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Official Report of
DEBATES OF THE LEGISLATIVE ASSEMBLY
(Hansard)

THURSDAY, APRIL 5, 1973

Night Sitting

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Night sitting

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THURSDAY, APRIL 5, 1973.

The House met at 8 p.m.

Orders of the day.

HON. D. BARRETT (Premier): Mr. Speaker, I move that we proceed to public bills and orders.

Motion approved.

HON. MR. BARRETT: Second reading of Bill No. 100, Mr. Speaker.

AN ACT TO AMEND THE EVIDENCE ACT

AN HON. MEMBER: Oh, these ones are in order.

MR. SPEAKER: The Hon. Attorney General.

HON. A.B. MACDONALD (Attorney General): Mr. Speaker, I have pleasure in moving second reading of *An Act to Amend the Evidence Act*. It's a simple little Act, and I suppose I really should read the notes that are prepared for me, and then all the Members would think, "My goodness, he knows that bill very well." You know, I'd read something that had been carefully prepared for me, and it would be very impressive.

AN HON. MEMBER: Give your own evidence.

HON. MR. MACDONALD: But I'd rather give my own evidence. Court cases are too expensive and they take too much time, and that is becoming increasingly the case. Many people are to blame in respect to that, including the legal profession, who are sometimes apt to federalize a case and make a bigger case of it than it really ought to be. Now, I don't know why they should do that, unless it's got something to do with the way in which they earn their living as professionals. But that's the human tendency.

Now, in the case of medical evidence, with which this little amendment deals, busy practitioners are called to court and come to court very reluctantly, usually charging a pretty good fee for giving evidence in an accident case or something of that kind, where the human injury has to be weighed and evaluated. Sometimes it's very necessary that the doctor be there to be cross-examined in court. But sometimes it's not necessary — the doctor could draw up his report based upon his examinations and that document could be submitted and it could be received in evidence, provided neither one of the parties said, "No, we want to get to the bottom of this thing and cross-examine that doctor."

So the present bill allows the doctor's medical report to be evidence — and it has to be given to all the parties concerned at least seven days before the trial — unless some party says, "No, we want that doctor to come into the court." In that case that party can call the doctor and insist he be there, but if the judge decides his evidence was unnecessary, then the party calling that doctor pays the costs of his attendance.

I think this is one useful little step which will help to simplify justice and make it a little less expensive. There are full protections to the parties concerned because, as I've said, the doctor can still be called by anyone

concerned.

I move second reading.

MR. SPEAKER: The Hon. Member for Oak Bay.

MR. G.S. WALLACE (Oak Bay): Mr. Speaker, I'd like to support this bill. I like the idea behind it and as long as there is the protection that either party can insist that the doctor be there, I think that gives the protection necessary to the individual when the medical evidence is being given.

I hope the Attorney General will go a lot further than this because, with respect, although he mentioned that they're often well paid, it isn't just the question of payment that's of concern — it's the mere appearance and the re-scheduling of all work and operating room commitments and time. I know this is just a little off the point, but I'm hoping that this kind of saving of doctor's time, which is the first small step, will be pursued by the Attorney General in subsequent legislation. I support the bill.

HON. MR. MACDONALD: Mr. Speaker, I ask that the question be called.

MR. SPEAKER: The Attorney General winds up the debate. There'll be no further debate.

Motion approved; second reading of the bill.

Bill No. 100 referred to a committee of the whole House at the next sitting after today.

HON. MR. BARRETT: Second reading of Bill No. 101, Mr. Speaker.

AN ACT TO AMEND THE LANDLORD AND TENANT ACT

MR. SPEAKER: The Hon. Attorney General.

HON. MR. MACDONALD: Mr. Speaker, this is *An Act to Amend the Landlord and Tenant Act*. The amendments are relatively simple and that is what is before the House to be debated in principle at this

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time. I don't pretend for a minute that the problem of landlord-tenant relations in the Province of British Columbia, where our population growth is phenomenal — some say higher than any other part of the world — is by any means an easy subject. It's a most difficult subject and one of our great social problems.

I don't pretend that this bill does everything that I would like to see. In particular we're considering, for example, a small amendment at the committee stage in relation to the privacy of tenants at a time when premises are being re-let. But beyond that, the whole question of possibly moving out of the provincial court, which serves as a rental court with a lot of the trappings of a court, with the assistance of the municipalities or regional districts into a new kind of informal settlement of these disputes, is something that is being actively pursued. So I am not pretending for one minute that this is a be-all and end-all, so far as the problem of landlord and tenant relations is concerned.

It's a case where a balance has to be maintained, nevertheless, in that we are no friend of the tenant if we discourage particularly smaller landlords from leasing premises, when we have a shortage of rental accommodation, and we can do that if we're not careful with the kind of legislation we bring down.

The propositions in this bill, as I say, are very simple. First, we bring mobile homes clearly within the definition of residential premises.

Secondly, we make it clear that an employee or agent of a landlord or tenant stands in the shoes of the landlord and tenant, so that there can be no escaping of responsibility in that respect.

Thirdly, and very important for the tenants in the Province of British Columbia who are undergoing very

heavy rental payments — there's no question about that — we have proposed in this bill a plateau of one year. It applies to the premises and it is, in effect, a rent rest. I am quite sure it will be quite beneficial to a great many people who are renting accommodation at the present time. It will be important, too, if our friend the Minister of Human Resources (Hon. Mr. Levi), to give him his new name, brings in further social legislation. We do have a flutter of increases aimed at scooping up by landlords of the additional money that's made available to people in need in the social welfare programmes of this government. The rent rest will be an important break upon that process. That's as far as I go — an important break in that process.

The next section deals with condominiums, and we face the problem whereby there have been a great many conversions. I think increasingly there will be conversions of rental accommodation to condominiums. We want to be sure that the existing tenants in condominium buildings that are going to be converted are treated fairly, so we provide for four months' notice and moving expenses. More importantly, these provisions must be read complementary to the amendments we are making in the *Strata Titles Act*, whereby we give to the municipalities the power to control the terms and conditions under which conversions of rental space to condominiums can take place.

Next, we do simplify in some ways the procedure in the provincial rental court. We give the judge in that rental court the power of injunction so that he will have the power to require a landlord or tenant to live up to the terms of the Act, or to the terms of his or her lease.

Finally, we make it mandatory for the cities and district municipalities, either singly or together, to set up landlord and tenant advisory bureaus.

So I think these are important steps, but not everything. I think further study must be given to this field and I move second reading.

MR. SPEAKER: The Hon. First Member for Vancouver–Little Mountain.

MS. P.F. YOUNG (Vancouver–Little Mountain): I'd like to ask the Attorney General if this 12-month requirement for the rent to be applied to the premises rather than to the tenant applies to residents of public housing, where their rent is predicated on their income. I'm thinking specifically in view of the fact that the new welfare rates will be coming into effect. Some of these people are very afraid that their public housing rents will go up because of this increased income, and I would like to know if this will apply to public housing.

HON. MR. MACDONALD: In closing the debate I appreciate the question that...

MR. SPEAKER: One minute, please.

HON. MR. MACDONALD: Well who — there is nobody else...

MR. SPEAKER: Order, please. Before the Hon. Attorney General closes the debate I have to first find out if anyone else wishes to speak. The Hon. Member for Oak Bay.

MR. WALLACE: Yes, Mr. Speaker, I'll just say a few words, that in general we like the tone and the tenor of your suggestions. In other words, we appreciate your comment that there must be a balance between the landlord and the tenant, and that to attempt too quickly to correct the situations that you have been approached about... We have all had letters and approaches and delegations asking for changes either way. The fact that the occupancy or the vacancy rate is something of the order of 0.6 per

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cent in Vancouver is an indication of the fact that rental accommodation is very scarce.

The rate of inflation also makes it difficult for the landlord to cope with rising expenses, if indeed he is not able to raise the rent at least perhaps once a year. I think since employees in our society seem to be encouraging one-year contracts, and since there seems to be no end in sight to inflation, that it is only reasonable that the landlord should retain some ability or right to be able to raise the rent at least once in 12 months.

I also think it makes a lot of sense that the restrictions should be on the premises and not in relation to the

tenants. The question of advisory bureaus, I think, is also a very sound one. This has been started in the City of Victoria, as the House probably well knows, and I understand is finding that it can serve a very useful purpose.

The problem of course is that the tenants never seem to be completely satisfied about the fact that the bureau has no authority, but has only the power to make recommendations. But I think that as far as advisory bureaus are concerned, the very word "advisory" suggests that they are really trying to bring objectivity into a situation where there is some issue in dispute.

So because of the fact that the Minister has made it plain that this is not the be-all and the end-all and that we can look forward to further amendments, I would say that this party would support the bill.

MR. SPEAKER: Is there any further debate on the second reading? The Hon. Attorney General.

HON. MR. MACDONALD: Mr. Speaker, I appreciate the remarks that have been made in respect to the question of the first Member for Vancouver—Little Mountain (Ms. Young) in terms of our legal powers. I would like to take that under advisement.

I am thinking of public housing projects like Skeena Terrace, for example, where I am a little doubtful whether we have the constitutional legal power — one Member nods his head — and I hope that is the case. But, I hope to be able to give you an answer to that question at the committee stage. I move second reading.

Motion approved; second reading of the bill.

Bill No. 101 referred to a committee of the whole House at the next sitting after today.

HON. MR. BARRETT: Second reading of Bill No. 109, Mr. Speaker.

AN ACT TO AMEND THE MORTGAGE BROKERS ACT

HON. MR. MACDONALD: Mr. Speaker, this is *An Act to Amend the Mortgage Brokers Act*, and I would like to say to the Hon. Member for North Vancouver—Capilano (Mr. Brousson) that I think his remarks have done a great deal of good in focusing attention upon this problem.

I recognize, of course, that merely lashing mortgage brokers with the power of publicity is not sufficient. I am sure my friend does the same. But, nevertheless to focus attention upon a social problem of this festering magnitude constitutes, I think, for any Member of this House, a public service. I point out that the problem is not simply British Columbia. I have here a headline from the *Calgary Herald* of March 17, 1973: "High Cost of Money. Mortgage Rates up to 42 Per Cent." There is not really much difference in the kind of problem they are suffering from there, and what we have heard about here in this province.

As I say, the long-term solution to this kind of situation where people desperate for shelter for themselves and their families, tired of paying high rents, attempt somehow to find those last dollars that will put a roof over the heads of themselves and their families, and enable them to build up an equity. That is a very pressing social problem in this province, and like the rental situation, one that is not going to be easily solved. It is going to depend very substantially upon the kind of social services and income levels, employment and particularly provision of homes that we can make available to the people of this province in addition to anything that can be done through the Registrar of Brokers.

Nevertheless, in this bill we are giving very substantial powers to the Registrar of Brokers to investigate, subject to a hearing, cancel or suspend the licence of a mortgage broker. And if he is engaged in that business in any scale, he has to be registered, if we can find him, or if not he will be prosecuted.

To cancel that person's licence to carry on business if we believe that his actions constitute usury in the sense that his loans are "harsh and unconscionable." Now that is a pretty big power to give to a public official, but we do it with proper hearing safeguards. I would hope that the very existence of the power would be salutary to the industry, and without going outside of the four corners of the Act there are other things that we are also looking at.

So we hope that this is a very important forward step in exerting some social control in the field of mortgage lending. Now there are one or two other minor parts of the bill, but that is the big principle involved, and having said that, I move second reading of this bill.

Perhaps, Mr. Speaker, I might say one other thing. Important cases are now going forward in the courts

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with respect to testing the powers of the Registrar of Brokers in this field. There is a case, and I might use the wrong name for the defendant — I know it is *Whetter v.*, I think it is *Associated*, that is now going to the court of appeal. It may be that, subject to my timetable, I will be able to intervene as Attorney General before the court of appeal. I would like to be able to do that. I don't know whether my timetable will permit it. But I am very anxious to see the judgment of the trial court upheld in the court of appeal in that case. I don't want to say more about it because then I might be commenting on the merits.

Interjection by an Hon. Member.

HON. MR. MACDONALD: Well, I'm urging one side without saying what the legal merits are, because I shouldn't really try to prejudge the case.

But if I did intervene, it would be in terms of trying to uphold the broad and I think salutary powers that we are trying to give for the protection of consumers in this important field in the *Consumer Protection Act* and in the *Mortgage Brokers Act* and I move second reading.

MR. SPEAKER: The Hon. Member for North Vancouver–Capilano.

MR. BROUSSON: Mr. Speaker, I am certainly gratified to see this bill brought in by the Attorney General. At the same time that I am gratified, I must say I'm a little disappointed in it, and I'd like to make some comments about it, Mr. Speaker, to the Attorney General.

The Attorney General mentioned the story in the *Calgary Herald*. It is interesting to note, as a sideline to that story, that it is about the one company mentioned in the *Calgary Herald* to which he refers, a company called Midtown Mortgage and Loan, in Calgary. It is run and owned by Mr. Larry McCallum, who also operates Modern Finance in British Columbia, which has been one of the major offenders in this field, and about which I have given the House a number of examples of problems.

This bill, as I read it, Mr. Speaker, does three things. It gives the registrar complete discretion in deciding what is in the public interest, and thus when to conduct a public hearing of a particular broker's affairs. It gives the registrar complete power to suspend or cancel, as the Attorney General said, on the basis of harsh or unconscionable or inequitable terms, or terms prejudicial to the public interest.

The third main thing it does is require the broker to use his registered name in every advertisement. I do want to say I am particularly pleased to see this in the bill, Mr. Speaker, because I think this has been one of the kinds of things that have caused problems — where brokers were able to advertise under their home telephone numbers and things of that sort, and mislead the public that this was a private arrangement of some kind.

