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Official Report of
DEBATES OF THE LEGISLATIVE ASSEMBLY
(Hansard)

THURSDAY, JUNE 5, 1975

Afternoon Sitting

[[Page 3103](#)]

CONTENTS

Oral Questions

Unauthorized expenditures by rent review commission. Mr. Bennett — [3103](#)

Share ownership in ferry company. Mr. Gibson — [3103](#)

Government responsibility in oil spill cleanups. Mr. Wallace — [3104](#)

Interim supply requirements. Hon. Mr. Barrett answers — [3105](#)

Regulation of retirement homes. Mr. McGeer — [3105](#)

Cost of options on Surrey refinery land. Mr. McClelland — [3105](#)

Issuance of driver's certificates. Mr. Schroeder — [3106](#)

Emergency hearing-aid device. Mrs. Jordan — [3106](#)

Agricultural Statutes Amendment Act, 1975 (Bill 126). Hon. Mr. Stupich. Introduction and first reading — [3106](#)

British Columbia Ombudsman Act (Bill 128). Mr. Gardom. Introduction and first reading — [3106](#)

Royal Roads Military College Degrees Act (Bill 12). Second reading.

Mr. Gorst — [3106](#)

B.C. Recycling Corporation Act (Bill 13). Second reading.

Mr. Steves — 3107

Mr. Speaker rules out of order — [3108](#)

B.C. Coastal Zone Commission Act (Bill 14). Second reading.

Mr. Steves — 3108

Industrial Development Amendment Act, 1975 (Bill 15). Second reading.

Mr. Kelly — [3108](#)

Mr. Speaker rules out of order — [3108](#)

Affirmative Action Plan Act (Bill 16). Second reading.

Mr. Skelly — 3109

Tenants' Collective Bargaining Rights Act (Bill 17). Second reading.

Mr. Skelly — [3109](#)

Citizens' Initiative Act (Bill 34). Second reading.

Mr. Bennett — 3109

Public Bodies Information Amendment Act, 1975 (Bill 44). Second reading.

Mr. McClelland — [3111](#)

Mr. Speaker rules out of order — [3111](#)

Resource Revenue Sharing Act (Bill 37). Second reading.

Mr. Bennett — 3111

Mr. Speaker rules out of order — [3112](#)

Municipal Consultation Act (Bill 38). Second reading.

Mr. Bennett — 3112

Mr. Speaker rules out of order — [3112](#)

Vancouver Charter Amendment Act, 1975 (Bill 40). Second reading.

Hon. Mrs. Dailly — [3113](#)

Restriction of the Use of Spring Traps (Bill 41). Second reading.

Mr. Gardom — [3113](#)

Restraint on Speculation Act (Bill 47). Second reading.

Mrs. Jordan — 3115

An Act to Repeal the Mineral Royalties Act (Bill 49). Second reading.

Mr. Gibson — [3115](#)

Mr. Speaker rules out of order — [3119](#)

Public Schools Amendment Act, 1975 (Bill 83). Second reading.

Hon. Mrs. Dailly — 3119

Savings and Trust Corporation of British Columbia Act (Bill 86). Committee stage.

On the amendment to section 3.

Mr. Phillips — [3125](#)

Mr. Chairman rules out of order — [3128](#)

Division on Mr. Chairman's ruling — [3128](#)

On section 3.

Mr. Phillips — [3129](#)

THURSDAY, JUNE 5, 1975

The House met at 2 p.m.

Prayers.

HON. L.T. NIMSICK (Minister of Mines and Petroleum Resources): Mr. Speaker, I have two friends sitting in the gallery with my wife today, Mrs. Hemphill from Vancouver and Mrs. Williams from Sidney. It's their first visit to the House, so I hope you will give them a warm welcome.

MR. R.E. SKELLY (Alberni): Mr. Speaker, there are three people in the gallery today from Port Alberni — Mr. Peter Robertson, his wife Betty and their son Drew. I would like the Members to give them a warm welcome.

HON. J.G. LORIMER (Minister of Municipal Affairs): Mr. Speaker, in the gallery today we have the

second group of students from Moscrop junior high school in Burnaby, along with their teachers, Miss Pursitch, Mr. Waters and Mr. Axford. I would ask the assembly to join with me in welcoming them to Victoria.

Presenting reports.

HON. G.V. LAUK (Minister of Economic Development): Mr. Speaker, I have the honour to present the first annual report of the British Columbia Development Corp.

Oral questions.

UNAUTHORIZED EXPENDITURES BY RENT REVIEW COMMISSION

MR. W.R. BENNETT (Leader of the Opposition): To the Premier as president of the Treasury Board: has the Treasury Board been advised by the office of the comptroller-general, under section 31 of the Audit Act, with respect to any unauthorized expenditures?

HON. D. BARRETT (Premier): No, Mr. Speaker.

MR. BENNETT: A supplemental. Has the Premier, as president of the Treasury Board, initiated any investigation of the reported statements by an official in the office of the comptroller-general to the effect that there is no authority for expenditures incurred by the rent review commission?

HON. MR. BARRETT: I have not seen a statement.

MR. BENNETT: A further supplemental. If I send the statement over, would the Premier be prepared to...?

HON. MR. BARRETT: Yes, with the name of the staff person as well. Send it over and I'll look at it.

SHARE OWNERSHIP IN FERRY COMPANY

MR. G.F. GIBSON (North Vancouver–Capilano): A question to the Minister of Lands, Forests and Water Resources. In his capacity as a director of a private company named B.C. Steamship Co., 1975, Ltd., with head office c/o Department of Lands, Forests and Water Resources, is he the owner of his share in this company outright, or is there a declaration of trust, with respect to some government agency, and, if so, which agency?

HON. R.A. WILLIAMS (Minister of Lands, Forests and Water Resources): Trust, Mr. Speaker.

MR. GIBSON: Supplementary. A declaration of trust with which agency of the government?

HON. R.A. WILLIAMS: I'll take that as notice, Mr. Speaker.

MR. GIBSON: Further supplementary. I wonder if the Minister could tell us whether B.C. Steamship Co., 1975, Ltd. owns the Princess Marguerite or, if it does not own the Princess Marguerite, whether there is an agreement between that company and the owner of the ship for its operation.

HON. R.A. WILLIAMS: I'll take that as notice, Mr. Speaker.

MR. H.A. CURTIS (Saanich and the Islands): On the same subject, to the same Minister, I wonder if the Minister would be able to tell the House if shareholders in British Columbia Steamship Co., 1975, Ltd. include also the following individuals: James H. Gorst, Mr. Harry Tyson, John Maynard Webster and Norman Pearson?

HON. R.A. WILLIAMS: The answer is yes, Mr. Speaker, and all of these are in trust, pending legislation.

MR. CURTIS: On the same subject, to the same Minister. The question of insurance must be in the

Minister's mind at this time or, if not in his, at least in his department advisers'. I'm sorry the Minister finds it humorous. In the event — and we hope it is not the case — of some claim, with this ship in limbo at the moment, with shares in trust, and with nothing

[[Page 3104](#)]

before this Legislature establishing a public company, what provision has been made for protection of the travelling public and employees of the vessel in question?

HON. R.A. WILLIAMS: I honestly can't help but wonder, Mr. Speaker, whether this is just mischievousness on the part of the Member for Saanich or not. In fact, we have a great success on our hands. It seems the opposition Members find difficulty accepting that success. The details will be provided to the House, and I will have to take specifics of that nature on notice.

MR. CURTIS: Well, Mr. Speaker, can the Minister assure us that all insurance matters relating to the movement of this ship, carrying of passengers and crew and shore side personnel are well in hand?

HON. R.A. WILLIAMS: We have hired the most qualified people in British Columbia to do the job, and that's why it's been done. That's why it was completed in record time. I can only assume that the man who was in charge of coastal steamships for the Canadian Pacific for decades, in fact, has carried out everything in these areas, as well as all the other areas that I am aware that he has carried out his duties so well within.

MR. CURTIS: On the same subject, is the Premier and Minister of Finance unconcerned about the fact that at the moment the British Columbia Steamship Co., 1975, Ltd. is comprised of individuals which include Members of this Legislature, with shares in trust, as the Minister indicated a few minutes ago? Is the Premier unconcerned that legislation has not been presented to this Legislature, in view of the fact that as far as we are able to determine the government has been a least party to an agreement for purchase since very early April of this year, some two months ago?

HON. MR. BARRETT: Mr. Speaker, The House is still in session. We're doing a great deal of work, and the legislation will be introduced. Our purpose was to save the downtown businessmen of Victoria, and we've achieved that purpose.

Interjections.

MR. SPEAKER: Order, please. You're interfering with question period.

MR. D.M. PHILLIPS (South Peace River): They're interfering with question period by not answering the questions!

MR. SPEAKER: Order, please.

MR. PHILLIPS: Disregard for the Legislature!

[Mr. Speaker rises.]

MR. SPEAKER: Order, please.

[Mr. Speaker resumes his seat.]

GOVERNMENTAL RESPONSIBILITY IN OIL SPILL CLEANUPS

MR. G.S. WALLACE (Oak Bay): I'd like to ask the Minister of Lands, Forests and Water Resources, with regard to the oil slick which has developed on Mill Bay shoreline, about the statement by Mr. Rodway, the

Vancouver Island zone co-ordinator for the provincial emergency programme, to the effect that oil washed up on a beach is the responsibility of the local government. In fact he made the statement, I believe, that the provincial government.... "We don't have any equipment," he said, "but we know where the equipment is." In light of these statements, I wonder if the Minister can say if there is a clear delineation of responsibility regarding oil spills, and if Mr. Rodway was accurate in stating that the federal government is responsible for oil spills of known origin before they hit the beach but local government is responsible for beach cleanup.

HON. R.A. WILLIAMS: The provincial emergency preparedness programme — I believe that is the term — is under the jurisdiction of the Provincial Secretary (Hon. Mr. Hall), and I presume that's a staff member of his.

MR. WALLACE: Well, would it be in order, Mr. Speaker, just quickly to ask the Provincial Secretary to save time and answer the question now?

HON. E. HALL (Provincial Secretary): I don't have the answers in the detail that I think you would require, Mr. Member. I'll look into some of that jurisdictional material for you. I anticipated a question on the Mill Bay oil spill. We've spoken to Mr. Symington, the administrator of the Cowichan Valley Regional District. Mr. Rodway, who is our staff person, has handed Mr. Symington a written guarantee that we will pay the cost of the oil spill, approximately \$6,000, and get on with the work. We've assured everybody, and I have been assured by my staff, that the action will take place immediately, and Mr. Rodway will be there to give Mr. Symington any advice. I've informed the Minister's executive assistants just before I came in the House — I was in a different place earlier on. We're in control of the situation. The details of jurisdiction I'll answer later on.

[[Page 3105](#)]

MR. WALLACE: Could I just have a quick supplementary asking if the Minister has any plans for meetings with the federal authorities? In Oak Bay we've had a real problem that when the oil gets on the beach the federal government claims it doesn't know where it came from, and doesn't accept responsibility. The provincial government hasn't responsibility. And Oak Bay doesn't have the money to pay for the cleanup. So are there meetings?

HON. MR. HALL: There are ongoing meetings with the federal authorities and with American authorities.

INTERIM SUPPLY REQUIREMENTS

HON. MR. BARRETT: Mr. Speaker, yesterday I took as notice a question from the Leader of the Opposition (Mr. Bennett) concerning interim supply. I've been advised by the Finance department officials that the interim supply bill is sufficient until Monday, June 9. I would ask the House to consider further supply, based on the direction from the Whips, at that time.

MR. BENNETT: Just a supplemental. Then there has been no problem in the government meeting its required programmes because the debate of the Legislature on estimates wasn't concluded?

HON. MR. BARRETT: Mr. Speaker, the government's departments have been granted by this House expenditures based on the budget commitments for two months as agreed by the House in interim supply, and interim supply will have to be added to on Monday, as I said, by an agreement between the Whips.

