherwise acquire land, not including expropriation. Otherwise the bill consolidates things such as the sections on call and admission; it improves some of the nomenclature in the Act, and is not otherwise, as far as I can see, a matter of substance.

I must say, as I survey my own profession, other professions, other groups in the country of Canada and the Province of British Columbia, I have not lost my interest in what I might call the principle of representation. It seems

to me that too often professions, managements and industrial disputes are settled in the absence of the people who often are most directly affected. I would hope that, as I have requested in the past, the legal profession wouldn't be the one to take the last step in this important matter and that they would consider in the course of the next year whether there ought not to be sitting on the benches of the Law Society of British Columbia somebody who might be considered to be an ombudsman for the public, for the public interest, whose duty it would be to represent that interest which is unheard, really, in disciplinary hearings, in questions of call and admission and settlement, possibly of fees, and things of that kind which are of importance to the public.

I don't believe the law belongs solely to the lawyers or the judges; I believe it belongs to the community. As I say, that principle, which I call the principle of representation, has tremendous application in other sections of our economy. Increasingly, groups are not talking with each other and not considering that amidst their rights there is a responsibility to safeguard the rights of those with whom they have dealings. I am not making any criticisms of anything, but I think we have to talk more between groups and I think we have to watch out for the other fellow's interests when we are considering the interests of a particular group.

But that isn't in the bill, Mr. Speaker, and I have been entirely out of order in referring to the principle of representation, although it is something quite on

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my mind. I move second reading of this bill.

MR. D.A. ANDERSON (Victoria): Mr. Speaker, I trust I can stay as far within the bill as the Hon. Attorney-General in introducing it. I am delighted to hear that he has not lost interest in his former profession. We sometimes feel he may have lost interest in his present profession when he brings forward bills he hasn't read.

As far as the ombudsman for the public interest is concerned, we heartily agree with the statement of the Attorney-General. We cannot understand why this is not done by way of statute so there is an ombudsman for the public interest and a man who could look into problems between lawyer and client.

One of the great surprises, I think, for all Members of this House is that as soon as they get into politics, they receive a reasonably large number of letters from people who have had disputes with lawyers who have overcharged them, in their view, or else charged them for doing no work, or, in the case of the most recent one, a lawyer who charged for doing work which turned out, because he had been so lazy in doing it, to be past the six-month limitation. He was charging for work done which, thanks to his own incompetence, could not possibly lead to a resolution of the problem of the client.

There are many problems between lawyer and client. An ombudsman for the public interest, as indicated by the Attorney-General, would be very useful.

Certainly the Attorney-General knows of the letters I have sent to him requesting assistance for people who have had disputes with their lawyers. They've gone to the benchers, the benchers have come back with a vague or unsatisfactory reply and the Attorney-General's department has, in turn, done likewise, because it's left up to the benchers...

HON. MR. MACDONALD: They're self-governing.

MR. D.A. ANDERSON: ...to handle matters of that nature. This problem that he's put his finger on is one that I agree exists. I am only surprised that the Attorney-General of the province would put his finger on it, talk about it and then indicate that this bill — and no other bill — has anything to do with it in terms of rectifying it.

Law belongs to the community, the Attorney-General said, and I agree. I ask him to look once more into the case of expropriation where a man without means, without money, cannot go to any arbitration proceedings, because he must pay his share. I refer, of course, to the case of a man with a dispute over some \$450, who found it would cost him a minimum of \$2,500 to take it to arbitration in addition to his own legal fees, and therefore he eventually

wound up in jail, as the ultimate result of his problems. I refer, of course, to the Baumgartner case, a petition of which I presented to the House on this matter and questions I raised with the Attorney-General.

No Attorney-General can get up in this House and make statements that "law belongs to the community," or "law belongs to individual citizens," where we have a system which makes it impossible for a man to take a case of expropriation to arbitration unless he has money. That is a system which is basically one for the rich, basically one for the privileged, and one that I think this Attorney-General should look into most closely with a view to ending, because our present system is perfectly iniquitous in this regard — worse, perhaps, because it deals with injustice dealing with public bodies, injustice in relation to governments, who have the power to expropriate.

Mr. Speaker, you're being most indulgent. I'll simply say that there are 30,000 potential bodies, or people or organizations that can expropriate in the Province of British Columbia, and it's time we settled the problem of expropriation in a reasonable, proper manner.

I admit that this bill does nothing to do that. I regret it, and I will join with the Attorney-General in saying that it should be passed. But there are many areas under the Attorney-General's general jurisdiction which are not being dealt with, and I find it difficult to accept the Attorney-General introducing bills by statements which are out of order, about other problems in the general area of law, and then doing nothing to rectify those other problems.

MR. SPEAKER: Sounds like the pot calling the kettle black. We've been quite out of order so far in the debate in that you could mention everything in the world that hasn't been mentioned in the bill, and you're certainly out of order.

MR. G.S. WALLACE (Oak Bay): I'm just wondering, Mr. Speaker, whether your amiability will continue to just one more speaker or whether we're returning to order in this House.

I simply want to make the comment that any opening up of the professions to scrutiny is good. I feel that the Attorney-General's statement that a member of the public could and should be involved in the supervision of the functioning of the lawyers in our society is an excellent one. We've heard a great deal in previous debates about our concern over marketing boards, for example. The consumer — the person who goes into the marketplace to purchase — surely should have a say in the marketing boards who set the price, one way or another. Similarly, in law, it would seem to me that while we're not talking so much about costs and prices, we are talking about the

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very important element of good faith and adherence to the rules by which a lawyer practises law or a doctor practises medicine.

It's my understanding that this example has been started, in a modified way, by the College of Physicians and Surgeons, who have a non-voting representative from, I think, UBC or from one of the medical institutions, who sits on the council of the College of Physicians and Surgeons. I think this is a good step forward, and I'm sure that if the professions are as honourable as I believe them to be, they have nothing to fear from opening up the business of their councils and their highest levels of authority to some public visibility.

I understand that in Ontario the College of Physicians and Surgeons in that province has taken some first step towards having public access to the affairs of these bodies. I hope, particularly since I often get the impression that lawyers are unfairly branded because of the activities of a few of their membership — and this happens in the medical profession also — if the profession as a whole is doing its job properly and if the disciplinary bodies are functioning adequately, I see no reason that we should have any fears as professionals to letting the public, with reason, see how our affairs are conducted, as long as the individual specific elements of cases that come before these bodies should not be highly publicized. For that reason I think this bill has a great deal of merit.

MR. L.A. WILLIAMS (West Vancouver–Howe Sound): Mr. Speaker, I will try to keep in order. I also support the out-of-order remarks of the Hon. Attorney-General; I don't believe the legal profession has anything to hide. In fact, if he were to encourage the legal profession to request the change he makes, I think it would go a long

way to curing some of the criticisms that are often improperly levelled against the profession. I must, however, in saying that, take the strongest exception to the remarks just made a few moments ago by the Second Member for Victoria (Mr. D.A. Anderson). There isn't any profession in the Province of British Columbia which is more carefully scrutinized than the legal profession. As a matter of fact, with respect to the matter of costs, which are so often the subject of criticism, the government itself maintains a number of court officers, part of whose function is to deal specifically with that problem. In addition, the law society exercises a disciplinary function with the most serious consequences resulting in suspensions and disbarment of members who don't conduct themselves in accordance with very rigid standards which have been established by the profession over a number of years.

For that reason, I think that if the public could get a membership in the law society among the benchers, then there would be someone who could see what is going on and report as a member of the public that everything is well with that profession.

Coming back to order, Mr. Speaker, there is a section dealing with retired members. I was just wondering if the two distinguished members of the bar opposite fall into that category.

AN HON. MEMBER: What about you?

MR. SPEAKER: The Hon. Attorney-General in the out-of-order debate.

HON. MR. MACDONALD: Mr. Speaker, in closing the debate, I agree with what was said by the Hon. Member for West Vancouver-Howe Sound. There are strong disciplinary rules and the public interest is represented, but it's important that justice not only be done but seem to be done, and be done.

The kind of principle I'm talking about.... If somebody shows leadership, I think it will spread out into the field, say, even of industrial relations where, I think, many labour-management disputes are like wars. They are far too important to be left to the two parties concerned, because there is another party with vital interests totally unheard in that kind of a situation as well. So, Mr. Speaker, I now move second reading of this bill.

Motion approved.

Bill 76, Legal Professions Amendment Act, 1975, read a second time and referred to Committee of the Whole House for consideration at the next sitting after today.

HON. MRS. DAILLY: Mr. Speaker, second reading of Bill 77.

ATTORNEY-GENERAL STATUTES AMENDMENT ACT, 1975

HON. MR. MACDONALD: Mr. Speaker, we have introduced a new method of procedure in that we will have more than one statute law amendment Act. In this bill we have gathered together the ones of particular concern, but not the exclusive concern, of the Attorney-General's department. I think that's quite preferable to having one massive one. Even at that you'll find that there's a great variation in the subject matters within this bill. For that reason, in moving second reading I suggest to the Hon. Members that perhaps the best thing would be to have discussion of sections as they arise in committee.

I move second reading.

MR. D.A. ANDERSON: Mr. Speaker, we agree with his suggestion that the detail be discussed in

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committee. But I would like to comment most favourably on the proposal of the Attorney-General to break up the omnibus bills that we normally have at the end of each session whereby we deal with a whole series of bills at the same time. He has decided to break them up so that they're at least brought together in terms of departmental

responsibility. We heartily approve of that proposal. It was urged upon him last year; I'm delighted to see that he's accepted the suggestion that we do this.

HON. MR. MACDONALD: The question on the motion.

Motion approved.

Bill 77, Attorney-General Statutes Amendment Act, 1975, read a second time and referred to Committee of the Whole House for consideration at the next sitting after today.

HON. MRS. DAILLY: Bill 68, Mr. Speaker.

**INSURANCE CORP. OF BRITISH COLUMBIA
AMENDMENT ACT, 1975**

HON. R.M. STRACHAN (Minister of Transport and Communications): A very simple amendment, Mr. Speaker. As I announced in the House some time ago, the corporation acquired a body shop. The present legislation does not allow the corporation to acquire shares in any other operation. This amendment allows the Insurance Corp. of British Columbia to acquire corporate shares in any other operation.

MR. D.A. ANDERSON: Mr. Speaker, in general principle, we oppose the Insurance Corp. of British Columbia taking great strides into new business ventures outside the area of insurance. We actually oppose the kind of scope it has within the area of insurance. But here we are dealing with a technicality, according to the Minister, simply to make it possible to acquire shares as opposed to simply acquire the assets of a company, which seems to make logical sense. Naturally we disapprove of the bill in principle because we disapprove of the acquisition of shares or the companies concerned. I trust that the opposition will be seen in that light.

The Insurance Corp. of British Columbia should not become simply another umbrella organization of government under which are swept many, many differing corporations or differing business enterprises. I trust that the Minister will take these new powers and act with considerable restraint. He will take them over our objections, but I personally believe that, even if he has them, he should treat them most gingerly.

MR. WALLACE: Well, Mr. Speaker, I cannot be quite as charitable as the Liberal leader in approving of the principle of this bill.

MR. D.A. ANDERSON: We disapprove of it.

MR. WALLACE: Oh, I am sorry. The Liberal leader mentions that he disapproves of it. I misunderstood him, and I withdraw my earlier statement then.

If there is one area of activity by this government that has caused the opposition parties in the province and in this chamber more concern than any other, it is the increasing intervention by government through Crown corporations, by the formation of Crown corporations and otherwise, into the private sector of the economy on unequal terms with the private sector.

This bill just further waves the red flag to the opposition parties that here is the government, on one pretext of acquiring shares in perhaps a body shop — or, as the bill says, another insurer or agent or adjuster — giving itself perhaps somewhat limited power as of now, but just one more step by which, in this case, a Crown corporation is moving in to the private sector, namely autobody repair work.

Although the Minister has stated on many occasions that the purpose is research — and I certainly commend the Minister for the recent publicity regarding the experimental or research burning of vehicles — I understand that there's a real possibility that fraud on a large scale has been exercised through claims against ICBC for vehicles burning when the actual cause of the fire is under some doubt. So this kind of research I'm all in favour of, but we have to ask whether or not this kind of legislation could just be one step towards a much greater takeover by the

government of the whole autobody repair business. After all, you have taken over car insurance in a blanket fashion — completely. I don't think we can be accused of being paranoid on this side of the House when we see a step like this giving you power to acquire shares, either with this bill or with some simple amendment at a later date, or in the hands of another government or another cabinet. It could result in the autobody repair business finishing up very much under the complete and total control of government.

I don't know how often this side of the House has to express its concern that we don't feel that this ever-increasing intervention of government into the private sector is a healthy thing for the economy and many of the private sectors of the economy in British Columbia.

The Minister, in introducing the principle of this bill, made it sound very simple and nothing that we need worry about — just a matter of buying a few shares. He said it doesn't mean buying the assets of a

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company, just buying a few shares. But if you buy 100 per cent of the shares, I would have to ask the question: whether you have the assets of the company or not, buying the shares and having control of how the company is operated and who gets hired and who gets fired...?

HON. MR. STRACHAN: You misunderstood me.

MR. WALLACE: The Minister says I misunderstood his introduction of the bill.

HON. MR. STRACHAN: Right now we have to buy the assets....

MR. D.A. ANDERSON: It's shares instead of just assets.

MR. WALLACE: Perhaps the Minister can clarify his original statement when he winds up debate on this bill.

The essential element of our opposition to this bill rests on the fact that we see too much government intervention into the private sector of the economy, without any real benefit accruing from it. The Minister is very proud of ICBC and the low premium rates, but he knows very well that if the private sector operates at a \$34 million deficit, they go broke and they go into receivership and the whole world knows it. They just don't have some other bag of money to put their hand in and take out \$34 million.

If this kind of bill is intended to work the same kind of financial boondoggle with the body shops as has been produced....

Interjection.

MR. WALLACE: Don't groan; it's a fact. It is a financial boondoggle. It's run at a loss of \$34 million in the first year, and here the corporation wants to be buying shares in the autobody shop business, always on the pretext that the government can do better what the private companies can do. Maybe the implication is left that the private companies charge too much. But then wasn't that what we heard about insurance premiums in the first instance? These terrible insurance companies — their premiums were too high! Well, if that was true, Mr. Speaker, the ICBC premiums are too low and it's the taxpayer who is paying the deficit, whether he is in a car or out of a car, owns one, drives one or what-have-you.

We just don't seem, from our side of the House, to be able to get this message across. These Members from the government side, who moan and groan and wake up every now and again to interject, seem to try to tell us that the \$34 million deficit isn't really a deficit. They've never yet told us, however many times we've asked, just exactly whether that is coming out of gasoline revenue or not. The Premier said in Friday's debate: "Well, not yet." If it's not yet, when will it be? When will the public know just exactly how ICBC covers the deficit?

Here we have the corporation, Mr. Speaker, asking for legislation to take another step forward — or

backward, as we see it — in wishing to become more involved in the acquisition of shares in the various categories defined in the bill but particularly related to the repair of damaged vehicles. In similar types of legislation we have also complained about the fact that when the government moves in, as it does with Plateau Mills and a few other examples, it sets up a Crown corporation which does not pay federal income tax. Now this is a thoroughly unfair method of competition.

Then, I suppose, the argument will be that the autobody repair shops weren't doing an efficient job at the prices they were charging when they have overhead expenses which will not be incurred by the government-run operation.

MR. R. T. CUMMINGS (Vancouver–Little Mountain): Do you mean the government would be more efficient?