Well, so far, so good. The powers of the registrar are going to be greatly increased by the bill. But, Mr. Speaker, I am not sure just what good this is going to do, unless regulations and clauses of the bill are strictly enforced.

We've already heard the Attorney General say that to date there have been no prosecutions under the *Mortgage Brokers Act* throughout its history right up to date. We've already seen in the estimates of the Attorney General's department that the securities commission, which is responsible for actually administering and enforcing the *Mortgage Brokers Act*, is having a small increase to its staff. We've talked in this House for years about how understaffed the securities commission is. It's getting a very small increase now, so I wonder if it is going to be able to enforce these new and tougher and more complete powers that are going to be given to the Registrar of Mortgage Brokers. There's certainly little provision for that in the budget. Unless we enforce those powers, what's the point of having them?

Another comment we should make here, Mr. Speaker, is with regard to the fact that so much is now going to be left to the discretion and to the opinion — I think the word "opinion" is used in the bill — of the Registrar of Mortgage Brokers. Now, I previously suggested, in speaking on this subject both in the House and directly to the Attorney General, that a useful piece of machinery to use in this situation would be a mortgage advisory council, to give it one name — perhaps it could be a council that might operate in a very similar way to the Real Estate Council — to offer advice on ethics, standards, rates and that sort of thing; to assist in the policing of the people that operate in this industry; to advise the Attorney General regarding legislation; to help promote the educational programme that I think is an absolute essential, quite apart from this Act. There must be an educational programme for young people and older people throughout the province. I think such an advisory council could assist in that educational programme.

The Attorney General writes to me that he has had an ad hoc committee working in this regard — people from the industry whom he's called in to help him in this matter. I'm sure that's a good committee, and I'm sure it's been of assistance and it has been working. But why not include such a committee, such a council, as part of the legislation? Give it some permanent being, and give it some responsibility.

I believe that government should, as much as possible and as often as possible, involve the private sector in whatever industry or field or profession it's working. I think for too long these kinds of things have been done on an ad hoc, volunteer basis. What

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happens? The particular Minister concerned, in whatever department we're talking about, calls in the people he knows — perhaps his friends, or the friends of the government. I would like to have these kinds of boards and committees and councils enshrined in the legislation with specific terms of reference as to how they're appointed and then I think on this kind of an official basis, we get good boards and good committees and good advice — broad representative advice — to the Attorney General or in whatever department we're considering.

There are some other problems brought out by some of the investigations I've done, Mr. Speaker. Let me explain briefly how a mortgage broker operates. He usually is arranging a second or a third mortgage on a piece of property. He advances perhaps \$2,000 to someone who badly needs some money. There are legal fees of perhaps \$150, and then he charges what we call a bonus of, say, \$500. So now we have \$2,000, plus \$150, plus a \$500 bonus — that's a total of \$2,650. So the mortgagor must repay \$2,650, and this is the face value of the mortgage and perhaps there's 20 or 24 per cent interest.

Now, the broker has given the man \$2,000. He has a mortgage that has a face value of \$2,650. Then the broker looks around and he finds someone else, maybe a little investment club, maybe someone who wants to put some money away and earn some interest on it, perhaps a retired person, a perfectly legitimate group, club, small company or whatever, who wants to have their money out at the best rate of interest they can.

He tries to sell the mortgage for its face value of \$2,650, at whatever rate of interest he's written on it. If he does sell it for \$2,650, he has a clear profit of \$500. That's the amount of the bonus. I think that very often people are not understanding that the bonus isn't there because of any special risk — it's there because that's the profit that the mortgage broker thinks he can make, or wants to make, in each case.

Now the assignee, the person who is buying that mortgage, under present circumstances, has no knowledge of how much cash the mortgagor actually received, because that amount of \$2,000 doesn't show up anywhere in the documents. It is not anywhere in the mortgage document. The only figure that shows is the \$2,650, which is the face value of the mortgage.

In Part II of this Act, Mr. Speaker, which has not yet been proclaimed, there is provision for a disclosure document. I suggest, Mr. Speaker, that one of the ways this Act can be made to work properly — I think that's the objective, that's the principle we're talking about — is that that disclosure document, when it is set up by regulation and is proclaimed, must be attached to the mortgage as a permanent part of the records, so that when someone as a potential assignee is considering buying that mortgage, they know exactly how much money the mortgagor actually received in cash and how much profit, if you like, how much bonus is built into the total face value of the mortgage.

Mr. Speaker, the new bill, the amendments proposed, say that the registrar may suspend a mortgage broker if he's a party to a mortgage transaction which is harsh and unconscionable, or otherwise inequitable. How is the registrar going to ever know about that unless that disclosure document becomes an official part of the mortgage documents? That becomes a secret between the mortgagor and the mortgagee unless that disclosure document becomes an official part of the mortgage document. As an alternative, perhaps the Act might require that the disclosure document be filed with the Registrar of Mortgage Brokers or with the Consumer Affairs officer or something of that sort. No one's going to know unless later on the mortgagor goes and complains, and then it's long too late.

So I think it's an essential that the disclosure form shows all the details. I'm sure that the Attorney General is going to see that the regulations will provide for a disclosure form and that Part II will be eventually proclaimed, but that must be attached to the mortgage or, alternatively, filed with the registrar in each case.

At present, as I said, there is no disclosure required, and I'm only assuming and hoping, Mr. Speaker, that perhaps the Attorney General would advise, when he closes the debate on this bill, when perhaps we might expect to have proclamation of Part II of this Act.

Up to this point, despite the fact that no disclosure is required in this industry, a great many mortgage brokers have been using a disclosure form. In some cases they are using forms as required by Alberta or Ontario or other jurisdictions.

HON. MR. MACDONALD: Mr. Speaker, these are very valid points, but not part of the bill before the House. Part II is not involved.

MR. BROUSSON: What I'm trying to do, Mr. Speaker, is talk about some of the things that perhaps will help to make this bill work. I think that's the objective. I'm sure it's the objective that the Attorney General has.

I've made some other suggestions to him, Mr. Speaker. I think there must be a separation of the receipt of a disclosure form at the actual signing of the mortgage. What is happening at the present time? The man who is signing such a mortgage is handed his details about the disclosure form, the details about the mortgage and the entire form, all at one moment. He sits there in a lawyer's office and doesn't, in some cases, understand what he's getting. He badly wants

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to get his hands on the money, so he signs it as quickly as he can.

One of the things we could do to make this Act work better, to protect people better, would be to have a time lag between the time that he gets all the information, the disclosure of the details about it and the time that he actually signs the mortgage. So that one of the things we might do, Mr. Speaker, is to require a 24-hour delay between those two things. This is an additional suggestion I made to the Attorney General. The Attorney General says that he is advised, or tells me that he's been advised by the industry that this would be perhaps an impractical thing to do. But I suggest, Mr. Speaker, that it's not impractical, and that the important thing is that it would save a lot of people a lot of money in the long run.

The other point that I have found in discussing a lot of problems of these kinds of mortgages is that even when people have the details of disclosure, they don't seem to understand the meaning of what they are signing. They very often believe that they are taking out a 20-year mortgage, when in actual fact it is only a five-year mortgage. And the reason for this is that they are making payments on the basis of a 20-year amortization, but there is a clause in the mortgage somewhere that says the whole thing is due in five years in a lump sum. They don't realize that. I have told so many people this in the last couple of months and they are shocked to discover that there is such a clause in the mortgage that they have signed. They say, "My God, I couldn't possibly pay that back at that time " — next year, or three years from now, or whatever it is.

In many cases, Mr. Speaker, these people believe that the bonus that they have seen on the disclosure document that they have been given, and as I say, they are getting some kind of disclosure documents now; they believe that that bonus of the \$500 that I mentioned just now in the example is a statement of the total amount of interest they are going to pay back. This is because they are gently misled by the man with whom they are dealing. I won't say he lied to them, but he somehow gently misleads them in this direction.

These people do not know their rights.

Mr. Speaker, usually in these situations, there is only one lawyer involved in the whole situation. And the lawyer involved is the lawyer for the mortgage company. He is being paid by the borrower, but the lawyer is hired by the mortgage company. So he does everything in a very legal way; he draws the documents legally; he stays strictly within the letter of the law.

Previously on this subject, Mr. Speaker, I think I have spoken somewhat disparagingly of the legal profession in this regard. I have suggested that they adopt a kind of a see-no-evil, hear-no-evil, speak-no-evil kind of attitude. But I think this is true, because what the lawyer has done in this case, is draw up this document in this legal way, hand it to the party concerned, and say nothing more. And if he wants to sign it, that appears to be acceptable in this.

Now I have suggested, Mr. Speaker, that the real solution in this case would be a separate certificate, a certificate which must be signed by another lawyer, so that before the mortgage documents could be legal, be a valid document, the borrower would have to take the mortgage documents, go to a second lawyer who would have to sign a certificate certifying that the borrower, before he signs the mortgage, has received independent advice as to his rights and obligations under the covenants in the mortgage, and has confirmed his understanding of the mortgage contract. That would be a very simple thing to do, and it would ensure that he got advice from someone who was not hired by the mortgage company, and that is the nub of the problem today. The only advice he can possibly get, in case after case, after case, is from the lawyer who has been hired by the mortgage company.

I suggested this last week to the Attorney General, Mr. Speaker, and his answer indicates, I am sorry to say, that he doesn't really understand what is happening in this industry. He suggests that this kind of separate advice, independent advice, would be a boon to the legal profession. It would be an additional cost that the borrower would have to bear.

HON. MR. MACDONALD: That's right — have a lawyer at both elbows all the time. Too much!

MR. BROUSSON: But, Mr. Speaker, the borrower is paying perhaps \$125, \$100, \$150, that kind of money, to have the mortgage documents drawn up. To have such a certificate signed, which is not an uncommon thing to do in the legal profession, to have such a certificate signed would cost what — \$20, \$15, \$25? I think that this would be a very small amount of money to a lot of people, and a lot of heartbreak and unhappiness in later years for those same people.

It certainly would be an additional cost that the borrower had to pay. But \$20 or \$25 at that time, if he clearly understood? Now, under those conditions if he then wants to sign the document, fine. But I would like to guarantee that he gets some independent advice right then, before he signs the mortgage. And he could get it in this way, very cheaply.

MR. SPEAKER: Excuse me, Hon. Member. Much of the argument that you have been engaged in deals with things that are not in the bill before us, and what you propose as suggestions to improve it. However, basically the principle of the bill seems to revolve

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around means of suspending the registration of the mortgage broker, termination of his employment and publication of his bona fides in section 4 of the bill. Now if you can possibly confine the debate to the principles set out in the bill at this stage, the more useful it would be.

MR. BROUSSON: Mr. Speaker, I understand your point, and the problem is that it is so regrettable that having had some of these suggestions a week or so ago, the Attorney General wasn't prepared to make the bill this much better. And it could have been so much better, and so much more effective, in such a very simple way. That is what I have been trying to demonstrate.

MR. SPEAKER: May I say the way to help in that regard in the House is to file amendments to this bill before the committee stage.

MR. BROUSSON: Well, Mr. Speaker, if I can speak directly to that point. Two or three weeks ago, I spoke with your Clerks, and they suggested to me that the amendments I had in mind could not possibly be in order if I moved them. Now I have heard the Government, in the last weeks, say the way we should operate is to bring bills in, and let the Opposition tell us how to make them better, and then we'll see if we can get them amended. Mr. Speaker, there is no way I can put amendments on the order paper that are in order. The only way I can do this, is first of all offer them to the Attorney General by letter, and second, raise them in the debate on second reading, and that is what I am trying to do.

Now I have had every invitation from the Government and yourself to do this, and I think I explained to you quite clearly how this can be made better, very simply. I would hope that, in fact, Mr. Speaker, this would be an opportunity for the legal profession to operate under the *Mortgage Brokers Act*. It wouldn't exactly be a boon — \$20 or \$25 is not a very large fee. It would be well worth it in terms of the saving in money and human misery through the years on this situation.

HON. MR. MACDONALD: Everybody who wants to make a loan, if you send them to a lawyer — the lawyers would be rich and the borrowers would be poor.

MR. BROUSSON: Mr. Speaker, the Attorney General knows so little about this situation. I think he should learn more about it. He'd know that this situation could be cleared up in this very simple way. Mr. Speaker, I know the Attorney General's heart is in the right place. I know his motives are good. He has just missed the understanding of this point, and I hope very much that he will reconsider it a little bit, and perhaps before we get to the committee stage, bring in one or two of these very simple little, easy little amendments.

MR. SPEAKER: The Hon. Minister of Public Works.

HON. W.L. HARTLEY (Minister of Public Works): Mr. Speaker, on Bill No. 109, the *Mortgage Brokers Act*. I believe the reason that we have this legislation before us this evening is that what has gone on, and unfortunately what is continuing to go on within this province, is free enterprise at its worst.

MR. J.R. CHABOT (Columbia River): Present an investigation of the Glenshiel Hotel.

Interjection by some Hon. Members.

MR. SPEAKER: Order, please. Order! If the Hon. Member persists in making irrelevant statements in the House, we'll have to ask the House to do something about it.

Interjections by some Hon. Members.

MR. SPEAKER: Order, please. If the Hon. Member does not believe in the rules for debate, then he should not be in the House, he should leave. Accusing the Speaker of being partisan when he calls you to order is a disgrace.

HON. MR. HARTLEY: Mr. Speaker, seeing the ex-Minister of Labour (Mr. Chabot) has seen fit to call me, I'll challenge him to step out into the hall and make that statement out there that he has made in here.