MR. BENNETT: A further supplemental about some government departments. By letter a citizen had accused several departments of offering as an excuse that the estimates weren't passed. Has the Premier investigated that some government departments may be giving the wrong reason for programmes being curtailed?

HON. MR. BARRETT: I haven't seen the letters or complaints.

REGULATION OF RETIREMENT HOMES

MR. P.L. McGEER (Vancouver–Point Grey): A question to the Minister of Health. Is he aware that since

retirement homes do not come under the Landlord and Tenant Act, these retirements homes are now refusing to pay interest on funds held in trust, and that the retirement homes are not only demanding a month in advance, whether or not the month is served out, but refusing to pay interest? If he is aware, is he prepared to do anything about it?

HON. D.G. COCKE (Minister of Health): Mr. Speaker, it's obviously outside my jurisdiction. Our Community Care Licensing Facility Act sets standards. We don't set rates; nor do we on the other hand have anything to do with the amortization of retirement....

MR. McGEER: A supplementary, Mr. Speaker. Could the Minister advise whose jurisdiction it should come under, and whether he'd be prepared to state his policy on that to the Minister involved?

HON. MR. COCKE: Mr. Speaker, I would suggest that an informed Member of this House could very well ascertain where to get that information, and I suspect that he knows perfectly well. If he doesn't, let him read the statutes.

COST OF OPTIONS ON SURREY REFINERY LAND

MR. R.H. McCLELLAND (Langley): Mr. Speaker, a question to the Attorney-General regarding the land purchases in Surrey for the refinery project. Could the Attorney-General tell us what the total cost of the options which were not picked up will be for the government? There were 1,400 acres optioned; only 325 acres were picked up.

HON. A.B. MACDONALD (Attorney-General): I'd have to take that as notice.

MR. McCLELLAND: Well, at the same time, Mr. Speaker, could I ask the Minister whether he would assure the House that on the options that were picked up the government will pay full municipal taxes, including general and education?

HON. MR. MACDONALD: That question is futuristic.

MR. McCLELLAND: Oh, Mr. Speaker! I'm just asking the Minister a matter of common interest. The government owns that property now, and it obviously has tax notices in its hand for those properties. Will the government pay taxes on that land?

MR. SPEAKER: Is the Hon. Member asking what advice the Minister proposes to give the Crown or has given the Crown?

MR. McCLELLAND: No, I was just asking the Minister whether or not the B.C. Petroleum Corp. will pay full municipal taxes on property which it has bought this month.

[[Page 3106](#)]

MR. SPEAKER: I think it states in our rules that to ask what advice a Minister proposes to give the Crown is not permitted.

MR. McCLELLAND: They own the property now. Either they're going to pay taxes, or they won't. One of the two.

ISSUANCE OF DRIVER'S CERTIFICATES

MR. H.W. SCHROEDER (Chilliwack): My question is the for Minister of Transport and Communications, as president of the insurance corporation. Has the corporation sent out any directives to any of the motor vehicle branches to cease the issuance of drivers' certificates as of today?

HON. R.M. STRACHAN (Minister of Transport and Communications) : The corporation has no authority to send any directives to the motor vehicle branch.

MR. SCHROEDER: Does the Minister have any knowledge, then, of issuance of instructions from the corporation to motor vehicle branches that as of today drivers' certificates shall no longer be issued?

HON. MR. STRACHAN: I repeat: the corporation has no authority to issue any directions to the motor vehicle branch.

MR. SCHROEDER: A supplementary, Mr. Speaker. Will the Minister take every step necessary to ensure that the difficulties presently being experienced by the driving schools in the issuance of drivers' licences and drivers' certificates will no longer be incurred?

HON. MR. STRACHAN: I will take every step possible, yes.

EMERGENCY HEARING-AID DEVICE

MRS. P.J. JORDAN (North Okanagan): Mr. Speaker, my question is to the Hon. Minister of Health. Is the Minister aware of a new device developed in Ontario which allows people with severe hearing problems, those who are deaf and deaf mutes, to communicate on the telephone in emergency situations and other areas? If the answer is yes, will the Minister's department make every effort to supply this device, which costs in the neighbourhood of \$100, to doctors, hospitals, fire stations, police stations, ambulance areas and various other agencies serving the deaf people of this province?

HON. MR. COCKE: Mr. Speaker, I am not familiar with the device, but I will certainly have the department look into it.

Introduction of bills.

AGRICULTURAL STATUTES

Hon. Mr. Stupich presents a message from His Honour the Lieutenant-Governor: a bill intituled Agricultural Statutes Amendment Act, 1975.

Bill 126 introduced, read a first time and ordered to be placed on orders of the day for second reading at the next sitting of the House after today.

BRITISH COLUMBIA OMBUDSMAN ACT

On a motion by Mr. Gardom, Bill 128, British Columbia Ombudsman Act, introduced, read a first time and ordered to be placed on orders of the day for second reading at the next sitting of the House after today.

Orders of the day.

HON. E.E. DAILLY (Minister of Education): Mr. Speaker, public bills in the hands of private Members. Adjourned debate on second reading of Bill 12.

ROYAL ROADS MILITARY COLLEGE DEGREES ACT (continued)

MR. J.H. GORST (Esquimalt): Mr. Speaker, I am very pleased indeed today to be able to move second reading of Bill 12, the Royal Roads Military College Degree Act. I would just like to say that Royal Roads Military

College, which is located in the greater Victoria area at Colwood, in my riding, presently offers instruction in the first two years of university training. Cadets then normally go from there to complete their degrees at either the Royal Military College of Canada at Kingston or at Le College Militaire Royal de St. Jean at Quebec.

AN HON. MEMBER: Qu'est-ce que c'est que ça?

MR. GORST: Merci. (Laughter.)

The Canadian government intends to extend the programme at Royal Roads so that a cadet may complete the undergraduate degree at Royal Roads College. The purpose of this bill is to make it clear to those prospective cadets that their degrees, the first of which would be conferred in 1977, will be recognized and authorized by the Province of British Columbia.

I would just like to say a few words on how Royal Roads College came into being and some of the

[[Page 3107](#)]

background. Royal Roads is now located on what was formerly the estate of James Dunsmuir. It was named Hatley Park. As the Members of this House probably know, James Dunsmuir was elected to this Legislature in 1898, just one year after this building opened, and served as Premier here from 1900 to 1902. He subsequently served a three-year term as Lieutenant-Governor of British Columbia. The main building of Royal Roads, which is known as Hatley Castle, was designed by the famous architect Samuel McClure who designed many fine homes and buildings in the Victoria and Vancouver areas.

In November, 1940, the Royal Roads property was purchased by the federal government of Canada, and so began its career as a naval training establishment, later becoming, in 1968, what we know today as Royal Roads College.

I understand from my communications with the responsible people of the Department of National Defence that the degree programme which Royal Roads intends to offer will be of interest to all people of western Canada as well as British Columbia. That programme will be science-oriented to oceanography, meteorology, climatology and marine physics, with a special study of pollution and its control. The course will constitute a unique programme in environmental science with a strong emphasis on physical ocean science, all of which will be useful to the future sea and air environments. The graduates will constitute a valuable pool of experts to serve Canada and the west coast in particular in that discipline.

At the present time there are about 250 students enrolled at Royal Roads plus 150 civilian employees. With passage of this bill, the college will expand by a further 250 students plus a considerable number of additional employees and so begin a \$14 million building and expansion programme which will bring significant economic benefits to the provincial capital district.

I would like to say that in discussions with the Department of National Defence spokesmen I am informed that they concur with the presentation of this bill. I ask the Members of this House to give it their full support.

HON. MRS. DAILLY: I wish to thank the Hon. Member for Esquimalt (Mr. Gorst) for bringing forward this bill and for the very concise explanation of the purpose of the bill which he has presented for consideration of the House. I wish to inform the House that the government is very willing to proceed with this bill and will be prepared, as government, to work towards the carrying forward of this bill.

MR. SPEAKER: The Member for Esquimalt closes the debate.

MR. GORST: With the words of the Minister, I would let the Minister close the debate.

Interjections.

MR. SPEAKER: Order, please. The Hon. Member for South Peace River (Mr. Phillips) was obviously not

listening, because the Hon. Member (Mr. Gorst) who introduced the bill said that he stood to move second reading. Consequently there is a motion before the House for second reading.

Motion approved.

Bill 12, Royal Roads Military College Degrees Act, read a second time and referred to Committee of the Whole House for consideration at the next sitting after today.

HON. MRS. DAILLY: Adjourned debate on second reading of Bill 13.

B.C. RECYCLING CORPORATION ACT (continued)

MR. SPEAKER: The Hon. Member for Richmond adjourned the debate.

MR. H. STEVES (Richmond): Well, Mr. Speaker, I am pleased to be able to rise in my place again on this fine bill. In the time since we discussed the bill last I have had an opportunity to discuss this piece of legislation with a number of Ministers of the Crown. The Minister of Public Works (Hon. Mr. Hartley) has been working out some recycling programmes and carrying on some experimental work — some in Richmond actually. He is preparing to carry out recycling in public buildings in Kamloops and hopes that this will be successful.

Some of the other Ministers I have talked to have suggested that many of the principles contained in this bill will be carefully studied and some of them instituted, and hopefully all of them. Therefore I would like to withdraw this bill, Mr. Speaker, and keep a close watch on what the cabinet does with it over the coming year in the hope that we might see a programme of recycling initiated in the province in the near future.

MR. SPEAKER: I think the Hon. Member knows that once a bill is on the floor, it is the property of the House. There would have to be the consent of the House to withdraw it. I'll ask leave of the House that the Member's bill be withdrawn.

Leave not granted.

MR. SPEAKER: I have a no, so therefore the bill is still before the House.

[[Page 3108](#)]

MR. H.D. DENT (Skeena): Mr. Speaker, I would rise on a point of order that the bill is out of order in the hands of a private Member.

MR. SPEAKER: Bill 13 provides for in the fifth paragraph: "... authority for the corporation that is to be set up to buy, sell or otherwise deal in waste materials; to build, purchase, lease or otherwise acquire, operate and dispose of facilities to do research, develop methods," and so on. Consequently, no matter how laudable the purposes are, of course, I think the Hon. Members know that under standing order 67 it shall not be lawful for the House to adopt or pass any bill for the appropriation of any part of the public revenue without having it first recommended to the House by message of the Lieutenant-Governor. Consequently, the Hon. Member would be out of order if he insisted on second reading since I must rule it out of order when it is drawn to my attention.

HON. MRS. DAILLY: Mr. Speaker, adjourned debate on second reading of Bill 14.

B.C. COASTAL ZONE COMMISSION ACT (continued)

MR. SPEAKER: I think it was the Hon. Member for West Vancouver-Howe Sound (Mr. L.A. Williams) who adjourned the debate.

HON. MRS. DAILLY: No, Richmond.

MR. SPEAKER: The Hon. Member for Richmond adjourned the debate in closing.

MR. STEVES: Well, Mr. Speaker, I don't think this bill would be out of order. It costs in the neighbourhood of a few thousand dollars.

The Minister of Lands, Forests and Water Resources (Hon. R.A. Williams) has been carrying on some resource management in the area of coastal zoning in the province through the resource management committees in the various resource management areas in the province. While this is not right along the lines of the coastal zoning bill, as I have suggested, he has assured me that in the next couple of years — in fact, in the next year — they will make some decisions as to whether they should go the line of expanding the resource management teams in the coastal area, or going along the lines of a coastal management authority, as I have suggested in this bill.

I don't know whether I would get this again or not, because probably some of the opposition Members wouldn't want to see this bill withdrawn, but in light of the Minister's assurance that this will be studied, I would try again for withdrawal of the bill so that we can have that study by the Lands, Forests and Water Resources department over the coming year to determine which route we should go. I would ask leave of the House to withdraw this bill.

Leave granted.

HON. MRS. DAILLY: Mr. Speaker, adjourned debate on second reading of Bill 15.

