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

(Hansard)

TUESDAY, NOVEMBER 12, 1974

Afternoon Sitting

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TUESDAY, NOVEMBER 12, 1974

The House met at 2:00 p.m.

Prayers.

Mr. D.A. Anderson (Victoria): Mr. Speaker, I ask leave to make a motion for the adjournment of the House to discuss matters of urgent public importance.

Mr. Speaker: Excuse me. I think the Hon. Member knows the proper time is not now.

Mr. D.A. Anderson: Oh, very good, I'll....

Mr. Speaker: I would certainly let you know when the proper time is.

Mr. D.A. Anderson: Thank you, Mr. Speaker.

Hon. E. Hall (Provincial Secretary): Mr. Speaker, I have some visitors today from the Fraser Valley Christian Secondary School in Surrey; there are 35 pupils from that school. I hope the Members will make them welcome this afternoon.

Hon. J. Radford (Minister of Recreation and Conservation): We have with us today students from David Thompson high school, Vancouver South. They are accompanied by their teachers Mr. Hurley and Mr. Minichello. I would ask the House to welcome them here today.

Introduction of bills.

Mr. D.A. Anderson: Mr. Speaker....

Mr. Speaker: I take it you have some matter under standing order 35. The rule is that you submit the matter to the Speaker.

Mr. D.A. Anderson: That's correct, Mr. Speaker.

Mr. Speaker: You do that first, I understand.

Mr. D.A. Anderson: According to my reading of the rule, I stand in my place first and ask leave to make a motion, then I hand it to you. But your interpretation of the rule is quite good, and I will certainly hand it to you now while I read out another copy of it.

Mr. Speaker: That would be very helpful if I had a copy.

Mr. D.A. Anderson: Excellent,

I have an easier time in this party getting a seconder than does my friend on my left. (Laughter.)

Mr. Speaker, I ask leave to make a motion for the adjournment of the House to discuss a matter of urgent public importance, namely the chaos resulting from the Autoplan agents ceasing operations on behalf of ICBC. This is an urgent matter, as required under standing order 35. As there is no other likelihood of discussing this matter at another time, in this respect the matter is urgent both as to its basic importance and to its timing.

As background, Mr. Speaker, I'd like to point out that we have reached a crisis situation in this province with regard to ICBC.

Mr. Speaker: Excuse me. Hon. Member, before launching further on it, I don't think the purpose of the statement of the matter is to engage in a debate on what your opinion is of the matter. I think the importance of it must be directed to whether it's a definite matter, and where the facts are not in dispute. That is, that there is a definite fact that you can attest to that is in existence at this time — not something that's apprehended, but actually exists at this time.

Mr. D.A. Anderson: Mr. Speaker, that's why I delayed putting this in until such time as we had a cessation of activity by Autoplan agents. I couldn't do it last week because it would have been anticipation, so I will carry on, with your permission.

The complaints of the insurance agents and their withdrawal of services as part of their efforts to secure adequate compensation for their work on behalf of ICBC are symptoms of a larger illness. This withdrawal of services has placed the public of British Columbia in real difficulties since it is virtually impossible to insure new vehicles or change the insurance provisions on other vehicles. Despite the thinly veiled threat contained in the letter sent to all agents on November 1, signed by Mr. Bortnik, saying that....

Mr. Speaker: Now, order again. The important thing is a statement of the matter itself, not the background or the history, or who said what to whom last year or last month or last week. The important thing under this rule is that you state a definite matter that is not in dispute, that everyone knows about, and that you go no further at this stage until the matter has been considered by the Speaker, first, as to whether it meets the requirements of the rules. If it does meet those requirements, then it's put to the House. If nine Members agree with you that the business of the House should be, in effect, adjourned to deal with this ahead of everything else that's on the order paper, then at that stage some debate could take place.

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Mr. D.A. Anderson: Right.

Mr. Speaker: I think from the statement of the matter that you've given me, without reading it in greater detail than you have and without launching into argument, I think I should consider the matter.

Hon. R.M. Strachan (Minister of Transport and Communications): I would like to help you consider the matter, Mr. Speaker.

Some Hon. Members: Oh, oh!

Mr. D.A. Anderson: I'm not even allowed to do that.

Mr. Speaker: The only thing I'm concerned about is, not arguments on the merit or demerits of this proposal, but merely on a statement of the facts.

Hon. Mr. Strachan: Yes, and whether or not there's an urgency — I think that's....

Mr. Speaker: That's one thing I have to address myself to.

Hon. Mr. Strachan: That's what I would like to address myself to and help you address yourself. I think you should know, Mr. Speaker, that a substantial number of the agents of this province have this morning indicated that they are continuing to sell ICBC.

Mr. Speaker: I am going to suggest....

Interjections.

Mr. Speaker: Order, please.

Mr. D.A. Anderson: Three of them — one of whom got his job through Cocke.

Mr. Speaker: Order, please! I am going to suggest that at 3 o'clock I give the House an indication of the situation in regard to this motion. I have had no advance notice of it from the Member, although as a courtesy I think it should be given.

Interjection.

Mr. Speaker: No, at 3 o'clock I will interrupt the proceedings long enough to advise the House on the question, because you are entitled to time in which to debate the matter, should it be as the Hon. Member suggests.

I point out that in Ottawa in the event they decide that it is a matter which deserves special consideration, the Speaker may adjourn the matter, generally, until 5 o'clock before debate of it.

In this case I think we'd be entitled to a little time to look at it after question time. I think question time could otherwise proceed, then that gives me time to look at the question the Hon. Member has proposed.

Oral questions.

CHANGES IN PREMIER'S TRAVEL PLANS

Mr. D.M. Phillips (South Peace River): Mr. Speaker, I'd like to address my question today to the Premier and Minister of Finance.

In view of the shutdown of the British Columbia Railway by a walkout, in view of the strike by the Autoplan insurance agents, in view of the strike which has shut down Can-Cel, in view of the arbitration proceedings which have begun between the teachers and the trustees, in view of the pending ferry strike, in view of the problems being encountered by the forest industry and the result in unemployment deriving there from, does the Premier and Minister of Finance contemplate any changes in his travel plans, which begin this week?

Hon. D. Barrett (Premier): Mr. Speaker, I won't ask the Member to repeat the question, but I will take it as notice.

Some Hon. Members: Oh, oh!

INTERIOR CONTRACTORS FORCED TO JOIN IWA

Mr. D.A. Anderson: May I ask the Minister of Labour whether he's aware of complaints by interior independent contractors, in particular those represented by the Northwest Logger's Association, that they are being forced to join the IWA against their will?

Hon. W.S. King (Minister of Labour): Mr. Speaker, no, I have not. If the Member has some evidence, I'd be interested in seeing it.

TRANSFER OF LCB EMPLOYEES TO ICBC

Mr. G.S. Wallace (Oak Bay): Mr. Speaker, I'd like to ask the Minister, of Transportation and Communications how many Liquor Board employees are being transferred to work for ICBC, and will their salaries and costs be borne by ICBC, The Liquor Control Board, or the Department of Transport and Communications?

Hon. Mr. Strachan: There are not very many

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Liquor Control Board employees involved, I know that, but I'll take the question as notice.

Mr. Wallace: A supplementary question, Mr. Speaker. Will they be asked to do overtime work as part of their commitment to be transferred?

Hon. Mr. Strachan: You would have to check the rights of the workers under the....

Interjections.

Mr. Speaker: Order, please! I think if that is a supplementary question, the Hon. Member for South Peace River (Mr. Phillips) is quite correct. It should not really be taken at this time. I'm sorry, I apologize to the House, my mind must have been on something else.

Interjection.

Mr. Speaker: No, you usually wait until the question is answered by the Minister, then follow with your supplementaries that go with it.

REMOVAL OF RAILROAD ON WHITE ROCK WATERFRONT

Mr. C. Liden (Delta): Mr. Speaker, I'd like to ask a question of the Minister of Transport and Communications. Some 15 years ago, they started a programme in White Rock for the removal of the railroad from the waterfront. I understand that last week the mayor of White Rock met with the Minister in regard to a study that might be shared federally, provincially and locally. I'm wondering if the Minister is prepared to make some statement as to where we are with the possibility of that study.

Hon. Mr. Strachan: No, I haven't. I did meet with the mayor of White Rock, and there is a federal bill which allows a 50 per cent sharing between the federal government and other areas for relocation. What Mr. McDonald, I think is his name, was asking was that a study be made. I want to examine the impact of the terms of reference and the scope of such a survey, but I can assure you that the department is working on an answer for Mr. McDonald and others who are interested, and I will have a decision made before the end of the year.

CARS DIFFICULT TO TRACE DUE TO ICBC COMPUTER ERROR

Mr. R. H. McClelland: (Langley): Mr. Speaker, my question is to the Minister of Transport and Communications as well. In view of the fact that independent insurance agents are suggesting that ICBC's blunders are causing increased workloads for them, would the Minister confirm that there has been a serious computer error and that thousands of vehicles are missing from the computer rolls, non-existent as far as ICBC is concerned?

Hon. Mr. Strachan: I have not heard any such thing. I said last week that most of the accusations made against ICBC by Members of the opposition were erroneous, misleading or untrue. This one probably is too.

Mr. H.A. Curtis (Saanich and the Islands): Deny it!

Mr. Speaker: Order, please.

An Hon. Member: What are you, stupid or incompetent?

Interjections.

Hon. Mr. Strachan: I like to check my facts before I get up here and spout off the way they do. I'll check it. But they're batting zero, zero, zero up to now; they have been wrong 100 per cent.

Mr. McClelland: A supplementary question on the same issue, Mr. Speaker. I'd like the Minister to either confirm or deny that the number of vehicles missing off the computer rolls is between 250,000 and 400,000. Would the Minister care to either confirm or deny that?

Hon. Mr. Strachan: I will check it, but frankly, I think it's another one of your fairy stories. I don't believe it.

Mr. McClelland: Be careful, Mr. Minister.

Mr. Speaker: I gather that it appears to be, from the statement made, that he will return to the House with the information the Member has sought. Can we go on to some other subject?

Mr. Curtis: On the same subject, Mr. Speaker....

Mr. Speaker: I think, in view of the answer, that it appears to be a taking of notice of the question. Would not the Member agree that that is so?

Mr. Curtis: Mr. Speaker, with respect, it is not a supplemental; it's on the same subject, ICBC and the difficulties that are being experienced.

Mr. Speaker: Would the Hon. Member

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proceed?

TRACING OF STOLEN VEHICLES

Mr. Curtis: I'd like to ask the Minister of Transport and Communications if he could explain why it is necessary for RCMP and other police forces to turn to individual insurance agents when they are tracing down an automobile that has been damaged in an accident, or that may have been stolen. If there is no problem with the computer, then why are the police having to turn not to Motor-Vehicles, not to ICBC, but to the insurance agents?

An Hon. Member: In the middle of the night.

Hon. Mr. Strachan: Mr. Speaker, the opposition are getting very adept at couching accusations in the form of questions.

Interjections.

Hon. Mr. Strachan: I don't believe it. There may be an isolated case. Send it to me.

Mr. G.F. Gibson (North Vancouver–Capilano): Mr. Speaker, on a similar subject, to the Hon. Attorney-General: could I ask him if he has any reports from the RCMP as to the great difficulty of tracing automobiles because of this ICBC foul up?

Hon. A.B. MacDonald (Attorney General): Nothing has reached my personal attention.

Mr. Gibson: Could the Attorney-General investigate it then, Mr. Speaker, because I'm told it is serious.

GRANTS TO B.C. ENERGY CONSUMERS

Mr. Wallace: Mr. Speaker, could I ask the Attorney-General if he has decided on a programme of grants to B.C. energy consumers this winter?

Hon. Mr. MacDonald: Any such question should be addressed to the Minister of Finance, and in the spring, in the spring.

ICBC REPLACEMENT OF IBM COMPUTER

Mr. D.A. Anderson: To the Minister of Transport and Communications: following the previous question and because of it, because of breakdowns in ICBC's IBM computers, may I ask whether ICBC is negotiating for another or a replacement of its IBM computer?

Hon. Mr. Strachan: Not at this time. We had a normal....

Mr. D.A. Anderson: No negotiations?

Hon. Mr. Strachan: I wish you people would go over and have a look at ICBC sometime. There's a normal replacement factor; they take it all the time.

Mr. D.A. Anderson: May I ask the supplementary: are we to assume from his reply that a computer purchased in the spring of 1973 is now being considered for replacement under the normal process?

Hon. Mr. Strachan: No. There's a programme laid out of computer build-up. It's still going on. It's part of the development of the company; you people don't seem to realize that. This was planned — a normal build-up of computer capacity is necessary in a growing company. They were planned a year and a half ago.

BCR WORK STOPPAGE

Mr. A.V. Fraser (Cariboo): On Thursday I asked the Minister of Labour, as vice-president of the BCR, what he was doing about the serious work stoppage on that railroad. He replied that it was in the hands of the Labour Relations Board. There have been changes, and I'd like to direct my question to the president of the railroad: is he aware of this serious work stoppage now throughout the whole system, and what does he intend to do about it?

Hon. Mr. Barrett: Mr. Speaker, I am aware of the serious work stoppage. We have placed a position with the unions on behalf of the Crown corporation, and our position still stands.

Mr. J.R. Chabot (Columbia River): A supplementary question: You are pursuing the equivalent of an injunction against the union. Are you seeking the equivalent of an injunction against the unions?

Hon. Mr. Barrett: That isn't even a question.

Mr. Chabot: It certainly is, because you are seeking an injunction against the unions.

Mr. Speaker: I don't think that you can ask for a legal opinion from our Minister of Labour or even the Attorney-General on any matter that is really a matter for the courts.

Mr. Chabot: I'm not seeking a legal opinion. I'm asking whether B.C. Railway is seeking the

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equivalent of an injunction against the unions and the workers of B.C. Railway.

Mr. Speaker: Then you are asking it as a matter of fact whether they are at the present.... I'm sorry. Does the Hon. Minister of Labour have any reply?

Mr. Fraser: No, the president of the railroad.

Hon. Mr. King: Mr. Speaker, there is no action before the courts with respect to the railway dispute.

Interjections.

Hon. Mr. King: Do you want to hear the answer?

An Hon. Member: Are you the Minister he said?

Hon. Mr. King: They don't even know the question, Mr. Speaker, how can they listen to the answer. There is no action before the courts with respect to the BCR dispute.

Mr. Chabot: Supplementary question, Mr. Speaker: is B.C. Railway attempting to obtain a cease and desist order from the Labour Relations Board against the unions of BCR?

Hon. Mr. King: That question should be directed to the management of the B.C. Railway, Mr. Speaker.

Interjections.

Mr. Chabot: Mr. Speaker, this is top management. That answer is being sought from the president of the railway: are they attempting to obtain a cease and desist order against the unions and the workers of B.C. Railway?

Hon. Mr. Barrett: The Member knows very well that there is a case before the Labour Relations Board concerning which union is certified to represent those workers. Along with that, there is an explanation asking the Labour Relations Board to clarify the situation. You are trying to be political about a situation that needs the sympathy of the whole House.

Mr. Chabot: Mr. Speaker, I didn't ask that question that was answered by the Minister, as played by the Premier. I asked: is the B.C. Railway at this time attempting to obtain a cease and desist order against the unions and the workers of B.C. Railway? It's a simple question.

Hon. Mr. Barrett: The Member does not listen to the answer. The answer is yes, and there is a....

Some Hon. Members: Oh, oh!

Interjections.

Mr. Speaker: Order, please!

Hon. Mr. Barrett: Mr. Speaker, that is a false statement by that Member. It is totally incorrect.

Interjections.

Mr. Speaker: Order, please!

Mrs. P.J. Jordan (North Okanagan): Speaking of the drastic unemployment situation and the timber situation in British Columbia, I'd like to address my question to the Hon. Minister of Lands, Forests and Water Resources, having spent my weekend meeting with a number of small independent operators who are virtually being wiped out by the current forest industry situation.

Is the Minister prepared to bring forth some emergency situation to help the small independent contractors and loggers who are facing monthly payments of anywhere from \$800 to \$2,000 and up for their equipment and have no way of earning this money at this time and have no way of protecting themselves from the loss of their equipment, which they'll never regain?

Hon. R.A. Williams (Minister of Lands, Forests and Water Resources): The government has actively been considering legislative steps that would improve the lot of the independent sawmilling sector in particular, Mr. Speaker.

Mrs. Jordan: A supplementary, Mr. Speaker. I was referring specifically to those independent operators that go in with their Cats and their crawlers and their drag machines. They are two- or three-man operations, and the employees can go on unemployment insurance...

Mr. Speaker: Order, please. I think that the Hon. Members know the question.

Mrs. Jordan: ...but the management are responsible for the insurance, the overhead and the payments on this kind of thing; and the legislation you're contemplating is coming too late.

Mr. Speaker: Order, please!

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Mr. Phillips: A supplementary question, Mr. Speaker.

Mr. Speaker: I think it's time the Hon. Member for Chilliwack had an opportunity as well.