Interjections by some Hon. Members.

MR. SPEAKER: Order. Order please. The mischief of what the Hon. Member does, is to create a debate that has nothing to do with the matter before us, which is Bill No. 109. I ask the Hon. Member to resist the temptation to engage in a quarrel with that Hon. Member, and proceed.

HON. MR. BARRETT: What happened to the Minister — he left.

MR. SPEAKER: Would the Hon. Member proceed with the debate on Bill No. 109.

MR. GARDOM: Let them both go out into the hall.

AN HON. MEMBER: Might be an excellent idea.

(Laughter).

MR. SPEAKER: Order.

HON. MR. HARTLEY: Mr. Speaker, had more been done over the years to display to the people of this province the possibilities and potentialities of the co-operative and credit union movements, there would be far less broken homes, and far less suicides.

Interjections by some Hon. Members.

HON. MR. HARTLEY: This refers and relates to the most untenable position that many young couples, many people who are not aware of what happens when they get involved with finance companies — and not just on homes, or larger mortgages, but when you go in to certain home furnishing houses, whether you are buying a coffee pot, or a Mixmaster, you will find, if you study those contracts that you are paying as high as 86 per cent interest.

Interjections by some Hon. Members.

HON. MR. HARTLEY: 84% — O.K. This, Mr. Speaker, strikes at the people that can least afford to pay: the young couples, the people who are financially embarrassed and financially dependent. This legislation is long overdue but we have to go even further than this to a broad programme of education in our schools. We must all go out and promote the credit union movement so the people can get a fair shake. If you deal there, you don't have to go to the first lawyer, let alone the second.

MR. SPEAKER: The Hon. First Member for Vancouver–Point Grey.

MR. P.L. McGEER (Vancouver–Point Grey): Mr. Speaker, this has been a very broad, wide-ranging debate, rivaling the throne speech debate. (Laughter). I wonder if I could be permitted to speak to the principle of the bill just briefly.

MR. SPEAKER: If you promise not to take too long on the bill. (Laughter).

MR. McGEER: Mr. Speaker, the Member who is just going out into the corridor — I don't know if he's to be joined by the Member for Columbia River (Mr. Chabot) (Laughter) — made reference to the failure of free enterprise in the matter of looking after the subject of mortgage lending. I think if the attitude of the Government is to fail to legislate properly in a field that is quite clearly the Government's responsibility, blaming it on the free enterprise scapegoat, the province is going to be very ill-served by that Government.

I speak in support of the Member for North Vancouver–Capilano (Mr. Brousson) because he studied this particular problem in far greater detail than the Attorney General, though it was the Attorney General's responsibility to do so. When we've heard the debates it's clearly been the Member for North Vancouver–Capilano who's brought forward the constructive ideas — not the Attorney General with his legislation. And uncomfortable as it may be for the Attorney General to hear these remarks made on the floor of the House, it's our responsibility as Opposition Members to point out to the Attorney General what his responsibilities are and what the scope of his office might be.

The Member for North Vancouver–Capilano is not a lawyer but he understands the plight of the person who must obtain credit. It's the Attorney General that needs to place himself in that position; for too long he's been field of drawing up contracts. Mr. Speaker, what we need to have in this province is adequate legislation to govern the mortgage field, not the kind of half-baked bills that the Attorney General has brought in. Mr. Speaker, could we have a little order, please?

MR. SPEAKER: Order. Order.

MR. McGEER: The Attorney General is agitated this evening. We've been trying, Mr. Speaker, to offer constructive suggestions in a humble way and the Attorney General has accused us of lecturing. We bring in bills and they adjourn debates on them. We ask for adjourned debates and they refuse us.

MR. SPEAKER: Order, please. Back to the bill again, please.

MR. McGEER: I was just, Mr. Speaker, trying to get the Attorney General into a mood where he would listen to the pleas of the Members on the Opposition side of the House because the bill doesn't do what could be done now.

The Attorney General has had the constructive suggestions from the Member for North Vancouver–Capilano. We don't need to repeat them. All we need say, Mr. Speaker, is that we hope the Attorney General, if not now, in the session in the fall will reconsider this particular Act and give us the kind of adequate control over mortgage brokers that will make even the socialist government proud of the free enterprise sector in British Columbia...

MR. SPEAKER: Is there any further debate on Bill 109? The Hon. Attorney General closes the debate.

HON. MR. MACDONALD: Mr. Speaker, I think I

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should say something about the point of the Member for North Vancouver–Capilano with respect to Part II, even though strictly speaking it's not really part of this bill. We're working on that and the advisory committee that you've mentioned is part of it because we are trying to get a very simple disclosure form. I hope it will be proclaimed, certainly by June. I don't like to say a definite month but they're printing the circulation as the rest of it. It's being actively worked on.

Having said that, I ask that the question be called on second reading of this bill.

Motion approved; second reading of the bill.

Bill No. 109 referred to a committee of the whole House at the next sitting of the House after today.

HON. MR. BARRETT: Second reading of Bill No. 117.

AN ACT TO AMEND THE LAND REGISTRY ACT

HON. MR. MACDONALD: Mr. Speaker, moving second reading of this bill, I would rather hope that the lawyers in the House would raise their questions on this bill in committee. It is a very difficult bill to understand.

I myself feel a little bit like the story of the German philosopher Hegel who turned on his deathbed to his faithful disciple and said, "Of all the people in my life, only you have understood my philosophy. And even you don't understand it." It is rather like that with this bill.

It's a very difficult, complicated matter of land law involving everything running from easements when there are two lots involved owned by the same owner, building schemes, transferring interests in land by simpler forms — which is good — simplifying legal descriptions in land registry documents, functions as an approving officer, and things of that kind. I would be glad to answer questions at the committee stage. I now move second reading.

MR. SPEAKER: The Hon. Second Member for Vancouver–Point Grey.

MR. G.B. GARDOM (Vancouver–Point Grey): We support academic amendments to this bill, Mr. Speaker. There's not any necessity for the Hon. Attorney General to make apologies to the bill at all. I think in explaining a bill such as this which he indicated was of complicated nature that it would be much more use to the Members of the Assembly to explain where the desire and where the contributions for the amendments came from. These obviously came from the various registrars of title in the Province of British Columbia. You just have to stand up and say, Mr. Attorney General, the reasons for this bill are these. This is a problem that has been presenting itself to the registrars of title and they have advocated it through their experience. They have a life-long experience, as you well know, Mr. Speaker, in this particular Act and I would say that they are one of the most dedicated groups of civil servants that we have in the Province of British Columbia — the people who run the land registry offices.

I'm delighted to hear you agree. There's only one person in this whole assembly who agrees with that? Two... Three... Four... Five... Six... Anyone else?

HON. MR. BARRETT: Bingo! (Laughter).

MR. GARDOM: Seven... Do I hear eight?

MR. SPEAKER: Order.

MR. GARDOM: Eight. Thank you. (Laughter). Sold American. Nine...and a half.

HON. MR. BARRETT: That's the Liberal Party; selling to the Americans.

MR. GARDOM: But Mr. Attorney General, let's not go ahead and make apologies for a complicated bill. I think, with every respect to you, Mr. Attorney General, in a bill — as you have well indicated to the Members of this Assembly that contains a degree of complexity that this does, I think it would be a very useful thing to explain to the Members of the House as to how this bill came about. If you were to suggest, Mr. Attorney General, shall we say, that the motivation for this bill came from the Minister of Mines (Hon. Mr. Nimsick), I'd automatically vote against it.

AN HON. MEMBER: Oh, come on.

MR. GARDOM: ...or the Minister of Public Works (Hon. Mr. Hartley).

HON. E. HALL (Provincial Secretary): Just the kind of thing you want to have carried out.

MR. GARDOM: ...even 10% against the Minister of Labour (Hon. Mr. King), if he proposed it. And the Premier, if he proposed it.

MR. SPEAKER: Order, please. Would the Hon. Member deal with debate? I know he's skirting the intricacies of the bill.

MR. GARDOM: I think the fairest way to treat this bill of all is to ask the House for unanimous consent so that the Hon. Attorney General can be

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permitted to speak again and explain to us what it means.

MR. SPEAKER: The Hon. Attorney General closes the debate.

HON. MR. MACDONALD: Mr. Speaker, in view of that invitation, I have to say something about the bill. I agree with the Hon. Member that the registrars, the deputy registrars and their assistants in the planning departments, sketching — they're all good. They're great public servants of British Columbia.

You know, too, that we have in the Attorney General's department some very dedicated, capable people in this field. I'm thinking of Victor DiCastrì in particular.

. So I have no hesitation in saying that these bills that come forward that are technical in nature — and this one is — do receive a great deal of attention from very capable people in this province. I think they do their best to make these bills as simple as they can be I ask that the question be called on second reading.

Motion approved; second reading of the bill.

Bill No. 117 referred to a committee of the whole House at the next sitting after today.

HON. MR. BARRETT: Second reading of Bill No 121.

AN ACT TO AMEND THE GOVERNMENT

LIQUOR ACT

HON. MR. MACDONALD: Mr. Speaker, this is a bill to amend the *Government Liquor Act*. It is a very substantial fulfilment of the recommendations of the Morrow report.

It is establishing in this province a very salutary principle: wherever possible we would like to see public business done in public with a hearing on contentious matters. People who have dealings with the board whether as consumers, producers or licensees should have their little day in court before a board that meets openly, in the sunshine, in the light of day.

This bill therefore establishes an appellate body which I hope and expect will be part-time. It may have to become a full-time body sometime but I would hope not.

I would say we have very capable public servants in the Liquor Control Board and I am sure they will welcome the direction and assistance they will receive from having an appellate body to which some of the thorny problems that are laid on their desks can be referred for hearing and decision.

I think we as a Government will welcome that appellate body, now to be called the British Columbia Liquor Board, in terms of being able to refer to that board things on which the Government wants its consideration and advice. The appellate body has to be hung in mid-air, as it were, between the policy of the Government as established by regulations and the questions it is empowered to hear such as licensing and listing and other questions below that, the administration of the Liquor Control Board, which is a very big business. It has very many capable public servants of British Columbia working faithfully in that very big business.

So the appellate board has to be very carefully spaced so as not to trespass upon the administration below or policy above for which the Government ultimately must take its full responsibility. We hope that we have done that in this Act and that we will shortly have this tribunal established in British Columbia.

Apart from that there is also established a general licence which, I suppose, speaks for itself. It will now mean that we will have four types of licenses: public house, dining lounge, lounge and, in addition, a general licence which will enable the sale of liquor other than beer and cider with light refreshments. The general licence will cover the situation as it may be found by the appellate board after very careful consideration of applications and representations made to it over a period of time.

I move second reading of this important bill.

MR. SPEAKER: The Hon. Second Member for Vancouver–Point Grey.

MR. GARDOM: Well, I would just wonder whether or not the Hon. Attorney General has vetted this bill through Colonel McGuigan.

HON. MR. MACDONALD: No, I should have.

MR. GARDOM: I think you should have, indeed. This is his life work, Mr. Attorney General, and I think he would be most interested to find out what the kind of legislation is that you are now proposing.

The concept that you have introduced is without any question of a doubt an improvement, in our view. However, I would very much like to say that we continue to have a most archaic and intemperate statute on our books: the *Government Liquor Act*. It's a mishmash of regulations, it's a mishmash of law, it does not do justice to the intelligent consumption of liquor, it does not do justice to the pleasant side of the industry. I think the *Government Liquor Act* has been a sluice box to intemperance.

I think the *Government Liquor Act* has also totally dictated itself to governmental priority over customer priority. This is the shift I think we should have in this particular statute. This field will reap \$100 million net profit in the Province of British Columbia this year. We should have a shift at long last to a little more customer service, a little more

customer input, a little more customer convenience. As I said before, I cannot for the life of me understand why it's impossible in this day of refrigeration for an individual to buy a chilled case of beer or bottle of wine. It's not possible; and that to me is silly. It's also very, very silly to me that a customer cannot have the advantage of a loss leader if a liquor company wishes to sell a case of liquor at a lower price than another.

On the whole, Mr. Speaker, I think the very best direction for the Government would be to get out of the business. Handle it by taxation, handle it by regulation and let it go to the private sector to distribute it. I don't honestly know why we have got to have government liquor stores. There is no reason that I can see behind that. I'm not in favour of a liquor store on every block in every city in British Columbia. I'm not advocating that at all. But I can't see why the government cannot go ahead and receive the return that the government feels it is entitled to from the industry via taxation in the initial stage, and leave distribution up to the private sector totally. They're not going to sell all night if you don't want them to. I don't think they should. All of that can be handled by regulation. But in my view this is not a business that government should be in one single, solitary bit.

I have never yet heard in the six years that I've been in this House one argument from any side of the House — from the Government when they were the official Opposition, from our side of the House, from the Social Credit Party — the Conservative Party was not here in those days — as to why the distribution and the sale of liquor should be under the behest of government. To me it's nonsensical. Control it, regulate it, determine the price in the initial stages if you please, but after that let it go out to the private sector to sell and let them take care of it. I don't think we should be doing it.

MR. SPEAKER: The Hon. First Member for Vancouver–Little Mountain.

MS. YOUNG: Mr. Speaker, I must take issue with the Hon. Second Member from Vancouver–Point Grey (Mr. Gardom) in this matter of the government controlling liquor distribution in the province. I lived in an American state in which the liquor was distributed by the so-called free enterprise system.

MR. GARDOM: Which state?