MR. WALLACE: Here we have the same kind of stupid interjection again, Mr. Speaker. They come to the conclusion that under these circumstances the government would be a more efficient operation. If their overhead expenses are less, I would expect them to do a more efficient operation. But do you believe that the government should move into some of these areas, Mr. Speaker, and compete unfairly with the private sector? If the government moved into the ice cream business and didn't pay income tax, I can think of one Member in this House who would be pretty unhappy, whether he had his coliform count in order or not. His ledger might not show a very happy picture.

I feel that if the government wishes to have access to research and information as to repair of damaged vehicles, there are many other avenues that the government could quite efficiently pursue to get the desired information and experience without having, once again, to move the typical socialist route of acquisition. It's the only way this government seems to think it can ever make progress in the field of research. It can't provide initiatives for other people privately to do the research; it always has to be by some government intervention which acquires or takes over or buys out some company, sets up a Crown corporation and then competes on unequal conditions with the private sector. I feel that this kind of legislation is unnecessary. For the very strong reasons, as we see them, we will certainly oppose this bill.

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MR. CUMMINGS: I rise to support this little bill because it gives the corporation the right of an ordinary citizen. Is that wrong?

MR. WALLACE: Government isn't an ordinary citizen.

MR. CUMMINGS: Sure it is. But this insurance corporation needs this right to be able to ascertain the true costs of repairs. Every company has this right to acquire shares, but the Hon. Member for Oak Bay (Mr. Wallace) feels there is something sinister here. Sometimes I think the Conservatives are too scared of the dark, because they sure can see lots of bogeymen.

Interjection.

MR. CUMMINGS: Yes. I don't know, I think they believe in the mushroom theory.

This bill is so elemental that basically this corporation needs to have the right that every average citizen has. Thank you.

MR. H.W. SCHROEDER (Chilliwack): The principle of Bill 68 clearly is to provide for the insurance corporation under the auspices and powers of the government to move into control and ownership of the automobile repair business.

AN HON. MEMBER: Where does it say that?

MR. SCHROEDER: Whether it moves into it gradually or altogether is entirely up to the discretion of the

corporation. But nonetheless, this bill provides for that kind of a takeover.

Immediately there is a difference of opinion, a difference of philosophy that is much wider than the space between this side over here and the government, physically, in that we strenuously oppose this entire concept. Setting that argument aside, there is a very natural question that comes: why does this Minister, through this corporation, wish to take over this and yet another aspect of industry in the province? In his press release — that is, in the press release that came from the insurance corporation itself, dated April 29 — it spells out very clearly in the first two lines why the government wishes to take over this business under the delusion that repair costs can be controlled by virtue of moving this industry under the control of the government.

I have just two or three, perhaps five, reasons I wish to cite today that would refute the reasons given by this government as to why they should take over the autobody repair business.

Cost control is not reason enough for this government to move into the repair business. Has the Minister considered these areas in which the cost will increase when the government takes over? In a first instance, in management alone the costs will increase. Mr. Speaker, the majority of automobile body repair shops in the province today are privately owned, and operated by the owner. This owner operation does not have a fixed fee as a salary for that owner-operator. As the fellow down there selling the ice cream knows, the only time there is a salary for the owner-operator is if there is anything left in the kitty after expenses are paid. If there is ample work, there is ample compensation. The truth is, if there is minimal work, there is minimal compensation. Mr. Speaker, in a month in which there is no work at all, there is no compensation for management because management happens to be the owner in the small owner-operated body shop.

When the government moves into this kind of an operation, wishes to take the controlling interest in any given shop, which it has already done in the instance of the Beacon Body Shop, the first thing that has to be done is that they have to hire a manager for the operation. This manager comes in at a fixed salary. He has a fixed fee. It makes no difference whether they pound out any fenders in that shop for that month or not; this is a fixed fee. As a result, unless they can guarantee more bent fenders and a bigger clientele, then there is no way that, even in the management area alone, the government could ensure that the cost of management would be lower under this plan than it is under the present plan.

The second instance is the cost of labour. The insurance corporation itself has already proven one thing — that the people who are involved in the corporation are already receiving greater compensation than comparable positions in the private industry. I will just give you an example. The little ladies who handle the telephones and who are the receptionists in insurance corporation offices in connection with the motor vehicles branch now receive anywhere from 25 per cent to 50 per cent larger salaries for their services than do the girls who are serving in the outlets of the private insurance agents. I talked with an agent from my area just a little over two weeks ago. He said that it is almost impossible for him to find a girl to handle his work in his office, because he pays about \$650 per month, when they can walk across the street to the motor vehicles branch and pick up a job of a similar nature and get close to \$900 per month.

HON. D.G. COCKE (Minister of Health): Oh, come off it.

MR. SCHROEDER: That's what the man said. He said to me that it is strange he would be able to find help at all. If this is the instance, and I have no reason not to believe the gentleman, then even cost of labour under the government-sponsored plan would and could be in excess of what it is now.

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Now let's go into the shop. Most privately owned and owner-operated shops are two-, three-, four- and five-man shops. Most of them are unorganized shops. I am not saying that is good or bad; all I am saying is that under government sponsorship of these shops, we would immediately proceed to organized labour; we would immediately proceed to a first contract. As in the instance of the insurance corporation itself, we would be going for what the Minister has cited as a demand for increases of 61 per cent. These are the Minister's own figures: increased demands of 61 per cent in one settlement.

This means that labour costs under government sponsorship would be in excess of costs now. Does that sound like cost control to you, Mr. Member for Columbia River (Mr. Chabot)? Does that sound like cost control? We've already lost in the management area. Indications from the ICBC itself and its one-year track record will clearly tell you that the costs of labour can be expected to increase.

Then there are other costs which the Minister clearly has not considered, or else he wouldn't have come out with a bland statement that says: "The automobile body repair cost control is the motivating factor in bringing Bill 68." How about inventory investment? Has the Minister considered that in any repair shop it's not just a matter of cash flow as it is in the insurance corporation? There is a matter of investment in inventory. If you're going to put new fenders on the cars as they are being damaged, then you must have new fenders in stock. Since you can't tell, Mr. Speaker, which car it is that's going to be run into the telephone pole next week, you've got to have various kinds, types and sizes of fenders. Therefore you have an immense inventory investment. I'm wondering whether the Minister has considered the cost of this. How does he presume to control the costs of inventory?

Then there's another area: the cost of providing courtesy transportation, which, by the way, is an area that our insurance corporation has not done too well with.

HON. MR. STRACHAN: They've done better than the private corporations.

MR. SCHROEDER: Not so. Let me cite for you an example of an individual who had loaned his automobile. The car was in a wreck and was taken to the repair shop. The length of time for repairs was 53 days. The man lives in Huntingdon, British Columbia, which is out in my constituency, and must drive some distance to his work. He needed a courtesy car. He went to the place where the repairs were being done and they said: "We do not have a courtesy car for you." He went to the claims centre to find out whether or not it was possible for him to have a courtesy automobile. They did not specify where he was to get a courtesy automobile. Therefore he went to places like Host Rent-A-Car who said to him: "Is this a courtesy car through ICBC?" He said: "Yes." They were not interested in doing business with him. It's amazing.

Eventually he went to the lady who was responsible for the wreck of his automobile, used her automobile as a courtesy car, went to Host rentals to see what kind of a price should be charged for it, presented ICBC with a bill, and ICBC turned down the bill.

The Minister tries to tell us that they are doing far better than under private industry for a courtesy automobile. There's just one example; I'm sure that Members on this side of the House could cite additional instances of exactly the same thing.

The argument is beside the point. The question is: if the motivation is for autobody repair cost control, is this an area that the Minister has considered, Mr. Speaker, in cost control?

Then another area that we hear very, very little about is that.... For instance, in the purchase of the Beacon Body Shop the purchase price was in excess of \$400,000 — is that right or is that wrong?

Interjection.

MR. SCHROEDER: In excess of \$400,000 which represent either direct tax dollars or tax dollars through the insurance corporation — \$400,000 of public funds used for the purchase of Beacon Body Shop. Has the Minister even begun to consider what the cost of investment is? Will the cost of taxpayers' dollars invested in Beacon Body Shop be used in the computation of the cost of repairs or will they not?

These are some of the areas in which we have some very serious questions. We really wonder whether the motivation for getting into the autobody repair is really cost control. ICBC's track record seems to tell us otherwise. I'd like the Minister to tell us point blank, very plainly, how he intends to control the cost of repairs through Bill 68. I'll be interested and will be listening very attentively.

HON. MR. COCKE: Mr. Speaker, I feel that there are others over on the other side who want to say a few

words. But I think probably I'd like to interpose something in between them and the Minister who will close debate.

I have to smile at the takeover syndrome that seems to be espoused over there. A body shop became available to ICBC — and there will probably be two or three others, hopefully. Nothing to do with takeover — they became available and were sold to ICBC for a fair price. No public funds — a matter of business with ICBC.

I think that group over there understands quite well that if we don't have some say of setting a

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criterion, a means of determining costs, then we will continue our present debate with the autobody shops. What that Member over there really said was we condone the autobody shops for being organized themselves, but many of them do not have organized people working for them. They're quite well organized on the question of \$20 an hour, or whatever it happens to be this particular week. We don't know whether that amount is the amount that should be spent in an autobody shop without having some kind of guide, and we feel the best way to establish that is to have an autobody shop that relates directly to ICBC as a subsidiary.

MR. SCHROEDER: And costs go up to \$24 an hour.

HON. MR. COCKE: If that were the case, naturally ICBC would be paying that price.

Interjection.

HON. MR. COCKE: That would certainly be the suggestion that we would be looking at very, very carefully.

But all of the strawman arguments that Member raised, such as "you'll have to hire a manager" — we can get a manager; it's a big autobody shop.

MR. D.M. PHILLIPS (South Peace River): Went broke, too.

HON. MR. COCKE: They didn't go broke. Mr. Speaker, outside, that would probably be an actionable statement, yet those kinds of statements keep cropping up continually from the other side of the House.

Interjection.

HON. MR. COCKE: They would have to carry an inventory. Isn't that something new? At the same time, that Member spoke about little autobody shops with two or three people. How big an inventory can they or do they carry? Therefore if they can carry an inventory, any viable bodyshop can carry an inventory. Further to that, it's just common business practice to buy parts as needed.

It does give ICBC an ability to assess a situation that we're very concerned about because we've gone in very short order from an area of reasonable costs, let's say, to a very high-cost time in autobody repair. We just feel that we must be involved in order to know what's happening.

Mr. Speaker, this government has given a good — account of themselves on this whole question of being very careful. The Member for Oak Bay (Mr. Wallace) diametrically opposes any invasion of industry. That's not shared, really, by the people from the Social Credit Party. It didn't take that government very long, after promising not to, to take over the B.C. Electric, call it B.C. Hydro, and give a very bad account of itself, really, the way they did it. So the whole question is whose ox is being gored, I presume.

The Member for Oak Bay says, "No, it'll never happen under a Conservative," yet I notice Peter the Red, the Premier of Alberta, took no time at all in taking over Pacific Western Airlines.

MR. A.V. FRASER (Cariboo): They had to do it to save you fellows from doing it.

HON. MR. COCKE: That's the kind of thinking you get from that group over there. He had to do it because we might have done it otherwise. What rot! But what does one expect?

MR. WALLACE: They didn't ask my permission, I'll tell you that.

HON. MR. COCKE: I understand the good doctor's position. (Laughter.) He and I agree on one or two things, particularly in health care, but I'll tell you right now that we certainly disagree on leaving the people open to a situation where they can be paying out funds that they needn't. We feel that this is one way of providing a service, and seeing to it that we're able to have some kind of a guideline to go by.

MR. FRASER: I certainly enjoyed that speech by the Minister of Defence over there. A bunch of gobbledegook if I ever heard it.

This bill before us is nothing more than a takeover of all the body shops in this province. This is just the start of it, and I'd like to name it the "rubber hammer bill." It puts them in the rubber hammer business.

Interjection.

MR. FRASER: Rubber hammers and iron fists — that's all it is.

In this province the great majority of body shops are owned and operated by individual citizens and, in a lot of cases, family business. I'm certainly not supporting this bill in any shape or form to see the last of the few small business families squeezed out of business by this method.

I can assure you, Mr. Speaker, that the government cannot operate body shops as well and as efficiently as the individual body shop operator — whether it's a small corporate company or an individual company — because they will have to go and hire people to operate these body shops, and they'll have more executives on the staff than they'll have body people.

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The first qualification to be an executive and a boss of a Crown corporation under this government, in the case of body shops, is you don't have to know anything about body shops, but you have to be an NDP card holder. That's their prime qualification. So, for that reason, it certainly is not going to be an efficient operation.

Something else, Mr. Speaker. There are more businesses going to be put out of business by this bill than meets the eye, and I want to refer to the parts business. The parts business in an automotive agency is one of the few left that they can make a profit on. They make very little money on a new car or used car, but there is no new car dealer that will deny the fact that they do make a decent and reasonable markup on the parts section. I have reason to believe, Mr. Speaker, that ICBC — and I would like to hear the Minister put it on record when he winds up this debate.... Are you going to buy the parts in these body shops from Henry Ford direct, General Motors direct, Chrysler direct, and bypass the dealer in the area? I have reason to believe that's their full intention. If this is the case, there'll not only be body shops affected, going out of business, but there'll be new car agencies all over this province going out of business. That's another reason why I'm very much opposed to this bill. It's just the thin end of the wedge.

We already have a \$36 million loss in ICBC, Mr. Speaker, and that is only a trickle of what we're going to have. This year we'll have a minimum of \$100 million. Because this Minister will be in charge of the body shops, we have nicknamed him "the born loser" or "the leader of the loss leaders," and I certainly am not going to vote for this bill also for that reason.

MR. L.A. WILLIAMS (West Vancouver–Howe Sound): Well, now we find that Moscow Mutual wants to go into another business. We've seen other departments of this government buy the shares in corporations. Dunhill is one which easily comes to the minds of Members of this House, and we all know what a fiasco that has been for the people of British Columbia.

Now we're told that the government, because of their need to assess accurately the costs that are involved in repairs, have to buy themselves a body shop. Well, I suppose that the cost of repairs will vary regionally throughout the province, so the acquisition of one body shop is not going to be good enough. The government is going to have to have its own body shop in every area and every region of the province in order to get any proper assessment of what the costs may be.

Mr. Speaker, if the government has to have a body shop in order to assess the costs of automobile repairs, what in heaven's name do they do at that claims centre? Those thickly carpeted mausoleums that they call claims centres, developed at the cost of millions and millions of dollars to the people of British Columbia: what do they do? And what do they do in other provinces where this is a matter of concern? What will they do anyway? They can't acquire one body shop in each region and do all the repairs. And if they prove that they can do it more cheaply, which I gravely doubt, then what are they going to do with the other body shops that function in the same area? Are we then going to find that the government is going to refuse to allow ICBC to pay the cost of repairs? Is it going to be like they're treating the doctors — we'll give him so much money to repair a car and if it costs any more than that, then the automobile owner is going to pay the excess? Is that going to be the result of ICBC's operation?

It very clearly looks, Mr. Speaker, as if what the government is embarking upon here is a major takeover of all of the automotive repair facilities in the Province of British Columbia. If it isn't done this way, then there's no way in which the scheme of providing a gauge or a standard of measurement can possibly work. It's going to destroy the competitiveness that exists, and the competitiveness that exists today is supposedly assured by the operation of the claims centres that ICBC presently has as part of its own organization.