Interjections.

Mr. Speaker: If legislation is contemplated shortly, as we've several times been told, surely then we can stop on that and ask the Member for Chilliwack to ask his question.

Interjections.

Hon. R.A. Williams: I thought that the legislation on the floor would have been dealt with long since, Mr. Speaker.

An Hon. Member: Is it yours?

TEACHER/TRUSTEE TALKS

Mr. H.W. Schroeder (Chilliwack): The question is for the Minister of Education. In how many regions or zones have negotiations been resumed in the teacher/school trustee dispute?

Hon. E.E. Dailly (Minister of Education): I don't have that information. I would have it for the House, I believe, tomorrow, after meeting with some of the trustee representatives.

EXEMPTION OF ADDITIONAL VEHICLES FROM FULL TAX

Mr. D.E. Smith (North Peace River): Mr. Speaker, my question is for the Premier and Minister of Finance.

Under chapter 63 of our statutes — the Coloured Gasoline Tax Act, section 10(b) — there is a provision to exempt certain motor vehicles and vehicles from the requirement to pay the full amount of tax ordinarily levied against vehicles that use the roads. Would the Premier consider by regulation extending this exemption to track vehicles, snowmobiles and vehicles of that nature, since they're presently required to pay tax on gasoline, yet are prohibited from using any public roads in the province?

Hon. Mr. Barrett: Mr. Speaker, it's a matter of policy that the Member is requesting to be changed and, of course, that can't be handled in question period.

Mr. Smith: No, it's not a matter of policy.

Orders of the day.

Hon. E.E. Dailly (Minister of Education): Public bills and orders, Mr. Speaker. Adjourned debate on Bill 169.

LANDLORD AND TENANT AMENDMENT ACT, 1974 (No. 2)

(continued)

Mr. Speaker: Bill 169. I believe the Hon. Member for North Peace River adjourned the debate at 12:51 p.m. on Friday, having started at 12:44 p.m., if I'm correct, or close to that. I'll find that out precisely and let the Member know before his time is up.

Mr. D.E. Smith (North Peace River): Mr. Speaker, last Friday, while taking my place in the debate on Bill 169, I was interrupted by the clock, as you so rightfully pointed out. I do not intend to cover the same material that I did last Friday, or to recycle any other suggestions put before the House at that time, but I would like to take the time that is remaining to me to lay before the House a few more thoughts on rental control.

First of all, Mr. Speaker, I would like to suggest to the Attorney-General (Hon. Mr. MacDonald) that rent control will not work. It has been tried in many jurisdictions, and it has been found to be a failure. In my opinion, it is as useless as trying to capture the wildcat with a butterfly net. You'll have just about exactly the same results.

[Mr. Dent in the chair.]

I suggest to the Attorney-General that at this time, whether he realizes it or not, believe me, he has a wildcat by the tail. Neither the suggestions that he has made for the appointment of a rentalsman, or the programme that we have had outlined to us by the Minister of Housing (Hon. Mr. Nicolson) will do anything to provide more adequate accommodation in the Province of British Columbia.

All you have done is hastily draught legislation to pacify some tenants, and to keep your backbench quiet.

Mr. Attorney-General, through you, Mr. Speaker, you've contributed more to the problem of housing than you've solved. You've moved the problem from being serious to a position where it is now critical.

In my opinion, Mr. Attorney-General, the best form of rent control ever experienced, with the greatest impact upon the delivery of rental housing at the most competitive rate possible, is a 5 to 7 per cent vacancy rate in the province. But what do we have in British Columbia? Thanks to your meddling in the housing field, our overall rate is less than 0.5 per cent, and that, Mr. Attorney-General, is just 10 times worse than the rate experienced by our

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neighbouring Province of Alberta.

Interjections.

Mr. Smith: Toronto does a better job than we do in British Columbia, as you know.

Right here on the island, in the greater Victoria area, the vacancy rate for apartments is incredible: in the Fort Street area, 0.5 per cent; in the Cook Street area, 0.1 per cent; in the Hillside area, 0.5 per cent; in the James Bay area, 0.1 per cent vacancy; in the Oak Bay area, zero, vacancy.

Your rental freeze created the housing freeze. There are no new rental units being built and, what's worse, no new rental units on the planning boards. The only units coming on to the market are those that were planned or started two years ago — and you know that, Mr. Attorney-General.

If the Attorney-General knows anything about housing, then he must know that the lead time required to assemble land, to arrange financing, to select a building contractor and to get the construction of rental housing units underway is from 18 to 30 months. So here we sit in British Columbia with the greatest opportunity for building and the greatest need in all of Canada for an accelerated building programme, and what is happening? Our housing shortage becomes worse daily. Sawmill operators cut back production and lay off workers, though they should be gearing up to supply more and more lumber to the domestic market.

What has happened to the domestic market? The demand is down and sales have slipped. Mortgage money takes wings and flies to Alberta or to the U.S., and everyone who previously had been involved in building new accommodation in the Province of British Columbia has said in recent months, particularly in the last year, that they'll divert their attention to other parts of Canada. Why? It's because of government policy and the fact that they do not in any way trust the policy of the NDP, as expressed today, to be the policy of the NDP six months or a year from now.

The five-year waiver, with respect to your rental controls, is nothing, particularly when at somebody's whim or fancy — by an order-in-council or by a change of regulations — you retract that offer six months down the way or whenever people have started building again on a reasonable basis.

Rent increases, for those people on fixed incomes today and in the future, and particularly when their rents are increased by 10.6 per cent, will become an impossible obstacle. Why? I'll tell you why, Mr. Speaker. It's because the Attorney-General cannot comprehend that rental grants should be available on a humanitarian basis according to need to those people who need them the most — to people in low-income and in fixed-income situations.

The rental grant, as it is presently in effect, is nothing more than an attempt by the Attorney-General to buy votes on an indiscriminate basis.

If you want to do something to help, if you are as humanitarian as you or your government suggests, then help those people on low and fixed incomes with a grant that reflects something tangible other than a mere pittance.

The Attorney-General talks about rapacious landlords, but he conveniently overlooks the plight of many small investors who have invested their life savings in an apartment block with a reasonable expectation that the income would keep them during their retirement years. Those people now find that the combination of inflation and increased taxation and the freeze on rents has put them in a position where they stand to lose everything.

Is this how a government that cares demonstrates its concern for people? Have you no compassion for the large number of small investors who have to date provided the bulk of the rental housing in this province? If the Attorney-General doesn't believe that, then perhaps he should read the real estate study on the impact of foreign capital in the housing market in British Columbia. It was found at that time by that study that by far the largest amount of rental accommodation in the Province of British Columbia was provided by small investors, investing their life savings in either a small apartment block or a condominium or a duplex-type of development in which they had reasonable expectation that the income from that would keep them for the rest of their lives.

We have a report from Dr. Cragg — 89 pages of information, Mr. Attorney-General, put together in a

comprehensive document, a crash programme to try and analyse the problem of rental accommodation in the Province of British Columbia and to suggest a number of ways that we can solve the problem.

And what has the Attorney-General said about Dr. Cragg's report? He has rejected it out of hand. One paragraph on one page doesn't completely adhere to the wishes or the thoughts of the Attorney-General so he rejects the whole 89 pages of the report.

Hon. A.B. MacDonald (Attorney-General): I didn't say that.

Mr. Smith: Mr. Attorney-General, the reason you use for rejecting the report was contained in one paragraph on one page. You gave the impression — even though perhaps you now wish to correct that impression — that you were prepared to reject the whole report on the basis of one paragraph on one page. Is that a reasonable approach when a person has taken as much time as went into that report to document the problems that we have in the field of

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accommodation in the Province of British Columbia and recommend some reasonable solutions to the problem? I think not.

Rent control discriminates in favour of tenants of controlled premises and against the tenants of uncontrolled accommodation. I think the Attorney-General will agree with that. A backward-looking measure, Mr. Attorney-General, inasmuch as tenants who were in accommodation when rent was first frozen received security of tenure. This contributes to tenant reluctance to give up tenure of controlled premises, as you well know, and adds to black-market problems as well as key charges and many other forms of non-legal activities and transactions between tenants and landlords.

Let's say you happen to be a person of sufficient income to pay a substantial bonus for a key. Who is going to report it to the Attorney-General? The person who pays the money? The person who receives it? I think not.

Mr. Attorney-General, there is one thing that we do agree on. We agree there is a people-need out there, as you suggest, respecting housing.

An Hon. Member: A 20-year need.

Mr. Smith: Then could I suggest to the Attorney-General that he do something, along with the Minister of Housing (Hon. Mr. Nicolson), about increasing the housing stock available in the Province of British Columbia? That's the solution to the problem, Mr. Attorney-General.

May I suggest to you that you review immediately your stupid land freeze and subsequent agricultural zoning which has resulted in a large quantity of land that will not even support a Billy goat being frozen into an agricultural freeze?

Deputy Speaker: Order, please. Will the Hon. Member please address himself to the principle of the bill, and also relate his remarks to the principle of the bill? Would he address the chair, please?

Mr. Smith: Mr. Speaker, the suggestion I have just made is certainly pertinent and right in line with a suggestion to help solve the problem of accommodation in the Province of British Columbia.

There are all kinds of regional districts which have reported in recent months that the agricultural freeze has indeed enclosed and encompassed large blocks of land which will never produce anything agriculturally. Yet they are in the agricultural freeze. Now, why should that land be held as agriculture if in fact there is no future for it in the realm of producing food and products for the benefit of the people of this province?

Deputy Speaker: Order, please. I would ask the Hon. Member again to relate his remarks to the principle of the bill.

Hon. Mr. MacDonald: In a starving world we intend to protect farmland.

Mr. Smith: Okay, that's a great statement: "In a starving world we intend to protect farmland." Nobody disagrees with the protection of farmland. But I'm suggesting, Mr. Attorney-General, that there are large quantities of land presently within the freeze which should be released for the building of new homes to provide more land area to a more reasonable price. Isn't this the way to solve part of the problem: to reduce the cost of the land for building purposes?

May I further suggest that another way to reduce building costs is by removing the 5 per cent sales tax on all building materials going directly into new construction or the renovation of older rental units?

There is another suggestion I have, Mr. Attorney-General, Why don't you reduce the interest rates that people have to pay today by an offsetting grant for people wishing to build, particularly those people who are unable to do so because of low incomes or an inadequate income according to the present standards. Refund a little bit of money that the Treasury has been so glad to take from industry in the province, the petroleum industry, the sale of natural gas, the sale of forest products. Just take a little bit of that and put it back into the hands of people who have an urgent need for housing and a desire to own a home of their own but, because of their particular financial position, cannot qualify at the present time for a mortgage.

Set up policies in the Province of British Columbia which will encourage the channeling of more mortgage money into home and apartment block construction. That will never happen, Mr. Attorney-General, if money which is available today can lay unused, really, for housing construction on deposit at 9.5 or 10 per cent without any risk whatsoever. The mortgage money is just not going to be available.

Finally, may I suggest to the Attorney-General that he restore the confidence of the construction industry in the future of this province by guaranteeing that money invested in apartments and rental units will not become a second-class investment and force those people so investing to either lose money or take less than a reasonable return. This should be done by legislation, because I do not believe, from the people to whom I have talked, that they have any confidence in the government of the day or the direction that they will go six months from now, irrespective of what the Attorney-General may say on the floor of this House. It is unfair for the Attorney-General to ask one sector of society to

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subsidize the rental accommodation of another sector. And that is exactly what you are doing with your rent control today.

We do not need ghettos in the Province of British Columbia; we can certainly do without them. We do not need substandard housing, and we should get rid of that as quickly as possible. But we should replace it with new units available to people at a reasonable rent. We do not like to see the demolition of houses that are older strictly because of the fact that they will no longer return to the owner a fair return, or any return in many cases. We do not want to experience the rapid deterioration of the present housing that will be possible with rental controls in effect.

The housing stock that we have available to us today will go downhill. Repairs will be left undone; maintenance will not be the same as it was in the past. As a result of that, we'll experience, if you continue the path you have chosen, the same type of housing problems, the same type of ghettos and the same type of substandard housing accommodation that many other parts of Canada and many other parts of Canada and the world experience today.

Mr. Speaker, I oppose the rent ceiling because it is a measure which asks one segment and one segment only of our society to stand the brunt of inflation for all others. As such, it is unjust. It's a hasty, ill-conceived solution which, if made part of government policy, will make shelter even more scarce than it is today. And it couldn't be much worse than it is right now.

In British Columbia we may be able to brag about the fact that we have the second highest wage scale in all

of Canada, second on the average only to Ontario. But what does it matter if we have that second highest wage scale in Canada if you can't find a place for you and your family to sleep at night? This is the type of thing that we object strenuously to. Your solution is really no solution at all.

Ms. R. Brown (Vancouver-Burrard): I've heard so much being said on behalf of the landlords and how terrible this bill is going to be for the landlords that I think maybe I should say a couple of words on behalf of the tenants.

I rise to support this legislation not just because most of the constituents who live in this Burrard constituency are tenants but also on behalf of the rational and reasonable landlords who live in the constituency too. This bill is not supposed to solve the housing crisis but rather is designed to protect the tenant as well as the reasonable landlord.

We've heard a lot about Dr. Cragg's report and about the findings that he came up with which show that, really, if there was going to be a ceiling on rents, it should be in the vicinity of 20 or over 20 per cent, I would like to read from a much more modest report which was done by a Mr. Hanson in the Vancouver area. He drew most of his information from the annual publication of the Real Estate Board of Greater Vancouver.

What Mr. Hanson found was that the annual operational costs on a low rise apartment block — and most of the apartment blocks in the Burrard constituency are three or four storeys — from August 1968 to 1974 went up approximately 4 per cent per year. This is quite a different figure from the figure we get from Dr. Cragg.

And again, using this publication of the greater Vancouver area:

"The operational costs on a highrise building would go up from \$556 to \$777" — again, just under 4 per cent — "over this same period, 1968 to 1974."

I think if we accept some of these figures, we will see that the figure of 10 per cent is really quite a reasonable one and, for the reasonable landlord, is satisfactory.

What this bill does, Mr. Speaker, is to really protect the tenants. It protects the tenants such as those in Park Lodge, for example, at 169 East 10th Avenue who found their rent was increased \$120, \$175 a month this year. That was the kind of increase they were looking at.

It protects the tenants, for example, between 2129 and 2147 Yukon. We read in *The Vancouver Sun* of February 1974 that 11 to 12 of these tenants were being forced to move because their rent increases in some instances went over 107 per cent.

It protects the tenants in some of the highrises, for example, like Century House, another of the highrises in the Kitsilano area, who found out their increases were going in some instances up to 50 per cent.

Really, this is protective legislation; this is not legislation designed to solve the housing crisis. The housing crisis has to be dealt with in other ways.

Mrs. P.J. Jordan (North Okanagan): Well, why don't you?

MS. Brown: One of the things that we heard from the Member for Langley (Mr. McClelland) was that any kind of legislation that puts a rent ceiling on rentals that can be charged will turn cities into slums. I think a couple of the cities that he mentioned were Washington, D.C., and I think he said something about Sweden.

I've never been to Washington, D.C. and I have no plans in the near future to go there. But I have spent some time in the City of Stockholm. I've lived in an apartment while I was there and had the opportunity to visit a number of apartments while I was there. These were not apartments of wealthy people; these were apartments of senior citizens, sole-support mothers and people living in very ordinary kinds of apartment-

Unlike the statements made by the Member for Langley, I did not see any rats in the corridors; I saw no signs of massive decay. I found Stockholm to be a beautiful and vital city. I think the Member for Langley owes those people an apology for the kinds of statements he made about that city.

Mr. R. H. McClelland: (Langley): Is there a black market in houses over there?

Ms. Brown: As a matter of fact, I have visited New York. I can assure you that the reason why the people are leaving the ghettos and the centre of New York has very little to do with housing. I don't know whether you've heard about some of the other things happening in New York or not.

But most of all, Mr. Speaker, one of the things that I found in Stockholm among the tenants was a sense of security that the people had there. They found that they could budget because they knew from one year to the other precisely what the increase in their rent was going to be.

I found that unlike so many of the tenants in this country — and I am myself a tenant in this city — there wasn't this kind of anxiety around the whole business of being a tenant and wondering from one month to the next or one year to the other just what would be happening to the rent and whether they would have to leave.

I found that they were quite different from the kinds of tenants we have living in my constituency. The tenants and senior citizens who live in Century House or in the Yukon apartments or the Park Lodge apartments after many years — in some instances 35 years — were being forced to move because suddenly the apartment block changed hands and the new owners came in and raised the rent in some instances, as I said, over 107 per cent.

What this bill also allows, of course, is that the landlords can base their increases to some extent on the kind of renovations they do in the buildings. If there is going to be any extensive kind of renovations, this can be taken into account when the rent is raised.

I think the City of Vancouver has to take some kind of responsibility for what is happening to rental in that city. It's ridiculous for us to say that the housing shortage started with the 8 per cent increase because this is just not so. There has always been a shortage of housing, and we inherited this. A number of people on the other side, too, have agreed that it is tied to inflation in mortgage rates; it is tied to the fact that the loophole was plugged in the federal income tax.