MS. YOUNG: Illinois. In that state, it was a known fact that from 40 per cent to 50 per cent of the liquor sold in all retail outlets was bootleg liquor. By "bootleg" I mean it was the same sort of junk that was made during the days of prohibition.

MR. GARDOM: Those were during the days of prohibition.

SOME HON. MEMBERS: Oh, oh! Order.

MR. GARDOM: Oh, sorry. I retract. (Laughter).

MS. YOUNG: I accept your retraction, Hon. Member.

No, this was from 1960 to 1963. It was an open scandal. This was before it became a known fact that the Mafia really did exist. Living in Chicago I discovered with my own eyes and experience that the Mafia was alive and well and living in Chicago. They ran the rackets there; they ran the liquor business there.

There is a label on the bottle in Illinois that says, "This bottle may not be used again." It must be destroyed; it cannot be used again. They used those bottles again. They duplicated or forged labels of the top brands. They forged these state tax stamps that went across the top of the bottle. There was absolutely no way that the state government could control this.

So I must disagree with the Hon. Member. I believe it should be kept in the control of the provincial government.

MR. SPEAKER: The Hon. Second Member for Victoria.

MR. D.A. ANDERSON (Victoria): Mr. Speaker, I rise in defence of my colleague. I don't think he was suggesting that the liquor distribution system in British Columbia be sold to the highest bidder, which might mean the Mafia, I am not sure. But I don't think he had that in mind. It was not a proposal to turn it over to Al Capone and his friends; it was a proposal for the Government to perhaps adopt systems which exist, not in

Illinois, but in other jurisdictions which work quite satisfactorily without crime involved. And one can think of many in Europe and indeed, others in the United States as well.

I appreciate, Mr. Speaker, the comments of the Attorney General regarding the appeal and tribunal. I think that's good. Unfortunately, there are times when this principle seems to be lost sight of. I'm glad that he has gone on record as favouring this sort of thing. It has after all been a bone of contention in many other pieces of legislation on which we have argued that appeal is not permitted and that the tribunal is not "letting in the sunshine" as the phrase of the Attorney General goes.

As mentioned earlier, we approve of the general licence. The problem in this province for far too long, I think, has been our unwillingness to allow institutions which there are elsewhere which allow a more civilized type of drinking than we have had. We

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have made many strides over the last few years, there's no question about it. The former head man of the Liquor Control Board, Col. McGuigan, who was mentioned earlier, has done a great deal. But there is no question that we have a long way to go and it doesn't necessarily mean to say that we are moving in the direction of Mafia control.

So we approve of the bill and the amendments, but we do feel there is much more to be done in this area, as was mentioned earlier. We trust that this is not the extent of the Attorney General's interest in this matter and that this will not mark the end of any improvements in the general field of distribution and sale of liquor.

MR. SPEAKER: The Hon. First Member for Vancouver–Point Grey.

MR. P.L. McGEER (Vancouver–Point Grey): Mr. Speaker, may I compliment the Attorney General — he's looking at me suspiciously, Mr. Speaker — on bringing forward these welcome changes to the government liquor Act; to say how pleased we are to see that there's going to be a board instead of a one-man secret show; that we're going to have the whole business of liquor opened up just a little bit more. I think it's going to be a healthy step forward for the province.

I'd like to make one small suggestion, something we might consider, Mr. Speaker, and that is that in the liquor stores themselves, that you have the various suppliers bidding for shelf space. I've always found it a strange thing, Mr. Speaker, in going into the liquor stores that there were certain brands — and I'm not going to name them here — that you would almost stumble over as you went through the door.

Interjection by an Hon. Member.

MR. McGEER: Do you want me to name them?

They were favourite brands of former Members of this House. Can the Members guess? In any event, I don't think I need to go beyond that, Mr. Speaker, except to say that the matter of shelf space was one of these mysterious things in a liquor store. It seems that wherever you turned, right at eye level there around the corner there were certain brands of wine and certain distillery brands that were very prominently displayed. We know that the Liquor Control Board shows only modest profits, Mr. Speaker, and that we should do everything we can to improve the return. Therefore, if one were to open up to competitive bid the shelf space, have it come up every three months, and then let Calona Wines compete with everyone else. (Laughter). Oh, I'm sorry, Mr. Speaker. I promised not to give a commercial.

In any event, I think the Hon. Members can grasp the possibilities here of having every company that wanted to display liquor — and I know that the Second Member for Vancouver–Little Mountain (Mr. Cummings) — am I correct? He's the one that really suggested this idea to me first. I want to give him credit, Mr. Speaker, because I know he's very interested in this subject too.

It would be a way of making a little more money. It would be a way of introducing that measure of fairness. And it would be one more way in which the light could shine in.

Be these minor changes — they are something that can be brought in in the future. For the moment, we

may compliment the Attorney General on progress, Mr. Speaker.

MR. WALLACE: Mr. Speaker, this party favours the attempt to take a more intelligent approach to the whole question of liquor. The idea of a three-man commission is better than some kind of tsar. The guarantee that they'll meet at least once a month and so on, I think is progressive.

I am disappointed at some of the absolutely insane aspects of this bill, which I can't see. I may not have read it fully, but such matters as not being able to stand at the bar in the steak house — you have to sit down. You can drink if you're sitting down but you can't drink when you're standing up. That seems to me to be the height of being ludicrous, I can't see in the bill, although I thought I heard someone comment on the fact, that it would permit a person to have a drink in their hotel room. If you choose to have your meals sent up to the room it seems rather ludicrous that if you walk down a flight of stairs that you can drink downstairs but you can't have the drink with your meal in the hotel room, and this kind of thing — and this isn't a debate on the whole realm of the liquor Act.

These are some of the very simple, sensible kinds of things that have to be changed. The very fact that in the early months of the Government's life that already they are bringing in some measure of intelligent and well-considered approach to liquor...the whole principle of trying to make it difficult to drink is just another failing measure of prohibition. If you go to the Nth degree and try to prohibit it altogether, you know where we'll land up. If you try to be too restrictive, then I don't think you really achieve a sensible attitude on the part of the drinking public.

The other point the Attorney General mentioned in the media the other day was the stupid idea of closing the liquor store on election day, as if elections are ever in this day and age likely to be influenced by whether or not people got drunk and their votes could be bought or sold, as I think was suggested years ago.

These are some of the points, Mr. Speaker, which

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badly need to be corrected. Although there are some corrections in this bill, I am disappointed that some of these points I've raised are not in the bill. I don't think they require a great deal of study to write the appropriate amendments.

We support the bill.

MR. SPEAKER: The Hon. Minister of Mines.

HON. L.T. NIMSICK (Minister of Mines and Petroleum Resources): Mr. Speaker, I'd just like to say a few words on behalf of the single chairman of the board that has been operating over the years. You usually judge an operation by the complaints that you get. Over the years, in the Liquor Control Board I've had the least complaints of any organization in the government's departments. I feel that they have done a very good job, even with just a chairman, without a board, and that they must have operated on behalf of the people or we would have had a lot more complaints than we have had.

In addition to that, I would like to say that I am sure there are going to be more changes. Because I think in the small communities we've got to allow a grocery store or some place to be able to dispense beer and wine so that people don't have to drive miles and miles to a liquor store in order to buy a dozen beer. I think this is something that should be considered.

MR. SPEAKER: The Hon. Member of Omineca.

MR. D.T. KELLY (Omineca): Thank you, Mr. Speaker. I just had two or three little things that I would like to bring up. I don't know whether they would be included under this bill, although I am very pleased to have seen the sections added into the bill.

Some of the things that bothered me were that in recent years, when new construction sites were put in — and new shopping centres, especially the very large, elaborate centres that are going in now, it seems to me that certain supermarkets encourage the liquor stores to be located near them.

HON. MR. MACDONALD: At Fraser Lake for example.

MR. KELLY: No, right here in the lower mainland, where there is a lot of pressure on liquor stores. I think that if you would make a survey of the lower mainland that you would notice that one particular chain of super markets has more liquor stores around it than others. I would like, if this commission were empowered to look into this, that they make sure that they don't in fact have a hold on this sort of affair.

Another thing that I'm wondering about, Mr. Attorney General, is the hotels that are trying to change their brands. I know that once a year they're able to...

HON. MR. MACDONALD: Twice a year.

MR. KELLY: Twice a year? Well, then, I'm misinformed. I heard it was just once a year. I know that in the interior, if you get a bad brand of beer all year, as I thought it was, you can get awfully sick of that particular brand of beer. It seems to be that hotels are tied in with these liquor concerns, because for some reason or other this seems to be the reason why they're selling their particular beer. It could be a poor brand of beer.

I think it's been known in the past that the breweries did have a certain interest in the hotels and they in turn had to sell their beer. I think it was unfair to people in these small communities, as the former speaker was saying, who are miles and miles apart. If you wanted a good glass of beer you had to drive a long way to get it.

I think that the Liquor Control Board should be in the business of building their own liquor stores rather than leasing buildings from private industry. There are cases I know in the province where the buildings are actually antiquated and inadequate. Yet they're the only buildings available so the liquor store has to be located in that particular building.

It seems to me that just around Christmastime when you have your arms full, trying to get out the door, you're having to hold everything under one arm and put two or three parcels on the floor and open the door all at the same time. And if it's a cold country why, you know, they don't like the door held open too long. At 30 or 40 below zero the clerk in the store isn't very anxious to let you leave that door open too long. So I think, Hon. Minister, that we should be constructing our own liquor stores rather than leasing too many of these buildings.

MR. SPEAKER: The Hon. Member for Kamloops.

MR. G.H. ANDERSON (Kamloops): Just about every matter I intended to bring up has been covered, Mr. Speaker, except the one on which I have had some conversation with friends in the riding. This is the temperature at which the working man gets his beer when he's on his way home from work when he drops into one of the government vendors to pick up a case. As has been mentioned before, the Liquor Control Board makes a "modest" profit, but I think the profit is enough that there could be a cooler in there.

People in the interior — I suppose it's bad on the coast too — are facing a temperature of 90° and 92° and in some parts of the Okanagan up to 102° and 103° is not too uncommon. So you're coming home from work and picking up a case of beer of some type

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to entertain your friends or yourself and find it approximately the same temperature as the outside. Now, this may be all right in England, but I don't think it's necessary here when even in staid old Ontario, for the last 30 to 35 years, you've been able to go in and get a case or two of beer and it's always served from a cooler. I'd like to see some attention given to this, Mr. Attorney General. In fact I'm sure the Hon. Member for North Vancouver—Capilano (Mr. Brousson) and myself can design it for you if you want, with the coolers in the wall.

HON. MR. MACDONALD: I don't think we'd trust him.

MR. GARDOM: You've got the wrong Member. He sells heating equipment.

MR. G.H. ANDERSON: Heating or cooling — they can do either one.

MR. SPEAKER: The Hon. Attorney General closes the debate.

HON. MR. MACDONALD: Mr. Speaker, in closing the debate I want to thank the Members for suggestions. One advantage of *Hansard* is that a number of people concerned, such as our liquor control people, will have an opportunity to read these remarks and suggestions in addition to my hearing them and making notes, mental and otherwise. That's an advantage.

I want to thank the Hon. First Member for Vancouver–Little Mountain (Ms. Young) for her spirited defence of the proposition that unless the people control the liquor industry the liquor industry will control the people. It's as simple as that. I think we have a good public system in this province. And in those areas where it is under private enterprise, don't underestimate the power, political and otherwise, of that kind of massive money industry to control government itself. I ask that the question be put on second reading, Mr. Speaker.

Motion approved; second reading of the bill.

Bill No. 121 referred to a committee of the whole House at the next sitting after today.

HON. MRS. DAILLY: Second reading of Bill No. 123, Mr. Speaker.

FAIR SALES PRACTICES ACT

HON. MR. MACDONALD: This bill is intituled the *Fair Sales Practices Act*. It deals with those things called pyramid sales.

I realize that the Hon. First Member for Vancouver–Point Grey (Mr. McGeer) has put his own bill upon the order paper and it was debated shortly today. I would like to say, however, much as that effort is appreciated, that it is modeled on the Ontario bill and it really is not as effective a means of dealing with pyramid schemes as I think we're proposing in this legislation.

It's fine to say that everybody who engages in a pyramid plan has to register, file a prospectus, tell the recruits how little chance they've got of success or to reveal the true nature of the scheme to them. But a lot of them practice their schemes without coming forward to register and without there being any further prospectus at all.

In Ontario at the present time their registrar, whose function it is to receive these registrations has about two registrations, I think it is, from our last count, and 14 or 15 schemes that they're trying to run down going full blast throughout the Province of Ontario.

So we're moving in this legislation with several weapons and I think they're pretty stringent.

To being with, we have prohibited practices. They're pretty wise. For example, requiring a person to purchase an unreasonable quantity of products or services, having regard to all the circumstances. I can remember Holiday Magic — which is still alive and well, under the gun in California at the present time, trying to sue the Attorney General down there.

I remember a widow who sold these cosmetic products, trying to make her living, and at her age finding it hard to get a job. So she put a lot of money, \$3,000 or \$4,000 into purchasing the cosmetic products on the basis of the assurances that she would be able to line up salesladies and they would take so much and it would all be gone and she would be the top merchant of the chain and make a good living out of this.

Well, of course, her basement was filled with these cosmetic products. There was nobody solvent around that she could sue, even though I suppose she had a pretty good case at law in terms of fraud.

We are trying really to outlaw pyramid sales in British Columbia, because the endless chain operation simply fleece people. There aren't any good ones. There aren't any ones about which we can warn people and then let them go ahead at their own risk. Because this kind of thing, especially when it's built up as "dare to be great" was built up in an air of almost religious hysteria, plays upon the emotions of gullible people as that particular scheme did and as others will do as they are expelled from other parts of the continent, particularly states of the United States, and comes into the Province of British Columbia.