I think the Minister is going to be at some difficulty to explain to the Members of this House how he can justify the acquisition of shares or business or property of autobody shops in order to bring about the simple result that the Minister of Health (Hon. Mr. Cocke) suggested, merely as a guide.

It just doesn't wash, Mr. Speaker; it just doesn't wash. You can provide all the guides you want, but it is like buying all the Kresge stores and allowing Woolworth's to continue to operate. That doesn't provide you with any guide unless you have free competition.

But when you control the insurance corporation, when you control the claims centres and when you control half of the body shops, then the end is spelled clearly for the other half of the body shops. You are going to wipe out private entrepreneurs who today are offering a service to the people of British Columbia such as the government will never be able to offer.

Mr. Speaker, the whole Moscow Mutual concept is crumbling around the government. They're pumping the moneys out of general revenue into ICBC to prop it up, and this action is only going to require additional injections of revenue.

MR. N.R. MORRISON (Victoria): Mr. Speaker, before the Minister closes the debate I would like him to answer a few questions for us, if he would.

One of the Members earlier asked him what their intention is about buying parts direct from the

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factory. I'd like to have that answered. I would also like to know: do they intend to go into the auto-wrecking business? Do they intend to acquire shares in companies which are now doing auto-wrecking and the used parts supply business? Does this also give him the intention of going into the auto-towing business? Will they be buying auto wreckers and going into their own towing?

Will ICBC insurance adjusters be instructed to refer a majority of the repairs to the shops in which you acquire shares? Will there be some means of assuring those independent operators who have not sold out to ICBC that they will receive their fair share of the work available?

Will these businesses eventually sell insurance for ICBC? Will you open offices in these businesses that you acquire shares in for the sale of insurance? Will these companies employ insurance adjusters in the outlying areas or will the customer simply bring his car in and the car will be worked on without any adjuster looking at it or without any estimate?

The policy of this government seems to be to start into those sorts of things, to tell people to go ahead and do things. The Princess Marguerite is a prime example. It is sent over to a repair area; no estimate is given as to what it is going to cost to fix it. They just say: "Go ahead and do it, and send us the bill." We still don't know how much it is going to cost for that. Maybe the press had found out, but nobody else seems to know.

The autobody business is a very interesting and exciting business, but it is not a business that ICBC should be involved in, You are certainly going to get into a conflict of interest. You already have it now with some of your adjusters, as you know. If you buy companies throughout the whole province....

HON. MR. STRACHAN: I don't know.

MR. MORRISON: All right.

HON. MR. STRACHAN: You've made an allegation. Now, back it up.

MR. MORRISON: Do you really want me to?

HON. MR. STRACHAN: If you say there is a conflict of interest with adjusters, you back it up.

MR. MORRISON: Well, I'll say that you are likely to get into a conflict of interest when you acquire....

HON. MR. STRACHAN: Ah! Don't make an accusation unless you back it up. I've told you that.

MR. SPEAKER: Order, please.

SOME HON. MEMBERS: Oh, oh!

HON. MR. STRACHAN: He made an accusation and I want him to back it up, right here, right now.

MR. MORRISON: Your turn will come.

HON. MR. STRACHAN: Don't make statements like that unless you can back them up.

MR. SPEAKER: Order, please. Will the Members please...?

MR. MORRISON: And I will continue to say that you are going to have a problem when you acquire shares in companies and you will have a conflict of interest. Will you go into that kind of business with your eyes open, knowing exactly what you are doing to the competitive business in this market?

There is one other thing I would like to know. So far, we have only talked about insurance and autobody businesses, but the bill allows you to buy shares in insurance agents, adjusters and motor-vehicle repairmen, It is very broad; it doesn't say just the autobody business.

Do you intend to get into the mechanical repair business? Are you going to be rebuilding transmissions? Are you going to go into the engine repair work? Are you going to go into frame-straightening business? Are you going to get into the used parts business? Are you going to get into the used car business? Are you going to sell your wrecks and repair them in your own shops and eventually sell them on the market? How far do you intend to go? What is your policy? Why is such a simple little bill phrased like this? You try and confuse the public with what your eventual goal is, and your eventual goal is to have it all.

MR. P.L. McGEER (Vancouver–Point Grey): Briefly, Mr. Speaker, to reinforce the arguments presented

by a number of people on the opposition side, I believe the ICBC fiasco represents the classic problem of socialism interposing itself into enterprise. Here we have a corporation just over a year old. It's having its first strike. It's losing probably in excess of \$250,000 a day. The employees are asking for 60 per cent wage increases. The public, which always had reliable service in the insurance industry before, now within one year of the government interposing itself is without those services.

Ever since the Insurance Corp. of British Columbia came into being, the Minister and the government have been in a running battle, harassing the people who are actually doing the work, those who are repairing the automobiles. The ones who push the paper were protected by the government. It didn't matter how much money they lost. But when it came

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down to the people who actually had to do the work of repairing the cars, they were immediately in disfavour with the socialist government.

You are against people who work. You are against those who try and compete and bring prices down for the public. You are against anyone who makes a profit. All you want to do is to run everything yourself and lose money for the public. Everything you touch, Mr. Minister, has been a disaster. You took over the ferries, and the cost of running them doubled and service to the public declined. You took over the insurance industry and, while the cost to the public directly has not gone up very much, indirectly, through the enormous amount of subsidies that must be pumped into that insurance corporation, the costs to them have gone up.

Who would say that service today is as good as it was? There is a strike, something that would have been unthinkable when the insurance industry of British Columbia was in private business. Similarly, Mr. Speaker, if there were a strike among autobody repair shops, the ones that went out on strike would be out of business today, because it is competitive and the people have to work hard in order to stay in business. You are trying to destroy that. I can tell you that the first thing that would happen if you were to take over the industry is that the work would go down and the costs would go up and the service to the public would virtually disappear.

We've got to come to our senses in British Columbia.

HON. D. BARRETT (Premier): What party are you going to join?

MR. McGEER: Well, you wait and see. Boy, is he frightened! Is he frightened! Every single day.

Interjections.

MR. McGEER: Maybe we will tell you one of these days, Mr. Premier, and you can get a night's sleep. I've never seen anybody as frightened in my life, not even in the old days when Davie Fulton was threatening the former Premier. But just relax. If you started to run the province properly, you wouldn't have so much to worry about. But if you depend on that man and what he is trying to do to the autobody industry, you are not going to last very long; nor will he, because there is still a place in British Columbia for people who are willing to work. There is still a place for profit. There is still a place for service to the public.

MR. SPEAKER: The Hon. Minister closes the debate.

HON. MR. STRACHAN: I have listened to this brief debate.

MR. McGEER: Be general.

HON. MR. STRACHAN: It reminded me very much of many debates that have taken place in this House in the past two and a half years. I refer you especially to the debate that took place in second reading and committee stage of the bill to set up the Department of Transport and Communications. I never in all my life heard such wild, irresponsible, completely false, unfounded tommyrot in my life. I challenge any Member on that side of the House to

go back and read what they said when I brought in that bill setting up this department.

They would throw up, because they knew when they were making those statements that they were phony statements, they were fraudulent statements, they weren't true, they didn't mean them....

MR. SPEAKER: Order, please. Order! I wonder if the Hon. Member would withdraw the words "phony" and "fraudulent" please.

HON. MR. STRACHAN: Phony? Fraudulent?

MR. SPEAKER: I don't think they are parliamentary.

HON. MR. STRACHAN: Well, they were joking. I'll withdraw the words. I'll withdraw the words. They were joking. They didn't really mean it. They knew they didn't mean it. They were just trying to put up a smokescreen. That was all it was, Mr. Speaker.

I've heard exactly the same thing here. Exactly. Remember what they said? I challenge you to go back and read it and find out what has happened since. Okay, let us go back to the exact statements. If we were to take over the body shop business.... At no time have I ever indicated in any way, shape or form that it was our intention to take over the body shop business in the Province of British Columbia. They know it. They have heard me say it time and again from day one.

MR. J.R. CHABOT (Columbia River): You said no subsidy, too.

Interjections.

MR. SPEAKER: Order, please.

HON. MR. STRACHAN: Mr. Speaker, I listened to what they were saying. Now I suggest you ask them to listen to what I have to say.

MR. PHILLIPS: The only reason you listened is

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because you don't have any comeback.

HON. MR. STRACHAN: You don't want me to make the comeback. I am simply asking for the privilege and the right that I have in this House. I listened to your nonsense; I ask you to listen to the truth. I said right from the beginning that it was the intention of ICBC to have hired body shops around this province to check the repair costs in different parts of this province.

I listened to them talk about "competitive". Where is the competition when I am faced by the Automotive Retailers Association for a demand that we pay exactly the same price to every body shop. Where's the competition? It's not competitive when I'm faced with a flat demand on behalf of all the body shops that we pay exactly the same price for every little piece of business to every body shop. That's not competition! So because there's no competition and because I am faced with a flat-rate situation I suggest to you that I must have something with which to compare their flat-rate demand. That's what I am asking you for, and that's what this is about. So don't talk to me about competition when the ARA say that they want this for every body shop no matter where they are in the province. I want a yardstick to measure.

AN HON. MEMBER: They offered you their formula.

Interjections.

HON. MR. STRACHAN: This Member for Vancouver–Point Grey (Mr. McGeer) made a comparison....

Interjections.

MR. SPEAKER: Order, please. Each side is entitled to free speech within the rules, but it doesn't mean making new speeches from your seats.

HON. MR. STRACHAN: The Member for Vancouver–Point Grey made a comparison about enormous subsidies. There hasn't been one penny come from the provincial Treasury to ICBC up to this point. He said keep on pouring enormous subsidies in. Not one penny — and he knows it. He knows it but he still makes these statements.

AN HON. MEMBER: Not one cent of subsidy.

HON. MR. STRACHAN: I think it's obvious, Mr. Speaker, that their policy is to destroy ICBC. That's what they want to do. They make it very clear. The Member asked me a number of questions....

Interjection.

MR. SPEAKER: Order, please.

HON. MR. STRACHAN: Do we intend to go into the auto-wrecking business? Do we intend to go into auto towing? Let me tell you something. I had the first chance at buying Buster's and I turned it down. Yes, I turned it down and ICBC turned it down. We don't want to go into that business.

Interjections.

HON. MR. STRACHAN: Will work be allocated to other shops? Of course work will be allocated to other shops. I've already explained it to you and you don't want to listen, you don't want to accept the truth. I want pilot plans. I want pilot plans because I'm faced with a flat demand for a flat rate — for everything, a minimum of \$25.

AN HON. MEMBER: Where are you going to buy your parts?

HON. MR. STRACHAN: That will depend on whether or not they are made available to us by the present dealers. But if the present dealers take a position that they are not going to sell them to the government-operated plants, we will have to go where we can get them.

I'm not going to give you any flat statement now that I am not going to buy parts from Ford or General Motors. If some local dealer refuses to sell them, as they might do — as they might do — then I am going to go where I can get the parts.

A major takeover of all major body shops in B.C. — I have already indicated that that's nonsense. The Member for Cariboo (Mr. Fraser) said the same thing. That's nonsense. Squeeze out the small businessman? I want to tell you that this government has done more to help small business to survive in British Columbia than any government in the history of the province or any government anywhere in Canada. We are the only protection that the small businessman has against the great national corporations and the multinational corporations.

MR. FRASER: Horse feathers!

HON. MR. STRACHAN: Let me see what else was said. The Member for Chilliwack (Mr. Schroeder) talked about the time taken to repair a car — 53 days. I don't know whose fault that was or what happened at that body shop that it took 53 days to repair a car. But I tell you that our supplying of courtesy vehicles equals or surpasses that which ever existed in the days of the private insurance companies.

You asked questions about Beacon Body Shop and

inventories — I guess you weren't in the House and you probably didn't read *Hansard*. But in answer to a question I

pointed out the cost factors involved in the acquisition of Beacon Body Shop, and as I recollect the figure, I said there was \$41,000 worth of parts and equipment involved in that total sum of money. We are fully aware of that. You probably weren't in the House or didn't read *Hansard*.

Again, you said why did I want to take over part of the auto business. I have explained that. It was to give us a yardstick.

You talk about greater salaries for the girls answering in the motor vehicle branch, well, I don't know what they pay but, certainly, I believe in paying a fair wage for a fair day's work, and if some agent is not paying what is generally accepted as a fair wage for a fair day's work, then I don't know.

Interjections.

MR. SPEAKER: Order, please.

HON. MR. STRACHAN: The Member asked me to act with restraint. Certainly I will act with restraint. But, you know, I listened to the general thrust of this debate, and it will probably carry through into the next one and, as the Premier said, they'd like to destroy ICBC. They would love to destroy ICBC.

Interjection.

HON. MR. STRACHAN: I suggest you read that article that was in *The Toronto Star* on May 17, 1975, and listen to these excerpts from it. I know you don't like it but it says here.... Oh, yes, I'll read it to them...

AN HON. MEMBER: Oh no, don't read it.

HON. MR. STRACHAN: ...just to get it onto the record. This is *The Toronto Star*, May 17, 1975:

"Erin Mamones became the first person to make a claim on British Columbia's government auto insurance plan when another car rammed the back of her Volvo on Lion's Gate Bridge in Vancouver.

"Within an hour an adjuster was looking at my car. Not bad service at all,' she said. 'In Toronto it would have taken a lot longer.' Just how long would depend on what private insurance company Erin Mamones dealt with."

HON. MR. BARRETT: That's free enterprise.

HON. MR. STRACHAN: It continues:

"Some insurance agents in Toronto say it would take two or three days. One says his firm is happy if it can handle a claim a day."

Interjections.

HON. MR. STRACHAN: That's freedom to wait.

"A feature of the first government auto insurance plans in the west admired by many spokesmen for the private insurance industry in Ontario is the speed with which the government plans process claims.

"Morris Odette, who processes claims for the Toronto office of a large insurance broker says: 'It's not unreasonable for a driver to wait two or three days for a visit from an insurance company adjuster.'"

HON. MR. BARRETT: That's free enterprise.

HON. MR. STRACHAN: It goes on:

"Brian Boyle, a divisional claim superintendent with the State Farm Co, which has operated drive-in claims centres in Ontario for about two years, says: 'If we can process a claim on the same day it makes us very happy.' Boyle, who has visited

government centres in Manitoba and Saskatchewan, says: 'This is the direction the private companies must go.'"

I'd suggest you read that article.

In your attempts to destroy, belittle, undermine, berate, do away with and embarrass ICBC...

AN HON. MEMBER: Shame on you!

HON. MR. STRACHAN: ...to put it in focus for you, I would like to read to the House — and I'd ask you to keep this in mind in a later debate on another bill — excerpts from a speech made to the convention of the Insurance Agents Association of British Columbia. This is the president's annual report, May 5, 1975, signed by Mr. John F. Hamilton, president. I would like to read you some excerpts.

AN HON. MEMBER: Is he an agent?

HON. MR. STRACHAN: He was the president of the agents' association. He sold me the first policy that was ever sold by the Insurance Corp. of British Columbia.

HON. MR. BARRETT: Does he say something nice?

HON. MR. STRACHAN: Well, just let me read it to you. I want it on the record. And keep this in mind! May 5, 1975.

"Autoplan is eventually going to have a measure of success, with or without agents." Then he goes on to say: "I have said publicly and to the members of this association that

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Autoplan is good for the general public. There is no question in my mind that the system is good for the agents. There is no one in this room..."