It's also tied to the fact that the city has been very slow in using some of the opportunities open to it in terms of building accommodation. There is absolutely no reason why the City of Vancouver cannot under section 15 of the National Housing Act do like the Rotary Club or the Lions or any other non-profit organization and go into the building of non-profit housing. There is absolutely no reason why they can't do that.

It's just not good enough for the city to say that there is no housing because you've brought in an 8 per cent stabilization bill or a 10.6 per cent ceiling on rents. That's not true.

There is absolutely no reason either why the City of Vancouver cannot negotiate much more aggressively with the federal government in terms of the National Defence lands at Jericho. These are the kinds of things that, if they really are that concerned about housing, a responsible civic government will do. The City of Vancouver keeps talking about Jericho and keeps saying that they should negotiate. But they are putting much more effort in terms of negotiating for parkland than they are putting into negotiating for housing.

I think that if the City of Vancouver has decided to limit the growth of the city by deliberately encouraging the housing crisis, they should come out and say so. But I don't think they should do it by subterfuge or in this kind of underhand way by blaming rent stabilization bills and this kind of thing.

Someone mentioned Mayor Vander Zalm and foot-dragging. Well, Mayor Vander Zalm is an amateur compared to the City of Vancouver when it comes to foot-dragging. I don't know how many of you can remember back to the first time the city started talking about developing the False Creek area. In 1969 and in 1970, a beautiful, huge study on False Creek was published. We were told at that time that all this marvelous housing was going to be

developed. In 1970 we got a first report; in 1971 we got another glossy report; in 1972 another glossy report; in 1973 another glossy report. More studies are being done. Up to this point, not one single piece of housing has been built.

[Mr. Speaker in the chair.]

Now, there's absolutely no reason why the City of Vancouver needs to study the False Creek area ad infinitum through two different kinds of governments. Of course, it started with Campbell, it's going on through Phillips, and it may go on through whoever else comes along.

When it comes to housing shortage, the land is there and the City of Vancouver could have done something about it if it was really serious about it. But it would much rather sit back and blame it on the provincial government because of the rent stabilization bill.

I don't think we should lose sight of the fact that this bill is not designed to ease the housing crisis — that's not what it's there for. This bill is designed to protect the tenants against rent gouging, against

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instability and the insecurity they now experience under the present system. If the City of Vancouver, which is the only city that I can speak for because those are the people whom I represent, were really serious about housing, there are a number of things that it could do, and could do right away, without waiting for any movement on part of the provincial government.

One of the things I found interesting, Mr. Speaker, was that the very same people on the opposition benches who are screaming about the lack of housing in Vancouver are also the same people who are screaming that the 1,700 acres of land we have in the endowment lands should not be touched, that it should be there for the benefit of wildlife. Right? — 1,700 acres that should remain as park.

These are the very same people who are screaming at us about the lack of housing in the area. There seems to be a basic contradiction here, but I'm quite sure that when they give it more serious thought....

The model village of Tapiola in Scandinavia, which holds many hundreds of people, only uses up 600 acres of land. Certainly, if you were to build on even a part of that land, it would leave way over 1,000 acres.

I don't want to digress, but I think it's interesting that the new president of the university is now talking about bringing an industrial development onto this same land which we are being told should be preserved for parks, for wildlife and whatever. Anything is better than putting housing on there for people on fixed incomes, or people on low incomes. I think we have to look at that basic contradiction too.

I want to say, Mr. Speaker, that the Minister of Housing pointed out a number of things that cities also do which aggravate this problem — and I want to support him in this — in terms of the building codes and the basic kinds of requirements that municipalities ask for. I think that Vancouver, for some reason or another, is even more excessive in this regard than some of the other municipalities, and certainly should take another look at this.

I also want to go on record as saying that I do not see this bill as being the total and complete solution to the tenant's problem, because I do not believe that we will ever have equitable treatment of tenants until tenants have collective bargaining rights. I believe that very sincerely.

I introduced a private Member's bill on that issue and I'm going to continue introducing that bill until somebody takes a look at it. It's a basic right that we should have in this society, that people should be able to sit down and bargain about these things. Only through the process of collective bargaining will tenants really have some say on the kinds of rents they have to pay, the kinds of conditions they are going to have to live under. Also landlords will have that kind of right too.

In closing, Mr. Speaker — and I'm not going to use my 40 minutes because I don't want to be tedious and

repetitious, as have been some of the other Members whom I have had to listen to for the past couple of days — I would like to say that I give very strong support to this piece of legislation. I'm certainly expecting great things of it until we have some kind of legislation which gives tenants in this province the right to bargain collectively on the kinds of rents they pay and the kinds of housing conditions they have to live under.

Mr. Speaker: I wonder if the House before going on, proceeding on this debate, would give me leave to report back on the application made by the Hon. Second Member for Victoria (Mr. D.A. Anderson).

Leave granted.

Mr. Speaker: The Hon. Second Member for Victoria raised the question, under standing order 35, of a proposal to adjourn the House to debate a specific matter. He stated the matter in the following way: "...namely the chaos resulting from Autoplan agents ceasing operations on behalf of ICBC." *May*, at page 370 of the 16th edition, says that the proposal to adjourn the House should not be offered when facts are in dispute or before they are available. It's one of the pre-conditions.

No evidence of chaos has been indicated other than the Hon. Member's statement that large numbers of British Columbians "are not receiving driver's insurance renewal forms from ICBC." His further statement:

"This withdrawal of services has placed the public of British Columbia in real difficulties since it virtually is impossible to insure new vehicles or change the insurance provisions on other vehicles."

It is my understanding that agents do not have any assigned responsibilities for driver's renewal forms. These are, by law, handled solely by the Motor Vehicle department and government services. The Minister states in the House that there is no present difficulty whereby a substantial inconvenience is occurring to the public, and that additional staff had been supplied to the motor vehicle offices to handle any processing.

He further advises the House that a substantial number of agents are not ceasing their activities under ICBC. Thus the Chair has no clear-cut case at this time that the matter, namely "chaos resulting from the Autoplan agents ceasing operations " does exist.

The facts are therefore in dispute at this time in accordance with the rule cited in *May*, aforesaid, In addition, the matter sought to be raised must involve more than the ordinary administration of the

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law under the existing Act.

For that authority I also refer you to the 17th edition of *May*, page 364. There it cites examples of disputes, such as one dealing with the Wages Council Act, proposals to wages councils under section 20 of the Wages Council Act of Great Britain. At the bottom of that page, is one of the examples: matters must involve more than the ordinary administration of the law. It also refers again to a matter of refusal to do something about a marine wireless dispute, which was termed urgent and imminent. In both cases these are matters that are covered by ordinary administration of law.

In consequence of the dispute, as it were, as to the facts, and the mere use of the word "chaos" really isn't evidence that I need to make the decision. Other than that, I must say it doesn't conform to those requirements and is not, therefore, in my opinion, within the ambit of standing order 35 as it has been raised.

Would the Hon. the Member for North Okanagan continue with the debate on Bill 169?

Mrs. Jordan: Mr. Speaker, I listened with great interest to the Hon. Second Member for Vancouver-Burrard, who is walking across the floor — I hope she's repenting and that some good common sense has entered into her thoughts.

I must say, with regret, that I felt her presentation was so typical of what we hear from the ivory tower and

elitist circles in any society. The people suddenly decide that their comfort leads them to a position where they can become do-gooders, and with all good intention, they do become do-gooders. But they don't take the time to study the problem, to analyse the problem, and to think up and work out long-term, practical solutions. They grab at any straw that comes in the wind.

Any two-minute visit to Sweden or to a pub in England, or whatever happens to catch their fancy, becomes the magic base from which they come up with instant and so-called magic solutions which, in essence, have very long-term devastating effects on the very people whom they're supposed to be helping. And in this instance, very long-term and devastating effects to the economy of a jurisdiction.

The Hon. Member said in quiet candour that this bill was not designed to ease the housing shortage. I would say to her, right on! There hasn't been one signed bill, this one or any other one, brought before this Legislature since this government took the power and responsibility that has been designed to factually relieve the housing shortage in British Columbia.

A housing shortage, which has been greatly increased through the mumbo-jumbo of legislation that some of these wizardry Ministers have brought into this House and through the maze of conundrums and contradictions that this government has introduced into our economic system in this province.

Madam Member is right on. We say: why not? Instead of standing very weakly and rather in an ivory-towered fashion defending what can be described as a disastrous piece of legislation, not standing up in this House as part of the government, why is that Member not encouraging her colleagues as part of the government, and not encouraging her Ministers, who are indeed the power of this government, into doing something about this crisis they have created in British Columbia, and bringing in some legislation which, if you must, patterned after the suggestions put forth by this party, which are workable and which are indeed designed to ease the housing shortage in British Columbia, to encourage not only the development of private housing which will, in turn, create vacancies in the apartment market, but indeed to stimulate the construction of apartments in this province so that we don't have to be even discussing this sort of restrictive and out-of-date legislation.

The Member for Vancouver-Burrard (Ms. Brown) — I think she was referring to the City of Vancouver, although I was confused because I was sure she was referring to the government — said that they have produced glossy report upon glossy report. Indeed the NDP has. They've produced report after report not on glossy paper. The Cragg report is one that they commissioned.

Mr. R.T. Cummings (Vancouver–Little Mountain): That's the City of Vancouver.

Mrs. Jordan: They have produced commission after commission, board after board, committee after committee in this province in just two short years, and not one that I can recall, not one of those reports, glossy or unglorious, or those committees, those high-priced special appointees by the government, the boards or the legislative committees, have brought in reports that have in any way solved the growing problems in this province as they increase under this government.

That Member is absolutely right. She is a Member of that government, and she knows where the sins of this government lie.

Interjection.

Mrs. Jordan: You're quite right, Mr. Member. The Member as asked how many companies on the skids this government bought for \$6 million — such as they did in Vancouver. That company hasn't created one new housing unit to help create a gap in the rental situation. That's \$6 million, and all we get is a partnership in another company...

An Hon. Member: Too bad.

Mrs. Jordan: ...and glossy reports, which we can't discuss under this bill but which we shall be prepared to discuss in the future.

This government is only recycling money and, like many recycling plants in North America today, it is unprofitable, and the recycling of the money in this province that's going on by this government is not creating new employment, it is not creating new housing, and it's not creating new apartments for people to live in.

I was very interested in the Member's comments on the Swedish apartments. She said she had an opportunity to visit some, and that's very nice. I hope she enjoyed herself. She mentioned also that she had an opportunity to visit some apartments belonging to senior citizens, and she was very impressed with them. I'm sure she is, because the reports coming out of Sweden point out that this is one of the major housing and rental problems in Sweden. It is that the great socialist state embarked on socialist housing and did much to discourage the development of private housing and private apartments, and concentrated, as this government is doing, on socialist state control — in this instance state ownership of apartments and housing.

They put on very nice apartments in the original instance — two-bedrooms, three-bedrooms, living-room, dining-room, all the things that people could desire — good floor area and reasonable rent. But what has happened is that the state, as always happens, cannot keep up this pace. It was just a glorious attraction.

So what has developed in Sweden today, and in Holland and in some of these areas where these socialist experiments have been carried out so extensively, is that one person holds a major living unit — major in size, major in attractiveness, major in location — at a very low cost. Young families and large families who are looking for housing today, or young couples, cannot find that type of accommodation, and they find themselves squeezed like mice in a pillbox into tiny, cramped, one-room, one-bedroom apartments, at exorbitant prices. Often it's not just one family but two or three families, Mr. Member, paying this exorbitant price and, as I say, living in a situation that can be described as little better than mice in a shoebox.

An Hon. Member: What about the black market?

Mrs. Jordan: And what an environment for children! You talk about why there are problems in the ghettos of New York, Madam Member, and you say that those problems have nothing to do with housing. I would suggest that when you're in New York you go into those areas. You will find that housing, indeed, is one of the basic reasons for those problems — the stinking, stagnant places that these people have to live in, the squalid circumstances, and the psychological effect of people living one on top of the other like cordwood, and what this does to mothers and fathers and children.

And the black market that grows up! Indeed, in Sweden today there's a massive black market in housing. You find those that were privileged to enter at a low cost — still at low cost — large, adequate apartments at government or public expense, are now renting out the rooms in those apartments to families and to people under unhealthy conditions, again crowded and at exorbitant prices. So they who contributed nothing to the circumstances are black-marketing living accommodation from a preferential position and making a fortune at the expense of young people and young families, or those who just didn't get on the pecking order in time.

It's inevitable, because the state, in a monopoly position, as we see with ICBC, does not allow for competition, does nothing to spur other people's ideas and becomes stagnant in its own in terms of what it can finance, and in terms of its design.

If Sweden had not embarked on this programme, had it, in fact, encouraged other people to get into the housing and apartment business, then you would have had a natural shuffling of people. I don't suggest, as in British Columbia, that everything's going to be cured overnight. But what we're doing in legislation like this is taking outmoded and outdated legislation and trying to update it into a problem of today.

The government is very fond of quoting Sweden and its great ideas, but the problem with them is....

Hon. D. Barrett (Premier): Did you table the report this morning?

Mrs. Jordan: Mr. Premier, you've got so many reports I wouldn't have time to read them all. That is your problem. You are completely untrained, through you, Mr. Speaker, completely unable to understand that life is not a social worker's theory, life has to do with people.

Mr. Speaker: Order, please! Order, please! What is your point of order?

Hon. Mr. Barrett: I understood, under the rules of this House, that when a Member quotes from a report, there is an obligation to table that report. The Member says she's quoting from a report from Sweden. I'd just like to know what report she's quoting from.

Interjections.

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Mr. Speaker: Well, may I...? Order, please! May I answer the point of order? Order! Would the Hon. Member please be seated for one moment to allow the Chair to deal with the statement?

It is not required for a private Member to table documents, although it may in certain debates be a requirement of the Ministers of the Crown to do so. In this case, it is not one where the Hon. Member is forced to table any documents. The Hon. Member, however, should not really address other Members personally from her seat, but should make her statements to the Chair.

Mrs. Jordan: Mr. Speaker, I don't want to take up my time listing the number of reports that this House would like to have from the Premier's office. If he's so preoccupied with presenting reports, maybe he'll give us some of those. But I think the Premier's comment right now is very typical of one of our problems in British Columbia.

I would quote a headline of November 2, discussing the Premier's visit — state visit I believe it was — to Ottawa, that "Buffoonery Could be Hurting British Columbia's Tax Bite."

Mr. Speaker: Order, please! Here again the Hon. Member is indulging in personal allusions. When the debate is on the general principle of Bill 169, would the Hon. Member please address herself to the general debate on the principle of 169?

Mrs. Jordan: Thank you, Mr. Speaker. I appreciate your point, and it isn't nice for any of us to think that we have a buffoon for a Premier.

Mr. Speaker: Order, please! I think that is unparliamentary. I wish the Hon. Member would withdraw that. I think that any insult offered across the floor would be unparliamentary on either side.

Mrs. Jordan: Well, I'm just quoting a paper....

Mr. Speaker: I don't think that you can do indirectly what you can't do directly. Would the Hon. Member please withdraw?

Mrs. Jordan: Well, I'll withdraw that and read the headline that says: "Buffoonery Could be Hurting British Columbia's Tax Bite."

Mr. Speaker: There again, Hon. Member, you're not addressing yourself to the general principle of the bill.

Mrs. Jordan: Mr. Speaker, if you will just wait one minute, I can. When the Premier was in Ottawa clowning, he should have been discussing such serious problems that British Columbia has, such as money and incentives and programmes to relieve the rental situation in British Columbia. I quote the Premier himself, Mr. Speaker, if you wish, to prove my point. As recently as last week at the B.C. Federation of Labour conference at Harrison, the Premier said that "British Columbia can't fight housing crisis alone."

Mr. Speaker, the Premier was saying then that they have to have Ottawa's help. Yet we find that when he was

in Ottawa the previous week and should have been seriously discussing these matters with the Minister of Finance in Ottawa, Mr. Turner, and with the Prime Minister of this country, he was behaving in less than a serious manner and in a manner that certainly did nothing to enhance the image of British Columbia and, most importantly, did nothing to secure the confidence of the federal government that we did indeed have a serious problem in British Columbia. Even if it is of this government's making, it's imperative that we all try to find a solution.

Mr. Speaker, these are some of the things that make the Member for Burrard's statements very hollow indeed, except when she says that this bill will not help the housing situation — and she's quite right. We would urge the government just on that point to stop studying out-of-date legislation and bringing us into the future backwards, but to examine some of the current, reasonable solutions and practical solutions that there are to these problems.

I'm always amazed how this government, Mr. Speaker, seems to have an uncanny ability to take a solution and try and upgrade it, and make it part of an acute problem. We're living with this more and more on a daily basis in this province as this government blunders from one crisis to another, which in most instances have been part of its own making.