**INDUSTRIAL DEVELOPMENT
AMENDMENT ACT, 1975
(continued)**

MR. SPEAKER: The Hon. Minister of Lands, Forests and Water Resources (Hon. R.A. Williams) adjourned the debate. Is there any further debate on the bill since he is not in the House?

The Hon. Member for Omineca closes the debate.

MR. D.T. KELLY (Omineca): Mr. Speaker, I'm also very proud to have my bill come on the floor once more. I was indeed very pleased at the support I received from the First Member for Point Grey (Mr. McGeer). I know that the name of the bill isn't that impressive, but I can't really be too subdued in terms of trying to get the support I really need in terms of getting a bill such as this brought in as legislation at some time in the future. So, Mr. Speaker, I would ask leave of the House to have the bill withdrawn.

Leave not granted.

AN HON. MEMBER: Why?

MR. SPEAKER: I don't know whether a Member has to explain why he wants a bill withdrawn. He can ask leave and if anyone refuses to grant leave, then the matter will proceed with the question. In this case there can't be a question because the Speaker has the duty to draw to the attention of the House, before putting a vote to second reading, under standing orders, whether the bill is in order. In looking at the bill, I find that it leaves open what amounts to an impost upon the people, that is, those who may be required "...that lands flooded or to be flooded shall be logged off by the beneficiary of the agreement."

It's obvious that that will be an impost on a group of individuals pointed out in this amendment. Consequently, under standing order 67 it appears to be out of order, because no private Member, without the sanction of the Crown, could impose an obligation that amounts to a very heavy obligation presumably in some cases to log off land at what may be tremendous costs to the individual concerned. Therefore I would have to say that it does appear to violate standing order 67 and therefore would be out

of order in the hands of a private Member without further sanction from the Crown.

HON. MRS. DAILLY: Mr. Speaker, adjourned debate on second reading of Bill 16.

AFFIRMATIVE ACTION PLAN ACT
(continued)

MR. SPEAKER: The Hon. Member (Ms. Brown) is not in the House. I wonder if we could get leave of the House to have it stood over. It would have to be by leave.

MR. R.E. SKELLY (Alberni): Mr. Speaker, on behalf of the Hon. Member for Burrard, I ask that the bill be stood over.

Interjection.

MR. SPEAKER: On the order paper. Well, the Hon. Member isn't here to move it, and it cannot be moved by someone else under our rules.

Leave granted.

HON. MRS. DAILLY: Mr. Speaker, adjourned debate on second reading of Bill 17.

**TENANTS COLLECTIVE
BARGAINING RIGHTS ACT**
(continued)

MR. SPEAKER: The same situation?

HON. MRS. DAILLY: Yes.

MR. SKELLY: On behalf of that Hon. Member, I would ask that this bill be stood over on the order paper.

Leave granted.

HON. MRS. DAILLY: Adjourned debate on second reading of Bill 34.

CITIZENS' INITIATIVE ACT
(continued)

MR. W.R. BENNETT (Leader of the Opposition): Mr. Speaker, in moving second reading, I'd like to point out that in these days of big government, big labour and big business, the ordinary citizens often feel a sense of frustration that they can't participate in the decision-making. We know that many of them, for obvious reasons, may be denied because they are not a member or on the executive of a union, or are not a shareholder or on management of a big company. But we should recognize that they are being denied participation within the framework of government.

Free government and democracy over the years have tried to involve the rights of the citizen and the rights of parliament. Indeed, we have such things as private Member's days and we have the right to petition the Crown. But these petitions are non-debatable as they are introduced. As we have realized, private Member's day is not necessarily called. Most bills die on the order paper. Indeed, many are never called for discussion and debate.

The ordinary citizen, who might use a Member of this House to promote a very real concern, is denied public

discussion of a very real problem or a very real concern that should be debated by society. Yet the government of the day may feel it embarrassing to discuss such an initiative and the Legislature then may be denied the opportunity.

This bill, called the Citizens' Initiative Act, would guarantee provision for debate in the Legislature when enough concerned citizens, who are among the registered voters of this province, will sign a petition. The figure that is mentioned in this bill is 10 per cent. So if 10 per cent of the registered voters in this province sign a petition over an issue about which they feel strongly, an issue that should be debated in the Legislature and some public position taken by their elected representative, then I believe we would be serving the continuing expansion of the democratic process.

That is what this bill asks for: that we will allow, by a petition of 10 per cent, this very debate to take place. The debate must be called within 10 days of the introduction of such a petition. The debate should not exceed three hours, so it cannot be used as an instrument for either thwarting or holding up the business of the government. But it will be guaranteed within an immediate time frame, a time frame that may be very necessary because of the type of issue that would come up under such an initiative.

Here we are doing nothing more than guaranteeing the citizens of this province a chance to give some direction for debate in the Legislature. As I say, it cannot be used as an instrument to frustrate the Legislature or to delay proceedings, because in this bill we have put a time limit of three hours.

From time to time, as strong public issues arise, the citizens want to know how their elected representatives feel, so we have put in the further provision that a vote must be called at the end of three hours or whenever debate concludes. In no way could such a vote be construed as a non-confidence vote in the government — it must be a free vote. But it would give every citizen who signs it, and those citizens who are denied direct opportunity to speak in this Legislature, an opportunity to know how their elected representatives feel on that particular issue

[[Page 3110](#)]

which they feel is so important at this time.

I think it would be a worthy part of the succession of democratic reforms that have been brought into the Legislature for citizen participation. It would guarantee them the right to have public discussion and have the Legislature hold public discussion over an issue of such importance. When we consider that to achieve the signatures of 10 per cent of the electorate would be a monumental task, I do not believe such an initiative would be created frivolously. It would be an issue of genuine concern. While it may not arise at every session or every year, the instrument would always be there, the initiative principle would always be there at a time when any government is perhaps unresponsive to the electorate or perhaps not listening to issues that should be discussed or debated, and would allow our citizens to create a positive, affirmative action of discussion in the Legislature. That is why I introduced this bill, Mr. Speaker, and why I hope this Legislature will pass this initiative.

MR. SPEAKER: May I point out to the Hon. Member a serious problem I have in regard to the bill?

MR. BENNETT: Yes.

MR. SPEAKER: It has been since 1699 that parliament has had supremacy in the conduct of its own affairs within these four walls. It gets messages from time to time from outside that come in, royal messages, and these are given consideration. But the Hon. Member is asking this House to alter its rules to have the Crown decide what it does with its time.

If you look at the bill, it is asking the Crown to join in and assent to in a bill what could be done by this House by its own resolution, by changing its standing orders itself, and in effect deciding how it will use its time without the intervention, interference, or assent of any outside power.

What the Hon. Member is doing is asking this House to have the Lieutenant-Governor assent to a right that has belonged to this House since 1688. Looking at the bill, it says: "The Standing Orders of the Legislative

Assembly...are hereby amended by the addition of the following Standing Order 73(9) You are asking the Lieutenant-Governor to make our standing orders for us by assenting to this as a bill and a statute of the realm.

I suggest that this is a serious departure that this House should receive instructions or, indeed, assent in the force of law in the hands of the Crown when it has the powers within its own prerogatives to deal with this business as it chooses. What could well be done by a motion is here inviting the Crown to interfere in the regulation of the business of the House, because I point out it states: "Upon a petition being certified pursuant to the provisions of section 2, the Clerk of the House shall" — must mandate — "assign to the petition a registration number and shall" — mandate again — "forthwith cause it to be recorded in the orders of the day."

So this bill or statute would not be possible to change. Once it is put in this House and turned into a law, it could not be changed without the assent of the Crown. You are therefore surrendering to the Crown a right that it doesn't presently have — in other words, the control of this House and its time, its staff, its Clerks or its orders of the day.

In looking at paragraph 4, "The standing orders of the Legislative Assembly are hereby amended" — that is the Crown again. Once this bill is passed it has made standing orders that this House would not be able to change without the Crown assenting. You would therefore have given back to the Crown something it didn't have back in 1688 in any British Commonwealth country.

Interjection.

MR. SPEAKER: Well, I think the Hon. Member, if he had not been flat on his back for so long, would know that I've indicated that the orders of the day include the hearing of all the orders of business that relate to private Members' day.

MR. G.B. GARDOM (Vancouver–Point Grey): Are you feeling well?

MR. SPEAKER: I'm feeling fine. How are you feeling?

When you read the rest of the paragraph, it says: "The Legislative Assembly shall allocate and undertake a debate of the specific issues stated thereupon and how long the debate shall last."

I would like to look at it further, because I point out these difficulties if you are surrendering to the Crown rights the Crown does not presently have, and we would never be able to change them unless the Crown consented thereafter.

Do you want to consider the bill further, or do you want me to...?

MR. BENNETT: Well, I'll consider it with you in chambers....

MR. SPEAKER: I will be glad to. Will the Hon. Member adjourn debate, or speak on it?

MR. L.A. WILLIAMS (Vancouver–Howe Sound): Mr. Speaker, I move adjournment of second reading of this bill until the next sitting after today.

Motion approved.

HON. MRS. DAILLY: Mr. Speaker, adjourned

[[Page 3111](#)]

debate on second reading of Bill 44.

AMENDMENT ACT, 1975

(continued)

MR. R.H. McCLELLAND (Langley): Mr. Speaker, when I adjourned the debate on this bill you had said that you would like to further consider this bill to see whether it was in order or not.

I have no further comments on the bill. I would urge, however, that the government take into account the various areas in which it is intruding in the private sector particularly, and the measures it is taking to involve public money in the private sector and in other areas in which the government has taken complete control, and assure this Legislature that it will be accountable to the people who own that money at all times. It is only through a bill such as this, Mr. Speaker, that we can be assured that the government will be fully accountable at all times, and that the government will make sure that the books are open, the cards are on the table and the sun shines in.

MR. SPEAKER: Hon. Member, I promised to look at the question of whether the bill would be in order in its present shape. I pointed out that it doesn't read coherently, entirely, because of the changeover you have between certain Acts that are stated, and then the names of certain companies, like Pacific Poultry, South Peace Dehy Products, and so on.

Because of that I would have to rule that in its present form it would offend against standing order 75, which says no bill may be introduced either in blank or imperfect shape. I hoped you would take the time perhaps to correct that, but you haven't, so I will have to rule it out at this time.

MR. McCLELLAND: Thank you, Mr. Speaker. I accept your ruling, and I have a feeling that I may introduce it again in the fall.

HON. MRS. DAILY: Mr. Speaker, second reading of Bill 37.

RESOURCE REVENUE SHARING ACT

MR. BENNETT: Mr. Speaker, in moving second reading of the Resource Revenue Sharing Act, it is a subject that has been much under discussion not only in British Columbia but in Canada, particularly since the tax notices have come out just recently in this province — tax notices which show that the municipalities, starved from participating in the gross revenues of this province, have had to put excessive increases on the property tax, their main source of revenue, for financing the very important services they are called upon to perform for our citizens.

As you know, there are many areas and the cost of growth of municipal government is called upon to pay all the costs of growth in the areas of accepting new housing, which is in a crisis in this province, providing the services for that new housing. They have been charged with the responsibility, although the province is moving in on it, of rapid transit, and they have been charged with many other responsibilities, all reflecting to the high cost of the growth of an economy, and yet their share of the revenue generated by that economy hasn't risen at all.

Recently, in the last 10 years, we've seen the federal government revenues rising between 12 and 15 per cent on an average annual rate over the 10 years. We've seen this provincial government's revenues rise by 25 to 30 per cent annually. Yet the money we have expended to municipalities has only risen by 6 per cent.

It's obvious to me, it's obvious to the municipalities and it's certainly obvious to the taxpayers and the homeowners, who have just received their tax bills, that the municipalities are not getting an adequate share of the growth revenues of this province, although they're being called upon to pay, in large part, the costs of servicing that growth.

This bill guarantees to the municipalities that we will allocate to them specific shares of the growth revenues — that would be corporation taxes, income taxes, natural resource revenues and sales taxes. These are the tax levels that reflect the growth of the provincial economy, and these are the revenues in which they should have a specific share as the economy rises, or if, and I hope it never happens, the economy falls.