Interjections by some Hon. Members.

HON. MR. MACDONALD: We were a trio for a

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minute there, over the mike.

MR. GARDOM: That's pyramid selling. (Laughter).

HON. MR. MACDONALD: So we start on prohibited practices and then we describe pyramid schemes. We have in there a further provision that those schemes include any person or class of persons designated as a pyramid distributor by the Lieutenant-Governor-in-Council. So if we've missed something which is hurting people in this province we intend to pick it up.

We have as enforcement procedure in this Act offences where somebody can be prosecuted and the penalties are pretty substantial; we have the right of an inspector to go in and investigate the plan; we have the right of the inspector to have a receiver appointed of its assets, if somebody is being defrauded or there is a likelihood of being defrauded to protect those assets until they can be properly dealt with by a judge; and we have the power of the inspector to apply for a court injunction if these other matters do not work.

I believe in this bill that we will be ridding our province for all time of the kind of "get rich" schemes which have made riches for the promoters and a great deal of heartsick misery for a great many of our sincere people in this province. I move second reading.

MR. SPEAKER: The Hon. First Member for Vancouver–Point Grey.

MR. McGEER: Mr. Speaker, I studied the explanatory note on this bill particularly carefully. The explanatory note said, "The purpose of this bill is to enact the *Fair Sale Practices Act*, the contents of which is self-explanatory." I don't know if this is the new method of explaining legislation, but I think the Attorney General laboured his way through supplying some of the explanatory notes that should have been attached to the bill when it was first introduced.

AN HON. MEMBER: It's the only way to get you to read the bill.

MR. McGEER: Mr. Speaker, may I commend the methods used in the Province of Quebec, because not only do you get the bills in two languages there, but you also get very extensive explanatory notes going through the whole text of the bill, explaining section by section exactly what legislation it intends to do.

It is my opinion that even writing the explanatory notes would do a great deal to help the draftsman himself in making certain that the wording of the Act agrees with the intent that he's describing.

Having said all this, Mr. Speaker, I must apologize for some of the bills that I introduced this afternoon not containing similar explanatory notes, but I certainly intend to correct that in future years.

As far as the Act itself is concerned, Mr. Speaker, may I compliment the Attorney General again on bringing in some kind of legislation to deal with this rather serious problem we have in British Columbia.

The "dare to be great" scheme was one of the more spectacular recent ones brought into the province.

HON. MR. HALL: That was in the election platform.

MR. McGEER: Yes, it had that little tinge of politics to it. But whether that aspect creeps in or not, Mr. Speaker, all pyramid selling schemes are operated by confidence people. Every last one. Therefore, any legislation which hopes to deal with this problem is going to stand or fall, not on the contents of the legislation itself, but upon the vigour with which that legislation is applied.

I would submit that the failure in the province of Ontario, and indeed their legislation has failed, has not been because the law itself was not adequate to do the job. It's because the people that have to be dealt with in these pyramid selling schemes are unscrupulous; they are scheming, and they are going to get around any kind of legislation, no matter how stiff, if the administration of that legislation is not extremely tough.

Applying that same reasoning, Mr. Speaker, to this particular Act, makes it absolutely essential, if the Legislature supports the bill — and we certainly intend to support it, that the Attorney General waste no time in proclaiming the Act, every section of it, in appointing the people to perform the duties of inspector. The week after the bill receives royal assent, have that man in the field closing down these nefarious operations.

So may we urge the Attorney General, in closing the debate, to tell us what steps he plans to take in implementing this valuable piece of legislation.

MR. SPEAKER: The Hon. Member for Oak Bay.

MR. WALLACE: Thank you, Mr. Speaker. I think there is little doubt from much of the publicity locally, in the city and the greater Victoria area, that the pyramid sales practice is not only present in the province, but it is very serious. I've had quite a bit of communication with the Better Business Bureau who find this an intensely difficult problem to nail down. I strongly support the Attorney General's effort to bring in a bill which will give people like the Better Business Bureau the chance to inform businesses and the citizens generally about the existence of such

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schemes in the province.

I think the former speaker for Vancouver–Point Grey made it very clear that they are confidence people, but the other difficulty, Mr. Speaker, above all is that they are in the province for a week or two or three and then they are gone. The best example of that was this pyramid selling outfit called "Canada Golden Products" who were fined a large sum of money in Alberta one month and the next month they were in British Columbia functioning here in Victoria. I am told that they have now left British Columbia. It just seems that they are on a round-about — they go from province to province and country to country, and they just seem to be a few steps ahead of the law.

I have a clipping here from a Toronto newspaper of March 29 — where the police in Toronto have arrested 14 people concerned with "Canada Golden Products" — that's the same outfit that has been fined in Alberta and has been in British Columbia until recently.

So the point has been made, but I think it should be repeated: that the difficulty of policing this particular organization is going to be difficult no matter how well you write the legislation.

In fact part two of the legislation under the heading Pyramid Sales, I think, describes beautifully just exactly what the structure of the pyramid selling is — that you've so many levels of people inciting other people to go out and sell, but out of all the people involved, there are very few people doing the selling. The Attorney General's written, I think, an excellent description in part two of the bill which makes it very clear that to carry out that kind of practice is an infringement of this Act.

I agree with the speaker from Point Grey that unless we have... All I see is if an inspector is given power to examine and investigate and so on...it sounds rather lengthy and complicated to prove the case that pyramid selling is going on. And since these people come and go very quickly, my reservations about this bill is that the speed and efficiency with which the inspection can be carried out might be impaired in terms of all the things the inspector has to do. This may not be the case, but maybe the Attorney General can tell us when he winds up the bill.

I think also that in relation to the sums of money involved in this kind of organization, I would say the fines are not particularly heavy. We are dealing with people who are, under false pretences, fleecing citizens of millions of dollars. It says here that the penalty is not less than \$2,000 and not more than \$5,000. I just feel from the limited knowledge I have of what has happened in the greater Victoria area that for the misery and hardship and the real financial mess that some people finish up in because of pyramid selling, that the perpetrators of the scheme should be subject to a heavier penalty. But, that again is something which experience will probably help us to amend in a later bill.

I would like to say just how much we support the Attorney General in his willingness to get this statute on the books, and I would add our encouragement that it be proclaimed as soon as possible. With experience, we can

perhaps co-operate — perhaps the inspector can be tied in to co-operate with the Better Business Bureaus, who all across Canada are well aware of the dangers of this kind of organization functioning in each of the provinces. As I said earlier, I gather that the Better Business Bureaus have been aware of it, but have great difficulty within limits of time and the law to bring it to a halt. I hope this bill starts them on that path.

MR. SPEAKER: The Hon. Member for Langley.

MR. R.H. McCLELLAND (Langley): Of course, we support this bill as well. I just wanted to say that I'd like to see the House pay tribute to a man, the General Manager of the Lower Mainland Better Business Bureau, Mr. Vince Forbes, who time and time again risked legal action against himself to bring this problem forward. I think he is the one person in British Columbia more than anyone else, responsible for this kind of legislation and responsible for the public outcry against this kind of practice, and I think he deserves to be commended at this time.

MR. SPEAKER: The Hon. Second Member for Vancouver–Point Grey.

MR. GARDOM: Well, I rather hate to take a somewhat alternative position from every speaker who has had a few words tonight, but there is no way in my view, Mr. Speaker, that we can protect society against those people who are crooked or completely rule out the great desire of those who are gullible.

I think the area really and truly where we are failing is in the area of making these things publicly aware. I spoke a little bit about that earlier today. You know, the Midas Muffler ad is doing more use today in explaining to the people the fraudulent nature and the lack of backing in the word "guarantee." They are making people think about the word "guarantee."

I certainly go ahead and support the legislation. But, I think government would do an excellent job in bringing to the attention of the general public, in quite a dramatic kind of a manner, those people who have been fleeced. I agree very much with the remarks that were made by the Member for Langley a few seconds ago concerning Mr. Forbes of the Better Business Bureau. But he's never had the equipment to go ahead and inform the public of what has happened to the gullible who have been taken in.

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This was brought home to me very strongly once. Mr. Attorney General, it dealt with a gentleman who was sued for \$1,000 for dancing lessons that he had not taken. He came in to see me as a lawyer. He wondered whether or not he had to pay this \$1,000 on the contract for dancing lessons that he had not taken. To cut a long story short, we were quite successful in the position he took that he would not have to pay that \$1,000.

But what really came home to me was that he said, "You know, Garde" — he's a little bit of an Irishman — "It's the \$1,000 they're claiming now that I've not received the benefit of that hurts me. But I paid \$4,000 for lessons and I still have two left feet."

This is the kind of fact that I think should be brought across to the general public. We'll bring in this bill. We all totally support it, of course. It's a great first forward. We'll bring this bill in. We'll still have pyramid sales in the Province of B.C. and we'll still have gullible people being taken in. For gosh sakes, when you get the situation...

Interjection by an Hon. Member.

MR. GARDOM: They're a separate problem.

HON. MR. MACDONALD: You bring in a bill on that and we'll look at it.

MR. GARDOM: I'm glad you recognize the difference. (Laughter). I think a very important thing to do is go ahead and bring to the attention of the general public... We could receive a fantastic number of illustrations, even from these ombudsman kind of columns we have operating in one of the daily Press in B.C. There are all sorts of illustrations of people being taken in with these kind of things. Let the public know about it and the public will learn from example.

MR. SPEAKER: The Hon. Attorney General closes the debate.

HON. MR. MACDONALD: Mr. Speaker, I ask that the question be put.

Motion approved; second reading of the bill.

Bill 123 referred to a committee of the whole House at the next sitting after today.

HON. MR. BARRETT: Second reading of Bill 124, Mr. Speaker.

AN ACT TO AMEND THE STRATA TITLES ACT

HON. MR. MACDONALD: Mr. Speaker in moving second reading of this bill, there's a very full explanatory note of this bill. Apart from more technical details, the essential point is that a conversion from rental units to condominium be approved.

On the other matters in this bill, I'd be glad to answer questions in committee. I move second reading.

MR. SPEAKER: The Hon. Member for Oak Bay.

MR. WALLACE: Mr. Speaker, we just wish to support this bill for the very clear reason that in Oak Bay in particular we have many apartment buildings where elderly citizens moved in with the clear design to live in rented accommodation for the latter years of their lives. This bill gives the local municipality the kind of insight and authority to decide what is best for its own municipality in terms of the very important matter of accommodation, authority to decide what is best for its own municipality in terms of the very important concerned, the change has taken place prior to the legislation. But I certainly appreciate the introduction of the legislation and we support it.

HON. MR. MACDONALD: Mr. Speaker, I ask that the question be put.

MR. SPEAKER: The Attorney General closes the debate. Are you ready for the question?

Motion approved; second reading of the bill.

Bill 124 referred to a committee of the whole House at the next sitting after today.

HON. MR. BARRETT: Second reading of Bill 128, Mr. Speaker.

AN ACT TO AMEND THE CONDITIONAL SALES ACT, 1961

HON. MR. MACDONALD: The same principle will be found in Bill 129. Perhaps the explanation of that principle, which is really quite simple can prevail for both bills.

It simple boils down to the two words "seize" or "sue", but you must elect. This is something quite new in our law. We know of many cases where great hardship has been inflicted upon purchasers. The standard kind of case is where an automobile has been inflicted upon purchasers. The standard kind of case is where an automobile has been sold on conditional sale or a mortgage. The payment and finance charges are not met. The car is seized. The 20 days go by and the purchaser is unable to pay the amount owing under that mortgage plus, by that time, bailiff's charges for seizing it and accumulated finance charges. So it is sold by the finance company — not by the garage that originally sold the car, in most cases, because they've sold the paper off to a finance company. All their

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rights pass to that finance company.

Now, having sold the car, the finance company then goes after the purchaser, who has nothing except that he's lost his car, his investment, his interest and his payments. He's had his vehicle seized and they still go after

that man for what's called the "deficiency." You hear of some tragic cases where a car's been bought for, say, \$2,000. He's paid it down to \$ 1,000 and the car is seized. Then it's sold off, not for \$2,000 but for \$300 or \$400. Very often — and I have no hesitation in saying this — the finance company that holds the paper sells it to a dealer with whom they have association. Maybe it's a subsidiary company. So, that the resale price of the seized vehicle is ridiculously low in many cases. Then the poor victim, the purchaser, is sued for what is called the deficiency. Believe me, that can run into \$1,000 or \$2,000 arising out of a simple car purchase.

So we say — and I think we're being fair to both sides, creditors and debtors alike — that you must elect your remedy. Seize the car, provided that no more than two-thirds of the payments have been made. That's another provision of the bill — you can't seize if more than two-thirds of the payments have been made. Make your election but don't think that you're going to hit twice the person to whom you've sold the goods: once by seizing his chattel and once more by taking him to court for a sum of money, including all your expenses and finance charges.

We think this legislation is eminently just and long overdue. I move second reading.

MR. SPEAKER: The Hon. First Member for Victoria.

MR. N.R. MORRISON (Victoria): Mr. Speaker, I'd like to say that I support the bill.

As a former automobile dealer, I understand some of the problems. I might also say that if you don't know automobiles and you don't know anything else, know your dealer. At least know who you're doing business with.

I think the expiration of the contract after three years is also a good thing. With the Central Registry here in British Columbia, a good many of the liens are never lifted. As a result, at some future point you might find that there's still a lien on the vehicle.