Now, Mr. Speaker, I'd like to call your attention to the fact that during the remarks of the Leader of the Opposition (Mr. Bennett) on Thursday he emphasized that rent controls implemented to put a ceiling on rent increases have indeed become part of the problem. Rent controls have become part of the problem of high prices in the housing market, and rent controls are a major part of the reason that the rental housing market is tighter now. It's tighter now than it has been in British Columbia for the last 20 years.

Without repeating comments made by other speakers, I would like to expand on this theme and show one or two specific examples of the very negative effect that the rent control this government idly imposed has had. It's a sad fact to state that it's painfully obvious that the government has offered no solution, short- or long-term, to the problem of scarce shelter in British Columbia, and they have presented us once again with a bill which will only make things

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worse, a bill which makes rental housing more difficult to obtain, a bill which forces up prices in the uncontrolled sector and a bill making it even harder than it is now for a young family or a young married couple or new families moving to this province or, indeed, older people on fixed incomes to have an opportunity to have and purchase a house of their own, let alone to find an apartment.

The Hon. Attorney-General has suggested that his 10.6 per cent ceiling will provide a fair return on equity for the landlords. We must first ask: is the Attorney-General of this province the sole dispenser of economic power in this province? Is the Attorney-General seriously prepared to take this position? That's what he's doing in this bill, Mr. Speaker. Unless he has something up his sleeve that he hasn't divulged to this House, that's exactly what he's doing. It's not only a matter of seeming so; it is a fact that he has chosen himself the sole dispenser of economic power in the Province of British Columbia. The facts of the matter are that this Attorney-General and this government are wrong.

Most rental apartments today, Mr. Speaker, have been built with mortgage financing on which the interest rate is subject to adjustment every five years, just as with houses, just as with other business loans. What would be the fair return to the landlord who built his suites of a six-unit type four and a half years ago with an 8 per cent mortgage, when that mortgage is adjusted six months from now and he will not be paying the 8.5 per cent mortgage rate on which he predicated his return and his expenses, but he'll be paying 12 per cent or perhaps 14 per cent on the money that he borrowed, the money that he used, the money that he stuck his neck out with to provide rental housing in British Columbia? If you examine the books, Mr. Speaker, you'll find that under those circumstances in light of the Attorney-General's bill, he will be paying 1.5 per cent more for his financing than he is getting under the Attorney-General's — the arbiter of justice in this province — scheme of a fair return.

I'd like to point out too, Mr. Speaker, that it is not the corporate giants or the rent gougers, who the government would have us believe is the major problem in this area., They're in a minority, a very great minority.

The majority of rental units in this province are smaller dwellings, smaller apartment blocks and duplexes, which are owned by individuals.

Typically, as the Hon. Member for South Okanagan (Mr. Bennett) pointed out, it could be a farming family from Saskatchewan that sold out a section or two sections of land for \$200,000 or \$300,000, which would allow them, as a couple who worked all their lives for that money and were lucky enough to get a good return on their farm in Saskatchewan, to buy a big apartment building in British Columbia. But that's all they have to live on, the income from that apartment building. That, under this bill and under the policies that this government has evolved will be nothing.

In the area that I represent, Mr. Speaker, we're not a wealthy area. People have worked hard for everything they've got. Many of them, whether they were shoe clerks or even had a little shoe store or a ladies' dress shop, or if they worked in a packing house, saved their money and built or bought duplexes or maybe a quadruplex so that they could live in one unit and their retirement income would come from the other units. This has worked very satisfactorily for many of them up until we got this gerrymandering legislation and this absolutely unrealistic attitude that this government is imposing on the economics of British Columbia and, in this instance, in the housing sector.

I'd like to describe a specific situation, Mr. Speaker. I've taken a fairly typical situation from the Vancouver area, because most of the Members are Vancouver-oriented and that seems to be the only thing they can understand.

A typical landlord that I found in Kitsilano has a 13-suite apartment. It is 40 years old and he bought it two years ago for \$100,000, with a \$30,000 down payment and a mortgage of \$70,000 at 9.5 per cent. The suites rent at \$110 for a bachelor unit and \$140 for bedroom units. Now that's not too bad.

In 1973, his first full year of operation, the owner derived approximately \$700 cash and paid off a small portion of his mortgage. Now, Mr. Speaker, I would venture to suggest that, as frugal as you and your good wife are, you could not live on \$700 a year, nor would the welfare department expect you to live on that. Yet this government has taken an individual's initiative and investment and reduced it to below welfare level and has reduced their standard of living to below welfare level.

With the increase of maintenance and service in 1974, Mr. Speaker, and the cost this year, so far he has made as little as \$300, and the year is nearly over. On top of that, in this year 1975 he is faced with an expenditure of \$30,000 to meet fire department requirements for the upgrading of his fire-prevention system. This money, Mr. Speaker, he will have to borrow at a rate of not 9.5 per cent, but 12 to 14 per cent if he's lucky. And what has he got for equity to get that money? He now doesn't have an apartment building that is economically sound. He's got a white elephant on his hands; it's a losing proposition. Not only have you taken away his investment and his livelihood; you have taken away his equity and his security for improving that apartment building and for meeting the regulations that are being imposed upon him by the city officials in terms of fire protection and health.

Very necessary indeed, but he can't afford to do it. This government shouldn't be jeopardizing the

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lives of those people in that apartment the way it is through this type of legislation.

I ask you, Mr. Speaker, who in their right minds would want to invest money in a proposition such as this? Who in their right mind, what Member in this Legislature, what person in British Columbia in their right mind would buy or develop an apartment unit in British Columbia today? I don't hear any takers.

The government won't even take the offer of a well-respected, well-kept-up apartment building in Vancouver that they can have for \$10. Some confidence they have in their legislation. An apartment building for \$10; an apartment building described by the media as well-kept-up and fashionable. They have so much faith in their legislation that they wouldn't touch it with a 10-foot pole.

As a consequence of this and other ill-conceived legislation and the mumbo-jumbo that is going on by the

NDP government in the housing field, there is virtually zero new rental housing construction in British Columbia and there is zero vacancies. Zero, zero, zero means nowhere for people to live.

I wonder, Mr. Speaker, that you don't take the Attorney-General and the Minister of Finance (Hon. Mr. Barrett) of this province aside and tell them a few of the facts of life. No one, big or small, will commit funds to rental housing in British Columbia now. The Attorney-General should know; he's conversant with mortgages of all levels. Would he put his money into an apartment building today?

Hon. Mr. MacDonald: Yes.

Mrs. Jordan: No way. What are you trying to do: squeeze people out so that you can get a cheap bargain?

The tragedy of this is that individuals' money and some corporate money that should be going into housing and the development of rental units in this province is falling over itself to get out of British Columbia. It is joining the flight of prospectors' money, engineers' money, mining money, forestry money and all the other sectors' money that are fleeing British Columbia. We are going to be in a situation of having a dearth of a wide variety of capital available for such developments in British Columbia.

With all this fancy legislation, what do we have to show for it? The Minister of Housing (Hon. Mr. Nicolson) and his glossy reports that the Second Member for Vancouver-Burrard (Ms. Brown) announced. Glossy report on glossy report, commission on commission, no housing, no apartment units. Zero, zero, zero for people to live. A fundamental right, the right to shelter, but the people's government has taken it away from people and put it into a philosophical mumbo-jumbo arena I which can't possibly make economic sense. Until they change their policy, it can't possibly correct itself.

It is the people who are going to suffer.

My colleague from the Peace River gave the vacancy rates for the Victoria area to try and bring home to the Members of this government what the situation is right here next door to us. I would advise you that in other parts of the province the same thing is happening.

In the area I have the honour to represent, the Okanagan, where we haven't ever had a shortage of housing — we thought we were going to be over-built — there are no new apartments on line. The only ones that are building are those that were on line before this government came into office. The minute they are finished they are full.

We have a situation where we've got senior citizens locked in to housing units and apartments where they would rather not be. We have a situation where landlords which are individual families are frustrated in what is happening to their investments and to the service they can provide in apartments. And they are taking it out on their tenants. This is wrong; I don't condone this. But those senior citizens who before might have had a choice of places to live in units which they could afford, no longer even have that choice. Now there is a growing conflict with reasonable tenants and reasonable landlords because everybody is frightened and insecure.

The reason this has happened and there is no housing is because this government is frozen in freezes. Its rent freezes created a housing freeze. They put a freeze on the construction of rental housing and, through their freeze on land and the way that they did it, created an artificial value for land which freezes private housing because nobody can afford it.

I ask you, Mr. Speaker, who is the government helping by this type of legislation? You must ask yourself this at night, Mr. Speaker, and you must wonder yourself. How on earth are your constituents going to find anywhere to live? How are they going to be able to enjoy — those that do have a place to live — the same standard of living unit now as they did before?

The government is doing exactly the opposite, Mr. Speaker. I would recall for your information some of the results of a survey that was taken of apartment builders in British Columbia. These are people and businesses. Some are large, yes, but some are small: duplex owners, three-story apartment owners, family owners, people who

presently own or are engaged in the equity financing of rental housing. These people were asked what their future plans were for British Columbia. Do they intend to build or do they intend to invest in any new apartments or any new duplexes? I would like to quote you some of the answers, Mr. Speaker. I have a few of them here and I've summarized them for your interest.

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One person said:

"I will not be doing anything in British Columbia. If we could sell everything at market value, we would. We feel like the apartment owners in New York who eventually abandoned their buildings, "

And this is a family, Mr. Speaker, who came here not long ago, about five years ago:

"Two years ago we were very confident about the future of rental housing in British Columbia. However, unless the climate changes, we are now considering no proposals of this nature."

That's a family who came here to British Columbia with their family money. It wasn't millions; they weren't the Rockefellers. They were a family who had between them managed to develop a fair amount of investment portfolio. That's what their attitude is. One business person said:

"I will not supply any more until the present atmosphere improves."

Another said:

"Under the present political climate the future is very uncertain and certainly not conducive to rental development."

Surely, Mr. Speaker, some of this must get through to the Attorney-General. You know, I sometimes wonder when I listen to the Attorney-General and I see the legislation he brings in. And I listen to the Member for Vancouver-Burrard (Ms. Brown) who made it quite clear that her attitude is that the means, no matter how hard on people, justify the ends. She has made it very clear that she wants complete state control in this province.

One wonders if that isn't the name of the game: squeeze out everybody so the situation becomes so desperate that the government falls heir, for very little or nothing, to what it wants — complete control.

You know, they remind me of that definition of the American politician. Somebody told me once when we lived in the States that the perfect American politician was tremendous at rocking the boat, tipping the people out, and making a hero of himself by saving them. And this is what this government is doing in the rental situation, and in other areas for that matter: rocking the boat to the point where people are drowning — drowning in lack of housing — and then they are going to come in and make heroes of themselves by saving them.

Here's another answer from the survey:

"As a result of the government legislation, (blank) company is no longer constructing rental apartment units in British Columbia."

Here's another one:

"Rents will find their best possible level only by having an adequate supply of suites available. Until this is realized by the government, we will build only outside British Columbia. Present and proposed legislation discourages any construction or investment in rental suites or other rental accommodation at a time when there are zero vacancies."

Now, Mr. Speaker, surely those comments must carry some weight with this government in trying to understand what the problem really is.

The solutions which our party has put forth through various speakers are specific; the solutions that we offer

are long term; they are designed to meet the problems...

Hon. Mr. MacDonald: They sure are.

Mrs. Jordan: ...but the rate they're going.... Beg pardon?

Hon. Mr. MacDonald: They sure are offering solutions.

Mrs. Jordan: Well, Mr. Attorney-General, I suggest if you take that attitude that they'll have a better opportunity of becoming action, than your never-never plans, because that's what this government has indulged in — glossy, never-never plans. Rocking the boat and drowning the people, and making heroes of themselves trying to save them. Except they haven't saved anybody in British Columbia yet, the very people that they were elected to — they said — to help. "We're going to help the little people, the little contractors in the forest industry, the apartment people — all these little people."

Interjections.

Mrs. Jordan: You go out there, Mr. Member, and you know what the people are saying. The very people that they drew into their campaign glossary are the very people that this government has hurt. They haven't hurt the big companies. Mr. Speaker, they haven't hurt the big rental companies, or the big mining companies. We're only two million people in British Columbia, We're a drop of a bucket. They can afford to let us go, but the day-to-day person in British Columbia — the small engineers, the small apartment owners — these are the people. The people who live in these apartments, the people who work in the day-to-day jobs are the ones that this government, with its never-never plan and its never-never lifeboat situation, have hurt.

Your government is just enamoured with legislation that is rigid and which is inhibiting to any type of free thinking and we, Mr. Speaker, I'm sure you're not surprised to know, are against this 10.6 per cent ceiling because it is a measure which asks one segment of society to bear the burden of society and, more importantly, it is a measure which is designed,

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through either purpose or stupidity, to hurt the very people we should be trying to help; and those are the tenants in this province. Those are the people who either don't want to own their own homes, or simply can't afford to, or who are of an age or a health condition that they can't manage their own home. They're the ones who are going to end up in the NDP ghettos that this government is developing.

Mr. Speaker, we don't want laws for the sake of laws, such as we're getting from this government. We want housing, and we want apartment units, and we want a free choice of apartments for people. Young marrieds, single people, families, senior citizens — why shouldn't they have the same choice as every Member of that cabinet in their luxury housing? They don't even want luxury; they just want clean, comfortable, practical shelter at a price they can afford.

We want this housing in a programme that will put people to work in British Columbia. I spoke earlier, Mr. Speaker, about the problems in the area that I represent. I spent the whole week-end meeting with some of the very people who can't get anywhere to live, and also, what little they've got, in the terms of equipment in the logging industry, is being snatched out of their hands because they can't find anywhere to live. They can't use their equipment, but they're responsible for the overhead, and the upkeep, and the payments on that equipment. And the Minister of Labour (Hon. Mr. King), on his \$40,000 a year salary, sits there and laughs.

Interjections.

Mrs. Jordan: That's the problem, Mr. Speaker. We've got a lot of laughing hyenas for cabinet Ministers.

Interjections.

Mrs. Jordan: This is a province of them.

Interjections.

Mrs. Jordan: We need Ministers who are concerned and responsible and who will use what's above their neck and think.

Interjections.

Mrs. Jordan: Well, if the worst you can throw at us is Phil Gaglardi, then I'd say we've got a good record.

Interjections.

Mrs. Jordan: Because I could venture to say, if I went into the constituency of the Minister of Highways (Hon. Mr. Lea)...

Interjections.

Mrs. Jordan: ...that I wouldn't get the same comments that one does from Kamloops, or Prince George, or Hudson Hope, from little people, about the former Minister of Highways, that he helped them.

Interjections.

Mrs. Jordan: Only yesterday, Mr. Speaker, when I was preparing to drive back to the coast, someone said: "Ye gads! I wouldn't drive on these highways now."

Interjections.

Mrs. Jordan: "We have no confidence in the Minister. He doesn't know what he's doing. He's like the Attorney-General with his rental legislation."

Mr. Speaker, what about students in this province? They are in the uncontrolled area. They're among the people where, when you start pushing pressure.... You know, it's just like quicksilver — you try to put your finger on the problem

An Hon. Member: You're running out of time.

Mr. Speaker: May I interrupt the Hon. Member to advise her that she only has two minutes left?

Hon. J. Radford (Minister of Recreation and Conservation): Thank the Lord.

Mrs. Jordan: Mr. Speaker, thank you.

Interjections.

Mrs. Jordan: I'll finish with this statement, because our party.... I'm sure you want me to sit down, because you're a bunch of people with a very guilty conscience — and if you don't have, you should have, and, you would have if you listened to the problems of the people out there. I would just close with the plight of students who are being forced to live in uncontrolled areas of cost, paying as much as \$100, \$150 and \$200 for rooms without board, who are being forced to live in sub-standard conditions, and whose employment this summer and the income they earned, and their budgeting for this year, bears no relationship to the costs that they're having to bear from the actions of this government.

Mr. Speaker, I would urge the government, in closing, to make the office of rentalsman meaningful; to allow the people around the province who know the problems to assist the rentalsman in this area; and

to adopt the constructive, practical programmes that this opposition has put forward — which we can afford in British Columbia — which will stimulate the building and development of housing and rental accommodation in British Columbia, and really get on in solving this problem and helping the people who need help — and who are crying for help — those least able....

Hon. Mr. MacDonald: Give the landlords 30 per cent.

Mrs. Jordan: I didn't say "Give the landlords 30...."

Interjections.

Mrs. Jordan: Mr. Speaker, that poor Attorney-General has got a fixation, and this is blocking him from looking reasonably and logically at solutions. As long as he says, "Don't confuse me with the facts, I've made up my mind," there is absolutely no hope for the people in British Columbia.

Mr. D.A. Anderson (Victoria): Mr. Speaker, I appreciated, as I'm sure everybody did, the statement by the previous speaker, that the standard for that party is the standard of Phil Gaglardi, and this government only has to live up, or down, to that one to succeed.

Interjections.

An Hon. Member: Right on.