The municipalities' revenue will rise and fall in concert with that economy, not as they are now: a poor child of a marriage that was Confederation in which the allocation of revenues in this country, between federal and provincial, never anticipated the growth of municipal government. It was never anticipated that at one time in this country, and particularly in this province, municipal government would in fact be charged with providing the expensive services to the people they are forced to.

We now have to realize that we cannot continue to squeeze the same taxpayer over and over again, but we must allocate in advance an adequate share of revenue to the different levels of government, particularly the level of government that is the closest to the people. And municipal government is the government that is closest to the people. It is there; it's responsive, and the public has direct access to it. I believe we should recognize this fact and that we should pass this bill that will guarantee to the municipalities a reflection in the growth of the economy.

This revenue could be allocated in advance in

[[Page 3112](#)]

consultation with the Minister of Finance, and would involve a companion bill, which I hope to speak to later, that would involve pre-budgetary conferences which would be necessary for just such a bill to happen.

It takes the municipalities away from the position of being in receipt of handouts at the whim of government. It gives them the opportunity to more adequately plan their services, both on the short and the long term. It gives them the opportunity, in consultation with the government and the access to revenues that they would have, to make decisions on a need basis rather than the dollars-and-cents basis that they have today.

Now municipalities reject housing. Why? Because it's a poor provider of revenue; it's a poor tax base. Yet the very reason the government is there is to serve the needs of people. But they're forced, because they don't have the means of adequate revenue, to make decisions on an improper basis.

It's time that this province and this country recognized the needs of local government, municipal governments, and that we can't predicate their financing on iffy financing, supposed financing, handouts or some money that may come down the road. They need to know in advance of their fiscal year. They need to know the amounts of money they will have to spend because all of them are very aware of the responsibilities they have to solve, and the very high cost of solving those responsibilities. Even with the high tax increases they are passing along to the property owner this year, they are barely able to meet the need of just existing services. None of them are able to plan in advance and provide many of the services that normally would be called essential. These increases are only allowing the municipalities to stand pat.

So I urge the House to support this bill and this concept. I urge it because it's most necessary. I urge it because municipal government, and now the taxpayers themselves in receipt of their property tax notices, are very aware of the need for a more adequate and a more responsible means of sharing revenues between municipal and provincial governments.

MR. SPEAKER: I take it the Hon. Member moves second reading.

MR. BENNETT: Oh, yes. I move second reading.

MR. SPEAKER: At this stage I have to find, from the words of the Hon. Member and from the document itself, that it would presume to take over a great deal of the allocation of the public moneys of British Columbia in a way that has not been recommended by message of the Lieutenant-Governor who, after all, has the prerogative in dealing with those revenues.

Interjection.

MR. SPEAKER: You'll give the consent? You don't have the royal look. (Laughter.)

In the circumstances, under standing order 67, I'd have to rule it out of order, I'm sorry to say.

HON. MRS. DAILLY: Second reading of Bill 38, Mr. Speaker.

MUNICIPAL CONSULTATION ACT (continued)

MR. BENNETT: In moving second reading, this is a companion bill to the Resource Revenue Sharing Act, a companion bill that would recognize the principle that not just sharing revenue with local government should be our concern but, in fact, sharing power. Powers that were utilized by governments in the past — the responsibility without the power to enact — are now the responsibility of the municipalities. This bill, the Municipal Consultation Act, would guarantee that the provincial government and the Minister of Finance would have, by requirement, meetings twice a year, in predicting the growth of the resource revenues and in allocating to the municipalities the type of funding they might expect from the growth revenues I indicated under the other bill so that they could adequately plan their budgets for a fiscal year in advance. This means in the fall of, for example, 1974, they would meet and consult over the possible revenues that would be available to them in 1975 so that they could adequately plan in preparation for their budgets which they must bring down in the fiscal year that starts January 1.

This bill would be necessary if this province and if the government were prepared to recognize the very worthwhile principle of revenue sharing, because hand in hand with it must go the co-operation and the provision of this type of co-operation through meetings between the Finance Minister, the Government of British Columbia and the financial officers of the municipalities. I move second reading.

MR. SPEAKER: Any further debate? On this one, I think the Hon. Member for Columbia River (Mr. Chabot) was very alert to spot the problem which is contained in paragraph 6 — obviously they're caucused on this one; he knows what it's about. "The cost of all proceedings pursuant to this Act shall be funded from the consolidated general revenue." The Hon. Member for Columbia River would be the first to tell you that it is out of order under standing order 67. I must so rule.

[[Page 3113](#)]

HON. MRS. DAILLY: Mr. Speaker, second reading of Bill 40.

MR. SPEAKER: The Hon. Member is not present. Is there anyone who would ask that it be put over on the order paper?

HON. MRS. DAILLY: Mr. Speaker, I would so move.

Leave granted.

HON. MRS. DAILLY: Second reading of Bill 41.

RESTRICTION OF THE USE OF SPRING TRAPS ACT

MR. GARDOM: In moving second reading, I would like to make a few comments. The leg-hold trap was apparently first invented in mediaeval England, where it was used to catch poachers. It seemed that the poachers prospered far better than the animals, because long ago the leg-hold trap was banned for that first inhumane use.

The fear and pain that is inflicted by the leg-hold trap is so intense that in many situations animals gnaw their paws off to escape; others die of hunger, thirst or cold long before the trapper returns. For so very, very long do so many have to suffer. I would have to ask the question: do we have laws requiring a regular inspection of traplines so the cruelty period could be cut down? There are none that I know of.

I read with great interest a leaflet that is issued by the Society for Animal Protective Legislation in Washington, D.C., and it states that Austria, Chile, Denmark, Norway, Switzerland, West Germany and the United Kingdom have outlawed the leg-hold trap, and only traps that kill immediately or those that hold the animal unharmed are allowed. But, of course, we find that in this country — and, I gather, at the present time, in the United States — there is not that kind of legislation. It is of interest to note that there's a bill now before the House of Representatives in the United States which was issued on January 14 of this year. I'd just like to read the four sections of the bill to the Members so they can appreciate what is being considered in other areas.

"It is hereby declared to be the public policy of the United States to discourage the manufacture, sale and use of leg-hold or steel-jaw traps on animals in the United States and abroad.

"No fur or leather, whether raw or in finished form, shall be shipped in interstate or foreign commerce if such fur or leather comes from animals trapped in any state of the union or any foreign country which has not banned the manufacture, sale and use of leg-hold or steel-jaw traps."

Then there's a responsibility upon the Secretary of Commerce to compile and publish and keep current a list of the states of the union and foreign countries which have not banned the manufacture, sale and use of leg-hold or steel-jaw traps, and a very heavy penalty in the United States is being proposed:

"Anyone shipping or receiving fur or leather in contravention of section 2 of the Act shall for the first offence be fined not more than \$2,000, for the second or subsequent offence not more than \$5,000, and shall be sentenced to a jail term of one to three years."

This was introduced by Mr. Broomfield, and it has been referred to the committee on interstate and foreign commerce. So we can certainly see that the United States is becoming active in the field, and we're most delighted to hear that.

We've got to follow the precept that right must be done, and we've been extremely slow in this province. I was given some clippings from as far back as 1944, wherein more humane trapping was urged by the B.C. branch of the Association for the Protection of Fur-bearing Animals, and they did so again in a 1945 report, 30-odd years ago. In 1946 there was a good report in the *Daily Colonist* with a plea for the abolition of cruel trapping methods.

A very interesting report appeared in 1954 dealing with Mr. Frank Conibear. This was in the *Victoria Daily Colonist*, dateline October 8, 1954. It says:

"A veteran northland trapper, haunted for years by the cruelty of his trade, said in Victoria he was certain he had perfected a sure-kill trap."

This is the statement that is most touching to the conscience of Mr. Conibear:

"'You can't imagine,' he says, 'how cruel trapping with steel traps can be. In some of those years we lost as many as three out of four mink caught. They chewed themselves free and then died in a hole. I used to be 10 days getting around my lines,' he recalls. 'An animal caught in one of those traps might take three or four days to die of pain or cold.'"

So the object of my bill, Mr. Speaker, is to try to bring inhumanity under control. The object of this bill is not to end the trapping of animals. Many people would advocate that that is very needful too, but that issue is not under debate in front of this Legislature today. What is under debate under this bill is to provide a mechanism, a control and a procedure to attempt to eliminate a series of so far unrectified but continuing cruelties. The object of the bill is a call to conscience much along the lines of the statement of that great humanitarian, Albert

[[Page 3114](#)]

Schweitzer, who said: "We need a boundless ethic which will include the animals also."

The concept here is to provide a power to the Minister of Recreation and Conservation (Hon. Mr. Radford) to first determine that which could be considered an approved trap. That calls for research; it calls for expertise; it calls

for technological know-how. All of that can be purchased through the resources of the government and by the private sector.

Secondly, Mr. Speaker, the bill establishes as an offence punishable in summary conviction the use or sale of a trap for the killing or taking of animals that is not an approved trap. What the bill does is enact this power and provide a guideline with the obvious and very desired end of doing unto others as they would do unto us.

I think it would be very welcome that there could be participation from the government, from officials and those interested in the fur industry, from the trappers, from the various anti-trapping associations, interested humane groups, scientific research organizations, and indeed from the general public too, Mr. Speaker, in order that all may help to make an effective solution a reality.

If this bill happens to have imperfections, so be it. I am trying on behalf of the hundreds, indeed thousands, of people who wish these measures to be brought into effect to do something and to get the point across that we have got to come to grips with a hideously cruel and a continuing procedure.

One individual wrote me and I think he best summed it up with these words: "The whole sordid scene has dragged on long enough." I don't think anyone in here is prepared to disagree with that statement; if they are, it would be interesting if they would publicly declare themselves.

Certainly let there be trapper education. Let there be licensing programmes. Let there be, say, apprenticeship or some type of courses for assistance towards more humane trapping. Let there be effective research and money put into the thing that I am talking about. Mr. Speaker, if man can get someone to the moon, you can't tell me it is too difficult to design a humane trap. I say let there be a solution and let every one of us in here ensure that there is going to be an end to uncalled-for cruelty and misery.

I move second reading.

HON. G.R. LEA (Minister of Highways): Mr. Speaker, I know that the government would like to commend the Hon. Member for Vancouver-Point Grey for bringing this bill to the attention of the House because it is an important social question that we do face, not only in this House but as a society generally. The question of whether it can be done at this time in such a wholesale manner I think is one that we have to deal with as government. Obviously it is the desired end to meet what is laid out in this bill and the philosophical meaning of the bill. At the same time, there are items the government has to consider.

There are a number of people who make their living from trapping at this point, especially in the northern regions and in some of the interior regions. The position of government is that there are a number of people who do make their living from trapping and it is a way of life, so we just can't say: "That's it." What we have to try and do is find a way to make sure that we can phase it out...

MR. GARDOM: Did you read the bill?

HON. MR. LEA: ...so that those people who are making their living now...

MR. GARDOM: Read the bill!

HON. MR. LEA: ...will continue to have some kind of livelihood. It may take retraining. It may take government helping those people to move to a different area so that they can find employment.

Interjection.

HON. MR. LEA: I'm giving the position of government, Mr. Member.

MR. PHILLIPS: Oh. What about the Member for Omineca (Mr. Kelly)?

MR. SPEAKER: Order, please.

HON. MR. LEA: I have talked extensively. We have talked about this with the Minister of Recreation and Conservation. He is aware of the problem.

Along with other provinces, we are working with a committee of the provinces along with the federal government to try and get humane traps.

MR. L.A. WILLIAMS: It is not working.

HON. MR. LEA: It may not be working, but the fact of the matter is that we have to try. We have to try and find a humane trap.

Interjection.