— and there they were, 400 or 500 agents from all over the province —

"...who can truthfully say that he would prefer to go back to the old method of merchandising auto insurance."

HON. MR. BARRETT: Oh, shame! A cop-out to free enterprise.

HON. MR. STRACHAN: It continues:

"If there is someone who doubts, then I say that lie is not prepared to make the changes in his old way of doing business that are necessary to survive today."

MR. CHABOT: They want to stay alive. A plea for mercy, that's all. They want to live.

HON. MR. STRACHAN: Then he asks the question — listen to the question.

"Who wants the assigned risk plan? Who wants the hassle of trying to place motorcycle insurance for the son of an important client? Does anyone want to return to the problems of going to Lloyds to place excess liability of half a million for someone with a bad driving record, or have to fly to Toronto to get a market for a fleet of long-haul trucks.

"And what about claims service? Do you remember the phone calls on nights and weekends, and the direct involvement with adjusters who couldn't care less about your problems of trying to hold on to your account?"

Then he asks the agents:

"How many serious claims problems have arisen in your office in the last year? Then there was a difficult problem of collection of auto premiums. Remember the bounced cheques, the bad debts, flat cancellations and those three-month high premium policies? These things are all in the past.

"If you think the next field is greener, move next door to Alberta. You will find an old friend, the insurance exchange and that beautiful practice of three clean risks for every grey risk, or two homeowners insurance policies for every three auto policies that any company would accept."

HON. MR. BARRETT: Oh, that's free enterprise.

HON. MR. STRACHAN: Who wants to go back to those problems? Who needs that problem?

The public is basically happy with Autoplan. The growing pains in the claims department are being sorted out and the public is getting fast and fair treatment, and that's what they're looking for.

This little amendment and the succeeding amendments are to ensure the continuation of the operation of the Insurance Corp. of British Columbia and Autoplan to satisfy those involved in the industry of servicing the people, and to satisfy the people that they've got the best automobile insurance system in the whole wide world.

I now move second reading.

Motion approved on the following division:

YEAS — 31

Levi	Lorimer	Cocke
King	Lea	Young
Radford	Lauk	Nicolson
Skelly	Gabelmann	Lockstead
Hall	Macdonald	Barrett
Dailly	Strachan	Nimsick
Stupich	Hartley	Calder
Sanford	D'Arcy	Cummings
Rolston	Anderson, G.H.	Steves
Kelly	Webster	Lewis
Liden		

NAYS — 16

Jordan	Smith	Bennett
Phillips	Chabot	Fraser
Richter	McClelland	Curtis
Morrison	Schroeder	Gibson
Anderson, D.A.	Wallace	Williams, L.A.
McGeer		

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

Bill 68, Insurance Corporation of British Columbia Amendment Act, 1975, read a second time and referred to Committee of the Whole House for consideration at the next sitting after today.

HON. MRS. DAILLY: Second reading of Bill 69.

AUTOMOBILE INSURANCE

HON. MR. STRACHAN: Mr. Speaker, Bill 69 has a variety of items involved in the particular bill. Some of them are a clarification of the existing wording and are self-explanatory. Others are occasioned.... There's a section with reference to hit-and-run drivers and the compensation available to the victim of a hit-and-run driver so far as his vehicle is concerned.

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Some of you may not know or may have forgotten that prior to the Insurance Corp. of British Columbia being set up, any person who was a victim of a hit-and-run driver and had his automobile damaged in any way, shape or form had absolutely no recourse of any kind. The Traffic Victims' Indemnity Fund did not — I repeat, did not — pay any compensation for damage to the vehicle.

Interjection.

HON. MR. STRACHAN: Well, that's my understanding.

MR. MORRISON: That's not so.

HON. MR. STRACHAN: You're a special category, my friend. You're a special category and always have been.

Interjections.

HON. MR. STRACHAN: This simply allows that anything over the deductible in a hit-and-run case will be accepted by the Insurance Corp. of British Columbia for the repair of the automobile.

Interjection.

HON. MR. STRACHAN: No, if you have \$50 deductible, then anything above the \$50 deductible or \$100 — whatever you happen to have — will be compensated for.

Interjection.

HON. MR. STRACHAN: If you have \$50 deductible, then anything over \$50 will be paid by ICBC.

Another section clarifies the receipt of moneys in the case of a minor.

There was another section that arose out of the bill that passed the House last year with regard to the Traffic Victims' Indemnity Fund and the responsibility accepted by ICBC. You'll recollect the debate that took place at that time. I made it very clear as to why I was reluctant to accept the amendment put forward by my legal friends across the way. I said at the time that it would allow the private insurance companies, whom they represent and protect and love from now to all eternity, to get out from what was their real responsibility. Sure enough, the advice that came to me after we had taken that amendment was that the private insurance companies were trying to get out of what was their absolute, unquestionable responsibility. This amendment is simply to restore to ICBC and to the private insurance industry the fact that they were responsible for accidents reported on time that happened before November 10 or, I think it was, 1973.

Some of the other items, I think, we're best to examine in committee. I move second reading.

MR. SCHROEDER: It is a bill that has 13 different sections, perhaps eight or nine different principles involved. There are a few questions regarding the damages in excess of \$240 under basic coverage, which would be best debated in committee.

Also, the question that will come then — and perhaps the answer could be prepared in the meantime — is in

section 8. I know I am not supposed to refer to sections, Mr. Speaker, but it is the only way you can handle this thing in second reading.

There is an amendment which provides that registration of vehicles shall not be cancelled just because insurance premiums are not paid, and I understand that this will affect, basically, large fleets, et cetera. But nonetheless it is going to go against the basic premise which was established by the Minister some time back: where there was no licence there would be no insurance, and where there was no insurance there would be no licence. I think the Minister will need to explain that in the closing of this debate. Certainly the question will come up in committee.

The other section is section 10, under which it doesn't look like there is going to be provision made for agents who are presently private agents to negotiate the amount of commission. This section clearly provides that their commissions can be established by the corporation, and there will be some questions on that particular section also in committee.

Other than that, it is a very difficult bill to handle in second reading.

MR. MORRISON: I wonder if the Minister, when he closes debate, could give a little explanation about the section — which allows for installment payments of insurance. There is no specification in there as to whether interest would be charged or not. If so, what interest might it be and how far might the term of arrears be before the insurance is cancelled? In other words, if someone does buy his insurance on term and doesn't meet the term...if he would elaborate on that I would appreciate it.

I notice there is one other section which says that the corporation has the right to settle on a disputed claim. It doesn't give the client any recourse to the courts. I think it is section 9(b)(1) or something like that. Whatever the corporation ultimately decides doesn't allow the client any further recourse. I wonder if I am correct on that and if the Minister would remark.

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MR. SPEAKER: The Hon. Minister closes the debate.

HON. MR. STRACHAN: Starting at the last question, the purpose of the section the Member just asked about, making payments to disputed claims, is to state explicitly that the corporation is authorized to make ex gratia payments. Where there is some doubt in law as to whether we have the right to recognize the case, it has opened it up so that we can make ex gratia payments where there is doubt as to whether legally the corporation is responsible. It is to open it up and make it easier for us to do natural justice rather than the letter of the law. That's the intent of that particular section.

The compensation of agents. There is such a variety of types of vehicles in the Province of British Columbia and it is impossible to get them all involved in a straight category which would allow us in the case of a particularly odd type of vehicle to say: "Well, that commission should be so and so." We have no recognition in the present list of commissions that covers that particular type of vehicle.

As you know, in this province we have a greater variety of vehicles than, I think, anywhere else in the world, and this is simply to allow us to set a commission for some of these unusual vehicles.

MR. SCHROEDER: Commission to the agent?

HON. MR. STRACHAN: Yes. The agent who writes the insurance for that particularly unusual type of vehicle.

MR. WALLACE: That's not negotiable?

HON. MR. STRACHAN: Well, certainly we'll sit down and talk to the agent when he sends it in. Usually

these are one-to-one things, where it says this type of vehicle does this, does something else, what the premiums are, this sort of thing. These are usually one-to-one things.

The reason for the maintenance of the registration. This is a request of the motor vehicle branch. While the licence might be cancelled and the insurance might be cancelled, we don't want to have to remove that registration number from the motor vehicle records. That's a straight item to maintain the records of the....

Interjection.

HON. MR. STRACHAN: Yes, if you cancel the licence you can cancel the premium, but we don't want to cancel the registration as listed on the....

Interjection.

HON. MR. STRACHAN: Yes, that's right. That's right. It allows us to keep that vehicle registration number listed.

Interjection.

HON. MR. STRACHAN: Yes. The matter relating to the premiums is to allow the corporation, if authorized by the regulation of the company, to participate in installment plans for the basic premium. That's what that is.

Interjection.

HON. MR. STRACHAN: Yes, and it simply gives us the legal background to do it by regulation if the company decides that someday that's the way we should go.

I think that answers all the questions, Mr. Speaker, and I move second reading.

Motion approved.

Bill 69, Automobile Insurance Amendment Act, 1975, read a second time and referred to Committee of the Whole House for consideration at the next sitting after today.

HON. MRS. DAILLY: Second reading of Bill 32, Motive-fuel Use Tax Amendment Act, under the Minister of Finance.

MOTIVE-FUEL USE TAX AMENDMENT ACT, 1975

HON. MR. BARRETT: Mr. Speaker, this a companion bill to the earlier debate on motive-fuel use tax in line with the 2-cent increase in gasoline and coloured gasoline taxes. This bill increases the levy on diesel fuel from 17 to 19 cents effective February 28. British Columbia diesel fuel tax, at 19 cents a gallon, will still be below the average provincial rate.

MR. WALLACE: Mr. Speaker, just simply to place on record our opposition to this bill for the same reasons that we opposed the companion bill.

MR. MORRISON: Again, Mr. Speaker, we will be opposing this for the same reason as we opposed the earlier bill. We will be voting no again.

MR. SPEAKER: The motion is that Bill 32 be read a second time.

Motion approved on the following division:

Hall	Macdonald	Barrett
Dailly	Strachan	Nimsick
Stupich	Hartley	Sanford
D'Arcy	Cummings	Levi
Lorimer	Cocke	King
Lea	Young	Lauk
Nicolson	Skelly	Gabelmann
Lockstead	Rolston	Anderson, G.H.
Steves	Kelly	Webster
Lewis		Liden

NAYS — 14

Jordan	Smith	Phillips
Chabot	Fraser	Richter
Curtis	Morrison	Schroeder
Gibson	Anderson, D.A.	Wallace
McGeer		Williams, L.A.

Bill 32, Motive-fuel Use Tax Amendment Act, 1975, read a second time and referred to Committee of the Whole House for consideration at the next sitting of the House after today.

HON. E. HALL (Provincial Secretary): Mr. Speaker, the second reading of Bill 33.

COLOURED GASOLINE TAX AMENDMENT ACT, 1975

HON. MR. BARRETT: Mr. Speaker, a continuing companion bill and coloured gasoline tax Act in line with the general tax increase of 2 cents a gallon, this bill increases the rate of coloured gas from 3 to 5 cents a gallon effective February 28. Provisions remain in the Act for the exemption from tax on coloured gasoline used by family farmers for their farm trucks and by the family fishermen for their commercial fish boats. It's a companion bill, Mr. Speaker, and I move second reading.

MR. MORRISON: Again, we will be voting no on this for the same reasons as the previous two bills.

MR. FRASER: I'd like to hear the Minister explain who qualifies for exemption under the coloured gas. One specific question: does a corporate farm company qualify and do they have to be a Canadian citizen as an individual or a corporate company?

MR. WALLACE: The continuing companion legislation will continue to have our opposition for the reasons we believe that the bill is inflationary and unnecessary with the present budget presented to us in this House. We will oppose Bill 33 as we opposed the former bill.

MR. SPEAKER: The Hon. Minister of Finance closes the debate.

HON. MR. BARRETT: In answer to two questions: just individuals and not corporations; and there is no citizenship requirement. I now move second reading of Bill 33.

Motion approved on the following division:

YEAS — 30

Hall	Macdonald	Barrett
Dailly	Strachan	Nimsick
Stupich	Hartley	Calder
Sanford	D'Arcy	Levi
Lorimer	Williams, R.A.	Cocke
King	Lea	Young
Lauk	Nicolson	Skelly
Gabelmann	Lockstead	Rolston
Anderson, G.H.	Steves	Kelly
Webster	Lewis	Liden

NAYS — 14

Jordan	Smith	Phillips
Chabot	Fraser	Richter
Curtis	Morrison	Schroeder
Gibson	Anderson, D.A.	Wallace
McGeer		Williams, L.A.

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

Bill 33, Coloured Gasoline Tax Amendment Act, 1975, read a second time and referred to Committee of the Whole House for consideration at the next sitting after today.

HON. MR. HALL: Second reading of Bill 73.

SCHOOL TAX REMOVAL AND RESOURCE GRANT ACT

HON. MR. BARRETT: Mr. Speaker, this bill continues the government's policy to reduce school taxes from homes and farms over a five-year period. Anybody who doesn't want this, just send the money back.

MR. PHILLIPS: How can you say that with a straight face?

HON. MR. BARRETT: Well, we'll see how you vote on it. Hon. Members will recall that last year the programme was started by providing that 20 per cent

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of any school taxes paid by homeowners and farmers after the reduction of the provincial homeowner grant would be paid to a maximum of \$40. This year the amount is doubled so that 40 per cent of any school tax in excess of the homeowner grant will be paid where the maximum amount payable to any home or any farm under this Act is now \$80.

I now move second reading, Mr. Speaker.

MR. H.A. CURTIS (Saanich and the Islands): Yes, there probably will be considerable debate on Bill 73, which I think deserves the title: "The False-Start Bill." As you will recall, Mr. Speaker, at about the end of February we had Bill 26, late lamented, which was finally pulled out after the Minister of Finance introduced this bill, No. 73. It was observed at that time that certainly Bill 26 could not possibly accomplish what the government could and would want to do in a very difficult situation.

I am not surprised that the Minister of Finance made a very brief statement in moving second reading of this particular piece of legislation which is before us for second reading this afternoon, not surprised at all, in view of the headlines and statements which are available to all of us from all around British Columbia with regard to school costs in this province in the year 1975. It's a little short of a disaster in many instances.

If you care to call out a riding, I think I could find a headline to match.

"Sidney Taxes Up 17 Mills," That's *The Sidney Review*.

"School Tax Amendments Will Hit Cumberland." That's from the *Nanaimo Daily Free Press*.

"Ordinary Joe Hit Hard." This is *The Victorian* just a few weeks ago. "School taxes in greater Victoria are up and the man hit hardest is the small property owner, the ordinary Joe, with a small house assessed at \$6,500." Ordinary Joe — does he own a house?

Interjection.

MR. CURTIS: Well, Mr. Speaker, through you to the Premier, Minister of Finance, there's some chance that if this pattern continues, he may lose his house as the result of increased property taxes. We had better worry about Joe.

The 1975 taxes for the Village of Ashcroft, showing a comparison between the 1974 and 1975 levies — this is the Ashcroft-Cache Creek newspaper: "The general school increase and debt" — but most of it is school purposes — "up 14.939 mills, not including the assessment authority, not including regional district levies."

Perhaps we should read a few more just in order that the Premier and Minister of Finance will come to appreciate the seriousness of the situation and the fact that we have a broken promise in front of us in this bill — a broken promise as far as this government is concerned.

"School Taxation Up \$1 Million." This is the *Comox District Free Press*, again at the end of April of this year.