Interjections.

Mr. Speaker: Order, please. Order! Would the Hon. Member proceed, despite the interruptions.

Mr. D.A. Anderson: It's very difficult, Mr. Speaker.

An Hon. Member: How many horses have you got on your payroll?

An Hon. Member: Right on.

Mr. D.A. Anderson: Mr. Speaker, the bill that we have has been discussed at some length now, and it was discussed by the Attorney-General when he introduced it in a very light and casual way.

Interjections.

Mr. D.A. Anderson: He didn't discuss at all...

Interjections.

Mr. D.A. Anderson: ...the whole question of the five-year delay for any new building to have rental control. He didn't discuss at all the question of supply, and without some discussion of the question of supply, I feel that the Attorney-General has really failed to explain this legislation to this House. He has said — as he reads his little red book on the quotations of Chairman Mao (laughter) — he has said that.... I have my little red book, Mr. Attorney-General — it's the Speakers' rulings.

An Hon. Member: Trudeau's got a red book now.

Mr. D.A. Anderson: The one that you've got is probably just as valuable. If the Attorney-General would put down Chairman Mao's sayings for one moment, and listen to my pointed and direct criticism, I do think he should have a higher standard than that of Phil Gaglardi, and that he should pay some attention to the question of supply. All the legislation, and the amendments that he's brought in, really do nothing unless we arrive at a better situation, in

the future than we have at the present time. Members such as the Second Member for Vancouver South (Mrs. Webster), such as the Attorney-General himself, who emphasized the temporary nature of this legislation, have only emphasized that this is transitional, and unless it takes us somewhere — unless it takes us somewhere where things are better — it is legislation that fails.

The legislation we have, of course, makes two categories of apartment. First, the existing stock, the apartments that house people such as myself, tenants in British Columbia — the ordinary presently constructed rental accommodation — and we will have our rents frozen. I shouldn't say "frozen" — we will have them increase according to government-dictated figures in the future, while those who come into the province, or those new families which start up and are looking for new accommodation, will, of course, be forced out — not into the present stock of housing because none of us will wish to give up our present stock of housing with the controlled rate — but they will be forced into the areas of new housing which will be totally uncontrolled and, because of the supply problem, will be substantially higher than they otherwise would be.

In other words, the rents of the new buildings are going to be one big chunk higher than the rents of existing accommodation at the present time or, indeed, higher than it would be were there no rent control whatsoever. The Attorney-General knows that as well. It will be that way because it's that small area of housing, namely the new construction, that is going to take the whole brunt of any market forces

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leading to higher increase in rents.

He knows it, and I know it, and everybody in B.C. knows it; that within a few years we're going to have two categories of tenants — those who are lucky enough to come under the legislation at the present time, and those who are, if you like, on their own forced, because of a supply situation, to scurry around and find new accommodation only because there will not be existing accommodation becoming vacant, except in all likelihood in the case of death of present occupants.

Hon. Mr. MacDonald: But we have to encourage new building.

Mr. D.A. Anderson: The Attorney-General says, quite rightly, that you have to encourage new units, but what he's going to do is create a small category of tenants and force them to bear the whole burden of all new construction costs. In addition, because of the uncertainty that his own statements in this debate have created, namely that this is only temporary legislation, he is assuming that the five-year holiday, which he's talked about, will be believed by landlords and potential landlords, and people who might potentially come in and build buildings. I doubt whether they will believe because, as he said quite flatly, this is temporary. He admitted it was changed; he admits that he's departed from the Cragg report which he himself commissioned to look into this whole matter.

We've reached a situation where the amount of new construction is likely to be far less than required, and probably far less than what would otherwise take place, had it not been for this ill-fated legislation.

We do have a real need for new supply. The present provisions of the Attorney-General's legislation simply will not give us the new supply that we need.

For example, there's the talked-about 3.5 per cent growth rate in British Columbia — on an annual basis that's somewhere between 3.5 and 3.8 per cent per year. Regardless of what anybody in this Legislature does, that is the growth rate we're faced with. In other words, just to stay where we are we have to build that many new apartments and that many new houses in every year. At the present time we're apparently simply not doing that because the construction is down this year over previously.

Until such time as we get legislation and some assistance in the supply area, we're going to inevitably have more and more and more problems. The Attorney-General probably has not lived in a jurisdiction where you have rent control and the phenomena known as key money. I have — a situation where there were controlled rents, where at the same time there was a large amount of new construction following, which was exempted to rent control, and

where to get into your apartment what you had to do was to pay key money.

Sure, you couldn't pay rent at a higher rate than the government allowed, but to get the key to the front door, you paid from \$2,000 to \$10,000. Having paid your key money, you then moved in and it was for a two-year or one-year rental agreement, whatever it was. You then paid the regular rent. So in net effect over the year or two years you had paid substantially higher than the government-required rent ceiling.

When this became illegal, or when efforts were made to make this illegal....

Hon. Mr. MacDonald: We provide impetus for all these new constructions.

Mr. D.A. Anderson: Now, Mr. Attorney-General, let me give you a couple of more cases...

Hon. Mr. MacDonald: You'd never get the key.

Mr. D.A. Anderson: ...because if you succeed there, you will succeed where every other jurisdiction which has had rent control has failed.

For heaven's sake, be realistic. Be realistic on this particular point: if you make key money illegal, the next thing is that when you turn up at the door the landlord says: "Well, look, we're going to have to redecorate this apartment." You say: "Look, you don't need it." He says: "Well, I wanted to redecorate it, and it's going to cost you \$2,000 or \$3,000 or \$5,000." Sure, he may put a few licks of paint on but it's the tenant who will pay, simply because he has no alternative but to pay.

Mr. Attorney-General, if you try and make that illegal, let me tell you about subsidiary contracts which will take place — and this has happened, once again, in the jurisdiction in which I live — that is, to move into your apartment you have to separately contract a purchase of some other object for a substantial chunk of money. The most absurd thing I heard of was that you had to purchase a cat which apparently went with the apartment, and the cost was \$3,000. Now you couldn't move in unless you purchased the cat. You could wring the thing's neck or drown it if you like, afterward; that wasn't illegal. But to get into that apartment you had to enter into a subsidiary contract to purchase this exotic animal, and own it thereafter.

That's a subsidiary contract, and that is the type of method that will be used to get around the law. You can be sure, Mr. Attorney-General, that this type of thing will take place because it has taken place in every other jurisdiction where you have the two categories of tenant — those who are under rent control, and those who are not.

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While I'm mentioning this question of the effects of rent control and the effect of lack of flexibility, Mr. Attorney-General, I would like to remind you of the problem that crops up when a person changes his job.

Sure, let's say in Victoria they have their apartment, or they have their rented home in James Bay, But instead of working in the city area, suddenly they find that they're working out of Sooke. They can't afford to give up their apartment because they'll be unable to find another under the rent-control provisions. If they go out for new apartment accommodation, they will go out and face enormously high increases for the reasons we discussed a moment ago. The result is that they remain in their existing accommodation, despite the fact they are working in a very, very distant part and they have no alternative but to continue to drive that way.

The logical thing, the thing that happens in the jurisdictions which do not have this type of bureaucracy and control, is for the person to give up their existing accommodation in Victoria and to find something equivalent in the Sooke area, nearer their place of work.

If you have your two systems, and if it's not possible, as it will not be possible, for people to switch, you will find that you're going to create a large number of distortions of this nature in your market system. The net result is going to be substantial frustration, even for those people who continue to remain in apartment dwellings where the

rents are controlled.

Mr. Speaker, the Minister of Housing (Hon. Mr. Nicolson) who, very obviously, is not being trusted with anything to do with housing — he's a designated ribbon cutter, to use his own term — the last day of debate he made some statements regarding housing which I thought were very foolish, because if we are to get any increase in housing at the present time we are going to have to get a fair amount of involvement by all three levels of government, as was pointed out by the Second Member for Vancouver-Burrard (Ms. Brown), who spoke earlier, when she commented upon the situation in Vancouver.

He talked about the problems of his own department. His job, apparently, was to blame the federal government, just as the Second Member for Vancouver South (Mrs. Webster) blamed the municipal government.

Just for the record, Mr. Speaker, I would like to indicate some of the figures which were not given on Friday when the Minister of Housing spoke.

He talked about the involvement of the federal government and CMHC. Yet he quite forgot to point out that under the insured-loan activity of CMHC we had 2,201 units for a total of \$56 million in British Columbia last year. Those are new units. For existing units you had a total of assisted purchases with this regard, with respect to insurance, of 3,762 loans for a total of 3,856 units, and a total of \$103 million.

When it comes to direct loans, you have section 68 of the NHA in which there were 2 loans, 12 units. This is the lender-of-last-resort provision, apparently unknown to the Minister of Housing. I wish he were here so he could perhaps jot down some of the sections which he didn't know about on Friday...where you have \$205,000 under section 58. Then you have your loan situation there, section 68 — 67 loans to the tune of \$1,287,000.

Under your assisted home ownership, section 34 — new homes: you have 744, for the tune of \$20,158,000; and assisted home ownership for existing units, you have 1,484 units assisted, and the total value there of \$42,151,000.

Under your non-profit cooperative of which there is a number of variations, section 15 and section 34(1)(a) new construction: you have 2,083 units plus 440 hospital beds for the bill of \$29,880,000.

That is new construction — existing, you had 276 self-contained units, 150 hospital...\$4,785,000.

Mr. Speaker, under the sections 40 and 43, partnership and loans to the province, public housing: 916 units for \$19 million for new loans; existing, 25 units, and the total there, \$240,000.

Loans with direct assistance: 2,387 loans for a total of 5,637 units and 670 hospital beds — a grand total of \$116 million. In addition there is the direct federal involvement on their own.

The total bill for CMHC, Mr. Speaker, comes to \$160 million, plus or minus a few which will not be determined until the end of the year when the final programmes are taken up, which compares fairly handsomely, I think, to the vote that we passed — vote 111 — of \$50 million, or the total of the Department of Housing, around \$75 million — more than double the total for the provincial Department of Housing.

I give these figures because apparently, from the speech of the Minister of Housing (Hon. Mr. Nicolson) he just didn't know that these things were taking place. He's been designated ribbon-cutter for a number of months now, but he hasn't understood the ribbons that he's been cutting or the financing of the developments which he has been involved in.

I think he's right, to this effect — that there has to be a fair amount of federal as well as municipal cooperation. If we're to get any real solution to the housing problem that we presently have. But I do feel it's foolish, very foolish for a Minister not to put forward the facts of the programme which he so roundly denounces.

If they're wrong, fine, but let's hit them for the programmes that they are, Let's list what is being done. Let's

indicate how much money is involved. Let's not go, as he did in his speech, and simply

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ignore what is being done, claim credit indeed for what is being done by other levels of government and end up on a note of belligerence instead of cooperation with the other levels of government.

Mr. Speaker, in terms of this legislation and where it should take us, the only real solution to the housing problem in this or any other province is to have an adequate supply of housing so that there is some excess capacity to the tune of one, maybe two per cent. In cities elsewhere in Canada which are affected in exactly the same way by federal tax legislation, which are affected in exactly the same way by the provisions of the National Housing Act, or the Central Mortgage and Housing Corporation, you have excess capacity. The closest we have is Calgary.

Interjection.

Mr. D.A. Anderson: Now, Mr. Minister, very close. It's about the closest city to B.C. In another Canadian jurisdiction. Calgary — there you do have some excess capacity, and there you do have the type of situation which I think we should be working towards in British Columbia.

The only way to get some minor excess capacity is, of course, a fairly massive construction programme and we are not going to get it until such time as the municipalities and the independents, private contracts and developers, are fairly secure that there will be provincial money available first for servicing in the case of the municipalities, and secondly, there will be some sort of certainty in the market and there will be some sort of security in terms of their return.

The Attorney-General's proposals to treat new apartments so very differently from existing is certainly based on the fact that he thinks he's got the existing housing in the bag — as indeed, I guess he has: it can't be moved — and then to simply try and entice new development in by a five-year holiday.

Mr. Speaker, the five-year holiday just doesn't make any sense to me. The type of landlord that we would like to have in the Province of B.C. is surely not the type of person who gets in there to make the fastest possible buck, the largest number of bucks in five years and then sells the property and gets out. What we want is long-term, good accommodation, which means they have to plan on substantially more than five years.

To put in a five-year provision makes it perfectly clear that the Attorney-General realizes the problems he's going to face with getting new housing, and yet to put it in does not indicate whether we will solve the problem at all, and in his introduction to this bill, he didn't spend any time on this one issue at all.

[Mr. Dent in the chair.]

In my view, the way that we're going to have an increase in the housing supply is by the Attorney-General, or the Minister of Housing if the responsibility of industry devolves upon him, getting together with your landlords, getting together with your tenants and deciding that we are going to create a stable investment climate for these people in the Province of British Columbia.

The return must be adequate, equal to that of the rate of return elsewhere in permitting them to get construction proposals in which they can have some confidence. The rules won't be changed on them in six months or a year or two years or even five years later.

To continue with the two-price system — a free-market system and a controlled system — is to just invite further and further and further trouble. I have lived in a jurisdiction which had it and I can assure the Attorney-General that ultimately the only thing that happens is that you wipe the thing out.

That is what we should do at the present time: treat all apartment and rental accommodation on the same basis right from the word go and make sure that you don't in the future have two types of tenants: one type lucky

enough to be in controlled rent accommodation and the other type forced to pay much higher rents than they otherwise would because of the fact that the whole burden of the supply problem will fall on their immediate shoulders.

I am here speaking as a tenant when I indicate that the tenants' interests are best served when you have only one type of accommodation, not the two-type system which the Attorney-General has brought in. The sooner we get back to that and some decent construction starts in the Province of British Columbia, the better off the tenants, landlords and the government as well will be.

Mr. N.R. Morrison (Victoria): The Attorney-General, I am sure, had a great deal of difficulty facing this session and trying to solve the problem which he created in the hasty decision to implement rent control in the spring session. I don't really envy him those decisions because I am sure they are difficult. I am sure he tries as best he can to deal with a very serious problem.

But this legislation is characteristic of this government. The interim bill was inadequately thought out; it was improperly drafted, as the rentalsman has said; it was hastily implemented. Then after chaos was created, which surely they must have understood would happen, the government is now trying to pull its foot out of the glue.

But instead of that, they are really more firmly implanting both feet, now mired in the glue. The amendments to this legislation are not going to improve that situation. It is obvious that he doesn't

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understand the problem; it is obvious that he has no understanding of how to solve it. It would appear that this government would like to take complete control of housing and of rental accommodation within this province. But I am sure they know that they cannot yet force those regulations upon the public of British Columbia.

However, they have managed to effectively discourage the private sector from making any immediate attempt to solve those problems. If you care to look at the results of the Canada Savings Bond sales here in the Province of British Columbia, they are tremendously oversold. Money that should have gone into development of some kind is being funneled into savings bonds. Money that should be used for long-term development is now non-productive.

People are scared; they don't want to invest their money into this type of development. Frankly, to further force an inequitable freeze upon one segment of society — only that segment of society which happens to be a landlord and which happened at the time that rent bill was brought in to be at that point a landlord — those people have had the choice since to decide whether they would continue to build. It is obvious that they have decided not to build.

In the City of Victoria, as far as I can find out, there is only one rental accommodation going up, and that's the one on the Gorge, a very large one. That particular one was committed, as the Attorney-General knows, long before the rent freeze came in. But at this moment I am unable to find any others which are planned for straight rental accommodation.

It is true that there are some condominiums being built and there are some subsidized rental housings being built for the old age, and some through the federal government plans, but nothing as far as a straight investment is being planned and as far as I can see, there are none on the drawing board.

As the Attorney-General knows, it takes anywhere from 18 months to three years from the time the developer starts to try to put the land together, to go through the rezoning applications and secure the long-term financing. It's about 18 months minimum and probably three years maximum from the time he starting before a tenant actually moves in. There appear to be none starting in Victoria at the moment and therefore we're certainly looking perhaps two years away before there are any.

Even though this amendment bill allows for uncontrolled rents on new housing, as I've just said, there are no new housing and no new rental housing starts appearing right here in the city. Now if he knows of some that I'm not

aware of, I'd be very happy to have him tell us when he closes the debate. But I frankly don't wonder that people would start. Who would want to start? Who would want to take the risk today and who would want to take the assurance of the Attorney-General that even though the bill says there will be five years of uncontrolled rents, he could change that at the stroke of a pen?

It's obvious that this government has a bias against private ownership of rental accommodation by individuals, and they have a bias against companies. But they appear to have no bias against the state being everyone's landlord. Perhaps that's the direction in which we are heading.

By this bias, it appears that we are now going to have two classes of renters. Those who by accident or happenstance were living in rental accommodation at the date that the original rent freeze came in and those who will be forced through no decision of their own to take whatever accommodation is available, and that's assuming that some is built. Frankly, I doubt that it will be.

Well, I don't have a problem. I happen to own my own home, but there are people who do have a problem. Those are the people who are moving to this province, those are the people who are coming where there is employment if they can find it, or must move from their present employment to some other location. They simply cannot find accommodation.