HON. MR. LEA.: There's also something that we should consider as the people in this House who represent the people generally: the basic question of trapping. If we as human beings are going to kill other living creatures so that we can use those furs for decorative reasons, then I think we have to question whether we are doing the right thing as a society. I

[[Page 3115](#)]

think it's one thing as a society for us to kill for meat and food but I think it's another if we're going to continue to kill other living things for decorative purposes. I think we have to look at that question too.

Maybe it's not just a question of banning the leghold trap; maybe it's a question of looking at how we can phase out trapping. It's not an easy question, and government has to deal with all aspects and all phases of it. The Minister of Recreation and Conservation (Hon. Mr. Radford), I think, should be commended for the kind of job that he has done so far, working with the committee and working with his own staff who are helping him to reach some solution. Government at this point has not reached a solution because of all the economic aspects that we have to deal with. People make their living at it. Whatever happens, there is going to be a phase-out.

At the same time, we have to look at the Hon. Member for Vancouver-Point Grey (Mr. Gardom) and say "Hear, hear!" for bringing it to the floor of the House so that it does become an item that more people will consider.

Interjection.

HON. MR. LEA: So after putting the government's position that we are concerned — I'm sure every Member of this House and every Member of every party is concerned — we have to examine every aspect of it and do it in a realistic way. Mr. Speaker, I'd like to adjourn debate until the next sitting of the House.

SOME HON. MEMBERS: Oh, oh!

Motion approved.

HON. MRS. DAILLY: Mr. Speaker, second reading of Bill 47.

RESTRAINT ON SPECULATION ACT

MRS. P.J. JORDAN (North Okanagan): Mr. Speaker, I ask leave of the House to have Bill 47, Restraint on Speculation Act, stand over on the order paper.

Leave granted.

HON. MRS. DAILLY: Mr. Speaker, second reading of Bill 49.

AN ACT TO REPEAL THE

MINERAL ROYALTIES ACT

MR. G.F. GIBSON (North Vancouver–Capilano): Mr. Speaker, this is one of the most important bills to be brought before the Legislature this session. (Laughter.) I don't have any illusions as to its fate.

MRS. JORDAN: You can always hope.

MR. GIBSON: I can always hope, as the Hon. Member for North Okanagan says. So I'm going to give the House the best exposition I can.

MR. SPEAKER: I hope the Hon. Member will realize that unless he has a message he should try to make it fairly brief. It is, I think, out of order. I always like to hear the exposition of the bill.

MR. GARDOM: He wants to restore mining in the province.

MR. SPEAKER: I'd like to hear the exposition of your bill.

MR. GIBSON: That's right. As the Hon. Second Member for Vancouver–Point Grey says, I do have a message and I do want to restore mining in this province.

Mr. Speaker, ever since the passage of Bill 31 in this House last year, I've been keeping a clipping file. I'll just read you a few of the headlines as to what's happening. Here's one — December 4, 1974: "B.C. Mineral Output Declines." That was in volume terms, Mr. Premier. We dug up less ore, Mr. Premier. You should be happy; that leaves more in the ground.

Here's another headline: "Production For Ontario Minerals Up." I just read those two headlines so that the House will realize that this is a unique situation to British Columbia in this world.

Interjection.

MR. GIBSON: You told us in the House, Mr. Premier, that it was \$1.6 billion.

Interjection.

MR. GIBSON: I'm in favour of your running the finances of this province a lot better. Mr. Speaker, I'm being harassed here from the government benches. I'm trying to make a case; I'm trying to save them from what they're doing.

MR. SPEAKER: Would the Hon. Member quit harassing the Hon. Member?

MR. GIBSON: That's right.

HON. MR. BARRETT: What else is new?

MR. GIBSON. The mining industry in British Columbia. Another headline here — February 22,

[[Page 3116](#)]

1975: "Lornex Joins Mine Layoffs." One hundred workers laid off there, Mr. Speaker.

Another clipping here — December 11, 1974: "1,073 Lose Jobs." This was the estimate of the Mining Association of British Columbia as to the number of jobs lost in that year. December 4, 1974 another one: "Despair, Frustration Haunt Mining Men."

"A group of experienced, highly regarded mining engineers and geologists, gathered recently for a discussion of the B.C. mining outlook with a couple of *Province* reporters, talked of despair, frustration and uncertainty."

Mr. Speaker, that's the way it is all through the mining industry in this province.

The most recent evidence we have is brought to us by the B.C. and Yukon Chamber of Mines, a respected organization dedicated to the improvement of the mining industry and jobs in the mining industry in this province. It's been working for a generation to improve the situation — working for a generation, Mr. Member for Vancouver–Little Mountain (Mr. Cummings).

Interjection.

MR. GIBSON: They pay for a lot of your ice-cream cones, Mr. Member for Little Mountain. You understand, don't you? I'm not sure if you just woke up or if you've been listening to the whole speech. I'm not sure if you understand that mining produces at least \$1 out of every \$5 in this province. You probably don't know that.

What's been happening in exploration spending?

MR. A.J. FRASER (Cariboo): They don't care if they know.

MR. GIBSON: Drilling, Mr. Speaker, for hard rock minerals was down 99 per cent in the first quarter of 1975 as compared to 1974. There is absolutely no question, Mr. Speaker, but what that is directly and precisely related to the impact of Bill 31, because exploration spending in the rest of the country is going up. It went up 15 per cent in the Yukon territory. "Similar expenditures elsewhere in the Pacific Northwest will increase 142 per cent," says the B.C. and Yukon Chamber of Mines' press release. And what's happening in British Columbia? Exploration spending is way down and drilling, which is what you do when you're trying to find minerals, is down by 99 per cent.

AN HON. MEMBER: Ninety-nine per cent!

MR. GIBSON: Ninety-nine per cent, Mr. Member — in the second industry in British Columbia. And the government pretends that it has to do with copper prices. Copper prices indeed! Exploration happens depending on prices in the years ahead, not in the year today. But just in case they honestly believe it's copper prices, let me read this little headline: "Bill 31 Strikes Again."

"Bralorne Resources will not be reopening the mine at Bralorne this year." That is the first sentence. That's not a copper mine Mr. Speaker; that's a gold mine. Gold is at an all-time high price, yet because of Bill 31, gold mines aren't being opened either. Here's a company that spent over a couple of million dollars refurbishing that mine, and now can't open it because of Bill 31.

AN HON. MEMBER: What about the Yukon? Is it down 99 per cent there?

MR. GIBSON: Yukon spending is up, Mr. Member. For the first time in modern history there are more claims being staked in the Yukon than in British Columbia. First time in modern history since the Gold Rush of 1898 — directly attributable to Bill 31.

Interjection.

MR. GIBSON: I don't know what socialists like. I don't think socialists like jobs in the mining industry. I am afraid it comes to that because that is the effect of what they've been doing.

Mr. Speaker, what Bill 31 did was put a flat-rate royalty on certain metals, subject to the arbitrary definition of the cabinet. It then put a 50 per cent super royalty above a certain basic price, again established at the arbitrary discretion of the cabinet. What it did was to successfully have this Legislature — and a disgraceful thing it is to have to say this — delegate its taxing authority to the Crown, a taxing authority so hard-won by legislatures over the years, taken away by the stroke of a pen and the nod of the Lieutenant-Governor's head when this Act was given royal assent last year. It was a very bad day for British Columbia. What has to happen to restore the industry to health in British Columbia is very simple. Royalties must be cancelled, rooted out, done away with, totally and

forever, to be replaced by taxes on profits.

AN HON. MEMBER: Take over the whole industry.

MR. GIBSON: That goes for every aspect of the mining industry, Mr. Member. Replace it with taxes on profits.

Interjection.

MR. GIBSON: Now the Hon. Minister of Housing (Hon. Mr. Nicolson) is chirping up. Mr. Speaker, he

[[Page 3117](#)]

knows so little about housing, he has been such a failure in that field, I am puzzled that he would affect to advise this House on the subject of mining. If the Hon. Minister knew a thing about these questions, he would realize that petroleum is a completely different industry where royalties have been an historic kind of impost — very different from hardrock mining. The Minister knows nothing, Mr. Speaker.

MRS. JORDAN: He was a smash as a geography teacher.

MR. GIBSON: Was he? He sure is a smash as a Housing Minister, I'll tell you that.

So that's the first thing: get rid of royalties forever. Replace them with taxes on profits, to such an extent as the government of the day might advise the Legislature. Secondly, get rid of Ministerial discretion. I am sorry the Minister is not here today — the Minister who has all the discretion.

MR. WALLACE: There are not many of them here, as far as that goes.

MR. GIBSON: No, there are not very many Ministers here, as you point out, Mr. Member. But in particular the Minister of Mines (Hon. Mr. Nimsick) should be here because he has all the discretion that is conferred under that Act.

MR. WALLACE: He has the best attendance record in the House of the whole party.

MR. GIBSON: Mr. Speaker, I'll tell you what's wrong with discretion in the mining industry. If somebody is going to create jobs in the mining industry of British Columbia, they have to look down the road a long time. They have to look down the road from the time the prospector first finds it, to the time when it's gradually proved up by development drilling, to the time of the major capital investment, which might take three or four years to get in place after all the other things have happened, and then look down the road another 10 or 15 or perhaps even 20 years for the recovery of the investment and a chance for some profits to be made. Now if the ground rules under which all of this is to be done are subject to constant change and, in fact, are changeable at the whim of a particular Minister — I don't mind who the Minister of the day is, Mr. Speaker — if the rules are changeable at the whim of any particular Minister, then there does not exist the certainty which is necessary to attract this kind of investment to British Columbia.

Too many British Columbians believe, often because they've been told that or led to believe that by the government we have, that British Columbia is sitting in a situation with respect to minerals and forest products similar to the Arabs' situation, with respect to oil. Mr. Speaker, that is just not the case. We cannot dictate to the world what they are going to pay for our resources, because the kind of resources we have are not like oil. We do not have a monopoly on the copper, the gold or the silver, the lead or zinc of this world. We don't even have particularly high-grade deposits. We have high-cost deposits. We have deposits that take a lot of technology, human ingenuity, human effort and capital to wrest from the ground in a way that will generate jobs and other good things for the economy of British Columbia.

The reason we have advanced so far in that area in British Columbia is because over the last generation there has been put together in this province the best mine-finding, mine-developing team anywhere in this world. It took

over a generation to do that.

HON. L. NICOLSON (Minister of Housing): You've never been underground.

MR. GIBSON: Department after Department of Mines....

Listen to that Minister say I've never been underground. What do you know about it?

HON. MR. NICOLSON: Have you been underground?

MR. GIBSON: Sure I've been underground. I'll match you hour for hour; we'll see who's been underground longest. The difference is, you're still underground with your ideas about housing.

MR. PHILLIPS: You're still in the dark, scrambling around in the dark.

MR. GIBSON: You're building more houses underneath the ground than over the ground, because you can't see any evidence above ground, I'll tell you that. Why don't you quit while you're ahead, Mr. Minister?

So there it is. This superb team of workers, technicians, scientists and developers, built up over a generation and longer, is now being disbanded as a result of Bill 31 and its companion measure, the Mineral Land Tax Act. They are now moving out to different parts of the world whose higher grade resources are being developed by British Columbians, in many cases by British Columbia capital, because of the insane, counter-productive taxation policies of this government.

I say to the government, Mr. Speaker, that by the simple repeal of this legislation they could take a giant step toward restoring the industry in British Columbia. Then if they want to bring in other kinds of taxation on profits, if they want to try and sit

[[Page 3118](#)]

down and make a sensible deal with the federal government for the division of the proceeds from the mining industry, and if they want to put on the statute books good laws that will give certainty to the mining industry over the years to come, that's the next step. But the indispensable first step, the step without which nothing, is the step that repeals Bill 31 of last year, the Mineral Royalties Act.

I therefore take great pleasure in commending to the House Bill 49, intituled An Act to Repeal the Mineral Royalties Act, in the confident hope that the government will see the light and do the right thing for the mining industry and the jobs in the mining industry in British Columbia.