The Kamloops News — I believe headlines such as this, Mr. Speaker, through you to the Member for Kamloops (Mr. G.H. Anderson), the one-time Member for Kamloops: "School Tax Increase Will Hit 25 Per Cent."

From *The Sunshine Coast News*: "Sechelt Mill Rate To Rise By 25 Per Cent."

The White Rock and Surrey *Sun*: "School Taxes To Increase By 14 Mills."

"The average Surrey-White Rock homeowner will pay an extra \$60 for school taxes for 1975. That grim news was revealed Monday night when Surrey school board passed its 1975 budget, which projects expenditures by the board of about \$44 million, a 29.5 per cent increase over last year."

The *Nechako Chronicle*: "School District 56, Highest Mill Rate in History."

"The taxpayers of school district 56 are facing their highest mill rate in history this year. The rate has been set at 49.12 mills, a raise of 9.3 mills over 1974."

This is *The News-Advertiser* serving the Peachland-Lakeview Heights-Westbank area in the Okanagan Valley, and it indicates that school taxes are less than previously estimated, but nonetheless are up significantly in

1975 over 1974.

Here's an editorial from *The Daily Colonist*, Tuesday, April 15, headed "Mounting Mills." It deal with the situation which will face a number of people in greater Victoria in the current taxing year.

This is another newspaper in Surrey: "Surrey Tax Hike Hammers Homes."

The Columbian in New Westminster — the Minister of Health (Hon. Mr. Cocke) is not in his seat at the moment: "Huge Assessment Hikes Horrify Mayor." That deals at length with school increases as well as other increases which are being faced.

This one is Campbell River. "For Local Area School Costs, Budget Increases \$1.3 Million." This is a story by Ron Percival of that newspaper.

"The cost of educating School District 72 students climbed by \$1.3 million in the past 12 months. The mill rate required to raise the money climbed by 4.25 to a level of 36.42 mills. The dollar increase is approximately 20 per cent."

Well, I hope that when the property owners, and ultimately the tenants, as we've discussed before, in various communities in British Columbia this year, open that envelope, that to-be-feared envelope, in the next week or two or three, they will not this year

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take out their wrath and their anger and their frustration on members of school boards, chairmen and trustees and mayors and aldermen, because the responsibility for the increase in 1975 lies with the two Ministers who are in the House during this debate, the Minister of Finance and the Minister of Education (Hon. Mrs. Dailly).

We mark them failure — miserable failure — in terms of assisting the local property taxpayer in 1975. It is a disgraceful situation with the kind of increases I've cited from the newspaper headlines in these last few minutes; and perhaps we could go through a few more examples.

This as a result of our research on a selection of communities, selected only in terms of size and their location in various parts of British Columbia to give us some kind of a feeling with respect to the very small communities, up to the large cities, indeed up to the size of the City of Vancouver.

Significantly, in many instances, the bulk of the increase in dollars which will have to be paid in 1975 is not found on the general or municipal side of the tax bill; rather it is to be found on the school side — another indication, Mr. Member, of how the money which should have been generated from the provincial Treasury to local governments, to school boards, to school districts has not been forthcoming. It was bad enough last year. It was bad enough the year before. It's been bad in previous years, but I don't think anyone in their wildest dreams imagined it to be as serious as it has turned out to be this year.

Again, I plead with those people who are going to want to open this envelope when they're sitting down, not to take it out on school boards, not to take it out on their school board chairmen and trustees or their administrative staff who are trying to do their best in an almost impossible situation.

Mr. Member from Dawson Creek — here's one. This is the kind of information that we were seeking. The City of Dawson Creek general purposes mill rate for last year was 42, and it's gone up by 4 to 46 for this year. Schools has gone from 28.3 to 33.3. We have, with some other additions, including the assessment authority, which I realize is not covered at all by this particular bill — an increase from 71.79 mills in 1974 to 82.24 mills for 1975.

Hazelton. Schools up 4.8 mills, general up 8. A mill there raises \$511,000.

We put a series of questions to these communities, asking for information regarding their general and debt rate, their school rate, regional district, hospital district and, finally, if these figures are taking account the natural gas revenues. We also asked about the ceiling, which has been the subject of questions to the Minister of Municipal

Affairs, and the absence of legislation to cover that.

Taylor. Schools up 7.4 mills for 1975 over last year; hospital up 0.37 — one-third of a mill. No other increases.

Clinton. Schools up, as I indicated earlier, 9.09 — this is information directly from the municipal office. The mill there raises \$1,700 — a very small community. We can see that the natural gas revenue-sharing assistance notwithstanding, the school rates....

Interjection.

MR. CURTIS: We don't like it? Mr. Speaker, through you to the Premier and Minister of Finance, it's not a question of liking it or disliking it; it's vanished into thin air. Its effect, overall, as far as we have been able to determine, is about 2 mills. It covers about 2 mills. No, when you're dying of thirst, you're not going to send back half a glass of water.

Interjection.

MR. CURTIS: Try all the interjections you want, Mr. Premier. The fact is that on average over all of the province, this \$20 million, which was so highly touted — assistance to the municipalities, revenue-sharing — accounts for about 2 mills. What do you say to a school district, to a municipal council or to a property owner who receives an increase of 9, 10, 12 or 14 mills? He's going to say: "Two mills for natural gas doesn't really make that much difference."

Alert Bay. Schools up 10 mills; the regional district levy up 2.34; hospitals up very, very little.

Masset. A small community, schools up 7.78 mills.

Now we know one of the reasons why the Premier did not go to the people of British Columbia in the spring of 1975: someone reminded him that property tax notices would be in the mail just about the time he was on the hustings. That's a pretty good reason, isn't it?

HON. MR. BARRETT: Now you're going to get it.

MR. CURTIS: Oh, I'm frightened, Mr. Premier! Shaking!

Just about the time that the Premier would be out moving around the province trying to tell us how efficient and effective the NDP has been, the people would be opening those little envelopes and finding out some of the most shocking financial news they could possibly imagine in the year 1975.

Cache Creek. As I indicated before, schools up 9.09.

Fort St. James. School mill rate up almost 10 mills —9.94.

That council, if we could dwell on that for just a moment, having received the information from the school district — "Look, this is the amount of money we require translated into mills" — this municipality

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cut its general mill rate.

I think that's one of the tragedies of the 1975 situation. Frequently as municipalities receive the school levy and find out in mills translated into dollars precisely what kind of costs they are facing as far as the school operating year is concerned, they have to cut back on municipal and general purposes, and so capital projects are put aside, postponed or abandoned by the municipality, or maintenance programmes are cut back or reduced. In the case in greater Victoria, in one of many efforts to reduce municipal costs in this shocker of a year, 1975, garbage collection

is reduced from weekly to every two weeks, or in the case of the municipality of Oak Bay, to every three weeks. Next year it may have to be every four weeks.

I'm trying to get across, Mr. Speaker, through you to the two Members who are most responsible in the cabinet benches, the seriousness of the situation.

Fort St. James. As I indicated, schools are up 9.94 and the council, in a desperate effort to try and help a little, dropped their mill rate by 7.65.

Lillooet. I indicated earlier, schools are up 5.94.

Pitt Meadows. We could only get an estimate, but it appears that the school mill rate would be up by 5.23 per cent; hospital up a fraction of a mill, about 0.28 per cent; regional district up not very much.

Hope. This one is fairly mild: schools up 2.14; general purposes mill rate down 3. Again, another indication of a municipality trying desperately to assist its school district.

It has led to friction between municipalities and school districts. Even in my own constituency there was a very serious dispute. After the Town of Sidney received the levy from School District 63, it felt that it would have to attempt to halt a new Sidney school and to cut a major road and sewer programme from the municipal budget. One alderman is quoted as saying: "It's a luxury we cannot afford." Imagine, when you reach a situation where you identify a school, a road and a sewer as luxuries that local government cannot afford.

Nelson. Schools up 5.7 per cent. The Minister for that area is not in the House. I said 5.7 per cent. I am sorry. It's 5.7 mills, forgive me. General up 4 mills; hospital up a fraction. But they had to take \$ 100,000 in the City of Nelson from surplus, which should be put aside for capital projects or for some once-in-a-lifetime project that the community might undertake. They had to take \$100,000 from their surplus account to try and offset the impact of these increased taxes.

Terrace. School mill rate up by 5; the municipality's rate up by half of that, 2.5. Hospital levy is relatively stable there, the debt levy is down slightly, and the regional district is up very slightly.

Kitimat. He's not here either. Schools up 6.270 mills.

What I am trying to point out to you, Mr. Speaker, is that no matter where you look around the Province of British Columbia, in a variety of communities the story is the same. In municipality after municipality, in school district after school district, it is up, up, up.

Oak Bay. Schools up 6.14 mills.

Langley district. Mr. Member, I know your people are upset about this.

Interjection.

MR. CURTIS: Well, you'd be surprised. Schools up in Langley district municipality by 8.48 mills; general and debt up 6.25; regional district up by less than 0.1 of a mill; and so on.

Prince George perhaps is not a good example, to be fair, because of the enlarged boundaries in the community this year after the amalgamation vote, and a different percentage of taxation. Nonetheless, they are looking at a school rate increase of 6.5 mills and a general increase of 3.5 mills.

New Westminster. As I indicated before, up 6.5 mills.

Coquitlam. Should we quote Coquitlam, Mr. Member? Do you think so, Mr. Speaker? Coquitlam. Well, let's see. Schools up 7.37 mills, 1975, over last year. Regional district is up a fraction. General levy is up only 1 mill. Again, I would suspect, without knowing for sure, another example of a municipal council in budget session

feverishly striving to hold the line and put aside those things which should be done this year, or perhaps should have been done last year or the year before, because of the impact of the mill rate increases.

I wonder if they appealed to their Member. Oh, he'll tell us in a rousing speech to close second reading debate; the Premier will give us a real whizbanger, I would think, Nevertheless, I stand by the figures I am giving the House this afternoon in terms of the increase in school tax rates again, because of the inaction of this government and the rather useless impact of the natural gas revenue-sharing.

Richmond. Is he here? No, he's not here. Okay. Schools up 6 mills in the large township of Richmond.

Burnaby. Schools up 6 mills. I don't remember increases of this magnitude in the past.

Surrey. Wow, let's tell them about Surrey, Mr. Speaker. He's here. School mill rates up 13.89 mills — almost 14 mills increase. Regional and hospital charges are up, but not substantially.

Well, the property owners of Surrey are going to be very, very happy when they see what the lack of activity by this government means when reflected in their dollar bill, the tax notice which arrives on their front doorstep in a short while.

The district of Saanich — two school districts for

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this municipality. It is one of the larger municipalities in British Columbia, as the Members will know. For School District 61, which is the greater Victoria school district, the information I have is that it has gone from 35.22 mills in 1974 to 41.36 in 1975 for school purposes.

In School District 63, which is the peninsula school district and covers the northern half of Saanich and then the balance of the peninsula, the increase is a whopping 31.55 up to 42.95 for school purposes alone. Mr. Member for North Vancouver–Capilano (Mr. Gibson), how do you like that one? The Municipality of Saanich's budget document for this year, page after page after page, is an indication of a municipal council's feverish and sometimes successful attempt to cut back on what should be done, again, to offset the impact of the increase in school costs which will be passed along to the property owners.

Oh, this has a very fine sound.

I referred to Bill 26 before, Mr. Member, but, of course, Bill 26 was found to be lacking and incorrect and it was pulled. But Bill 73, the one we are debating now, is the School Tax Removal and Resource Grant Act. I think it should be called the sock-it-to-'em bill, because that is what is happening. That is what's happening.

Well, Mr. Speaker, there are others who want to speak on this bill. I have given you some outline of the significance of the increases. We have a government in power in British Columbia which obviously attracted many votes in 1972 by assuring the people of this province that it would remove school costs from property. Through mismanagement, it is doing precisely the opposite. The figures are here to show it. The figures are here to show it and you know it. Great clown act, Mr. Premier, but it is not going to work. It is not going to work.

HON. MR. BARRETT: I thought you were a Tory on this.

MR. CURTIS: I would like to quote one columnist who is certainly, I think, objective. We have never felt that this particular person is pro-opposition parties, and I think all sides of the House will agree. Barbara McClintock, in the *Vancouver Province*, April 24 of this year, said it all, Mr. Speaker: "NDP Trying to Con People on the Lowering of School Tax." That is a headline you are going to have to live with, Mr. Premier. You are trying to con people on the lowering of school tax in British Columbia in this taxation year.

MR. G.F. GIBSON (North Vancouver-Capilano): Mr. Speaker, this bill is fraudulently titled. It is titled, incredibly enough, School Tax Removal and Resource Grant Act. Maybe it is a misprint, as the Hon. Member says.

Mr. Speaker, a school tax removal Act, at a minimum, would remove a bit of the school tax. I think that is a reasonable presumption. This Act doesn't do that. It is in the policy of that party which forms the government opposite in this House that over five years they will remove school taxes from the average British Columbia home. That was a nice theory. That was going to be implemented last year — the first 20 per cent was supposed to come off last year, the second 20 per cent this year.

Mr. Speaker, the increase in this grant this year is less than the average increase in school taxes in the Greater Vancouver Regional District. That is falling behind. I have just got rough figures, but the rough figures I have would indicate that the average school tax in greater Vancouver is going to go up something in excess of \$50 or \$55. That is \$15 more than the maximum they can get out of this grant, so they are falling behind.

Mr. Member, you should know that the average mill rate is a shade over 7 mills in the Province of British Columbia. The school taxes are going up. But let me tell you, Mr. Speaker, in the school districts that have been trying harder, the taxes are going up a lot more than that.

The Minister of Education (Hon. Mrs. Dailly) is sitting there and I want to make an appeal to her. I don't know if she realizes how the school districts that have been trying harder are getting hurt by the policies of this government.

My own school district, district 44, North Vancouver, is in the forefront of the large school districts in this province and they are doing their best to comply with the policies of the Department of Education, particularly with respect to lowering the pupil-teacher ratio. They have the lowest ratio of any large school district in this province. Last year they hired over 100 new teachers for that objective and the supplementary grant they received this year didn't even keep up with that obligation. They have fulfilled every condition that the Minister mentioned in her speech up in Prince George for assistance to the school districts. They held the line on non-essential programmes. They didn't build any new facilities or new programmes except the absolutely essential ones to keep up the educational standard and they lowered the pupil-teacher ratio. And what happens? In North Vancouver, Mr. Speaker, our school board has had to raise the mill rate by 14 mills to maintain our educational standard. That is a pretty sad figure for the taxpayers of North Vancouver to deal with.

HON. MR. BARRETT: How high is their assessment?

MR. GIBSON: The Premier asks, Mr. Speaker, how high the assessment is in North Vancouver. I am glad

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he asked that. If he hadn't asked that he might have been led into the argument that the homes in North Vancouver are so terribly expensive that it's no wonder their taxes go up so much. I don't think he would have used that argument, but just to make sure I'll quote those figures. I have here a publication by the Greater Vancouver Regional District which is called: "The Dollar Burden of Growth" and is the impact of 1973 municipal taxation. Since the assessments are frozen these are good figures for these purposes.

Now the average assessment in district 44 — and I am averaging out between the city and district in North Vancouver — my quick-by-eye estimate would tell me is a shade over \$9,000. The average assessment for the GVRD is around \$7,500, so our assessment is maybe 20 per cent over on the average home.

But our mill rate increase, because of the attempt of our school board to give good education to the children of district 44 and comply with the pupil-teacher ratio policies of this government, is up by 14 mills. It's up by double the provincial average. When you apply that to our assessment, that's a tax increase in district 44 on the average of \$120 per residential homeowner. As you know well, Mr. Speaker, tenants are not exempted from this kind of thing because they pay those same school taxes through their landlords.