Already in Victoria we're experiencing some of the obvious results of rent control. The second Member for Victoria (Mr. D.A. Anderson) talked about key money, and that's happening right here in the city. There are already people offering incentives for people to find them accommodation. You see ads in the newspaper where people are offering to pay one month's rent to someone who will find them accommodation.

We're already finding the large experience of illegal suites: people who are living more than one family to a one-family apartment, people who are moving into basement suites which are not legal and that aren't properly built. We're finding already reductions in services. We're finding areas where maintenance is not being done on the buildings, where perhaps the elevator is not working and they just put it off a little bit longer.

Interjections.

Mr. Morrison: Could I referee?

Interjection.

Deputy Speaker: Would the Hon. Member address the Chair, please?

Mr. Morrison: That was a rather interesting interchange. (Laughter.)

We're also finding that in many of the apartments the live-in caretakers are now moving out and their apartments are being rented. As a result the

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maintenance and the daily care of those apartments are not being done as they had been.

We're also finding people in large suites whose needs have changed. Perhaps their family has gone off to school or married and left, but because they happen to be living in rental accommodation where the rents are frozen and they are unable to find smaller accommodation which would suit them, they are staying in large suites where you perhaps have only one individual where a family should be living. But obviously they don't intend to move, and you can hardly blame them.

We're also finding the problem where people are afraid to move to follow a job, because if they follow that job they can't find accommodation at a price they can afford to pay. So not only are they locked into the accommodation in this area, but in many cases they're perhaps locked into an unsatisfactory job, and when given the opportunity for an advancement, they must turn that opportunity down.

We're also finding that we're having long waiting lists. As a matter of fact, I suppose the day will come when you'll put your child's name down when he's born on the theory that by the time he's old enough to need accommodation he will have moved far enough up on the waiting list to get it.

In this City of Victoria, which has twice the national average of people over 60, we also have a high percentage of those people who have been prudent over the years, who have saved their money and have invested it for their old age. They are receiving monthly incomes and watching those incomes buying less and less and less. They thought those incomes were going to be adequate. They had planned for their future, they thought, prudently. But all of a sudden they're finding that they are unable to look after themselves. What they thought would be a happy future is dissolving into one of hardship.

Their rents are taking a higher percentage of their monthly fixed income each year and they are concerned that this legislation simply allows a regular annual increase of a rent factor, but does not give them anywhere to where they might move.

I believe that the solution to this problem is to build and to build more and to encourage people to build more. But this legislation certainly does not give them any encouragement to build. If we had a surplus of accommodation, people would then have the right to choose to live where they wanted to and to live in an accommodation that suited them at a price they were able to pay.

Rent control has been a proven failure; even the Law Reform Commission has told the government that it's a failure. Even the rentalsman knows that it's a failure. It's unfair to ask one segment of society to subsidize another only by the happy accident that they happen to be owners of rental accommodation at that point. And it's unfair for those people who are living in rental accommodation to ask someone else to subsidize them.

We are now forcing people to be locked in, locked in for indefinite periods, and people who are in rental accommodation are unable to move. I believe that in British Columbia we have the greatest opportunity to build new rental accommodation, but these types of regulations certainly will not help. It is my understanding that since this regulation came in about 7,000 proposed rental suites have been cancelled due to rent control. Now it's true that some of those suites will perhaps be built, and will be built and sold as condominiums, but they will not come on the daily rental market.

I believe that this is unfortunate legislation, that it is shortsighted, does not solve the problems, does not encourage people to build, locks tenants into accommodation which is unsuitable and is a very, very poor method of trying to solve an extremely difficult problem.

Mr. F.X. Richter (Boundary-Similkameen): Mr. Speaker, in speaking in this debate, I think that one fundamental point which had to be made, and which has been one of the impelling forces that has forced rental rates up is the fact of supply and demand. If we had a sufficient supply of housing accommodation, we could fill the demand and we wouldn't have the situation we are faced with today in having so many people requiring houses. People have virtually got themselves into a bidding operation to acquire this accommodation.

I was interested in what the Minister of Housing (Hon. Mr. Nicolson) had to say the other day, which really amounted to just a lot of scuttlebutt, as far as the Kiwanis Village in Oliver is concerned. I am not downgrading that operation at all, but certainly he can't take any credit for it. On a previous occasion it was the former government which brought about assistance for the first phase of their accommodation there. He mentioned one of my relatives and so on. It wasn't the fact that he was there for the opening; the main thing was the assistance it took to get it started and brought to fruition, not the fact that the opening was the big political ceremony which he thought it would have for him. I actually got more accolades out of the fact that I got the assistance from government to get it started.

The same could apply, too, to the Penticton Senior Citizens Home. Unfortunately, I was travelling on a select standing committee at that time and was not in the area as much as I would liked to have been. But I followed the progress of both these operations in their building stages. I actually had visited them before the official opening, so I knew what was going on. I would liked to have been there, but other duties prevented me from being there.

I noticed that the Minister was quite concerned the other day as to where I might be. I was listening, all right. Fortunately we have ways of keeping in touch with what goes on in the House.

I am quite surprised, in relation to this particular legislation that we are debating at this time, that the Minister has seen fit to be absent from the House so much when it is such an important debate concerning housing accommodation.

At the present time, when supply of housing is at a crisis proportion, factory-built homes are available if pads were available. I know this for a fact because of the amount of building of these types of homes in the City of Penticton and in other areas of the Okanagan such as Kelowna. They have great numbers of these units and have virtually no place to put them. What is the reason for this? There has been a very bad business practice developing in an industry which could provide some immediate solution to the shelter problem.

Let's look at some of the problems reported in just one area, the Okanagan. Under the present conditions, mobile home pads are at a premium in this area. When checking with the area mobile home dealers, we are told that some of them could be making up to 12 sales a day except for the fact that there are absolutely no pads available. We are also told by one factory manager that his local factory is considering quitting the manufacture of double-wide mobile homes due to lack of parking. He also informed us that some factory yards were full of up to 300 completed units due to lack of parking.

This industry, which employs thousands, is beginning to cut back employees due to full yards because of no empty pads. With the present housing shortage, these facts don't make sense.

A direct result of this shortage of mobile home parking is the situation which is termed patching. That is that park operators are being paid a fee of from \$350 to \$1,000 by the area mobile home dealers to hold pads for homes sold to them. This fee is then added to the price of the mobile home; so the ~consumers suffer.

Some park operators have also taken to charging an exit fee as well as the entrance fee. That is, they are requiring mobile home owners to give them, the park operators, as much as \$1,000 after sale of the mobile home before the park operators will allow the new tenants to take up residence. If this fee is refused, the park operators have in some cases disapproved of the new tenants and disallowed the transactions.

In one particular park in the area, which is owned by a dealer and where you must purchase a home from him before you are allowed into the park, he will not allow you to resell a home in his park and he will not consider the deal until the tenant has agreed that he, the dealer-operator, receives as much as \$3,000. Both the above-mentioned fees are the direct result of lack of parking.

In the area about which I am concerned, we find that there are areas which are being used for mobile homes which have no services. They draw their water sometimes in buckets from creeks, and the sanitary facilities are not anything what they should be. The electricity is not always what is required and they are using welding generators to generate more electricity to be able to supply the areas. These are out in the woods wherever it is possible for them to squeeze a mobile home or a housing unit in between the trees.

There is no real reason why this should be because there is an abundance of land within the Okanagan. A press report recently was titled: "Mobile Homes Limited. Lots of Trailers but it Costs to Park Them." The figures I just gave indicate the amounts which are being charged today to try to gain an access to these available parking areas. These are infinitesimal compared to the amount of housing that is available there to young families at a cost which they can pay for.

I can recall one particular area in which there was a very substantial number of lots being developed for this type of housing. Unfortunately, for some reason or other the Highways department, which had issued permits, revoked them and a great cost was incurred to the person who was trying to follow the requirements of government. This piece of property is not agricultural land by any stretch of the imagination and would be a good area for a

substantial number of units. When I say a substantial number I mean something like 300 units which could be accommodated in that area. You could also build on it too. These lots would have been at a reasonable price.

However, through one stumbling block after another, the developer finds himself bankrupt today, at no fault of his own. This is strictly a matter of denying these results. The matter has been brought to the attention of the Attorney-General. Certainly, if some relief was given in this area, probably this thing could forge ahead. Maybe the government would like to look into it as a possible site in which housing could be set up. Maybe the Minister of Housing (Hon. Mr. Nicolson) would be interested in looking at it.

Also, due to the shortage of parking, instant parks have sprung up. These parks are not conforming to mobile park regulations — namely health, sanitation and electrical standards — nor are they adhering to layout regulations.

In one particular instant park, the sewage system is located in a buffer zone. The garbage is literally thrown into a vacant camping washroom, open to dogs and children, and is disposed of when the odour gets too strong. Some homes within this particular park were hooked up to a camping electrical facility which was inadequate to supply enough power to the

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homes. As I mentioned, they used an electric welder to bring up the necessary power to serve the tenants. The water pump is so overworked that on most occasions the pressure was next to nil and at times — and this is very dangerous in relation to the possibility of fire — it was necessary to transport water by pail from a nearby creek.

Where are the health and building inspectors? Why are these practices allowed to exist in an area where housing is so critical and which we are discussing at this time? Discussion is not so important as doing something to bring on more housing and to get some action.

We are aware that no one is infallible but there are far too many inadequacies involved and racketeering takes place. Someone somewhere must be made aware and the entire situation investigated. As mobile home living is an obvious answer to the housing crisis, why is this abuse allowed to exist and flourish?

This type of housing has made it possible for young families who are just starting out to have a place of their own, which is impossible otherwise due to the price of real estate. This has also provided a feasible alternative to pensioners who find it very difficult today to get low-cost housing that is within their economic reach. Rent goes up, whether it is by legislative means or just by lack of accommodation which involves an upward spiral of costs, and they have to look to other areas for accommodation. If they could have a reasonably priced type of home that is available to them, then they would be more or less settled in a permanent fashion.

We feel there are basic answers to all of these above problems to help dispense with unethical dealers and park operators who are ripping off honest, hard-working people. Release some of the land for additional parks for mobile-home type of dwellings — not parks in the sense that many people consider a park as a place for relaxation. There are acres and acres of unproductive land that would make ideal mobile home parks. The problem is immediate and the answer also must be immediate.

Institute a standard, itemized sale contract. Demand that service people are qualified, licensed individuals. Revalue the CSA — approved standards. Demand an upgrading of factory assembly-line materials and the standard of workmanship adopted.

We also feel it is necessary to separate mobile home living from apartment living because the apartment landlord has a great deal of upkeep involved while the mobile home park operator in most cases doesn't even provide grass seed to his tenant.

The Landlord and Tenant Act differentiates between renting a mobile home space in a mobile home park where all the improvements are made by the tenant — also where heating and electricity are the tenant's responsibility — and an apartment where all of the above are the responsibilities of the landlord. Shortage of space

in mobile home parks has created an adverse economic situation as well as paved the way for all sorts of fraud.

Shortage of space has also hampered attempts to provide adequate housing for the segments of the population, namely the young people and the retired or fixed-income people. Shortage of space has resulted in a renters-landlord market and, in some cases, various means of taking advantage of the situation, such as entrance and exit fees, have sprung into being.

It is unthinkable at this time that these situations are present when the actions of this government have been responsible for undermining the housing industry. Recently the Minister of Consumer Services (Hon. Ms. Young), in addressing the active Mobile Homes Owners Association, was quoted as saying:

"Mr. Nicolson and I got together with the Attorney-General, and he became suddenly aware of this terrible, terrible problem that has just hit this segment of the population.

"We are going to increase housing. We are going to get more parks built. I do recognize your problem. You own a house and they own the ground.

"We have got to take a real overview and the real estate function of government has got to be involved, and this is where we are at. At the present time mobile home owners should be treated more or less as owners of regular stick-built homes are.

"I would like to see an Act to cover mobile home living. My department and the Housing department are trying to do this, and we are trying to rope in the other departments involved."

That seems a very valid explanation of the situation by the Minister of what has happened. But the question that remains in my mind is: what is either the Minister of Housing (Hon. Mr. Nicolson) or the Minister of Consumer Services doing about the situation along with the government today, other than bringing in this Act which controls rent?

We can control this literally from the provision of additional spaces for the benefit of those who wish to acquire and are in a financial position to acquire such housing as those that are provided by mobile homes, only to the point where they attempt to find a place to set the mobile home on, and they are stymied at that level.

Mr. H.A. Curtis (Saanich and the Islands): Mr. Speaker, I have not participated in this debate thus far. I want to take a very few moments, as our final speaker will, I'm sure, in greater detail summarize the position of this party with respect to Bill 169, which by its very title suggests that the government has been

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at least indecisive in handling the critical landlord and tenant situation, because it is called the Landlord and Tenant Amendment Act, 1974, (No. 2).

Both tenants and landlords in British Columbia, in our view, deserve better treatment than is embodied in Bill 169, because Bill 169 is a reaction to a problem rather than a carefully considered, well stated attempt to solve a problem, to look ahead. It is, as more and more British Columbians are observing, just another example of this government's finding itself in difficulty, and then taking a hastily considered action to try and avert that difficulty.

The problems are immense, but we have this short-term attitude towards the landlord and tenant problem.

The need is clear. The need has been identified by many speakers on this side of the House — not controls, but rather a carefully laid out, well-thought out, fully documented study of the need and the stock — the housing stock — which British Columbia will need not only in 1975 but beyond, in the last part of the '70s and into the '80s. We need a greater stock of housing accommodation to ease the pressure. This, we suggest, should have been the identified attitude and the government, and the goal which the government then thought to reach.

Instead of controls, reversal of controls, Band-Aids, changes upon changes — a well-laid out programme to encourage the private sector to build more accommodation coupled with, where necessary and where appropriate,

public housing that is initiated by the provincial government in partnership with both the federal and/or municipal levels of government. But certainly an encouragement of the private sector, which is now disillusioned and very, very frightened.

It seems to me that tenants are frightened, too, because they know that the squeeze is on. They know that if for one reason or another they have to move from one city to another, from one area to another, or if they are forced to seek a different kind of accommodation for whatever reason — additional members of the family, new arrivals from other parts of the country, the death, perhaps, of one of the tenants, any number of reasons — these people are going to be in extreme difficulty, in a very tight situation, They're not going to have an easy time finding alternative accommodation.

I don't blame the private sector for its confusion and concern now, because, as I said earlier, we have an amendment to an Act which was introduced just in the spring session, and who knows what further amendments, what further major changes in course may lie just down the road as the government responds or reacts to yet another problem that becomes apparent in the next few months.

Instead, we have a hopeless situation and an atmosphere of confrontation — an atmosphere of confrontation between tenants and landlords which cannot serve either party.

That, Mr. Speaker, is, in my view, briefly stated, the essence of the problem: the lack of direction on the part of the government, a Band-Aid reaction and a situation, an atmosphere of confrontation which can only bode ill for tenants and landlords, and therefore, for all of the people of British Columbia.

Mr. A.V. Fraser (Cariboo): I have a few things to say regarding this bill before the House....

Mr. WALLACE: No porcupine pie tonight?

Mr. Fraser: No, no porcupine. They'd be better off, I think, living with the porcupines than they are in some of these places.

I want to refer to the Minister in charge of this bill, the Attorney-General, where he said that he didn't expect to come out smelling like roses. Did you really say that? I can't quite see that...I think maybe you did, and, of course, you have now made all the landlords mad at you, as well as the tenants, and you haven't won....

Hon. Mr. MacDonald: I guess I must be right.

Mr. Fraser: Well, it pretty well proves the fact that you're wrong on all counts.

Mr. Speaker, what we really have in a lot of areas in the province — I might say not all of them, but where the heavily-populated area is — we have a housing crisis.

It's quite amazing how this government intends to deal with it through this legislation. Last year, we had the 8 per cent limit on rentals, and we saw housing start to disappear — whether it be rental housing or any other type. Now this has been replaced, as the last speaker said, with part two in the Act — changing that from 8 per cent to, in the following year, 10.6 per cent.

I think that a speaker said last week let's look at really what is causing all of this. I think, as far as I'm concerned, that one of the causes of the problem is the lack of decent investment climate in this province and the poor political climate. Why should anybody invest under these conditions? Capital is fast moving out of this province if it hasn't already left.

The government, I feel, here in this bill is most unfair for several reasons, causing the private sector, in this case, to build housing when they come along with legislation like Bill 71 that increased taxation to commercial operators of housing accommodation. This hits all of them in their taxes, In most cases it has doubled, and in some cases it has tripled. These are increased costs to them.

Of course, another bill, which the Attorney-General again carried, was the increase in natural gas. That's being passed on again to the

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owners of apartment blocks, and there has been anywhere from a 50 per cent to a 100 per cent increase in cost of operation on that score. They go on a commercial rate; they are not on a residential rate.