HON. MR. NICOLSON: I feel compelled to respond to a few of the remarks made by the city-slicker Member.

MR. GIBSON: Tell us about the houses you've built.

HON. MR. NICOLSON: You know, we've had a few mine shutdowns in my riding.

MR. GIBSON: You sure have.

MRS. JORDAN: You sure have.

HON. MR. NICOLSON: Some of them before we were elected. We've had a couple of others since we were elected.

MR. GIBSON: How many openings have you had?

HON. MR. NICOLSON: Mr. Member, I'd like to tell you a little bit about some of those profits you think

we should tax rather than collecting royalties.

There's an outfit in the United States called Bunker Hill, and they smelt ores that are shipped out of this country. They smelt them and they pay to a company which they own, the Reeves Macdonald mine — they own 60 per cent of the Reeves Macdonald mine....

AN HON. MEMBER: What's that mean?

HON. MR. NICOLSON: And they weren't paying \$1 on \$1 for those ores; they weren't paying 90 cents or 60 cents on \$1; they weren't paying 50 cents on \$1, Mr. Member. They were paying more like 40 cents on \$1 for the ore concentrates that were being shipped out of this country in order to avoid taxation, in order that the profits could be taken in the United States, in order that they could high-grade and shift and switch and pull all kinds of flim-flam, which has been the Liberal government policy for years and years.

Interjection.

HON. MR. NICOLSON: They shut down the Reeves Macdonald mine and they said: "We shut down because of the Mineral Royalties Act."

AN HON. MEMBER: Right.

HON. MR. NICOLSON: We have some very fine people in the Department of Mines here, and they went and they said.... It turned out that there was an adjoining property, the Hecla mine. It was felt that while it wasn't proven, things were promising for that adjoining mine. Perhaps these two firms could get together. They could use the existing mill; they could explore into the Hecla mine.

They were offered, not as government policy but as a negotiation point, by departmental representatives, new mine status and complete write-off and deferral on royalties until it was proven to be in a profit position. In other words, the risk of losing the royalties was all with the government. If they didn't make a profit, if they lost money, they would not have had to pay the royalties. They could have had their cake and eat it. But, no, that wasn't true either. Finally, as a talking point, we suggested: "Well, how about we buy this from you? We'll operate it." It's a perfect ball mine crusher plant, a mill, at a high altitude — inaccessible. It's virtually useless. There are all kinds of them left in the bush that have been left up in there. There are diesel engines and such left up in the bush from years and years and years ago, and haven't been run.

MR. GIBSON: Maybe you could use it for some housing.

HON. MR. NICOLSON: These things are virtually useless where they sit unless they are working. A proposal was made: \$100,000 for that, and we'd pay the mineral royalties to the company. But they turned that down. No, Mr. Member, there is more to it than that, and it isn't the Mineral Royalties Act.

MR. GIBSON: Sure it is. What about the exploration, Lorne?

HON. MR. NICOLSON: Well, Mr. Member, we were willing to go in there, but these companies want the government to take all the risk and they'll take all the gain — and that just isn't the way. Believe me, that is why we continue to have the support of the United Steel Workers of America, the miners, those people who do go underground. They know, Mr. Member; they know.

By the way, Mr. Speaker, it appears that under rule 67, this would interfere with the revenues of the Crown. I would ask your opinion of that matter.

[[Page 3119](#)]

MR. GIBSON: It's funny you noticed that after you finished your talk.

MR. SPEAKER: On a point of order, I would certainly draw to the attention of the Hon. Member for North

Vancouver–Capilano (Mr. Gibson) that a bill which repeals a tax Act will necessarily interfere with revenues. Therefore it would be out of order unless a message accompanies the bill under standing order 67 and under the BNA Act and under various other opinions and statutes.

MR. GIBSON: Could I write you out a message?

MR. SPEAKER: If you could put a proper seal on it.

HON. MRS. DAILLY: Second reading of Bill 83.

MR. SPEAKER: A point of order?

MR. GIBSON: ...to obtain leave to leave public bills in the hands of private Members.

HON. MRS. DAILLY: Mr. Speaker, I ask leave to proceed now to government bills, second reading.

Leave granted.

MR. SPEAKER: Bill 83, second reading.

PUBLIC SCHOOLS AMENDMENT ACT, 1975

HON. MRS. DAILLY: Mr. Speaker, speaking on this bill in principle, there are, of course, quite a number of clauses in this bill. Basically I think we can look at three major areas first of all. I don't want to go into too much detail; we can leave that for committee. There are three major changes which we believe will improve the financial management of the boards of school trustees and community colleges.

The second major change proposed, we believe, should improve the salary bargaining for teachers in the public school system. As we are all aware, those clauses which have been prepared in this bill follow along very closely with the recommendations made by the select standing committee appointed by this House to look into this specific area.

Another third basic change in this bill is in the area which will allow for the final resolution of the very complex situation inherited by this government in which certain vocational schools of the province are attached to but not an integral part of community colleges in some parts of the province.

So those, in essence, are some of the major changes in this bill.

I would like to mention also that in the original form of Bill 83 there were a number of sections which would have provided for increased flexibility by school boards in the deployment of their staff, particularly in the area of the position of principal.

I and my department officials had meetings with the BCTF and the BCSTA to discuss all aspects of this bill. In this, both groups asked for changes and made comments on sections of the bill. Both groups asked if the government would consider delaying this particular section. They both agreed, however, that they concurred in the principle behind the bill which would enable more flexibility in deployment of principals. Therefore, in listening to them make an excellent case for areas which were somewhat grey and not defined clearly enough if this change were brought about, I agreed that it would be best to delete it. The only way we could do it at this time was to delete it from the present bill. This does not mean that the government does not intend to reintroduce this at a further time, but not at this session. With the help of the Members and the all-party select standing committee, we can see if we can clear up those areas. That is why the order paper shows the deletion of those.

I don't want to go into clause by clause, but very quickly, a few other areas that are of interest, I'm sure, to all of you in this bill would include a section which refers to the right of districts in the employment of assistant

superintendents. Districts which have the right to employ their own district superintendents now.... This clause points out, actually states, that they will have to provide educational justification for the creation of additional assistant superintendents. I want to re-emphasize that this does not mean that the Minister would be making a decision on the particular name. It's the position; we are not discussing the person.

Another amendment deals with cleaning up some of the electoral provision Acts so that representatives are not barred from running because they were not on the list in the last election.

The area of secretary-treasurers has been discussed to a fair degree with the secretary-treasurers of the province, and it was discussed, I believe, with the former president of the BCSTA and some of her officials. There is a section in this Act which points out that the role of the secretary-treasurer should be more clearly defined. We thought it was rather fuzzy before and we feel the best way to do this is to have the regulations help define very specifically and clearly the role of the secretary-treasurer. There appears to have been considerable confusion as to the specific roles of the chief financial officers of the school boards in relationship to other positions. Our position on this is that the regulations have at the present time actually been circulated and there will be considerable time for input and discussion on those regulations before they are finally put into effect.

[[Page 3120](#)]

[Mr. Dent in the chair.]

As I mentioned earlier, one of the most significant features is the teacher's salary bargaining section, which I'm sure the Members of the opposition will want to speak on and which we will consider in more detail during the committee stage.

Another section of this bill eliminates the charging of fees to non-resident students by boards of school trustees. I know the Hon. Member for Oak Bay (Mr. Wallace) is probably most pleased to hear that. I recall him bringing this to our attention a number of times in past speeches in the House. We can discuss in detail in committee how this affects the boards. There's no intention of having any board suffer any major financial loss because of this.

Interjection.

HON. MRS. DAILLY: Yes, it does. It means that if you are not residing in the area, but move to another district in which your parents do not reside, the fees cannot be charged as they were before. However, the board still has the right to refuse if, for instance, they have a complete enrolment. But I'm sure we can get into that in committee.

Another major part of this bill updates the sections of the Public Schools Act which refer to financial reports and audit procedures. This, again, will be discussed in detail in committee. I'm advised that the Department of Education and the Department of Municipal Affairs have worked very closely together to ensure that the processes now in both departments parallel as closely as possible.

I'd also like to point out that although there's just one section here dealing with the community colleges and the facilitation of the melding process, the government does intend, in due course, to bring in a completely new college Act. There will be considerable discussion on that, but at this time, of course, as you know, we have had a lot of preparation for that, but there will still be time for the public to react to suggestions for the new college Act. But we are not prepared to introduce that at this session.

Other sections of this Act allow honorariums to be paid to college council members. If you'll note, there has been a change by amendment which says that they "may" pay these.

Interjection.

HON. MRS. DAILLY: Up to \$2,000, right.

Mr. Speaker, I believe that that is as far as I could go at this time in discussing this bill in principle. Therefore I am pleased to move second reading.

MR. H.W. SCHROEDER (Chilliwack): Mr. Speaker, I agree with the Minister that a bill with as many varying sections as this bill would likely best be considered in committee, but there are some basic principles which should be considered now.

First of all is the basic principle of local autonomy allowed to reside in the hands of school trustees. It affects various areas, and although I don't want to refer to them by section, let's just use an example. One of the examples is the assignment or appointment of superintendents. The local school boards have in the past, as the Minister knows, been responsible for the placement, the hiring or the appointing of superintendents. However, the position just below superintendent, that of assistant superintendent, is an area in which they will now have to have the approval of the department — not necessarily the Minister, but certainly the approval of the department.

The reasons that are forthcoming from the department for this particular kind of an amendment are that there has been a prolific increase in the positions, not necessarily the people — and I was glad to hear the Minister differentiate between — the position and the persons to fill the position.

But the reason given from the department for this particular section is that there has been a prolific increase in these positions and that it is considered necessary by the Minister and her department to have some kind of control over the number of assistant superintendents we have in the province. I am wondering whether or not this shouldn't better be left in the hands of the school boards. If the Minister feels that the positions are too numerous, then I think a memo from the Minister to the school boards on her opinion would be well in order. But to take out of their hands the right which rightfully belongs to them, and which does in fact belong to them at the higher level, is to say to the boards that they have been irresponsible in this area. I am sure this is not the impression the Minister intends to leave with them.

Therefore, in closing second reading on this bill, or perhaps in committee, the Minister can give us the rationale for differentiating between the two levels of superintendency — that is, the superintendent and the assistant superintendent — and say to the House and to the people out there who are interested why there is this differentiation between these two different levels.

There is also some concern about the powers and duties of the secretary-treasurer being taken out of legislation and being put under regulation. I know that there has been circulated — as a matter of fact, I have copies — the first draft of the regulations, which may be being considered as a job description for secretary-treasurer. But there is an expression from the secretary-treasurers themselves and from the various school district boards that they believe that the position of the secretary-treasurer as the

[[Page 3121](#)]

corporate officer of the school district should be maintained, that it should be protected. There is some concern too that the job description might be changed without what is considered sufficient consultation with the secretary-treasurers themselves. As the Minister well knows, they have been around for a while. They do have some expertise. They perhaps could give the Minister some steerage, if their duties are to be changed, as to which direction it would be advantageous for them to be changed.

I note that on the order paper we have a deletion of some of the sections which were an affront to both the trustees and the teachers' federation. There were, I think, substantial concerns. One of them had to do with the regulations for reassignment; the other one had to do with transfer. I would like to make a recommendation to the Minister that perhaps when she is considering the redraft of the concept, the principle involved in those sections, perhaps the clumsiness could be ironed out by making two separate sections, each one spelling out clearly the regulations of the Act involved.

For instance, there should be a separate section for reassignment and a separate section for transfers. Reassignment means that a teacher can be reassigned to a position at the same school, to principal, and being

assigned to principal, perhaps, under the previous legislation would mean losing her/his status as a teacher. That needs to be spelled out clearly perhaps in a section by itself. Then the other concern is transfer — perhaps a transfer which is completely different from a reassignment, maybe a geographical thing. Transfer could best be defined in a section all by itself. That is just a suggestion that the Minister may wish to consider while she is rethinking those sections that were deleted.