There's one part that concerns me and I don't know quite how you're going to correct it. What happens to the vehicle which is abandoned? Or in the case when it is repossessed and you do acquire it, until you have that car you really have no indication of its value. At that point you're committed. You have taken possession of the vehicle and you have no other recourse.

It has been my experience that automobile dealers very rarely make any money on repossessions. On the contrary, it's a very expensive part of the business for a bona fide automobile dealer. Usually, in the course of a year, repossessions can be very expensive. Also, in many cases of repossession the customer knows a long time before the repossession that there's no way he's ultimately going to be able to pay for it. As a result, he runs it into the ground. Although he may not have stripped the car — that does happen — in many cases the vehicle is not worth anything.

Then the dealer is faced with the problem of whether to recondition the vehicle — in other words, spend more money on it — before the sale. This becomes a very complicated procedure. In many instances, the fact that the vehicle is sold for perhaps wholesale or even below wholesale, is because they don't want to muddy up the transaction in any way, shape or form by having added to it.

I would like to point these various problems out. I think some of this should have further discussion. Perhaps in committee we can solve some of those problems.

The abandoned cars are a serious problem. When a customer abandons a car, you never find him either. Vehicles are very mobile. Repossessions can take place all over the province. In many instances, the car can be repossessed hundreds of miles away. The company which repossesses it returns it to the dealer at the dealer's expense. In many cases, when that vehicle is returned to the dealer's floor, it isn't worth the cost of transportation of getting it from where it was repossessed, let alone any value when you go to dispose of it.

There's one other item I'd like to mention. This is a letter which the Attorney General was sent and I received a copy. It concerns a furniture store. They also would like to point out one or two of the problems concerning this Act. They feel that if the amendment prohibiting suit following repossession becomes law there will be a greater tendency for the careless debtor to abuse the merchandise and invite repossession, believing that it will end his obligation; conversely, they feel that legislation that will give the buyer greater incentive to keep and take care of the chattel would be beneficial, both to himself and to the seller.

It appears that there is a trend in our country to protect the careless and the irresponsible to the hurt of the honourable citizen or the honourable businessman.

Thank you.

MR. SPEAKER: The Hon. Attorney General winds up the debate.

HON. MR. MACDONALD: Mr. Speaker, in winding up the debate I'd be glad to take into consideration what has been said by the First Member for Victoria (Mr. Morrison). In committee stage we may have something further to say about it. I ask that

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the question be put.

Motion approved; second reading of the bill.

Bill No. 128 referred to a committee of the whole House at the next sitting after today.

HON. E.E. DAILLY (Minister of Education): Second reading of Bill No. 129, Mr. Speaker.

AN ACT TO AMEND THE BILLS OF SALE ACT, 1961

HON. MR. MACDONALD: Mr. Speaker, this is the complementary bill, same principle, and I move second reading.

MR. SPEAKER: Any debate on second reading? The Attorney General closes the debate.

HON. MR. MACDONALD: Question.

Motion approved; second reading of the bill.

Bill No. 129 referred to a committee of the whole House at the next sitting after today.

HON. MRS. DAILLY: Second reading of Bill No. 138, Mr. Speaker.

AN ACT TO AMEND THE SUPREME COURT ACT

HON. MR. MACDONALD: Mr. Speaker, Bill No. 138 is again complementary to the two bills that we've just passed. It's a very simple bill, as are all of these bills very simple bills. The definition of "writ of execution" is made necessary by the changes that have just been approved by the House in the *Conditional Sales Act* and the *Bills of Sale Act*. In addition to this, this amendment to the *Supreme Court Act* gives a local judge of the supreme court power in foreclosure matters that he did not have heretofore.

I move second reading.

Motion approved; second reading of the bill.

Bill No. 138 referred to a committee of the whole House at the next sitting after today.

HON. MRS. DAILLY: Second reading of Bill No. 132, Mr. Speaker.

PUBLIC OFFICIALS' DISCLOSURE ACT

HON. MR. MACDONALD: Mr. Speaker, Bill No. 132 is called the *Public Officials' Disclosure Act*. It is an Act that is of importance to every Member of this Legislature and to elected members throughout the Province

of British Columbia holding provincial office.

I would like to say that the Government hopes that this will be regarded as a non-partisan measure. To try to show that we mean what we say in that respect, I would hope that the debate tonight would cover three or four speeches in which each of the party groups here would give their comments about the bill and its problems and that then the debate may be adjourned.

Quite frankly, I would think it might be well that it be adjourned until next October, either by adjournment or a new bill. It isn't that we're in any way, Mr. Speaker, afraid of standing up for the very vital principle that's contained in this bill, and that is to eliminate corrupt influences that may guide the decisions of legislators or which may seem to guide the decisions of legislators — and that's just as important. If democracy falls into disrepute because people think that this man or that is bought by the special interests he represents in casting his vote on this measure or that, then democracy suffers very grievously, even though the charge may not be true.

Yet at the same time we balance here two things — the public interest and full and open disclosure, so that it can be sure that there is integrity on the part of its lawmaker, and on the other hand the rights of privacy of individuals, including elected people and politicians.

So this bill grapples with that problem not in terms of disclosure — which I think is the right approach, rather than attempting to say that this or that motion or bylaw or law of the Legislature of the province might under certain circumstances be declared invalid because somebody was interested fraudulently and voted upon it. I think that kind of thing leads to endless unsettling effects on the lawmaking process.

This does not, of course, touch upon the sections already in the *Constitution Act*. It may well be that those sections should be brushed up. I would think they'd have to be looked at and brushed up. They're pretty ancient. They're familiar to the Hon. Members. There are also one or two rules in the standing orders that bear directly upon this questions.

Yet while the principle is very important, there are questions as to how broadly you should define interest to be disclosed. Should it apply to a man's car? I would certainly think not. To his clubs? I would certainly hope not.

AN HON. MEMBER: His golf clubs?

HON. MR. MACDONALD: To what extent should he to the best of his ability declare the interests of his spouse or her spouse or child? So that there are many points, and they have been debated to some extent in

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the province.

I think all Members are aware of the kind of balancing of interest that has to go on to make this an effective bill and I would therefore hope that we would have a constructive discussion, perhaps passing around the House, and then this bill will be possibly adjourned and debated and discussed very fully before it is implemented as law.

I move second reading.

MR. SPEAKER: The Hon. Member for Columbia River.

MR. CHABOT: Thank you very much, Mr. Speaker. I appreciate very much the words of the Attorney General relative to this Act. I am sure the Attorney General realizes that there are needs for amendments to the Act as it presently reads. I don't rise to speak for any special interest groups or for myself, because I have nothing to hide. I am sure that my assets are substantially less than those of the Attorney General.

HON. MR. MACDONALD: You were staying at the Glenshiel.

MR. CHABOT: I must say that...

MR. McGEER: Financial assets or otherwise? (Laughter).

MR. CHABOT: All kinds of assets — diplomas, law degrees.

HON. MR. MACDONALD: I didn't have a room in the Glenshiel.

MR. CHABOT: Union Club.

AN HON. MEMBER: Where's that?

MR. CHABOT: Seriously, I'm going to speak on this because I do really believe that it's an invasion of privacy to a certain degree. I am going to attempt to be as objective as I possibly can when I discuss this in a non-political way, being the non-political guy that I am, really. This is why I am going to be non-political.

We've already seen the effects and the attitude that has been generated out in the community. When it was originally proposed in the Legislature we saw the reaction of one of the aldermen in one of the lower mainland municipalities, a Mr. Moore, whose profession is that of horticulturalist and landscaping consultant, who immediately resigned. He didn't want to disclose his particular financial assets or those of his family. He owns a gravel pit and he doesn't think what interest he has in that gravel pit should be revealed.

What he had to say is very revealing, and I am going to read just briefly some of his comments. He says:

"This bill works on the principle you are guilty until proven innocent. I don't like the disclosure of family interests. My wife and family didn't run the office."

He went on to say that he's prepared to give his time to the Municipality of Delta at very reasonable indemnity. He was quoting something in the neighbourhood of 35 cents an hour. He says:

"Any successful businessman is bound to be concerned with the development of the municipality. I'd rather be a successful businessman than a provincially suspected alderman. I object strongly to this. This is another Bill 42 for aldermen.

"Work on council is done out of community spirit, not to earn rewards. I am here because I thought I might be able to help the development of the municipality. If people think you're here to make a buck, they're mistaken."

He went on that the mayor of the municipality said that he is a very valuable man and that he was sorry to see him leave. They had a chat and he attempted to convince him to stay in the municipality but he was unwilling to stay because of his strong belief that this legislation is really an invasion of privacy.

There have been other municipal bodies as well as school districts who have objected quite strenuously to this type of legislation. It not only applies to Members of the Legislative Assembly. I would think that if it applied only to Members of the Legislative Assembly there would be no room for any criticism of this legislation.

But it goes down into the municipal councils. It doesn't matter whether it is a municipal council of the lower mainland or just a small village or town up in the interior of British Columbia — it applies to them as well.

It applies to school trustees throughout the province.

The legislation appears not to have been promoted but introduced on an assumption of guilt which I think is the wrong concept.

There are ways and means of avoiding the declaration of one's assets. One can hide behind many legal institutions where he doesn't have to declare his assets. It's not that very difficult, really.

But what you are really doing is subjecting a family and its assets...you are making them chattels to be exposed in public.

The legislation attempts to legislate moral standards and I don't think legislation should ever be intended, Mr. Speaker, to legislate honesty or moral standards.

The legislation will not, in my opinion, stop,

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restrain or disallow dishonest people from being elected to public office despite the disclosure Act. People will still be elected despite their declaration and non-declaration of assets.

As it is presently worded the legislation, in my opinion, is window-dressing. What it will do to a great degree is discourage responsible and well-meaning people from offering themselves for public office. As I said before, I am not that concerned on the provincial scene because I believe maybe there is a need at a provincial level for a declaration of assets.

I am concerned about the people who, because of the fear of this particular legislation, the failure to reveal a small interest in a company or a small interest, a few shares of something owned by his family that have been stored away in a safety deposit box, and he's forgotten to reveal it to the public — then he's subject to the penalties.

HON. MR. MACDONALD: Well, the bill says he must make reasonable efforts to determine — it's not an absolute penalty if he makes a mistake.

MR. CHABOT: But he'd have to prove that it was a legitimate mistake that he'd made.

HON. MR. MACDONALD: He's got a chance. He's got to be very careful.

MR. CHABOT: It's one of those things that could discourage the type of people that we're attempting to bring into public life from running for public life.

Also I don't really believe that anyone who runs for trustee of a school board who, for instance, might own property in the Province of Quebec or in the State of Vermont, should have to declare his holdings in those two particular jurisdictions. Of what interest is it really at the British Columbia level as to what his holdings are in those jurisdictions?

What the legislation as it presently appears on the statute books as Bill 132 — *Public Officials Disclosure Act* attempts statute books as Bill 132 — *Public Officials' Disclosure Act* attempts what it's asking them to do.

I really cannot understand the reason for the introduction of this legislation in its present form.

There is a very serious need for amendments to this legislation and I'm happy that the Attorney General has indicated that he is prepared to entertain amendments, and that he's prepared to hold the legislation over, because I consider that the legislation as it is presently worded is clumsy legislation. It will not serve the intent and purpose for which the Attorney General or the Government has introduced the legislation.

MR. SPEAKER: The Hon. First Member for Vancouver–Point Grey.

MR. McGEER: Mr. Speaker, I'd like to speak in support of the general principle of this bill, but to offer one or two suggestions to the Attorney General for his consideration in judging what amendments would be appropriate for it.

I think it was General Eisenhower who first came out in a very famous declaration about 10 or 12 years ago, calling for the open declaration of holdings on the part of people who formed the federal cabinet in the United States. There was very wide public acclaim for that particular statement of principle and I think many people, myself included, were disappointed that the United States did not follow up on his suggestion. Had it been introduced there I think it would have become a widespread and generally accepted principle.

The difficulty with this bill is that it has not been tried before. This is pioneering legislation, the kind of thing which the Attorney General and the Government should be complimented for attempting.

I personally feel that, far from the consequences that the Member for Columbia River suggests, this would be a protection for the public official. A protection. Because in declaring at the very start his beneficial

ownership...and remember, speaking through you, Mr. Speaker, to the Member for Columbia River, there is no necessity to declare the extent of the holdings — only the fact that they are there...that this will save that public official from any number of witch-hunts which might take place to his embarrassment when he least expects it later on.

The fact that it is all laid out on the table beforehand is going to be a deterrent to witch-hunts as well as a deterrent to the kind of rumours that aren't true but which continually plague everyone who is in public office.

I can't tell you over the years how many times people have whispered in my ear about conflicts of interest that people holding high office have held that are completely and utterly false. Yet these circulate to the detriment of that Member's reputation without him ever being aware of it.

Interjection by an Hon. Member.

MR. McGEER: Don't be too sure. (Laughter). Don't be too sure. Now having said these things, Mr. Speaker, there are one or two points which I think the Attorney General might consider.

First of all, is it really necessary in the first stage to take it all the way down to the dog-catcher, or however far it goes down? We might start, Mr. Speaker, just to begin with by having the cabinet declare, then perhaps extend it to the MLAs and mayors and, as we worked the bugs out of this

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legislation, the people who introduced it being the ones to help out most in this regard, then we can work our way through the backbenchers, the Members of the official Opposition, then to the Liberals — and work our way down to the groups that are even less significant, if any, in the Province of British Columbia.

Interjections by some Hon. Members.