The other thing I think this government has been most unfair about is Hydro rates. It has more or less been forgotten about, but it won't be for long, Mr. Speaker, that Hydro rates are going up approximately 20 per cent for residential users; but they are going up 70 per cent to industrial and commercial. I believe that that is effective November 1. I repeat that the owners of rental accommodation won't realize this until some time after the festive season is over and they get their first Hydro bill.

So I relate these items by which the government has caused the increase in costs to people with rental accommodation. Then they have the audacity to turn around and come up with the figure of 10.6 per cent, when they allow all these other operating expenses to go up anywhere from 50 per cent to 200 per cent against the same people.

I would also like to ask the Attorney-General: after all the professional advice he had, task forces and so on, which no doubt cost the taxpayers of this province a lot of money — who came up with the magic figure of 10.6 per cent? He was looking at a figure of 8 per cent, another one at 30 per cent. He tried to tag us as the "Thirty Per Cent Boys," Well, none of our party ever said 30 per cent. I'd like to ask him how he did arrive at 10.6.

After he gets all this professional advice and throws it in the wastepaper basket.... Who does he think he is?

Hon. Mr. MacDonald: What's your percentage? Come on....

Mr. Fraser: You be sure, when you wind up this debate, Mr. Attorney-General, that you tell us where you, after all the paid advice you had, actually came up with the 10.6 per cent. Any advice you ever got...none of that was in any of it.

Maybe it came from Professor Gaffney. We listened to him for a while....

Interjection.

Mr. Fraser: Yes, the "think tank" boys; maybe that's where it came from.

I think that the tenants would like to know where it came from — as well as the landlords.

Hon. Mr. Barrett: You should have been leader.

Mr. Fraser: I never ran for leader.

Mr. D.M. Phillips (South Peace River): He'd do a better job than you're doing.

Mr. Fraser: I'll take that question as notice, Mr. Speaker. (Laughter.)

Deputy Speaker: Would the Hon. Member please address the Chair?

Mr. Fraser: Well, you bring them to order too. I think that something that hasn't been discussed too much in this debate is the policy of this government regarding Crown land — I'm not talking private lands now — in regard to housing. I feel that it is not only the ceiling that they put on that's causing a crisis in our province — the ceiling on rentals — but also the basic philosophy and policy of this government of how they dispose or use Crown land.

I refer to the leasing of Crown land as opposed to purchase. I refer to that for the purpose of residential use.

This province, as you know, Mr. Speaker, the land in this province is 94 per cent owned by the provincial Crown. Therefore, what I am saying is that there is a lot of land available that could be made....

Mr. G.S. Wallace (Oak Bay): Does that include Indian land?

Mr. Fraser: No, I don't think so. They are having a little spat about that — I don't know where that one's going to end up. That's on a task force, too.

Deputy Speaker: Order, please. Would the Hon. Member confine his remarks to the...?

Mr. Fraser: Actually, it was very pertinent because our natives have a housing problem, too.

Interjection.

Deputy Speaker: Order, please! Would the Hon. Members please not interrupt the person who has the floor?

Mr. Fraser: Thanks, Mr. Speaker, much appreciated. I want to get back to the basic policy of this government regarding Crown land, and the fact that they will not sell Crown lands — they will only lease them.

I say this is probably not applicable in areas of the lower mainland, although I believe there are Crown lands available. But throughout the rest of the province there's no end of Crown land, and it's only available on a lease basis since this government came to power.

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I would like to just give you an example of how a basic policy change brings problems to communities. I want to refer to the City of Prince George, which, I believe, as of the other day is the second largest city in British Columbia now, land-wise. However, they have a housing problem up there and I would like to relate it.

This government has tried to say that they were the only ones...the Minister of Housing (Hon. Mr. Nicolson) has said that they were the only ones that ever did anything to assist housing, but I think we'd better bring a little of the past back.

In the case of the City of Prince George, the provincial Crown and the municipality of Prince George have been in the land development business since 1961. If there's ever something here for all of us to take a look at, it's been a real success story because the provincial Crown lands were made available to the city and the city serviced all these lots. Then the provincial Crown put on their price — what they wanted out of the raw land — the prices were all put together, and these lots were put up for sale.

As a matter of fact, the Member sitting in the House now for Fort George (Hon. Mr. Nunweiler), I think, during the late '60s was even a member of that council when this policy was going on, Mr. Speaker, this policy from 1961 to 1972.... The other part of the policy is: when the service lots were all developed in Prince George, they then were put up to auction with an upset price which was the cost to recover the cost to the provincial Crown lands and the cost of servicing lots, which was done by the municipality, plus a small margin of profit for the municipality.

Mr. Speaker, since 1961, this most successful policy developed, put on the market and sold 3,300 residential lots. I point this out because since this government was elected they've changed that policy; they now are attempting to go ahead on a lease basis.

I want to say to you as a lifelong British Columbian that the majority of the citizens of this province don't want any part of lease lots; they want to own their small, little piece of ground. But now under the policy of this government they can't do so. Today in the City of Prince George there is now a housing problem because 300 lease lots have been put up and nobody has picked up any of these leases.

Again, we come back to a housing problem which I say has...a basic philosophy of this government that they're opposed to the alienation of Crown lands other than fee simple.

Deputy Speaker: Order, please. I would ask the Hon. Member to relate his remarks more directly to the principle of the bill.

Mr. Fraser: Yes, well, I'm trying to here, and the principle of this bill....

We have in the province a housing crisis, Mr. Speaker, and this certainly only, in my opinion, amplifies that crisis. I was trying to show one example in this province where this government's policies have certainly created a problem and brought everything to a dead halt in that fine city in the central interior of the province.

Mr. Speaker, getting specifically into this bill, it creates a rent review commission. It's pretty vague here — it is to me — it probably isn't to my learned friend, the Attorney-General (Hon. Mr. MacDonald), but I would like to know how big a bureaucracy this is. We've already set up the rentalsman and so on. This, again, says that by order-in-council you can appoint this and appoint that, and I would....

An Hon. Member: You're wallowing in the mire of bureaucracy.

Mr. Fraser: I would like to know how much more bureaucracy — as I said the other day on the superboard.... Where are you going to get all these friends to fill all these positions? The barrel is getting pretty dry, I think. I would like to know, and maybe the Attorney-General could relate to that when he speaks in the windup of this debate.

Interjections.

Mr. Fraser: Oh, well, your time will come, Mr. Minister. Don't get all nervous and excited.

Mr. Speaker, another time that is creating housing problems — and that is breaking the law, I might say, in this province — is another Minister of the Crown. I refer to the increase in lease rentals of residential home sites throughout the province where the Crown is the landlord.

I believe there are some 17,000 parcels of Crown land out this way. But where the old legislation was 8 per cent, this is 10.6 per cent. The Minister of the Crown I'm referring to is the Minister of Lands, Forests and Water Resources (Hon. R.A. Williams), who is increasing the rates up to as much as 500 per cent to these people that already are.... I put them in the position of tenants and the provincial government, through the Minister of Lands, Forests and Water Resources, the landlord.

The government keeps on saying that these are recreational units. They are no such thing. These people at one time were on recreational units, but they have now been converted to permanent dwellings, and they have found their lease fees alone going from, as I say, \$150 a year to \$500 and \$600 a year. I would like to ask the Attorney-General's legal opinion: does he consider that that is legal under their Landlord and Tenant legislation past, present or future? I really think that this other branch of government is contravening the law, and I would like to hear from him on what he has to say on that

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article. But don't get confused with the fact that these are recreational lots; I'm talking about permanent housing.

I might say that, as well as the lessees, these people also pay full taxes, and they do not get the services that the normal citizen gets in a built-up area. They have to maintain their own roads; they have no fire protection, and so on. I think, Mr. Speaker, really, that it's a straight ripoff of one branch of government. I further feel very strongly that it is distinctly illegal.

Hon. Mr. MacDonald: Discuss the bill.

Interjections.

Mr. Fraser: Well, I'm discussing the bill. You, as the chief law enforcement officer, should be interested in

me pointing out to you the people that are breaking the law — apart from the fact of the other hats you wear to bring in these different types of bills that you've brought in.

Interjections.

Mr. Fraser: As far as this side of the House is concerned, we're always accused of criticism, no alternatives. Well, I think, Mr. Speaker, that several alternatives have been given this government in this debate regarding the housing crisis.

Hon. D.G. Cocke (Minister of Health): Thirty per cent: that was the alternative.

Mr. Fraser: No, you're.... There's that Minister of defence again over there, chirping up. Where were you all day anyway?

Deputy Speaker: Order, please! Would the Hon. Member address the Chair, please?

Mr. Fraser: To meet the shelter crisis in this province that we have, Mr. Speaker, it's been proposed here that a five-year phase-out of the rental control programme would bring stability to the rental housing market, while at the same time encouraging new construction, with the prospect of an end to the freeze. I think this is the problem here: we can't get the confidence of the builders for rental housing, and consequently the supply has dropped and the demand is increasing.

I might say, Mr. Speaker, that in my opinion this demand is going to keep on increasing because of the immigration to this province. People continue to come here because of the good living conditions, and we get more than our share of immigrants to Canada. I don't think there's any relief in sight. In other words, it just puts further pressure on the existing crisis until we can encourage the private sector to come in with investment. I don't think any government can resolve it by what they're attempting to do.

Interjection.

Mr. Fraser: The other thing is what I mentioned earlier.... Yes, it's a good question. What has the Minister of Housing (Hon. Mr. Nicolson) been doing? He didn't convince me on Friday that he is really accomplishing anything, and I'm sure he isn't. Things just keep on deteriorating.

I think, as a good example....

Deputy Speaker: Order, please! I would ask the Hon. Member to discuss the principle of this bill before us.

Mr. Fraser: I was, Mr. Speaker, but I was only replying to the Minister of Housing when he said on Friday.... I don't think he follows the bill very closely. He was in defence of his own Housing department. That's what he was talking about.

Interjections.

Mr. Fraser: I think that the Rent Review Commission I mentioned earlier...this bill abolishes the rentalsman in this. Really, the Rent Review Commission.... How is this going to operate from a metropolitan basis? If that's the case, it will only have effect in its immediate area. This legislation should be expanded on to allow decision-making in all different communities in the province.

On the subject of the rentalsman...

An Hon. Member: Are they going to buy out his contract?

Mr. Fraser: ...the government might be interested to know now that, while they say "phone in collect," I understand that his phones are off the hook all the time waiting for somebody to answer them. And the taxpayers of this province are paying for that bunch of bureaucracy. They can't get enough people to answer the phones, so they're

pulled up; they're on long-distance continually. So it only points up more need why we should decentralize if we're going to have these things, and regionalize them throughout this province, because they cannot look after things from the metropolitan areas for places in the interior and the Kootenays, and so on and so forth.

Another thing we proposed was a complete revamping, Mr. Speaker, of the \$30 resource grant. I was a member of the municipal tax committee that toured the province, and we heard no end of criticism

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about this grant. There's no reason to give this grant to people living in penthouses. Why don't we give it to the people that really need it and give them a decent sized grant?

The other thing that has been proposed by our group is the development and servicing of 20,000 service lots. Really, we have a crucial situation of homesites for mobile homes.

Interjection.

Mr. Fraser: Yes, right, this would cost a lot of money. It would cost \$80 million, but still it would be \$20 million less than the overrun in the Human Resources department. You know, is it a lot of money? Then the Premier and Minister of Finance says: "We have an overrun in all the departments." But \$80 million is not necessarily....

Deputy Speaker: Order, please! I would point out to the Hon. Member that this subject has already been canvassed, and I would also ask him again to relate his remarks directly to the principle that's contained in this bill.

Mr. Fraser: Well, you know, we're trying to give alternate suggestions. We're always criticized for straight criticism. Sure, it's been said before, but I think it's serious enough to emphasize it again. I repeat that if we increase the availability of serviced lots, it will go a long way to overcome the housing crisis. It is a crisis now and it's going to be worse in the future.

We also should have direct government assistance to provide low-income rental housing units. There have been many suggestions made here, but I would think that we're not nearly far enough along to help in that critical area.

The other thing that's been criticized here before, and I think it's a valid one, is where money has been spent, Mr. Speaker, to purchase existing housing developments that do not create any new houses. I refer to companies like Dunhill and so on. Again, this doesn't do very much to solve the housing crisis.

Interjections.

Mr. Fraser: Mr. Speaker, all these people seem to be in a real hurry....

An Hon. Member: There's no rush.

Mr. Fraser: I don't use a lot of time in this Legislature. When I do get five minutes, everybody wants me to sit down and shut up. I've got a few more things to do....

Interjections.

Deputy Speaker: Order, please. The concern of the Chair, Hon. Member, is not with the length of your speech at this point, but rather with the fact that your comments are not directly relevant to the bill. I would ask the Hon. Member to relate his remarks to the bill.

Interjections.

Mr. Fraser: Thank you, Mr. Speaker.

We in this party want to emphasize that rent control is not the solution to increased rental accommodation. It's really part of the problem and is creating more of a problem. It is why costs continue to escalate. A shortage automatically creates a problem, and black markets have been mentioned here and everything else. But you'll have to agree that this does not do very much of anything to solve the problem before us.

The government here calls this 10.6 per cent rent ceiling rent control. We call it a housing freeze. That's what is being established here and it will come much more apparent as we go on.

As you talk out there to the public, their attitude is more all the time, less government, not more government. When you get interference by government it creates problems, and here's a shining example.

It's going to hurt the tenants, Mr. Speaker, because at 10.6 or any other rate they can't find a place to live. And it will only accentuate itself. In the next 12 months I'll bet you that we'll still be here worrying about the housing crisis. It will have developed that much further.

I would just like to conclude now by saying that I don't think the Attorney-General, the Minister carrying this bill, believes in this bill himself. In fact, I'm sure he doesn't. But he has been forced into this by certain members in his party. He is going to regret the day that happened.

Mr. L.A. Williams (West Vancouver–Howe Sound): I say to the Hon. Attorney-General that he's been very patient through this today. I won't keep him too much longer.

Mr. Speaker, I happen to believe that the government is trying to do something about the problem. I don't think they know what they're doing and I don't think it is of any value for me or any Member in this House to labour over the reasons why we have the problem. Certainly the previous government of this province must bear its share of responsibility. Certainly the federal government must bear its share of responsibility.

What we have to do here is see if we can't find some solution with this government for the problems which have been created by events in the past.

However, what the Attorney-General is doing with

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this further amendment to the Landlord and Tenant Act is not going to solve the problem. I say to you, Mr. Speaker, that the Hon. Attorney-General cannot in any way justify his selection of 10.6 per cent as the figure to use for rent limitation in this province.

I challenge the Hon. Attorney-General to table in this House the statistical study, the calculations — whatever he has — which gave to him and to his government 10.6 per cent as the figure to use. I, suggest that the reason he will not accept this challenge is that there is no such study and there is no justification for 10.6 per cent.

But what we do have, Mr. Speaker — and it has been tabled by the Hon. Attorney-General — is a study made by an economist, You may disagree with his results but at least there was a study made over a period of weeks, backed up by some statistical analysis made of the problem in British Columbia. That study has established that, in the extreme, a 30 per cent rental increase is necessary in order to resolve the problem that faces the landlords in this province today.

Let me hasten to say that I'm not suggesting that we should raise rents by 30 per cent. All I'm saying is that you have statistics before you that indicate that this is the extent of the problem. By refusing to allow rents to seek their proper level, you are only postponing the day when this problem will be resolved and the development of housing in this province necessary to assist in the resolution of the problem. It will take longer, and as years go by and as inflation continues to affect us in this province the solution to the problem will be farther and farther in the distance.

That is why I have suggested that it is the tenant in the Province of British Columbia who is going to suffer most by this legislation, The tenant today and the tenant tomorrow are the ones who are going to pay for the short-sightedness of this legislation.

I admit that it is difficult when the Hon. Attorney-General presents, as he has in this House, letters from citizens in this province who are finding it extremely difficult to pay their rent bill right now. I suggest to you, however, that the person who is having difficulty paying his rent bill today is not going to find it any easier to pay a rent bill which is 10.6 per cent greater. You are not giving any solution to those individuals who wrote to you, Mr. Attorney-General, pleading with you not to allow any increase beyond the 8 per cent. You aren't helping them a bit.

A great social democrat you are, with the hundreds of millions of dollars you brag about coming from the resources of this province — and, in particular, one resource — into the Treasury of this province, and you are doing nothing to help those people who are in that predicament. At the same time, in a vain attempt to help those individuals, you are ensuring that the private sector, whose help this government needs to solve the housing supply problem, is being turned off. That's the one thing you are making certain by this legislation.

In this legislation you have a two-pronged attack, you indicated, against this particular problem. It's a two-pronged attack which does not bear any logical examination.

You are saying to the landlords in the province today that we do not trust you to establish reasonable rents for the premises which are in existence. But, on the other hand, we will say to any one of your landlords, "If you want to build new accommodation we will trust you to establish a reasonable rent without limit for that accommodation." The sky is the limit.