One of the major portions of the bill deals, of course, with the negotiations for salary and bonuses. I was a member of the committee that travelled back and forth across the province and listened with intent and with interest to the various presentations being made. It seemed to me that it was about a sawoff. There was about a tie between the opinions that supported negotiation on a local basis as opposed to those supporting negotiation on a provincial basis.

The major concern of our party was that local autonomy should be preserved even in these negotiations. I must say to the Minister we are quite pleased with the sections of the bill relating to negotiations. As a matter of fact, the option is left for local bargaining; yet there is the suggestion and the quiet persuasion toward zonal bargaining.

Zonal bargaining already takes place in the province in certain instances. The Okanagan, I believe, is an example. But it is successfully managed as a zone in the case of the Okanagan. We believe that it should be left, as the bill suggests, to the discretion of the two parties as to whether or not zones shall be followed.

We're a little concerned that these zones, in their design, are left to the discretion of the Minister. I think that perhaps the Minister may well listen to both the trustees and the teachers for suggestions on zoning. Perhaps the whole concept of the boundaries of the zones may not necessarily be sponsored in the department. I notice that the option is allowed. I believe that in principle, though, we would support that entire section related to zonal bargaining.

There is another concern, though. There's another major section of the bill that deals with the appointments of auditors. Again, Mr. Speaker, a concern was expressed by the people in the province that the Minister didn't give ample opportunity for consultation with, for instance, secretary-treasurers, who have years — some of them — of experience in dealing with auditors. Perhaps the Minister could have called again on their expertise in the drafting of that particular section.

Then there's the area of the compensation which goes to college council members and the principle that a college council member, if he is also a trustee, loses a portion of his honorarium by virtue of holding two positions. The question that comes up immediately is: how far does this principle go? For instance, if a municipal councillor also holds a position as a college councillor, is his honorarium decreased by virtue of the fact that he holds the two positions? What does this do to the concept which even the Minister adheres to — the concept of equal pay for equal work? Has there been ample consideration given, for instance, to the workload that is involved?

A little questioning reveals that perhaps school trustees are called upon to attend as many as 40 meetings in a year. It seemed an awful lot to me — school trustees called upon to meet as many as 40 times a year — and yet college council meetings.... In trying to determine how many meetings they would be expected to attend...perhaps 12. Perhaps in determining the workload the Minister would reconsider the concept of the diminishing honorarium just because there are two posts involved.

Another question that comes up when we are asking out around the province about the college councils and college council members is something that doesn't belong to this bill at all, but a question that I'd like to squeeze in here with the permission of the Chair. That is: where is the new colleges Act? We're looking forward to its introduction.

HON. MRS. DAILLY: It's coming.

MR. SCHROEDER: It's just coming. Okay.

There is the concept in the bill of the melding of the vocational schools and the community colleges, which melding, I think, was promoted in — was it the

Marsh report? I'm not sure. Was it the Marsh report that...?

HON. MRS. DAILLY: The melding? No.

MR. SCHROEDER: The melding of the colleges and the vocational schools.

HON. MRS. DAILLY: No, that was by your own government — the former government.

MR. SCHROEDER: Okay, I thought it was the Marsh report where it was promoted.

HON. MRS. DAILLY: No.

MR. SCHROEDER: Okay, I am incorrect in that regard. But there is something that needs to be considered very carefully in the melding, and that is the business of financing of these colleges. As the Minister knows, colleges now are financed 100 per cent of capital financing by the provincial government, but 40 per cent of the operation is garnered by fees and taxes, whereas vocational schools are financed 100 per cent by the province. There needs to be careful consideration in the melding. The section of this bill that involves itself with the melding doesn't address itself to this financing. These are some of the areas of concern, and perhaps in committee we'll be able to ask some direct questions.

Suffice it to say that in principle, although there isn't one principle involved in the bill, I think that we can give the bill support.

MR. WALLACE: Mr. Speaker, I think the bill....

DEPUTY SPEAKER: Order, please. I'm sorry. I had forgotten that this was a different party. I would prefer to recognize the Hon. Member for North Vancouver–Capilano in accordance with our traditions.

MR. WALLACE: Did you think he was another independent, Mr. Speaker? My gosh! (Laughter.)

MR. GIBSON: I will be very succinct, Mr. Speaker. This being an amendment Act, I think the better time to talk about it is during committee in general. I'll just make four brief points.

First of all, with respect to the item in the bill that would require school districts now able to appoint their superintendents to have to get approval rather than simply consult with the Minister on appointing assistant superintendents, I think this is wrong. I think it is a step away from local autonomy, which I had thought was what the Minister was trying to build up in the school system in this province. I hope the Minister might reconsider this and add this to the schedule of deletions which are already standing on the order paper.

The section relating to the transfer and reassignment of principals is to be deleted by an amendment standing in the Minister's name on the order paper. I think this is wise in view of the fact that the language as currently written is pretty vague. There are also no appeal provisions specified in cases where genuine injustices might be done by too rapid an assignment. I think, when the Minister re-examines this and brings it back in the fall, that some kind of appeal provision should be made. Consideration is also going to have to be given to the question of what happens to the level of the salary of a principal or a vice-principal who may suddenly be bumped back to being a teacher. That would be a considerable wage cut rather rapidly. This may be a question for each school district to individually discuss and negotiate, but I think that this House should provide some guidance on that question of equity.

The next topic I would allude to briefly is the powers and duties of the secretary-treasurer currently written in legislation with provision for regulations to be made. Under this amending bill, the legislative stipulations would be removed and it would all be a subject of regulation. I have to deplore that, Mr. Speaker, because I am afraid it's part of the general trend and an understandable trend of governments to want to not be bound by legislation but rather prefer to be bound by regulation which they can change any day as it may suit their convenience. To take that to ridiculous extremes, for example, one could have a public schools Act saying the Minister could make regulations

about public schools. That would be the ultimate in simplicity. But I think that kind of thing is wrong.

That ultimate in simplicity is what's being done to the secretary-treasurers here. My understanding is that under the existing legislation which provides for the making of regulations in regard to the powers of secretary-treasurers, that regulatory authority hasn't been used. It would seem to me that it would have been the initial step in updating and changing these provisions, rather than removing all legislative protection and direction for the secretary-treasurers.

My final point, Mr. Speaker, relates to the question of collective bargaining. I believe that the bill we have before us reasonably well and faithfully reflects the view that came about almost unanimously in the parliamentary committee that studied this question. Great flexibility is still left to local boards and local teachers' associations to opt out and not to be a part of the zonal process. I think this is important. What we have here is a sort of psychological encouragement to get into the business of zonal negotiation, but no coercion. I think that lack of coercion is going to bring about better

[[Page 3123](#)]

voluntary assumption of this principle of negotiation than would the alternate proposal which may have seen this Legislature mandate zones and say: "You must bargain in that way."

I think that would be wrong because we have seen around this province during the hearings of the committee times when zonal negotiation had been tried and had broken down and hadn't worked. It's obviously not a panacea. We saw other cases where individual school districts had a perfectly excellent record of collective bargaining for a matter of several years. My own district 44 is an example of that. In cases of that kind, I think it would be wrong to try and force those districts and associations into a Procrustean bed and say that you have to negotiate in this way. The wisdom of this provision is that it recognizes that there are various ways of negotiating, and districts will have the ability to use that kind which is best. But at the same time it recognizes that there has been throughout this province a pattern of de facto zonal bargaining of "satelliting" as the phrase is used, and that might as well be better recognized and provided for in the bargaining law.

One thing that is not in the bill and to which I will allude only briefly is the question of any reference in the bargaining area to learning and working conditions. I think at that stage that is wise because of the difficulty in deciding just what learning and working conditions are and how to draw the line between them. I think that this will be a fruitful subject for future discussion between trustees and teachers and, hopefully, the involvement of the legislative committee. But at this particular stage I think the Minister was wise not to advance further down that road. With those few brief remarks, we will make further submissions at the time of committee stage.

MR. WALLACE: I think the bill is best discussed in committee. I am only going to comment on the salary bargaining since I'm the one member of the committee who did not feel happy about the committee report. The other points, I might say in passing, which have been mentioned by the spokesmen for the other two parties I generally agree with. I will touch on that, however, in committee.

The whole problem of bargaining, like the whole problem of being in politics, is the art of compromise. We went around the province and we listened to teachers and trustees. After a few places, it became predictable in each place — the teachers wanted local bargaining and the trustees wanted central bargaining. They were poles apart.

I am sorry that the Member for North Vancouver–Capilano (Mr. Gibson) has left because he made a statement that I would certainly have to challenge — that in this province we have de facto zonal bargaining. That is the exact phrase he used. If he means that out of the 74 districts, 72 sit back and let two other districts make certain decisions and reach certain agreements, then try whipsawing, which the Minister of Labour (Hon. Mr. King) talks about.... If he calls that de facto regional bargaining, I would have to say that I consider that a very inaccurate statement. In my opinion it certainly did not reflect what we heard in that committee as we travelled around the province.

The Member for North Vancouver–Capilano also mentioned that there had been areas of zonal bargaining

where the bargaining broke down. So what? There are all kinds of individual bargaining that broke down, too. We finished up with special legislation last year to get over an impasse. So let us not forget the fact that while there has always been some final, ultimate resolution of the teachers' bargaining problems with the trustees, on this most recent occasion it involved special legislation to get us through an impasse.

The reason that we have this bill before us today is that while there has always been some kind of ultimate solution, the system, as we have it today, has not been working well. It has worked, but with some great difficulty, and certainly with some great uneasiness by the trustees.

You can go through all the kinds of points that were raised by them before our committee. One of them in particular related to expertise in bargaining. Without reflecting on a bill that is before the House, we felt quite clearly that that was one large area of the problem the trustees were very unhappy about — their capacity and their access to research material, time and various other factors to enable them to feel equal at the bargaining table in each individual school district. For this reason I got the clear impression that the trustees felt they could do a better job on behalf of their own district, and trustees generally, by having a limited number of well-trained skilled negotiators negotiating centrally.

Be that as it may, I think two points in debating these amendments should not be missed. First, the situation, while in the ultimate analysis we scramble through one way or another, was not satisfactory. The reason that we spent the taxpayers' money going to various centres in the province and holding hearings was due to the fact that there was a problem.

The second point was that the two sides were very much poles apart, with very minimal examples of trustees wanting to continue local bargaining, and very few teacher groups wanting any kind of centralized bargaining.

With these two points in mind, we have to look at this bill in principle and try to decide whether it offers a realistic solution to these two basic points that I raised.

I know that it is an unpopular point of view in society today, but I feel that this bill is too

[[Page 3124](#)]

wishy-washy. I respect the Minister's right to differ on this, and the committee's right to differ, as they obviously did — this is why I didn't sign the report — but I feel the bill does very little to change the existing status quo. I will predict that just about every school district in this province will opt out of the zonal situation.

Interjection.

MR. WALLACE: The Minister is shaking her head. I'm just saying....

HON. MRS. DAILLY: No, you're wrong.

MR. WALLACE: I hope I am wrong, too.

HON. MRS. DAILLY: I don't think it helps to make that statement.

MR. WALLACE: Sometimes you have to say things that you believe, which people either don't like or they are going to be mad at you.

I am just saying that if the hearings in front of the committee reflect the feeling of teachers in this province.... The committee started to laugh at me because I asked the same question repetitively, but I got the clear information that there was not a single teachers' group that came before the committee which was really interested in zonal bargaining, with the one exception of the people in the Okanagan.

We've got 74 school districts, and we've got all this evidence that last year out of 74.... Perhaps the Minister can interject; I can't remember out of 74 how many reached an agreement before we got to the impasse. Was it six,

seven or eight? Supposing we take eight out of 72. That is about 11 per cent. In view of what we heard before the committee, I just feel that this bill leaves the teachers so much scope to opt out of your very well-intentioned proposal, Madam Minister. To have, say, 20 zones leaves it so loose and so open to opting out that that is likely in the face of the evidence what we put before the committee.