MR. McGEER: The second, Mr. Speaker is that the person who considers running for office might be discouraged more by the prospect of making a mistake than the prospect of making the full disclosure, because there are many pitfalls in making an appropriate declaration. If the man does make a mistake in the opinion of some other person, then he is required to defend it, I presume, in court.

Therefore I would think, as a safeguard, Mr. Speaker, the Attorney General might consider that the declaration should be checked by whoever receives it on behalf of the government; and if it is not challenged within a given period of time, then it is accepted as a valid document so that two years later or five years later, or ever how long later it might be, if someone wanted to challenge the validity of the disclosure that he then would not be faced with court action in case an honest mistake were made.

Mr. Speaker, the intent of the bill, in my opinion, and I'm sure that each MLA has his own attitudes towards this particular legislation; in my opinion it is excellent. I believe if a really workable bill can be brought in by the Attorney General, that it will quickly be copied by other jurisdictions and will set a different kind of standard, a better standard for public life.

Yet, Mr. Speaker, its workability is going to require some period of experimentation. Because of that, I think the Attorney General should do more than just postpone the bill for a few months, but to bring it in bit by bit, starting with the Members of the Legislature and then extending it, if necessary, to other groups.

MR. SPEAKER: The Hon. Member for Saanich and the Islands.

MR. H.A. CURTIS (Saanich and the Islands): Mr. Speaker, at the risk of antagonizing some of my colleagues in local government, I must speak very strongly on behalf of the intent of Bill No. 132. I would commend to the Hon. Attorney General some suggestions which appear elsewhere on the order paper. It may be best, in order that the best possible legislation can be brought down, that this matter be held over until the fall — as the Attorney General has indicated.

I do agree with the observations of the Hon. First Member for Vancouver–Point Grey (Mr. McGeer) with respect to the fact that a bill such as this offers protection. I don't think a public official need feel naked, need feel

guilty before all in the province merely because he or she is required to disclose conflict of interest or his or her holdings.

Those of us who have been in municipal government know very well the embarrassment and the frustration which is felt, particularly in the rezoning process, when a whisper campaign reaches one's ears to the effect that this member of council or that member of council holds property nearby and therefore has a direct conflict of interest. To have declared in advance, particularly with respect to land, is to once and for all wipe away that particular whisper or rumour.

There is no assumption of guilt as far as I can see, and I must make the observation, Mr. Speaker, that if there is nothing to hide, then there is nothing to fear in a disclosure such as this.

I want to refer to one instance which goes back about four or five years, as I recall, in one municipal council where on at least two or three occasions it was necessary for the mayor to inquire of an alderman, was he speaking as an alderman or was he speaking as a landowner nearby. I don't really think the alderman concerned was acting improperly, but the two matters were muddled in his own mind and he wasn't sure which role he was playing at the particular time in the heat of debate.

I hope the Attorney General and the Government will not lose sight of this legislation between now and October. I hope that the Attorney General will work on refinements and will bring us a bill which could very well lead and show an example for a number of jurisdictions. There is very definitely in British Columbia at the provincial and local and, I suggest, at the school board level, a very real need for this kind of disclosure on the books.

MR. SPEAKER: The Hon. Minister of Education.

HON. MRS. DAILLY: I thank Hon. Members for their comments. As you heard the Attorney General state, this will be brought up again in the fall. I would now like to move adjournment until the next sitting, not at the fall, some future sitting. I move adjournment of the debate to the next sitting of the House.

Motion approved.

HON. MR. BARRETT: Second reading of Bill No. 141.

AN ACT TO AMEND THE CREDIT UNIONS ACT, 1961

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HON. MR. MACDONALD: This is an *Act to Amend the Credit Unions Act*. It arises out of taxation legislation of the Hon. John Turner — some of which met with the approval of our colleagues in Ottawa, but not all of it.

In this particular case it means that the credit unions may be subject to taxation. They may very well find that there would be an exemption, nevertheless, for those of their funds that belong to the credit union reserve board. At the moment that board in order to safeguard the savings of credit union members holds funds, but it holds them for the various credit unions. The change in this bill will be that the funds held on deposit by the credit union reserve board will be owned by the board; they will be owed to the credit unions. If there is therefore a taxation exemption upon the income to be earned by those funds attracting itself to the credit union reserve board, the credit unions will have the advantage of it. It is just as simple as that.

I can't be sure I got it right, but it is just as simple as that. Therefore, it is a proclamation measure that depends upon the Ottawa action, but we are making it possible for the credit unions to reap this benefit. I move second reading.

MR. SPEAKER: The Hon. Member for South Peace River.

MR. D.M. PHILLIPS (South Peace River): Mr. Speaker, I move adjournment of this debate until the next sitting of the House.

Motion approved.

HON. MR. BARRETT: Mr. Speaker, second reading of Bill No. 163.

AN ACT TO AMEND THE MOTOR VEHICLE ACT

HON. MR. MACDONALD: Mr. Speaker, this is a bill to amend the *Motor Vehicle Act*. I will only refer at this time to two of the principles contained in it, because it contains a number of minor amendments. I think one of the major problems that we seek to deal with is the abandonment of parked cars in the City of Vancouver. A great many of them are standing on the streets of the city, abandoned to all intents and purposes, and while you can leave parking tickets on them, it is not an offence as such. There should be provision that the police pick up those cars.

The other section of concern is the question of a person challenging his demerit points before a provincial judge. The present provision is that he must pay \$10 and unless he wins his case, he has lost his \$10. Now the amount is not large, and the whole matter is before the court because the system was challenged. It was rejected as unconstitutional in the provincial court. The system, as in the present *Motor Vehicle Act*, was then upheld in the Supreme Court by the judgment of Mr. Justice Hinkson and it is now on its way to the Court of Appeal.

At the same time we do feel, regardless of the results of that appeal, that the principle of paying the \$10 and losing it unless you win your case, is not something that belongs in this kind of legislation which is in effect prescribing demerits or penalties upon people. I therefore, subject to discussing the other sections as the Hon. Members may desire in committee, move second reading.

MR. SPEAKER: The Hon. Member for South Peace River.

MR. PHILLIPS: Mr. Speaker, I would just like to commend the Hon. Attorney General for section 25 which allows the vehicle to stand with the motor running, providing it is locked. Section 182 as it did stand, said that you had to take the key out of the ignition; if you didn't, you were violating the Act. This meant that in the northern part of the province where if you wanted to leave your car idling, if you locked the doors, you were in essence breaking the law because you had not removed the key from the ignition. So I just commend the Attorney General for making this change in the Act.

MR. GARDOM: I would just like — if I do have the ear of the Attorney General — concerning this particular section which the last speaker spoke about — section 25 dealing with the locking of vehicles. I do hope that you dovetail this with the *Insurance Act* because you don't want to get into the situation whereby if the individual doesn't happen to lock a car, that he has lost his insurance rights in a theft claim.

Hon. Mr. Macdonald moves second reading of the bill.

Motion approved; second reading of the bill.

Bill No. 163 referred to a committee of the whole House at the next sitting after today.

AN ACT TO AMEND THE CHANGE OF NAME ACT

MR. SPEAKER: The Hon. Minister of Health Services and Hospital Insurance.

HON. D.G. COCKE (Minister of Health Services and Hospital Insurance): Mr. Speaker, Bill No. 43, *An Act to Amend the Change of Name Act*, is very

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straightforward. I think it has been looked for for a long time, particularly by those people who have been offended by the lack of opportunity afforded by the previous legislation.

Mr. Speaker, this Act provides that subsequent to a divorce, a woman may change her name back to her original name by going back to the Supreme Court without the two-month limitation that is now in effect. As I say, Mr. Speaker, it's straightforward. Vital Statistics requested it. It's been requested by those people interested in the legal realm. I would therefore move second reading, Mr. Speaker.

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

HON. MR. COCKE: Mr. Speaker, I would therefore call the question.

Motion approved; second reading of the bill.

Bill 43 referred to a committee of the whole House at the next sitting after today.

HON. MR. BARRETT: Second reading of Bill No. 45, Mr. Speaker.

SEXUAL STERILIZATION ACT REPEAL ACT

MR. SPEAKER: The Hon. Minister of Health Services and Hospital Insurance.

HON. MR. COCKE: Mr. Speaker, in moving second reading of Bill 45, the *Sexual Sterilization Act Repeal Act*, I went over the records. In the past 10 years, there have been very, very few calls for the use of the eugenics committee that was set up. We find it quite archaic to provide for sexual sterilization of people who are in mental institutions.

Not only that, Mr. Speaker, it provided for sterilization of people who were in boys' industrial schools, girls' industrial schools and that type of situation. The people in our health department and the people in the professions feel that it was most archaic. Therefore, Mr. Speaker, I move second reading.

MR. SPEAKER: Any further debate? The Minister closes the debate.

HON. MR. COCKE: I call the question.

Motion approved; second reading of the bill.

Bill No. 45 referred to a committee of the whole House at the next sitting after today.

HON. MR. BARRETT: Second reading of Bill No. 106, Mr. Speaker.

AMBULANCE SERVICE ACT

HON. MR. COCKE: Mr. Speaker, Bill 106 — if I can catch up to the Premier — the *Ambulance Service Act*, is a piece of permissive legislation. It permits us to set standards for the ambulance vehicle itself and it permits us to set standards of training and education for people who are in charge of ambulances.

Incidentally, Mr. Speaker, I today visited the Municipality of Saanich with the mayor of Saanich and also the Hon. Member for Saanich and the Islands (Mr. Curtis). We looked at the ambulance service in that particular area. I must say that they're doing an exemplary job of providing ambulance service.

We do want quality ambulance service for all the people in the province. But we feel that before we can move ahead at all in ambulance service, we must first have trained people and proper equipment and vehicles in this province. To date, Mr. Speaker, there has been no ambulance Act and no supervision of ambulances in the province. If you wished to, you could very well have used an old Model T truck or a dump truck or anything you liked.

Today, Mr. Speaker, with the passing of this bill, we will have our first step in ambulance service in the Province of British Columbia. Mr. Speaker, I therefore move second reading of this bill.

MR. SPEAKER: The Hon. Member for Oak Bay.

MR. WALLACE: Yes, Mr. Speaker, I think the Government should be complimented on what I hope is just the first step in a much wider scope of ambulance service across the province.

Even in recent years, ambulance service was what they colloquially call the "scoop and run" service. The patient was just picked up by sometimes inadequate facilities and completely untrained or poorly-trained attendants. I think the House should know that in the last 10 years, there's been a tremendous recognition of the fact that it is the person who reaches the victim first who may well save his life. It's no good tearing out and back at 60 miles an hour if the person is dead when they get to the hospital.

I'm sure this interests the Minister intensely. In the whole review of medical services that we're undertaking, there's been this basic change of philosophy that in terms of ambulance service, the person riding in the ambulance must have both training and knowledge and the facilities right there in the ambulance to provide treatment to the victim. In other words, the philosophy is that the ambulance has become an extension of the hospital. It isn't just a vehicle for conveying the wounded or the patient with a heart attack. It is an immediate emergency department extension of the hospital.

The necessity for this has become obvious as we've

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discovered more about the mechanisms of heart attacks, for example, and the ways in which cardiac arrests can be handled. This is where Saanich has excelled. I won't speak at length, but I think the House should know of the tremendous contribution made by one particular doctor in this community, Dr. Woodwark. With great effort, time and dedication, he has provided some of the training to the ambulance attendants in the Saanich area who have a proven record of having saved lives. I think Dr. Woodwark should be given recognition.

Over and above that, the American experience in Seattle, involving the creation of a well-defined medical attendant for ambulances and the required standards of training and the setting of standards for the vehicles, has set an example for Canada and, I hope, for B.C. I'm sure the Minister is aware of the medical attendants' programme in Seattle. He may well have seen the movie films which demonstrate the work they can do and how they function.

(Mr. Dent in the chair.)

MR. WALLACE: While this legislation is enabling legislation, I would hope that it is the first step in a well-coordinated plan to provide this service to all citizens of British Columbia, whether they live in the urban areas or the rural areas. Again, this is very much trail-blazing legislation. I hope the follow-up parts will be coming in the fall.

Thank you. We support this bill very strongly.

DEPUTY SPEAKER: I recognize the Hon. Member for Langley.

MR. McCLELLAND: Mr. Speaker, we support this legislation as well. There's one comment I want to make. I would ask the Minister that when upgrading both the training of ambulance personnel and the equipment of ambulances that are being used, I hope the Minister will take it into account that many communities are already up against the wall now with regard to financing ambulance services. Certainly the upgrading cannot come without some financial help.

I would hope that the Minister is taking that into account and will provide that extra financial help one way or another before ordering those kinds of services.

DEPUTY SPEAKER: I recognize the Hon. First Member for Vancouver–Point Grey.

MR. McGEER: Mr. Speaker, of course we'll support the legislation. We wish to compliment the Minister on finally taking some positive steps in this direction.

I do want to reiterate, Mr. Speaker, our position that all ambulance services should be under BCHIS. The Minister gave some indication this evening that that might be the direction of the Government in the future.

But there is a danger, Mr. Speaker, in establishing standards and requiring funds to be spent for private ambulance services or municipal ambulance services that might make it more difficult in the future for the government to absorb all of this into the BCHIS programme.

Therefore, Mr. Speaker, I am inclined to agree with the Member for Langley (Mr. McClelland) that BCHIS and the government itself should be the ones to help finance the upgrading of services in return for some stake in the ownership of the enterprise with a view to taking it over at some future time.

I hope that what we are not getting into with this particular Act is a more elaborate private system of ambulance service which would be borne by property owners. I think that that is the wrong direction to take and I hope the Minister is going to emphasize the public aspects of ambulance service to the province.