I say that's not good enough. When the so-called school tax removal programme not only doesn't keep up but covers less than one-third of the increase in any school district of this province, and when the Minister of Education, who said in Prince George that she would give assistance to any district that found its taxes badly out of line with the

rest of the province, hasn't come through with more of a supplementary grant than she has, then I say that is a disastrous policy and an unfair policy to the citizens of this province.

Mr. Speaker, the Premier offered the other day — it was Friday — to let me move a financial amendment. Let me ask him: will he let me move a financial amendment on this bill? It should be a lot higher than \$40 to be fair. It should at least keep up with the average tax rise in this province. It shouldn't slide backwards and still be called a school tax removal Act. It's very unfair and it's another example of how this government chooses to draw the spending authority all into its own hands, to starve the local spending authorities, to dole them out a little bit of resource money here and there.

Twenty million dollars. What's \$20 million? Well, under 1 per cent of the budget from the resource revenues; less than one-third of what Manitoba, a much poorer province, just gave their local municipalities. This bill, Mr. Speaker, is in the same, shameful tradition. It's something that, unfortunately, this House is going to have to approve.

(Laughter.)

Interjection.

MR. GIBSON: The Premier kind of laughs and says: "You're going to have to vote for it." Of course we have to vote for it. But I'll tell you something: if you, as the Premier of this province, will ask His Honour the Lieutenant-Governor to put his initials on a bill that will double or triple this, then that's what I will vote for and not this shamefully low amount that you have here.

HON. MR. BARRETT: You'll vote against it?

MR. GIBSON: I am going to vote for this bill, and I am going to say that it's not enough.

HON. MR. BARRETT: You want it both ways.

MR. GIBSON: I don't want it both ways.

HON. MR. BARRETT: You call it shameful and you are going to vote for it. You have to be a Liberal to do things like that.

MR. GIBSON: No, all you have to do is to be able to read. All you have to be able to do is read the promises of the New Democratic Party.

HON. MR. BARRETT: Boy, oh boy!

MR. GIBSON: Their promises were to remove school taxes from property, and I agree with that. That's the Liberal policy. And I say it's shameful that this amount you are promising here is not beginning to carry out that promise.

Interjection.

MR. GIBSON: Not on thin ice on this one.

Interjection.

MR. GIBSON: Not at all. There's \$25 million in the budget for this, Mr. Speaker, again under 1 per cent of the budget. And who does it affect? It affects every homeowner in British Columbia. If you want to give a break to the ordinary person, this is where you do it. If you want to carry out your promises — you said that when you became government you'd take off the school taxes — this is where you do it.

We have to vote for this, Mr. Speaker. We have no other choice, because we would rather that the homeowner has \$40 more than that they had nothing more. But the point is that it is not good enough. The government should be

ashamed of the amount they brought in here. The title — I say this again, and I ask

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the Premier to defend it — is fraudulent when a bill says it's removing school taxes, and, in fact, the net result of it is going to be that the average homeowner in British Columbia is going to be paying more in this year than he did last.

HON. G.R. LEA (Minister of Highways): If I were you, I'd vote against it in principle.

MR. PHILLIPS: Mr. Speaker, I just want to add a few words to this disappointing bill. It's just yet another example of the government's inability to cope with the problems of running the province. If they would only come to grips with the fact that they cannot go on in their ideological way, spending large amounts of money which really are not benefiting the taxpayers of the province. I refer to the using of millions of dollars to buy up land, going into projects which will not create one job in this province, their policies of waste and extravagance.

This is a tax on tax because, while the government says it is assisting the school boards in the province, it is actually increasing the costs of running the school boards. There is the increased cost of insurance which they have to buy through the Insurance Corp. of B.C., with no way of knowing whether it's a competitive bid, no way of knowing whether they're being soaked to the teeth or not. They have to buy it.

Mr. Speaker, you will recall that in Saskatchewan a few years ago, after a number of years of the Saskatchewan government forcing school boards to buy their insurance through the Saskatchewan government insurance, when they opened it up, they finally found that school board after school board was paying an exorbitant amount for their insurance. By opening it up and allowing individual private insurance companies to compete, they were able to save the taxpayers of Saskatchewan and many school districts many, many thousands of dollars. This is just yet another way in which the taxpayers of this province are subsidizing the Insurance Corp. of British Columbia — another indirect way.

We've seen last year the cost of heating all schools in the province increase by 30 per cent, which is a tax going into the B.C. Petroleum Corp. It's another indirect tax, but it's another way this Minister of Finance has of taxing the people of British Columbia to the limit.

We also have seen the cost of electricity increase last year by some 30 per cent, which is another added cost of running the school boards of this province. Just more recently, like today and Friday, we have seen another tax go through, another tax measure which will increase the cost of gasoline to school boards, particularly in the northern ridings where there are large fleets of school buses. Again, the government has added taxes on taxes.

It amazes me, Mr. Speaker, because the government seems to go on their merry way. They have a completely indifferent and cavalier attitude towards what we're talking about. They really say out of one side of their mouth that they're interested in supporting the small people of the province, that they're interested in reducing taxes, while they go on and out of the other side of their mouth completely, in many areas directly or indirectly, increase the taxes. We've seen example after example, Mr. Speaker, where the Minister of Finance gets up in the Legislature and tries to fudge up the issue by not telling the story, by putting out.... As has been pointed out here, even the title of the bill is fraudulent: "School Tax Removal and Resource Grant Act".

Another area, Mr. Speaker, where we have increased costs to school boards, particularly in the northern ridings, is where the school districts have large fleets of buses, and they're travelling on a completely deteriorating secondary road system, deteriorating because this Minister of Finance is not giving the Minister of Highways (Hon. Mr. Lea) sufficient money to keep up the roads of the province. This means extra costs for repairs to keep these school buses running; in the wintertime not as good a policy of snow removal as there was; school buses have to be cancelled. It's another way where this government is increasing costs, increasing costs.

Now, Mr. Speaker, the Minister of Finance goes down to New York and he says: "The Province of British Columbia is being run on love." Well, I wonder if love is going to pay the increased cost of running our education system which the Premier and Minister of Finance is passing on to the taxpayers. He promised, just a little over three

years ago, to remove school taxes from homes and farm property, and all the time it has been increasing. You can talk about your love. That is the same kind of love affair that the Premier had with business. He is going to make love to business. Well, I'll tell you, that's some love affair.

AN HON. MEMBER: It's an awful embrace.

MR. PHILLIPS: That's some love affair.

HON. MR. BARRETT: I love everybody, brother, including you.

MR. PHILLIPS: Mr. Speaker, this government is a living lie, a living lie, because they tell the people one thing and go and turn around and do exactly the opposite. Just a living lie! That is a lot different....

Well, you can love me. I am certainly sure you appreciate my bringing these things to your attention, Mr. Minister of Finance, but you have made the Government of British Columbia a living lie, because you are misleading the people of British Columbia.

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You have misled them in the past and again today you are misleading them with this bill, saying that you are removing school taxes. Broken promises and increased taxation, while the Minister of Finance continues on his ego trip to build oil refineries — where he is taking \$350 million out of the general revenue! Why? Just because he is on a big ego trip. Now he is taking another ego trip off to London to talk to Prime Minister Wilson, I want to tell you that there is a country that socialism has practically brought to its knees, and the Premier is going over to take a few lessons. Maybe he is going to learn how he can really bring the Province of British Columbia the rest of the way down to its knees.

HON. MR. BARRETT: You're attacking us good socialists.

HON. MR. LEA: I wonder why the people of Britain voted for them?

HON. MEMBER: They're wondering the same thing.

MR. PHILLIPS: Yes, they are wondering, that's right. But the amazing thing about this bill, the real truth of this bill is.... I don't know why the Minister of Finance doesn't level with the people. This is one of the first steps to do away with the minimum taxation of the homeowner grant. This is the first step to do away with that \$1 minimum. The percentage figures are in there. The government is telling what percentage they can apply to what. We will see the \$1 tax bill that was enjoyed by many people in the Province of British Columbia eventually go. This is just the first step to do away with that \$1 tax, because it is on a percentage basis and it is going to hurt those people who probably need it the most.

I don't know why the Premier doesn't come out and say: "Look, we are changing the policy of the homeowner grant because this is what it is. We want to do away with that \$1 minimum tax. We want everybody to pay a certain percentage".

This is the method you are heading into, Mr. Minister of Finance. Why don't you have the intestinal fortitude to stand in this Legislature and tell the people that they are no longer going to enjoy the same type of homeowner grant they had before? You haven't increased the homeowner grant. You are saying that only a percentage of a maximum, only a percentage of the school taxes can be applied. I don't know why you don't just come out and say that you disagreed with the \$1 tax bill and this is your method of doing away with it.

Why don't you level with the people of British Columbia? Why don't you tell them what you are trying to do? You are doing it by devious means. He is using a devious method to do away with the \$1 minimum taxation. I would like you to explain that and tell the people of British Columbia what you are doing. If you don't agree with the formula and you didn't agree with that \$1 tax, tell the people what you are doing, because this is exactly the route

you are going, I don't want to make any predictions, but I have to say that if you continue with this policy, pretty soon the minimum that people will be paying will increase from \$1 to \$ 10, to \$20 to \$50, and in a few years there will be no minimum of \$1 taxation in British Columbia.

If I am wrong, if this is the wrong prediction on what you are trying to do by this percentage method, I will stand corrected if the Minister of Finance will deny in this Legislature that this is the way he is going. I will stand corrected. But I notice that fast year was the first step and it is continued on this year. Instead of making it a flat grant, which could be deducted from taxes as a whole, if we were working on a percentage bases.... I challenge the Minister of Finance to tell me that this is not the real and true intent behind this bill. I challenge the Minister of Finance to tell me if this is not really the true intent behind this Bill 73 — to do away with that minimum taxation which many hundreds of hundreds of people in this province enjoy.

As I say, if I am wrong, I will stand corrected, but I don't want to have to say in this Legislature three or four years from now that this is really what you were doing and you admit to it.

Tell the people today. Don't lie to them. Tell them! Give them the truth for once in your life. Tell the people of British Columbia the truth. Tell them what you're trying to achieve by this bill. Tell them why you're using this method instead of the flat grant which has been the habit in this province for some 20 years. Tell the people the truth, Mister. Stand up and be counted! Tell the people the truth.

MR. FRASER: The Premier will get his chance here in a little while; I'd just like to say a few words. As other speakers have said, the title of this bill is School Tax Removal and Resource Grant Act, and there's nothing further from the truth than the title of this bill.

I would tell you, as others have, that this party campaigned in 1972 to remove school taxes from property. You will find out, and unfortunately the citizens of British Columbia will find out how much is removed, starting from about today on when the municipal and provincial tax bills are mailed to every property owner in British Columbia. The biggest removal of all will come right from their wallets. That's where it'll come from. Thanks to the inadequacy of this bill, they will be removing the money from their wallets in the largest gobs ever, whether they be in the provincial area of the province

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or the municipal area.

This year we will see the highest property taxes in the Province of British Columbia, after all the grants are all applied, that we have ever seen in the history of this province. I know that the Minister of Finance (Hon. Mr. Barrett) is going to say "What else is new?" and blame it on inflation.

MR. PHILLIPS: The Minister of flop.

MR. FRASER: But that is absolutely unfair to tell the people of this province. The reason for it is the inadequate grant structure from this provincial government. As we're dealing with taxes here, there was an increase of \$100 million this year to school districts. It's completely inadequate and causing the increase in property taxes to the individual property owners.

The increase of \$100 million that the school districts got this year from the Department of Education is not as much as the overrun Human Resources had last year. They had an overrun of \$103 million. No wonder this has to be paid for. As some earlier speaker said here, when these tax bills start going out from today on, through probably to June 15, I can just hear the government saying: "Well, that's the fault of the local council." Don't blame them. The blame is right over there with the two Ministers who have at least had the courtesy to sit in the House this afternoon and listen to this debate. I refer to the Minister of Education (Hon. Mrs. Dailly) and the Minister of Finance (Hon. Mr. Barrett).

HON. MR. BARRETT: Who?

MR. FRASER: It's no wonder the other NDPs aren't in the House because they have to go back home when the tax bills come out and explain what caused the high net increase in their tax bills.

HON. MR. BARRETT: Who blamed the councils?

MR. FRASER: I'm predicting what you will say in less than 30 days — you'll blame the local administration.

HON. MR. BARRETT: You're going to be sorry you said that.

MR. FRASER: Oh, I hope so.

HON. MR. BARRETT: Because I'm going to have to remind you of some of your own speeches, Alex.

MR. FRASER: Okay.

What is happening? The increased load, through inflation and every other cost, is being put right onto the local property owners — a direct opposite to the promise this government made when they campaigned in 1972.

The other thing that's happened in the province — being a member of a municipal council for a couple of years — is that with the school costs they are squeezing the municipalities right out of the picture. In a lot of cases they have to lower their municipal purposes mill rate this year with all the inflation problems they have, so the burden on the property owner isn't as severe if they have an advance to look after the inflation. So capital construction costs, and even maintenance now, in municipalities is coming to a stop because of the high cost to the property owners.

I would like to give an example. I have the honour to represent three school districts — School Districts 27, 28, and 30 — and I'll use one, School District 27, called Cariboo-Chilcotin. Last year they decided to go along with the reduction of pupil-teacher ratio, and initiate plans that the Minister of Education and the government had endorsed. They did so. They also were told that funds would be provided. This year in School District 27 there is a net increase of 6 mills in school taxes after the supplementary grant. Believe me they aren't very happy over the policies of this government up in that part of the interior.

Very shortly everyone, as I mentioned earlier, will have their tax notices out. I think most municipalities are going to put on the envelope "a message from the Barrett blunderbus" to get their message across.

I would just end by saying that the tax notices are just about here. Let's have an election on this issue this year — now. Thank you.

MR. WALLACE: It is rather interesting to be debating this particular bill when we know that the Minister of Education believes, for certain very valid reasons, that the revenue required to pay for education should not be generated on the base of property assessment in the first place.

I think the Minister of Education's position is much more valid and consistent with the beliefs and principles of the NDP. Certainly the 1972 election platform of the NDP contained a clear commitment, even under the present system of using property assessment as a base, to remove school taxation within five years by a 20 per cent reduction each year.

So one would have to ask if the legislation is achieving the stated goal. Of course we know it is achieving the stated goal for people with relatively low assessments, but I would certainly like to quote the statistics, as I find them: in the average home in School District 61, where the mill rate for schools has been increased by 6.14 mills, for a person owning an average home, the net increase in School District 61 will be about \$16.37.

I realize, Mr. Speaker, that the so-called average

assessment and the average home and the average homeowner plays around, substantially, with the interpretation of the word "average". Nevertheless, the contradiction in this bill, as I see it, is that the Minister of Finance is attempting to keep a commitment by reducing the amount of education tax payable by each homeowner by 20 per cent per year over five years. But in the face of inescapable rising costs, the contradiction, to me, seems to be the very simple phrase "not exceeding \$80." If the government really wanted to keep its commitment absolutely, then there should be no modifying phrase in this bill. It should simply be that once the homeowner grant is deducted, 40 per cent of the remainder should be rebated to the individual homeowner — the next year 60 per cent, and the following year 80 per cent, and finally, in the sixth year, of course, any outstanding amount, after the homeowner grant, should be rebated.