It's a completely illogical approach to the solution to the problem. A five-year gouging licence is what you are giving, if, indeed, landlords and prospective landlords are the kind of people the Attorney-General would suggest they are in this province. I just don't believe that an examination of the record would disclose that landlords take this particular attitude.

But I can tell you one thing, Mr. Speaker: the very uncertainty that has been created by this legislation will be sufficient to deter any person from investing his money, even with the opportunity for five-years to be completely free of rent control. The very fact that the Hon. Attorney-General, speaking across the floor to me a moment ago, said that the limit would be off for only five years, is sufficient to compound that uncertainty.

You just can't trust this government. They keep telling us, "Trust us." But, Mr. Speaker, the people who are called upon to invest in this province can't trust them nor can the tenants who are unable to pay their rents today trust them. And this is the solution that is offered.

Mr. Speaker, it occurs to me that one thing is unique about this debate. I only know of one individual in this House who is a tenant.

Interjection.

Mr. L.A. Williams: There are two. Any other full-time tenants?

Interjections.

Mr. L.A. Williams: Ah, ha! There are only two people in this House whose permanent place of residence is rented.

Interjection.

Mr. L.A. Williams: Well, you're only one. I'm including you. The rest of the Members who are debating this landlord-and-tenant problem are

wealthy enough to own their own private residence, and....

Interjection.

Mr. L.A. Williams: There are some Members in this House who are wealthy enough not to even live in their own constituencies.

Some Hon. Members: Oh, oh!

Mr. L.A. Williams: I can think of three members who live in the constituency of Vancouver–Point Grey. The Hon. Attorney-General lives there. The Hon. Minister of Economic Development and the Hon. Second Member for Burrard live there. But to return to the principle of the bill, there are only two Members in the House who are tenants. All the rest of us wealthy enough to own single-family dwellings receive from this government, from the people of this province, a shelter subsidy of \$20 a month. Every one of them, from the Premier all the way up (laughter) — a \$20 a month shelter subsidy. Mr. Speaker, perhaps the Hon. Attorney-General would indicate to me when he closes this debate how it is that this great social democratic government can give a \$20 a month subsidy to those wealthy people who own their own land and homes — whether it be a single family dwelling or a condominium unit, it doesn't matter -but is not prepared to give anything more than \$2.50 as a shelter subsidy to those citizens of our province, of whatever means, who must by reason of their circumstances be tenants. What is the rationale, what is the logic of that to a social democrat?

Now it may be suggested, as the Attorney-General has said when discussing the possibility of subsidizing tenants, "Oh, you'd just be putting money into their hands to put into the hands of the rapacious landlords," whom he said were in the minority in this province. Well, Mr. Speaker, I suggest to you and to the Attorney-General that the solution is really very simple, One is to bring back into this legislation the rental review provisions that you're taking out so that in those limited cases of rapaciousness on the part of landlords, there is a place, there is a means, to determine whether or not they are being rapacious.

Interjection.

Mr. L.A. Williams: No, I didn't. You misunderstood the arguments last spring altogether. The difficulty is, Mr. Speaker, the Attorney-General gets so carried away with his own ideas that he stops listening when people have something to say in the House. I never opposed the concept of rental reviews — never — right from the very beginning. That's what I've always wanted, and if you haven't understood that, then I apologize to you. Put back into this legislation the possibility for rental reviews so that those limited number of individuals who may be rapacious, as you say, who may tend to gouge tenants, can be smoked out — and the tenants will help you in this regard. They will launch the appeals, and they you'll be able to stop that abuse.

Now you might say, how do we put this subsidy in the hands of those tenants who require the assistance? Mr. Speaker, we already do it with respect to the medical insurance programme that we have in this province. People who need assistance to subsidize the premium cost for medical insurance file a declaration every year as to the amount of the income that they show as taxable income when they make their tax returns to the federal government. What's wrong with the same concept? It has been suggested that a person should only use, I think, 25 per cent of his or her income for shelter. Fine. You stipulate your rent, the extent to which that rent may exceed 25 per cent of your income, to be given to the individual by way of subsidy up to a maximum of \$20 a month. Then the tenant is placed on the same footing as the rest of those wealthy, fortunate citizens in British Columbia who are able to own their own homes.

We then enable tenants to pay fair rents to their landlords; we enable landlords to maintain their properties and provide the services that the tenant requires, and we also do not discourage landlords from building additional rental accommodation. But it requires two things. It requires that the government put back into the bill the rental review provisions, which, Mr. Speaker, you must recognize is a proposition accepted by a large number of landlords in British Columbia. It's accepted by them. They are willing to be tested, and when we do that we also put the landlord who presently has an apartment building or rental accommodation available for the market, on the same footing as the new entrant into the field. We say to the person who we would encourage to build a new apartment

building, a rental accommodation in British Columbia: "By all means, come and build. We will not force rent control on you. We will only require that the rents that you establish bear some proper relation to the cost of the accommodation you must provide, including its annual operating expense."

On this matter of operating expense, you know, it's a further example of how ludicrous the Attorney-General's suggestion is that we have complete freedom for new construction. He is in effect saying in that regard: to those landlords who have a proven record of what it costs to operate their properties, we put a freeze; to those landlords who have no background at all, we say the sky's the limit.

Interjection.

Mr. L.A. Williams: The Hon. Member for Oak Bay (Mr. Wallace) says, "It's stupid." Sure it's stupid.

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It's stupid that we have people without houses in British Columbia. It's stupid that we have people who are worried about their rents. It's stupid that we have people who are sitting in rental accommodation, paying rents, when they would rather be someplace else, but they are afraid to leave. It's stupid that we have senior citizens who are ill — and I know of cases — and who are living with their families but who have apartments which are currently empty because they are afraid to let them go. It's stupid that we have cases in the City of Vancouver where tenants are subletting to their friends and charging key money. It is the tenant who is getting the key money, not the landlord, but those situations exist in the City of Vancouver. It's stupid that, because of the actions of this government, we have landlords publicly, saying that they are going to leave available, vacant, rental accommodation vacant in order to express their objection to this legislation. It's stupid, and it's stupid because of this legislation.

Hon. Mr. MacDonald: They must be doing pretty well if they can afford to do that.

Mr. L.A. Williams: Everyone in this House — and we discussed it — was shocked at the concept of the senseless slaughter of animals a week or so ago. It's equally shocking and disgusting that in this time of need we would have landlords suggesting that they will leave available accommodation vacant. Shocking, disgusting and stupid, because of this stupid legislation, when it's so easy to change; and this government, which has been wrestling with this problem since last spring, passing legislation setting up an organization which everyone looked forward to, to commence on the first of October, and within six weeks they're tearing it apart.

Mr. Wallace: It's an interim government.

Mr. L.A. Williams: The Hon. Member for Oak Bay says, "It's an interim government." Mr. Speaker, it's not interim enough to suit the tenants of this province.

Hon. Mr. MacDonald: Mr. Speaker, we have had a very interesting debate on Bill 169. We have had some good suggestions and some good speeches. I liked the speech of the Hon. Member for Chilliwack (Mr. Schroeder). I liked the Hon. Member for Boundary-Similkameen (Mr. Richter), referring to another problem which isn't in the bill, to be sure, but it is a problem you know: the question of mobile homes and the people trying to buy that kind of a home and get it placed somewhere, being ripped off...

An Hon. Member: Your government is a ripoff.

Hon. Mr. MacDonald: ...either in terms of a commission, or in terms of an excessive price for the unit. It's not a rental problem, but it's a real problem.

I disagree with the Member for Langley (Mr. McClelland) but he had facts and figures in his speech. I kind of felt the debate was too long. I don't know how I got that impression, but I kind of had the feeling that there was a little bit of repetition creeping into the debate on this subject and that we were in danger, possibly, of boring not only each other, but possibly rocking to sleep the people of the province. I think the opposition could very well do that kind of thing, you know, not only bore, but put into a state of shock and deep sleep, the people of this province until

they would greet that opposition party with an almighty yawn, and not with their votes and not with their support. So the pearls were rather few and far between, and I'm not going to add to the repetitiousness of this debate by saying very much more at the present time.

There have been criticisms of the report of Dr. John Cragg, but that report contributed a very valuable service to the people of this province...

An Hon. Member: Right.

Hon. Mr. MacDonald: ...because it showed from what we are protecting the tenants of the Province of British Columbia. It showed very clearly that we were protecting the tenants of British Columbia from increases that would be in the order of 30 per cent.

Some Hon. Members: Hear, hear!

Hon. Mr. MacDonald: Dr. Cragg did a service to the people of this province in drawing that so clearly to the attention of this Legislature and the people of the province. If you want those great windfall profits to be visited on the backs of the tenants, vote against this bill.

[Mr. Speaker in the chair.]

Hard as the problem may be, and interim as the solution may be.... And it's true that we'll open up more gates; it's true that we'll consider new concepts such as, as somebody mentioned, upkeep — the importance of rewarding the landlord in terms of his allowable rent or the rent that might be granted to him, after a hearing, for good upkeep of his premises, and punishing that landlord who allows his building to run down, to the detriment of his tenants, while he's putting money in his pocket.

Now these are some of the things we've got to consider as we move along.

In the City of Toronto they have all the things you were talking about in this debate. They have the

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absence of new rental construction; they have soaring rental rates; they have a terrible situation, even though they haven't got our population buildup, in people finding accommodation.

The only difference between Vancouver and British Columbia and Toronto is that they have the problem and here we have had — well, let's say it — the courage to seek a solution, to impose a solution, to work out a solution, to save those tenants who would otherwise be exploited in the kind of market we have today.

The Hon. Member for North Vancouver—Capilano (Mr. Gibson) said: "Leave it; let the landlords reap...." — what I think has to be agreed to be the great windfall profits that Dr. Cragg referred to, and maybe somehow Ottawa will tax them as capital gains. Well, maybe they might to a limited degree, but in the meantime the tenants are paying exorbitantly high increases that are placed upon them, and they are suffering.

So we say: build our first lines of defence right where the people are. Protect the people at this level. Don't let the profits float down in the form of capital gains to Ottawa, which they would never see again in this province if they went to Ottawa anyway.

We would all like to see some kind of fair distribution of incomes in this country of Canada; we don't have that. But when we run into situations where there is ripoff, such as there is now with the sugar kings in that monopoly-fixed price that is being imposed on the people of this province...

Interjections.

Hon. Mr. MacDonald: ...where we find ripoff, profiteering, speculation at the expense of the public, it is our

duty to move. This little bill is just an installment upon the way to a society where there should be fairer and more equitable distribution of incomes, just a little bit of the fabric of the visitation of what society should be. The laws of this society in which we're living are very clearly spelled out, and they're the law of the jungle.

Mr. Phillips: Is there a curb on lawyers' fees?

Hon. Mr. MacDonald: "Let him take who has the power; let him keep who can."

But we're willing to move in, and where there is exploitation of people unable to help themselves, where there is a manifestly unfair price been visited on the backs of the people of this province, then this government, even though it can't do the whole thing on the national basis, is willing to move. We'll always move to protect the people of this province.

I move second reading.

Motion approved on the following division.

YEAS — 32

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

NAYS — 15

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

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

Bill 169, Landlord and Tenant Amendment Act, 1974 (No. 2), read a second time and referred to Committee of the Whole House for consideration at the next sitting after today.

Hon. Mrs. Daily: Second reading of Bill 170, Mr. Speaker.

ASSESSMENT AMENDMENT ACT, 1974

Hon. D. Barrett (Premier): Mr. Speaker, I intend to be very brief in the opening statements on this bill, because I expect to have the same constructive debate that we've received on every other bill in terms of listening for

good ideas and suggestions, so that everyone can play a constructive role in forming legislation in this House.

Mr. Phillips: Tell the truth; are you in a hurry to go to China? (Laughter.)

Hon. Mr. Barrett: Mr. Speaker, if they themselves wish to confess that they have nothing constructive to offer, let it be recorded that that was the statement of the Member.

Interjection.

Hon. Mr. Barrett: Mr. Speaker, if they are not prepared to....

Interjection.

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Hon. Mr. Barrett: Mr. Speaker, it's not me that's having difficulty in interpreting my remarks. It was the Leader of the Opposition (Mr. Bennett) who had the biggest foot-in-the-mouth disease we've had all session.

This legislation amends section 24 of the Assessment Act and, in effect, the bill suspends the operation of section 24(1), a clause that requires land and improvements be assessed at actual value. Technically speaking, this is not a return to the old system of assessing property, but rather a freeze on assessment increases throughout the province. No Acts are being repealed or restored, and all existing property taxation legislation will remain in place.

The British Columbia Assessment Authority will continue to function under its legislation as passed by this Legislature during the spring session of this year. That authority will now be charged with producing assessment rolls at 1974 values. The legislation has also been designed to maintain the use of dual assessment rolls in the 10 cities and municipalities of our province where this practice was carried out this year.

These cities and municipalities are Vancouver, Burnaby, West Vancouver, North Vancouver, North Vancouver district, Penticton, Summerland, Peachland, Kamloops and Langley city. In these cases, one assessment roll has been used for school and hospital purposes. All other cities, municipalities, villages and towns, as well as properties falling within unincorporated areas, use one assessment roll for school and general purposes. It is anticipated that the Assessment Authority will continue to prepare an assessment roll reflecting actual values but that this roll will be used for only study purposes at this time.

The government is seriously considering adopting a recommendation contained in the recently tabled report of the Select Standing Committee on Municipal Affairs and Housing that a special commission be appointed to conduct an in-depth review of assessment and property taxation procedures in British Columbia.

The bill is designed to allow for the growth in assessment roll values when new construction and changes in the physical character of the property has occurred. New properties coming onto the assessment roll will be assessed as they would have on the 1974 assessment roll.

The assessment of land and improvements used for industrial purposes will be based on 50 per cent of actual value, according to current returns to the Assessment Authority. But these values will then be factored downward to approximate the values contained in the 1974 roll as nearly as possible. This is being done due to the massive technical problems that industrial appraisers would face if asked to duplicate the 1974 rolls exactly.

The bill allows the assessment commissioner to reduce assessments on property where it can be shown that disparities exist. This power in the bill is designed to allow the commissioner to correct obvious inequities but it does not amount to authority for a general roll-back of assessments. To do so for any class of property outside residential would only result in an increased financial burden to the homeowner.

Other clauses in the bill are of a housekeeping nature, designed in each case to restore definitions or administrative procedure.

Mr. Speaker, just a few other comments and then, of course, I wait for the debate.

I want to point out that there have been some foolish cries for a return to the 1973 assessment rolls prior to the past legislation, Bill 71. Just to make it perfectly clear in terms of who stands for what in this House, let me remind you what Bill 71 did and did not do.

Bill 71 did not permit the large corporations who were escaping their fair share of taxes to continue that practice in this province. In the case of Prince George, where tax concessions given by Social Credit were eliminated, that city alone received in this one year \$425,000 in new tax revenues. The homeowners in Prince George would have had to pay for. I don't mind hearing the opposition yell all they want, but go up and tell the people of Prince George that that pulp mill doesn't have to pay the \$424,000.

Let's hear it for Cominco! The bill allowed Cominco to escape with a tax bill of \$390,000 in one year. Now they're paying that — and that's the escape they want to go back to. Cominco must pay their fair share, Mr. Speaker — that's the kind of government we are — and they'll pay that.

Dark Woods Forest, owned by a German corporation and protected by Social Credit, paid \$11,000 a year in taxes. With the change in taxation, that huge foreign-owned land area now pays \$112,000 a year, and it will go up again.

I want to warn every citizen of this province that the tax system we inherited was a system that sheltered the rich and burdened the poor homeowner of this province. I want to warn everyone that this bill is an attempt to bring about a re-adjustment that is long overdue. The flim-flam of Social Credit was attacked justly by the Liberals and twice by the Tories until the recent defection.

And I'm waiting anxiously to hear the Member for Saanich and the Islands (Mr. Curtis) repeat his statements about Social Credit taxation policy now that he's got a new authoritative base. (Laughter.) There's no other piece of legislation that this man isn't an expert on other than taxation. Let's hear him and how he justifies what he inherited with his new colleagues over there. If this won't be an opportunity for leadership, this will be an opportunity for a dive. I think the Member will probably miss most of the

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debate because he's going to have to justify why he joined that group that protected the large corporations.

Mr. Speaker, I know that because of this devastating attack, the House would rather adjourn than debate any of my arguments at this point. So I let the matter rest, Mr. Speaker. I now move second reading.

Mr. H.A. Curtis (Saanich and the Islands): I feel compelled to rise and express appreciation for the flattering remarks, but I do move adjournment, Mr. Speaker, of this debate until the next sitting of the House.

Motion approved.

Hon. Ms. Young files answers to questions. (See appendix.)

Presenting reports.

Hon. Mr. Barrett files *Public Accounts of British Columbia* for the fiscal year ended March 31, 1974.

Hon. Mr. Barrett files answer to question 214. (See appendix.)

Hon. Mr. Cocke files answers to questions. (See appendix.)

Hon. Mrs. Dailly moves adjournment of the House.

Motion approved.

The House adjourned at 5:59 p.m.

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