DEPUTY SPEAKER: The Minister of Health Services and Hospital Insurance closes the debate.

HON. MR. COCKE: Mr. Speaker, we are very conscious of the part the government must play in all health services and we are going to be watching this very carefully. In answer to the Member for Langley's question as to how we will upgrade, and what about those areas that are remote, and what about those areas that do not have financing, they are going to be given every consideration, Mr. Speaker.

We are not going to be difficult about this thing. We want to phase in the whole question of ambulances, and it is going to take a little time. But first we have to have people trained to deliver the services. Mr. Speaker, we can talk all we like about providing services, but if we haven't got those people then all is to no avail.

I move second reading.

Motion approved; second reading of the bill.

Bill No. 106 referred to a committee of the whole House at the next sitting after today.

HON. MR. BARRETT: Bill No. 110, Mr. Speaker.

AN ACT TO AMEND THE MEDICAL ACT

DEPUTY SPEAKER: I recognize the Hon. Minister of Health Services and Hospital Insurance.

HON. MR. COCKE: Mr. Speaker, Bill No. 110 is *An Act to Amend the Medical Act*. First let me say

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that the amendments to this bill were asked for by the College of Physicians and Surgeons, whose Act this really is.

Most of it is housekeeping. It provides for an extension of the deputy registrar. It provides for some changes in registration that are clearly a matter of the medical association.

There are one or two amendments, however, that are somewhat different. For an example, Mr. Speaker, there is a situation in this amendment to the Act whereby if a doctor who is either emotionally ill and hospitalized in what is normally known as or licensed as a hospital in the province either for emotional illness, drug addiction or alcoholism there is a requirement that this fact be reported to the College of Physicians and Surgeons. The old Act, you might recall, only encompassed those people that were emotionally ill and it encompassed at that time automatic suspension. Now it does not. It just calls for it being reported to the college, and the physician may have a replacement, which he was not afforded prior to this.

I think that this is a fair liberalization and at the same time a tightening up of the Act — in other words, broadening it out to encompass those two other areas.

So, Mr. Speaker, there is another area where it has been found difficult to provide a judge of the county court for some of the inquiries that have been made, and now they are liberalizing this in order to accept a lawyer, a member of the Law Society — that's also at their request.

Mr. Speaker, I think that basically it is a housekeeping bill and I therefore move second reading.

DEPUTY SPEAKER: I recognize the Hon. First Member for Vancouver–Point Grey.

MR. McGEER: Mr. Chairman, we support the principle of this bill. I'm particularly pleased to see that there is a section in it which begins to put requirements on doctors to keep their knowledge in the field of medicine up-to-date. It is something that is overdue and I hope the college is going to pursue that one.

In closing the debate, I wonder if the Minister could tell us whether section 94 was requested by the college or whether this should be referred to as the "Nimsick amendment." (Laughter).

DEPUTY SPEAKER: I recognize the Hon. Member for Oak Bay.

MR. WALLACE: Mr. Speaker, we support this bill also. Again I wish to compliment the Minister for having discussions with people like myself before drawing up the amendments and discussing it freely with the college.

Frequently in this House statements are made as to the undue power and restriction, it is alleged, that doctors have over their own profession. I think one of the amendments here — the amendment in section 8 where section 55 is amended — shows that the profession is very responsible in its attitude to its protection of the patient. So often actions of doctors are misunderstood because they seem to be those of self-interest when, in point of fact, they are restricting their fellows with regard to protecting the public.

Doctors are just as human as anyone else, and this question of emotional disturbance and the abuse of drugs and alcohol has become a very serious one to the college. Under the *Medical Act* the college has the responsibility, above all, to see that no doctor shall practice medicine and endanger a patient's life if he is mentally sick himself, or if by his behaviour it looks as though he is under the influence of drugs or alcohol.

. I feel that this is a responsible step which the College of Physicians and Surgeons is taking in seeking this amendment. I like the way in which it has been brought to the statute books with the full cooperation that exists between the Minister and the college. I don't agree with some of the opinions that were expressed by certain doctors that this was an infringement on the right of a doctor. I feel that the protection of the patient comes first.

I strongly support the amendment, particularly the amendment of section 55.

DEPUTY SPEAKER: The Minister closes the debate.

HON. MR. COCKE: Mr. Speaker, the "Nimsick amendment," as it has been dubbed, was certainly authorized by the College of Physicians and Surgeons.

Mr. Speaker, I call the question.

Motion approved; second reading of the bill.

Bill No. 106 referred to a committee of the whole House for consideration at the next sitting.

HON. MR. BARRETT: Mr. Speaker, I would like to draw to the House's attention that Bill No. 114 has been withdrawn from the order paper. There are only four short bills left, if the House cares to finish them.

Second reading of Bill No. 118.

AN ACT TO AMEND THE MEDICAL GRANT ACT

MR. SPEAKER: I recognize the Hon. Minister of Health Services and Hospital Insurance.

HON. MR. COCKE: Mr. Speaker, Bill No. 118 is a bill amending the *Medical Grant Act* which provides

that Medicare comes under the purview of the Minister of Health as opposed to the Provincial Secretary. It's very clear.

I move second reading, Mr. Speaker.

Motion approved.

Bill No. 118 referred to a committee of the whole House at the next sitting after today.

HON. MR. BARRETT: Second reading of Bill No. 122, Mr. Speaker.

AN ACT TO AMEND THE HEALTH ACT

MR. SPEAKER: The Hon. Minister of Health Services and Hospital Insurance.

HON. MR. COCKE: Mr. Speaker, Bill No. 122 is an amendment to the *Health Act*. It provides for some changes. It provides for giving health officers a little bit more responsibility with respect to waterworks systems — a delegation of responsibility to public health nurses and public health inspectors.

As you will recall, it was public health officers in the past who pretty well had the total responsibility. It also provides that where people are responsible for spills of toxic fluids, oils et cetera, they are also responsible to report them, and if not, there are fines provided for those people. The fines are at an increased level for these and any other kind of infractions. You will recall in the old Act the fines were something in the order of \$50; they have now been raised to \$500. This goes for people who have been obstructive in the face of authorized inspections et cetera.

Mr. Speaker, there is one other thing. There is one section that was withdrawn from the old Act — the section on LSD. The reason that was withdrawn was because it should never have been there in the first place. It was ultra vires because of the federal Act, so it was just withdrawn.

Mr. Speaker, I therefore move second reading.

Motion approved; second reading of the bill.

Bill No. 122 referred to a committee of the whole House at the next sitting after today.

HON. MR. BARRETT: Mr. Speaker, second reading of Bill No. 134.

AN ACT TO AMEND THE HOSPITAL ACT

HON. MR. COCKE: Mr. Speaker, the amendment to the *Hospital Act*, again, is housekeeping. This bill is to change the medical appeal board in such a way as to make it more effective. The medical appeal board was introduced into the old Act; unfortunately, we found it couldn't be used. We had a number of complaints where a doctor was appealing a decision of the hospital board. He wanted to get on staff at a hospital and so he was allowed an appeal under the old Act. To our chagrin, we looked at the Act and found out that we couldn't give him an appeal because the Act wasn't tight enough. What this is actually doing is tightening up the Act, Mr. Speaker, and I therefore move second reading.

MR. SPEAKER: The Hon. Member for Oak Bay.

MR. WALLACE: Again, Mr. Speaker, we very much support this bill. I think it is a question of not only justice being done, but justice appearing to be done inasmuch as the board can no longer act in an arbitrary fashion, nor can a doctor come out in public and scream discrimination if he is not given an appointment and privileges at the hospital.

I think with respect, the Minister is being a little humble when he says it is just housekeeping. I think this is a tremendous step forward in the question of management of hospitals — not only because of the points I have

mentioned, but it also gives the hospital protection. Again referring very briefly to the bill we have just passed about doctors getting into trouble with drugs and alcohol and so on, there are times when a doctor is refused privileges at a hospital. And actually it would be in everybody's best interest, the hospital and the doctor, if there wasn't any big stir and fuss. Usually the doctor is the person who finally suffers most.

But, the fact is that justice has to be seen to be done. If that doctor wishes to make an appeal, then I think this bill gives him a very suitable vehicle whereas the hospital board can vindicate its earlier position and the doctor cannot claim that he has been refused any kind of fair hearing. I think this is a very good piece of legislation.

MR. SPEAKER: The Hon. Second Member for Vancouver–Point Grey.

MR. GARDOM: I think this bill, above all, most emphasizes the total co-operation and the interest of all the Members of the Opposition parties in this House. When the Government introduces a good measure you find us supporting it. And when we introduce a good measure, Mr. Speaker, we find them adjourning it. This is very difficult to explain when you get home. (Laughter). So, I would very much like to say, that I intend to support Bill No. 134, but I would ask the Hon. Minister of Health (Hon. Mr. Cocke) to turn one page. Would you do that? Just turn the page — then you find Bill No. 135 — now, how about a deal? (Laughter).

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MR. SPEAKER: That's one you'll have to refuse.

HON. MR. COCKE: They made me an offer I can't refuse, but I am not the Premier and therefore I just have to renege. (Laughter).

MR. GARDOM: Reason is showing its ugly head.

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

HON. MR. COCKE: Mr. Speaker, I want to thank the Members of the Opposition for supporting this bill. I call the question.

Motion approved; second reading of the bill.

Bill No. 134 referred to a committee of the whole House at the next sitting after today.

HON. MR. BARRETT: Second reading of Bill No. 137, Mr. Speaker.

AN ACT TO AMEND THE HEARING AID REGULATIONS ACT

HON. MR. COCKE: Bill 137, *An Act to Amend the Hearing Aid Regulations Act...*

AN HON. MEMBER: Eh?

HON. MR. COCKE: I thought we'd get that one, Mr. Speaker. (Laughter).

What this does is in the first place is eliminate the necessity for the government giving endorsement for all those things that a hearing-aid dealer has been noted for doing in the past. They were all listed on his licence. We feel we should only licence a person to be a hearing aid dealer, not indicate that he can perform a number of functions.

I can just give you a very quick list of what they are. For example we say, in the old way, that he can conduct tests in pure tone audiometry, conduct tests by live voice and masking when indicated, recording and evaluating audiographs. A lot of those kind of things, Mr. Speaker, that we feel a licence should not contain. So that has been eliminated.

Also, we are giving a little bit more muscle to the board so that they can go into a dealer's premises, with

proper notice, and ask to look at his records and that sort of thing. They can also, after following an inquiry, require a hearing aid dealer to make adjustments that they consider equitable — also cancel some transactions. I think, Mr. Speaker, this is just another good bill from the health department.

I move second reading, Mr. Speaker.

MR. SPEAKER: The Hon. Member for Oak Bay.

MR. WALLACE: Mr. Speaker, I am just a little uneasy about the phrase "any person authorized in writing by the board." That's a very vague definition of the person who is going to be entitled to walk into the premises of a hearing aid dealer. I am a little disappointed... I can see the thinking behind it and the principle is reasonable, that if you are going to regulate something as important as the provision of a medical appliance which is still quite expensive and even regardless of the expense, it might not be any good if it isn't properly fitting and properly evaluated. But, I am just a little uneasy at that phraseology "any person authorized in writing by the board can enter and inspect the premises."

Based on that inspection, it is obvious from the remainder of the bill that the person who has the authority to call upon the hearing aid dealer can make certain changes and so on, which might be quite a serious matter to the hearing aid dealer. I wonder if the Minister, in closing debate, could perhaps enlarge who he has in mind as being the "any person authorized in writing by the board."

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

HON. MR. COCKE: The hearing aid board is a wide-based board. For an example, the chairman of the board is the officer of the Consumer Affairs Branch. The board also has an otolaryngologist on it. It has an audiologist on it; it has two consumers, housewives, under the circumstances. It is a wide-based board and a very responsible group of people, and I think, representative.

When that group meets — a duly constituted body such as that — and decides upon pursuing a course of action, I am sure it will be a responsible course of action. They will have to be well assured that the person they are going to investigate or see, is a person very likely in need of some inspection.

It is certainly not as wide-ranging as the powers given, for example, to a medical health inspector, or any person in that category. They have those powers given to them virtually gratuitously for our own protection. Mr. Member, through you Mr. Speaker, we feel it is necessary also for the health of the people to have somebody given this right. We feel there is no other body. Mr. Speaker, I therefore move second reading.

Motion approved; second reading of the bill.

Bill No. 137 referred to a committee of the whole House at the next sitting after today.

HON. MR. BARRETT: Mr. Speaker, with leave of the House, I would like to withdraw Bill No. 62 standing in my name on the order paper. It is to be

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replaced by Bill No. 145 to comply with federal requests.

Leave granted.

HON. MR. BARRETT: Mr. Speaker, I would like to inform the House that tomorrow at 10 a.m. we will have as our guest Karen Magnussen and a number of other British Columbia skaters. It is our intention to introduce Miss Magnussen and her companions shortly after the House comes into session. Then at 10:15 a.m. we hope to have a brief adjournment so that we can meet with Karen and her parents informally in the Ned DeBeck Lounge. We hope to be back at 10:35 a.m.

Interjection by an Hon. Member.

HON. MR. BARRETT: We go on to second reading of bills; the order of bills will be the finance

department.

Interjection by an Hon. Member.

HON. MR. BARRETT: Yes, we will do finance tomorrow.

HON. MR. HALL: By leave of the House, Mr. Speaker, I would like to table the statement of library grants from the Library Department Commission and the criteria for those grants that I promised to do during discussion on estimates.

Leave granted.

Hon. Mr. Barrett moves adjournment of the House.

Motion approved.

The House adjourned at 11:10 p.m.

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