Now, of course, the argument is that this bill attempts to do for the majority of people what the government was committed to do — reduce the amount by 20 per cent per year. All I am saying, through you, Mr. Speaker, to the Minister of Finance, is that that applies to a certain number of people, but it is discriminatory, in my view, to now turn around and put a ceiling on the amount you can deduct in one year when, in point of fact, for some people.... Again, I suppose the Premier will give us a story that the people who own the biggest homes and pay the biggest taxes are the ones who can most adequately afford to pay.

HON. MR. BARRETT: That's right!

MR. WALLACE: The point is: the reason I keep saying this government has various contradictions is that they take such contradictory positions in other fields of taxation. You don't take this position, Mr. Minister of Finance, for example, on the \$1 a day on hospitals.

If you are going to take this attitude in regard to the payment of school taxes, why shouldn't the rich pay more for their hospitals than the poor? You can't have it both ways; we're talking a principle. If the principle is that everybody pays the same, for example, when it comes to hospital care, or everybody pays the same for their premiums on their automobiles, or everybody pays the same for any government service, here we have the raising of the tax revenue related, apparently, to the differing wealth of the individual. I just find this very contradictory.

I would suggest, Mr. Speaker, that this is the big flaw in this bill — that for some people it does represent a further 20 per cent reduction in the education taxes which they will pay, but certain people above a certain level are still going to be paying more this year than last year. I say to the Minister of Finance that for a government that espouses great believe that people should not be judged on their financial needs in other fields, as I have quoted, it seems very unusual to me that we have this limiting factor "not exceeding \$80."

I wonder if, in winding up the debate, the Minister of Finance has any projected figures as to the total sum of money which the government would be rebating if, in fact, they gave everybody a 40 per cent reduction on the difference between education tax after the \$200 homeowner grant deduction.

I'm sure that the Minister's argument is that this bill even with the 80 per cent ceiling will benefit many homeowners. I hope it will; I would like to think that it will. But I do wish that I had some idea — I've tried to find this out and I find it very difficult — of what level we are talking about in terms of the value of a home where the homeowner is still paying more for education tax. Knocking off 40 per cent of his increase, the increase being a lot more than \$80, how many people are in this category and what would the cost be to this government if it made the 40 percent applicable to everybody, regardless of whether the increase exceeded \$80 or not?

We're talking about a very important point as far as the financing of education per se is concerned because, as I said a moment ago, we do know that the Minister of Education believes that education should be financed out of general revenue. If for no other reason, I would agree with that when I think annually and repetitively of the complete and total confusion in the minds of many people in that they are simply bamboozled by mill rates, figures and assessment values. Every citizen can no longer comprehend what this very complicated situation is. We find that this government continues to make it even more complicated by coming up with supplementary grants and certain arbitrary amounts of financial assistance to the various school districts when it is proved that the budget the school district has come up with just can't meet the financial obligations of the homeowners in that particular school district.

Last year, within a very short time of debating the estimates of Education in this House, the Minister made available large sums of money — I can't remember the exact amount — in so-called supplementary grants — \$20 million or \$25 million. The same has happened this year to a relative degree; perhaps not the same sums exactly.

I mean this sincerely in a non-partisan way: the system we have at the present time for figuring out the problem (1) of raising the money for the cost of education, and (2) of trying to make it equitable under our present system I think is well-nigh impossible. I'm sure it would be the same whatever government was sitting over there. Under the present system is always ends up with adjustments,

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re-adjustments, supplementary grants, and confrontation between the Minister or the department and various school boards. The parents are left wondering why on earth the formula for school financing has to be so difficult to follow.

So regardless of whether or not this particular bill meets the commitment to reduce everybody's education tax by another 20 per cent this year, I hope the kind of debates we have had and some of the points that have been raised and the Minister's own personal position will be reflected in legislation, let us hope, next year. I hope the Minister of Finance (Hon. Mr. Barrett) is listening to this. I think it would be a very good idea to take a very serious look at the Minister of Education's (Hon. Mrs. Dailly's) proposal and find a more equitable way in which the money could be raised in the first place. If it were possible to move away from the assessment of property as a base, I just can't think how delighted many administrators and staff involved in all these calculations and computations, which most people don't understand anyway, would be delighted to know that while they still have local autonomy to try and calculate what they require for their own school district, at least there wouldn't be all this publication and discussion of complicated mill rate formulas and so on and so forth. It seems to me that it's unnecessarily complicated.

I think the Minister of Finance was joking with some of the opposition parties about concern over this bill and challenging them to vote against it. We'll be voting for this bill. Obviously the government is trying to keep its commitment to reduce the education tax by 20 per cent each year. I think it's a valid point to put forward. Why should it be another 20 per cent for a lot of people but not 20 per cent for some other people? Are we treating some people differently?

Interjection.

MR. WALLACE: That's right, Mr. Minister. I'm just trying to point out that that's your philosophy. But could I ask a simple question: at what point in the scale of values do the rich become poor or the poor become rich?

HON. MR. BARRETT: Well....

MR. WALLACE: These are such relative terms, Mr. Minister of Finance. One person feels he's quite rich when he has a pair of shoes on his feet and his stomach is full; another feels he's quite poor because he can only run one car. Where do we draw the line? I have to come back to your philosophy in other areas, as I have said. I am surprised if this is your thinking in regard to payment of costs of education, that it depends on the size and value of your home. If somebody owns a great deal of tangible, valuable assets when he goes into hospital, why should he get it at \$1 a day when to some other poor person \$1 a day is a very substantial cost.

[Mr. Speaker in the chair.]

I just pick that as an example to emphasize there does seem to be a contradiction between this government's basic thinking in some areas as contrasted with others. I feel that if you are to be consistent with some of the financial policies regarding health-care services, for example, it would seem to me that this bill should not include the limiting factor of a ceiling of \$80. I wonder if, in closing the debate, the Minister has any even approximate figures as to how much more money it would cost the government to reduce education taxes by 20 per cent for every homeowner, not just for those where the 20 per cent amounts to \$80 or less.

MR. R.H. McCLELLAND (Langley): Mr. Speaker....

HON. MR. BARRETT: This better be the last time. You're going to be in trouble.

MR. SPEAKER: I don't think he is the last one.

HON. MR. BARRETT: No, I know, but I mean...okay.

MR. McCLELLAND: Don't threaten me, Mr. Premier. Sit down and listen.

HON. MR. BARRETT: I'm not threatening you. No, no.

MR. McCLELLAND: Mr. Speaker, the Premier sits in his seat and....

Interjection.

MR. McCLELLAND: The Member for Saanich and the Islands (Mr. Curtis) referred to an article in *The Province* some time ago in which one of the columnists had mentioned that the government was attempting to con the people of British Columbia with this bill and with its whole approach to the removal of school taxes in the province. It is obvious that the government has achieved its aim in conning at least one person in British Columbia, and that's the leader of the Conservative Party. I hope that they won't have conned any other people because I think the people, when they get their tax notices, are going to know exactly what's up with this government — that is that this piece of legislation has to be the most hypocritical bill that has ever been put before the

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people of this province.

The Premier sits in his chair, Mr. Speaker, and talks about the rich people who are going to be paying more taxes to take the burden off the little guy. What nonsense! This bill is hitting the person who can least afford it the most. In the greater Victoria area, the Member for Saanich and the Islands referred to a story in which the headline was: "The Ordinary Joe Is Hit Hard." The person who is being hit the hardest with school taxes in this area is the guy with the small house assessed at \$6,500. The rich, according to this survey, won't face any massive tax hikes like the little guy will. Owners of homes assessed at \$10,000 will only pay an extra \$11-\$12 while other people are going to be paying up to \$20 and \$25 extra. So it isn't the rich who are taking any of this burden, it's the little guy, the average homeowner who is going to have to pay the burden.

In the Surrey area the mill rate is up almost 14 mills for school purposes. The Members have stood up in the House and talked....

HON. MR. BARRETT: Who made that decision? The school board.

MR. McCLELLAND: Well, of course the school board had to make that decision, They had no choice but to make it.

HON. MR. BARRETT: Ohhhhhh!

MR. McCLELLAND: If you want to keep the educational services of the community at an even standard, faced with the kind of inflation, the kind of wage hikes that are faced by all of the school districts and municipalities this year, you have to make those kinds of decisions.

One of the Members predicted that you'd stand up and blame the local boards and local municipalities for these increases, and you are starting it already. What a shameful attack on the people in the local communities by the Premier of this province. You do it every time. You should be ashamed of yourself for blaming elected officials in the local communities for the kind of tax increases that your government has forced upon them.

The Members have stood up in this House and talked about 10-mill increases, 8-mill increases and 14-mill increases. That only tells half the story, Mr. Speaker. It is really only half the story. In Langley the mill rate for

school purposes is up 8.48 mills — almost 9 mills in the municipality of Langley. General and debt, up 6.5 mills. But I mention that this only tells half the story. The other half of the story....

HON. MR. BARRETT: What is it in Langley?

MR. McCLELLAND: Up?

HON. MR. BARRETT: What is it again in Langley?

MR. McCLELLAND: It's up 8 mills — 8.48 mills. That's right.

HON. MR. BARRETT: Now are you going to tell everything about that?

MR. McCLELLAND: Sure I am going to tell everything about that. Schools are up 8.48 mills; general and debt is up 6.25 mills; regional district up 0.07; hospitals up 0.32; parks up 0.03; and general purposes would have been up more except that it was reduced slightly by the grant that was given from the so-called resources grant.

HON. MR. BARRETT: That's all you have to say about schools in Langley? That's all on the schools in Langley. That's the whole story, is it?

MR. McCLELLAND: Oh, Mr., Speaker, I am talking about the increase of taxes to the people of the community which I represent.

HON. MR. BARRETT: Okay. That's it.

MR. McCLELLAND: The mill rate is up. Anything else doesn't matter.

The formula in this bill is baloney! It does not remove school taxes from property. If you watch school taxes going up and up and up and up every year, then how can you sit in your place and say that you are removing school taxes from property? It's nonsense! It's a pure attempt to pull the wool over the eyes of the people of this province.

When I mention that these increases tell only half the story, I have to go on to say that probably mill rates for general purposes particularly should have been up all over British Columbia a whole lot more than they are. But the local communities, the local municipalities had to scramble in order to protect their taxpayers from massive tax hikes which they knew the people could not afford. The people who are going to suffer in the future are those very people who live in those communities because they are going to have to do without services in the next year.

In Fort St. James, for instance, the municipal clerk there tells us that their mill rate isn't where it should be; it isn't enough to raise the money needed for the municipality, but, "We feel it is all the taxpayer can pay. The increase in schools was more than we could bear. We have pared to the bone to get the general mill rate down." That is the real story. Everybody has been paring to the bone.

I mentioned that Surrey has what I guess is the largest increase in the province — the Surrey school

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board mill rate. Yet, Mr. Speaker, they cut some \$3 million out of their budget and out of the programmes they thought were essential for the municipality just so they could keep it at that increase. It probably would have been much more, yet they had to cut. So we are seeing cutbacks in services both in school boards and in municipal services all over British Columbia. That is the tragedy. The people in British Columbia are going to have to do without the needed sewers, the needed roads, the needed police services, the needed social services that the municipalities supply because this government refused to live up to its promise to remove school taxes from the property owner.

This bill, as I have mentioned, is hypocritical; it is a sham and it is a farce. The Finance Minister should withdraw this bill, take it back and come up with one that doesn't tell such a lie in its title as this one, which is the

School Tax Removal and Resources Grant Act.

MR. L.A. WILLIAMS: I think the other speakers have dealt very well with the specific problem. I would like to refer the Minister of Finance to the letter sent to him by the Minister of Education (Hon. Mrs. Dailly), the "My Dear Mr. Premier" letter of September 18, 1974. Did you get a copy of that?

HON. MR. BARRETT: Which one was that?

MR. L.A. WILLIAMS: September 18, 1974, where your Minister of Education looked at this whole matter of the cost....

HON. MR. BARRETT: Oh, yes, I read that. Excellent letter.

MR. L.A. WILLIAMS: Excellent letter?

HON. MR. BARRETT: Excellent.

MR. L.A. WILLIAMS: Well, I am very glad to hear you say that because....

HON. MR. BARRETT: Would you like some more correspondence?

MR. L.A. WILLIAMS: Yes, I would like to have your answer.

HON. MR. BARRETT: I'll send it to you.

MR. L.A. WILLIAMS: Will you send me the answer?

HON. MR. BARRETT: I'll give you the answer right now.

MR. L.A. WILLIAMS: It says some very interesting things.

HON. MR. BARRETT: Oh, you don't want to see it right now.

MR. L.A. WILLIAMS: The Minister was saying that this was designed to help the poor areas and the poor people. The Minister of Education and her staff who put the letter together pointed out this conclusion: "Therefore the individual property owner pays more for education in the district with the lowest assessed value " — the lowest assessed value. So you drop the value of your property down and you have a very low assessment, and the property owner in that area pays more for education. The Minister of Education goes on, Mr. Speaker, saying: "It is not equitable to gear educational expenditures to the assessed value of real property." Inequitable. You are still doing it, but it is not equitable. She says: "There has to be fiscal control of expenditures," but she goes on to say, "I do not believe that the mechanism for the control of expenditures on education at the district level should be based on the wealth of the district."

What we have with this school tax removal, this sham bill that we have, where the Minister is spreading some money around and believing that he is helping people who are poor with low property assessments is really only sort of a son of the homeowner grant. It is interesting what the Minister of Education had to say about this. She says:

"The homeowner grant does nothing to relieve this inequity and furthermore aggravates the educational expenditure problem because general revenues of the province are limited and educational programmes are competing for resources within the homeowner grant programme within the provincial budget."

But she says one thing in the letter which I certainly hoped the Minister underlined in the copy that he read: "Ad hoc financing arrangements make it difficult for school boards to find effective...." Ad hoc financing arrangements. This is what you have here: an ad hoc attempt to suggest to the people that the Province of British Columbia, their government, is using their money and their share of the resources to do something for the people, when in fact by continuing this method of school tax finance and this method of providing relief, it is only a sham. It

is interfering with educational programme budgeting. It is discounted by the Minister of Education. It is no longer fooling the people of this province.

Until the government looks at the matter of the costing, the funding of the basic educational programmes directly out of general revenue, regardless of the wealth or otherwise of the district,

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then it will continue to be a sham. I am surprised that this Minister of Finance can actually bring this bill along because it's only political window dressing. It's an attempt to suggest to the people that they're getting something when in fact they're getting nothing.

HON. MR. BARRETT: Mr. Speaker, I don't know why the opposition does this. Except for the Conservative leader, you force me to get up more in sorrow than in anger. Now I have to deal....

MR. McCLELLAND: Here's the 20 to 6 show — everyone expects it.

HON. MR. BARRETT: Well, there is the Member for Langley. I guess I'd better deal with him first before he ducks out of the House. You said here — I made notes: "hypocritical, sham, a farce, an attack on local officials, hurts the average guy." Also something about "blaming the municipal councils."

MR. McCLELLAND: Right.

HON. MR. BARRETT: Let's go through them one by one. Blaming the municipal councils? I haven't blamed the municipal councils.

MR. McCLELLAND: I said that you would.

HON. MR. BARRETT: All right. I've talked about the school boards setting the budget. Now I want to read the front page of the *Victoria Times*, April, 1967: "Bennett Slaps Down Crying Civic Heads. Just 92 per cent crocodile tears." And guess who attacked that? That was Hugh Curtis! Hugh Curtis got in the newspaper here. You remember him? Those were in the days he was a Liberal. But that was before he was a Tory, and that was before he became a Socred. On the circuitous route there is....

Interjection.

HON. MR. BARRETT: Shhh! Now I didn't interrupt you because I was polite. It's coming back to haunt you, Mr. Member.

MR. CURTIS: You didn't listen to all those speeches.

HON. MR. BARRETT: Oh, well, it's coming back next.

MR. CURTIS: That was back several years, and you know it.

HON. MR. BARRETT: Oh, you joined Social Credit, and you've got to take all that heat that those three birds over there are trying to condition themselves to. And they're watching your performance, Mr. Whirling Dervish, through you Mr. Speaker. They're the political whirling dervishes of British Columbia. The only guy who isn't doing it is the guy destined to be the next leader of the Titanic.

MR. McCLELLAND: You called him the skater.

HON. MR. BARRETT: You're the second Karen Magnussen of North Vancouver. You're the one, Mr. Member. What do you have such a short memory for? All right. I don't want to cover all that old stuff. You know what's going to happen in here? Those people in the galleries who have sat through this are going to watch the opposition — after they've said "sham," "farce," "lying title," "hypocritical," "phony," "shameful" — get up and

vote for the bill.

AN HON. MEMBER: Of course we are. (Laughter.)

HON. MR. BARRETT: That's Social Credit for you, folks! They believe something is shameful, farcical lying, hypocritical and bad, but they'll still vote for it.

SOME HON. MEMBERS: Oh, oh!

HON. MR. BARRETT: Yes! They're going to do, it.

SOME HON. MEMBERS: No, no.

HON. MR. BARRETT: They're the only people in politics I know who can get up and say that it's a shame, a farce, a mockery, a lie, but still are going to vote for it.

AN HON. MEMBER: I can't believe it.

HON. MR. BARRETT: You can't believe it? You watch, it's going to happen. You'd better leave if it's going to make you sick.

AN HON. MEMBER: I'll give you odds.

HON. MR. BARRETT: No. They're going to do it.

Now I'll come back to Langley. How can you do this? You come in this House and you tell a half story. Half story! Is the *Fraser Valley News Herald* your paper?

Interjection.

HON. MR. BARRETT: You don't have a paper any more. You've got a radio station or...what have you got? I don't know.

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Here is the Fraser....

AN HON. MEMBER: You've got a paper.

HON. MR. BARRETT: *The Democrat*. Maybe we should reprint this in the *B.C. Government News* and send it into Langley.

MR. McCLELLAND: I'm sure you will.

HON. MR. BARRETT: That's a good idea. Make a note of that. (Laughter.)

There's the Member for Langley sitting there and here's the *Fraser Valley News Herald* from Langley, B.C., April 30, 1975. What is the title on the story in Langley? Their own MLA — and he told us 8.4. Let's read the whole story so everybody in the House will know how things get fudged up. Not deliberately — just a little fudged up.

AN HON. MEMBER: You fudge things up.

HON. MR. BARRETT: All right, here it comes. "Average Taxes Up Slightly."

AN HON. MEMBER: Slightly?

HON. MR. BARRETT: Slightly. We'll come to that part.

HON. MR. STRACHAN: Slightly? What's slightly?

HON. MR. BARRETT: Slightly. A little bit.

"Extra Victoria Grants Help Langley." Extra Victoria grants help Langley — and they're represented by a Sacred MLA, and he calls this grant a farce. Look what the government's doing to help them. Send the money back, Mr. Member. Send it back because I'm sure some of the other constituencies would like to have it. Even the new Member for Vancouver...next to centre there — he's so anxious to get on the winning side. (Laughter.)

Interjections.

HON. MR. BARRETT: I'm glad you blew it! Here it is:

"After several months of fingernail biting, waiting for some word from the Minister of Education as to whether additional grants would be available to school districts, Langley received word..."

I would ask the backbenchers to leave. I don't want you to hear how well we treat Social Credit constituencies.

"...last week that it would receive \$960,000 above the basic education programme and special grants."

HON. MR. STRACHAN: How much?

HON. MR. BARRETT: \$960,000. Just a little bit below \$1 million.

HON. MR. STRACHAN: Slightly below \$1 million.

Interjections.

HON. MR. BARRETT: "Prior to the announcement that additional grants would be made available...." Okay, the mill rate was set this year, as the Member said, at 8.4, but then he stopped there.

You remember that I pointed out and asked: "Are you going to stop there?" He said: "yes, " stopping there. Let me read you the rest.

MR. CHABOT: I thought you didn't interrupt.

HON. MR. BARRETT: I just want to keep pace with what's happening, because you're very swift, you fellows.

Interjection.

HON. MR. BARRETT: It's hard to keep up with you fellows. When you talk one way and vote another way, it's hard for a plain country boy like me to figure out what you're doing — unless it's politics.

AN HON. MEMBER: That's my line.

HON. MR. BARRETT: You know, the Uriah Heep syndrome is pretty heavy for me to carry into your logic.

However, with the additional assistance to the district, and also to the individual homeowners, on the average — Joe Average — the taxpayer will pay only slightly more than last year. Guess what it works out to in Langley. We're giving everybody qualified an additional \$40 off their school taxes in Langley, a total of \$80, as we promised over the years.

MR. PHILLIPS: No, you're not. No, you're not.

HON. MR. BARRETT: Here it comes out on paper that in Langley the increase works out....

MR. PHILLIPS: That's not true.

HON. MR. BARRETT: Shhh!

MR. PHILLIPS: Tell the whole story.

HON. MR. BARRETT: In Langley it works out to

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an increase of \$4.80.

AN HON. MEMBER: Where are you reading from?

HON. MR. BARRETT: From the *Fraser Valley News Herald*, Langley, B.C. An increase of \$4.80, with a \$40 grant; that still gives them a difference of how much? — \$35.20. He calls it a fraud, a sham, a hypocritical thing. He's going to vote for it, and his constituency is one of the ones we've helped the most.

You know, I'm going to write a letter to the editor and send the editor a copy of his speech. Should I do that?

SOME HON. MEMBERS: No, no.

SOME HON. MEMBERS: Yes, yes.

AN HON. MEMBER: No, I like Bob.

HON. MR. BARRETT: Division on that suggestion. (Laughter.)

Interjection.

HON. MR. BARRETT: I'm quoting this newspaper. Are you saying that the newspaper's wrong?

Well, I'll tell the editor his newspaper story is wrong, according to the MLA.

Interjections.

HON. MR. BARRETT: Well, I'm reading the newspaper. You're telling me that newspapers can be wrong in your constituency?

AN HON. MEMBER: Depends who they support.

HON. MR. BARRETT: Oh, it depends upon who they support. Okay.

MR. McCLELLAND: In Langley it's 15 mills up.

HON. MR. BARRETT: Please take that and have a photostat made and send it to the Member, please; and I want him to chastise the editor. It's \$4.80.

Interjections.

HON. MR. BARRETT: Well, 8.4. That's what you said...and the additional grant. The taxes, on the average, are up by \$4.80. I'm quoting the newspaper. If that's wrong, Mr. Member, then you tell the newspaper to print what's right.

MR. McCLELLAND: Why don't you find out?

You have a Municipal Affairs Minister....

HON. MR. BARRETT: Oh, you're getting touchy now, you see. Now he says he doesn't know. He's getting touchy.

Interjections.

HON. MR. BARRETT: Look, you're going to have to suffer in 10 minutes when you vote for this. Don't make it worse.

MR. McCLELLAND: Give us some more false examples.

HON. MR. BARRETT: All right. Here is the *Vernon Daily News*, Thursday, May 1, 1975. "Last week the new grants announced for districts across the province would total \$21,700,000. The Vernon School District will collect \$359,110 in supplementary grants and special aid grants, and \$260,936 in enrolment of special class increase."

Half a million dollars extra for the constituency of North Okanagan!

MRS. P.J. JORDAN (North Okanagan): So what's your point? Tell the rest of the story.

HON. MR. BARRETT: Southern Okanagan School District, \$101,000; Penticton, Keremeos, Spillimacheen and every....

Interjections.

HON. MR. BARRETT: Look, you're going to vote for this bill. But I don't see how you can make political points attacking it and voting for it.

Interjections.

HON. MR. BARRETT: Oh, that's when you'll do the explaining.

School taxation in Campbell River. Mr. Member you never read this about Campbell River. School taxation in Campbell River is lower. There's the Member for Campbell River (Ms. Sanford). Campbell River district taxpayers are not as bad off.

"School District 72 Secretary-Treasurer Phil Sampson told trustees Tuesday that a review of the district's 1975 budget by two provincial Department of Education inspectors has revealed some interesting statistics. Sampson said that Campbell River's increases pale by comparison to what was expected. He said the district anticipates a 4.75 per cent increase in the mill rate, but there are school districts that are much higher than that, and what we're doing is equalizing. Sampson told the inspectors

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reviewing the local district budget to make sure everything was contained and approved."

MR. McCLELLAND: You said their taxes were lower. They're not lower; they're higher. But they're not as high as they expected they might be.

HON. MR. BARRETT: That's right, because we have kept the costs down with special grants, as we did in your area, Mr. Member. We have kept it down, according to the newspaper, to \$4.80 — and increased services.

Interjections.

HON. MR. BARRETT: Stop the interruptions over there. Stop it! Now just stop it, stop it, stop it!
(Laughter.)

Now let's look at Alberta.

Oh, you have the copy, Mr. Member? You read that, Mr. Member, and then I'll send it to the editor and tell him that you say it is wrong and then you correct it for him. Then I'll find out if you corrected it. Would you do that? We'll do that. Yes. Because I don't want the paper in your riding to be wrong.

Now let's talk about Edmonton.

SOME HON. MEMBERS: Edmonton?

HON. MR. BARRETT: Yes. Because I'm going to show you that no other jurisdiction in this country outside of New Brunswick has been as good to the school districts as this little government here in the Province of British Columbia.

School taxes are hiked 54 per cent in Edmonton. That is under the Conservatives.

Interjections.

HON. MR. BARRETT: Peter the Red Tory got a \$ 100-million heritage fund. The *Financial Post*, not one of my favourite newspapers....

AN HON. MEMBER: But you have to read it now that you are a banker.

HON. MR. BARRETT: Well, you bet. Now that I am a banker, I get a subscription.

AN HON. MEMBER: You've got a banker's suit on.

HON. MR. BARRETT: I've got a banker's suit on, but I sold the vest because we don't go for too much pomp.

"March 1, 1975...."

MR. WALLACE: What kind of price did you get for your vest?

HON. MR. BARRETT: Well, I would get a better price if I named where I got it, so I'll tell you privately.

Interjection.

HON. MR. BARRETT: No, the vest was a Liberal vest. It was plastic and it broke when I dropped it.
(Laughter.)

MR. PHILLIPS: You don't need a vest to put your fingers into; you've got them in the taxpayers' pocket.

HON. MR. BARRETT: It's built for stuffed shirts; can't help it.

In Nova Scotia, the prospects are for a 20 per cent increase — 20 per cent, 15 per cent, these are the percentages all over. I'll send this to you too.

Then look at this, *The Fernie Free Press*, not exactly your *Vancouver Sun*, not exactly your *Vancouver Province*, not exactly the *Victoria Colonist*, not exactly your *Victoria Times*, but a front-page story in Fernie that never made the big-city press:

"The president of the B.C. School Trustees Association said she was pleasantly surprised at the Education Minister's announced increase in the value of the instructional unit which led to these increased grants to schools.

"President Eileen Madsen said that it is too early to evaluate the effects of the Minister's announcement, but Miss Madsen commented that she was surprised that the unit increase was being granted by the Minister."

AN HON. MEMBER: It wasn't enough.

HON. MR. BARRETT: It wasn't enough! Take a look closer to Washington state. What is happening in Washington state? Gas prices.

Interjection.

HON. MR. BARRETT: That was just when the Minister announced this in December and that was Miss Madsen's response.

MR. CURTIS: What's the date on that story?

HON. MR. BARRETT: December 11, 1974.

AN HON. MEMBER: To what NDP constituency association does Mrs. Madsen belong?

HON. MR. BARRETT: A 27 per cent increase in

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one year granted by this government, one of the best records ever in the history of this province; certainly better than anything Social Credit ever did.

SOME HON. MEMBERS: Hear, hear!

HON. MR. BARRETT: What about the school freezes? I was on the open line in Kelowna and a woman got on the phone and said: "Thank you, Mr. Premier. When we had the Premier in this constituency, our schools were on shift. When the NDP got elected, it is the first time my kids can go to school during the day all together." Right there in Kelowna.

AN HON. MEMBER: Kelowna?

HON. MR. BARRETT: Kelowna. It's up there in the interior where the Leader of the Opposition (Mr. Bennett) was on a hotline show scheduled for two hours, He was taking such a bad time, he left before the first hour was over. Yes! In Kelowna, which is not exactly the raving hotbed of socialism. But I was overwhelmed by support from membership right there in Kelowna. Now something is happening.

AN HON. MEMBER: All two of them.

HON. MR. BARRETT: All two of them, Mr. Member. Well, that isn't the way it's going. So what are you going to do?

The only people who are going to vote against this, in my opinion, are the three independents. They have been making nothing but political mistakes this past month and they will probably make another one today. I want to tell you, chances are that they will probably be the only ones to vote against it.

The Conservative Member for Oak Bay raises a legitimate point. He points out that the policy in giving tax relief by this government in school grants helps the average and the low-level property owner. The rich people are going to pay more. You are absolutely right.

MR. GIBSON: The average people are going to pay more.

HON. MR. BARRETT: At \$4.80 in Langley where they get a \$40 deduction, that is average. Langley is average above all — average people, average housing, below-average MLA.

But, Mr. Speaker, it pains me to come to this point in a debate, and wrapping it up and properly saying that we are helping the little people in this province and the rich have to pay more. There is nothing wrong with that principle; it is the same as income tax. You should be lucky that you are rich and you are able to pay more. School

costs are fairly low in this province to the average taxpayer. We have got a darn fine school system, with darn fine teachers, darn fine school boards. What does it cost? I want to tell you, the average cost is pretty good compared to the service that we are getting from those teachers in this province.

So, Mr. Speaker, I have all this other stuff to read but I just want to wind up by saying that I ask everybody in this House to vote for this bill, even those who said it is a farce, a lying bill, a mockery, hypocritical and a sham. If they vote for this bill, someone is going to say that they are debased, hypocritical, farcical, lying, shameful. So let's see how they put their vote where their mouth is. I now move second reading, Mr. Speaker.

Motion approved on the following division:

YEAS — 43

Hall	Macdonald	Barrett
Dailly	Strachan	Nimsick
Stupich	Hartley	Calder
Sanford	D'Arcy	Cummings
Gorst	Lockstead	Gabelmann
Skelly	Nicolson	Lauk
Young	Lea	Cocke
Williams, R.A.	Lorimer	Levi
Steves	Anderson, G.H.	Rolston
Wallace	Anderson, D.A.	Gibson
Fraser	Chabot	Phillips
Smith	Jordan	McClelland
Curtis	Morrison	Schroeder
Kelly	Webster	Lewis

Liden

NAYS — 2

Williams, L.A. McGeer

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

Bill 73, School Tax Removal and Resource Grant Act, read a second time and referred to Committee of the Whole House for consideration at the next sitting after today.

Presenting reports

Hon. Mr. Cocke presents the annual report of the B.C. mental health branch.

Hon. Mrs. Dailly moves adjournment of the House.

Motion approved.

The House adjourned at 6:05 p.m.

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