I haven't got the clippings with me, but the teachers don't seem too happy with this bill judging from the public response I have read in the newspapers. I think that the great majority will choose to opt out and continue to do what they were doing last year, and we'll have the same delay right down to the wire, out of — I don't know how many — four or five or six settlements, and we'll really not be much further forward than we were. I hope I am wrong, because I think the zonal bargaining would save a great deal of difficulty, save time and save money, and I think save a lot of hard feelings which we clearly detected in our committee hearings between school boards and teachers.

The sad part is that a sort of countervailing feeling we got in these committee hearings was that, apart from that one issue of bargaining, teachers and trustees seem to get along extremely well in a very harmonious and productive and positive way, and time and time and time again the trustees came up with the clear statement that they just look upon their responsibility to bargain like somebody would look upon a dose of flu, I suppose. They just feel that it is something they would rather not have anything to do with. I'm not defending that point of view. I'm saying that is a fact of life, and that is the way the trustees feel. They had a legitimate point of view in feeling that central bargaining might be a better way to go.

One thing I do commend the Minister for is that she includes in these amendments the continuing solution which finally we had to resort to last year, that no person can sit on more than two arbitration hearings. That obviously solves that part of the problem if it should arise.

So I feel that it would have not been unreasonable to set up, even on a pilot project, zonal bargaining for one or two years on a mandatory basis at least to see how it works, because we do know, as has been said already in this House today, and as was said at our committee, that in one area for a certain period of time it did work. We certainly know that we have central bargaining examples in many other fields of the workforce in this province. The latest sort of example we see is in the forest industry, where the old concept of one union in wood is closer to becoming reality in that the three unions concerned are thinking about at least negotiating in close contact with each other if not in unity.

So it is not as though the concept of cutting down a number of units involved in bargaining is anything new. It is happening in other areas and in other sectors of the work force. As I say, it seemed to me that as legislators on that committee we were out there trying to find a compromise that would work.

Without saying much more, Mr. Speaker, I don't feel that these amendments represent a convincing or efficient enough compromise that it will work. I would have been much more prepared to support it at least, as I say, even for one year or two years, so that we would have a real comparison. But I really think that one of the unfortunate outcomes of these amendments, Mr. Speaker, may well be that many of the teachers in the districts will opt out and then it will be said that zonal bargaining has failed, or there will be all kinds of wrong conclusions drawn, because I don't really think this bill gives the concept of zonal bargaining a fair chance.

I hope I am wrong again, and that it does work. But if it does not work for the reason that the teachers in individual school districts decide to opt out and just carry on as we have been doing for several years, and there continues to be disharmony

[[Page 3125](#)]

or confrontation, I hope it won't be said that zonal bargaining broke down, because all we have got here is an option to involve the teachers to compromise somewhat from their position as they presented it to us and give this zonal bargaining, as outlined in this bill, a real chance to work. I hope they do. But if they do, it means that between the time we listen to all these representatives and the present time there has been a very substantial swing in position by the teachers.

DEPUTY SPEAKER: The Minister closes the debate.

HON. MRS. DAILLY: Mr. Speaker, I want to thank the Hon. Members for their comments on this debate on principle. Most were very constructive. Particularly we're pleased that the official opposition spokesperson and the Member from the Liberal Party agree with the major changes in the collective bargaining section.

I know that the Hon. Member for Oak Bay (Mr. Wallace) is always candid. I just want to repeat again my interjection, that I certainly hope his dire predictions do not come true. I think that at the moment both groups are ready to go into this in a spirit of co-operation, and I think that's the only basis we can work from. You can't legislate co-operation, as you know, but I think both groups know that the all-party committee had a major job to do and a difficult one, and I think they appreciate that. While I don't think either side is particularly happy with what came out from the all-party committee, I think that the all-party committee did the very best they could at this time with a very difficult assignment.

So my hope is that both will co-operate and that we will see a considerable amount of zonal bargaining arrangements, hopefully, which I think the committee said they considered desirable but certainly should not be compulsory. That is why the opting-out provision is in, which I am pleased to see is endorsed by the other parties, because the opting out certainly does give the signal to zonal, but at the same time it does give the opportunity for the retention of the local autonomy. Also, we will of course be — as pointed out by the Hon. Member for Chilliwack (Mr. Schroeder) — consulting in the drawing up of those zones.

The other points that were mentioned I really believe will be best answered in the committee stage, because they're specific questions. With that, I would like to move second reading.

[Mr. Speaker in the chair.]

Motion approved.

Bill 83, Public Schools Amendment Act, 1975, read a second time and referred to Committee of the Whole House for consideration at the next sitting after today.

HON. MRS. DAILLY: Mr. Speaker, committee on Bill 86.

**SAVINGS AND TRUST CORPORATION
OF BRITISH COLUMBIA ACT**
(continued)

The House in committee on Bill 86; Mr. Dent in the chair.

On section 3.

MR. CHAIRMAN: We are on the amendment in the name of the Leader of the Opposition (Mr. Bennett).

On the amendment.

MR. PHILLIPS: I rise this afternoon to support the amendment of the Leader of the Opposition. I was very disappointed to hear the Minister of Finance (Hon. Mr. Barrett) state in his place that he would not accept this amendment, because this gives the Premier the opportunity to lay it on the line and tell the credit unions of British Columbia that he does not plan on going into competition with them.

I noted with interest the fact that the Premier at no time in the debate has said that he does not plan on going into competition with the credit unions of British Columbia. As a matter of fact, his statements, particularly in opening debate on this bill, lead me to believe that he does intend to indeed set up institutions throughout the width and breadth of British Columbia that will be in direct competition with the credit union movement.

I would like to quote from the Minister of Finance's statements last Friday when he introduced this bill. He said:

Mr. Speaker, the purpose of this bill is to increase the degree of competition in the province's financial market and thereby narrow the spread between borrowing and lending notes.

Certainly, if this is his intention, this means that he will be setting up and opening offices of the British Columbia Savings and Trust Corp. in competition with the credit unions in British Columbia.

He goes on to say:

Further, Mr. Speaker, why is it that we never see the front pages of the newspapers attacking the banking system, but they'll attack some poor janitor that wants a few dollars, or some poor cleaning lady and her family trying to survive and struggle, having to go to the bank to make loans to provide for perhaps

[[Page 3126](#)]

the continuing education of the children only to have the bank making that kind of a profit.

He had referred to that previously. However, this is exactly what the credit unions in British Columbia are doing today. They are servicing the very type of people that the Premier is referring to, so therefore, Mr. Chairman, I have no alternative but to believe that indeed the Savings and Trust Corp. of British Columbia will be opening offices in various areas in British Columbia in direct competition to the credit unions.

The Premier goes on to say:

The other reason we want to establish this institution is to allow British Columbians to use their deposit funds and to support the future economic and social development of the province.

Well, it is British Columbians who are presently using their deposit funds through the medium of the credit unions — they are doing just this in many, many communities in British Columbia today. If the Premier is going to have these deposits siphoned off from the credit union movement, this will strangle this movement which has thrived and grown and served many thousands of British Columbians to date in British Columbia.

The Premier goes on to say that we want most of all to extend credit to low- and middle-income earners, farmers, small businessmen, single women, native Canadians and others who presently have difficulty obtaining financial services. Well, Mr. Chairman, if these people have difficulty obtaining these financial services today, it's because they are not members of the credit unions in British Columbia. If the Premier is going to allow these people to become members and is going to supply them with low-interest money, he is going to be hurting the credit union movement. I believe, Mr. Chairman, this is the true intent of this bill.

Why is it the true intent of the bill, Mr. Chairman? Well, I'll tell you why. The Premier, in wanting to set up his own financial institution in British Columbia, first of all tried to take over Yorkshire Trust to use that as the medium of having his own financial institution in British Columbia, of which he could be the president and chief director. But, Mr. Chairman, that move to take over Yorkshire Trust failed, and the Premier was unable to bring about his desire to use that medium, that established organization in British Columbia to accomplish his ends.

So then, Mr. Chairman, he tried to get on the good side of the credit unions by various means and tried to bring them into his confidence. The purpose of trying to do that was again to take over the credit unions in British Columbia. But the credit unions were having no part of our Premier and his takeover plans. So the Premier is going the other route of setting up his own savings and trust corporation. Since the credit unions would not succumb to his pressure, he will get them another way, and that is by going into direct competition with them. That is really the purpose of this bill.

As I say, the Premier hasn't said that this isn't his intention. He has said there is a great possibility of having

the credit union movement participate. A great possibility. But there is nothing in the bill that says the credit unions are going to participate or that they want to participate or that they will be allowed to participate. So all we have is the Premier's word that it's a great possibility that the credit unions will participate.

If they participate, they will participate to what per cent? They will participate to 10 per cent. And what does the Premier feel about owning 10 per cent of a financial institution? What does he feel about participating to the amount of 10 per cent? He had the opportunity for British Columbians to participate to the amount of 10 per cent in the Bank of British Columbia. What did the Premier say? He said you have no power when you only have 10 per cent participation. So should not the credit unions feel the same way in British Columbia?

I want to tell you, Mr. Chairman, that this bill will be like an axe hanging over the heads of credit unions in British Columbia. This will in a roundabout way give the Premier of this province control over the credit unions. If they don't do what he wants them to do, he will move in with his institutions and his own offices and go in direct competition with them.

The Premier says basically: "You've got to trust us. We don't want to take over the credit unions." But I want to tell you, Mr. Chairman, that the people of British Columbia no longer trust this Premier; they no longer trust the Premier of this province. As a matter of fact, they've lost a tremendous amount of not only trust but a tremendous amount of respect for this Premier. For the Premier to think that the people of British Columbia are going to think of the Premier as a lovable, warm, trustworthy soul — it just isn't so in British Columbia today. It just isn't so. The people have learned through bitter experience not to trust this government or to trust the Premier.

So when the Premier says that he really doesn't want to take over the credit unions, so far as I'm concerned this amendment gives the Premier the opportunity to put it down in black and white. By accepting this amendment he can tell the people of British Columbia not to trust him, but it will be down in black and white and in the laws of this province, written in the statutes. That is why we have brought forth this amendment. We're sick and tired of the Premier telling us to trust him.

Now if the Premier and Minister of Finance does not accept this amendment, it proves to me and it will prove to all the thousands of people involved in the credit union movement in British Columbia that the Premier of this province is against credit unions.

[[Page 3127](#)]

He has the opportunity to be truthful today, to prove to those thousands and thousands of people who are depositors in the credit union movement that he really means what he is trying to say. By accepting this amendment he can prove to the Province of British Columbia and to the great credit union movement that the Premier is not against credit union movements.

Mr. Chairman, if he does not accept this amendment, he is telling us and telling all the people in British Columbia that he is against the credit union movement and that he will use Bill 86 against the credit union movement in British Columbia.

The Premier went on to speak in glowing terms:

I want to tell you, Mr. Speaker, that one of the greatest social histories yet to be written in this province is the social history of the struggle of those people who came together to form credit union branches throughout this province.

He speaks in glowing terms about the credit union movement on one hand, and on the other hand will not accept a simple amendment to clearly define his priorities, to clearly say that he is not against the credit union movement in British Columbia.

He goes on to say, Mr. Chairman, that "the credit union movement is part of the fabric of the province." I believe that, Mr. Chairman. That's why I'm dumbfounded and alarmed when the Premier will not accept this simple little amendment which will put it right on the line and write into the statutes of British Columbia that he does not

plan on going in competition with the credit union movement, that he doesn't plan to strangle, as it were, that great movement that has been built up and has the trust of many thousands and thousands of depositors in British Columbia.

We know what happens. The Premier talks about small depositors being frightened of the banking system and of the banks. I want to tell you that the small depositor, the small person, will be frightened stiff of this big-daddy government institution. They will not put their faith in it. They will be just as frightened of the bureaucracy that will be built up and the political appointees running this savings and trust corporation.

As you know, Mr. Chairman, the people that the Premier says he is going to help are frightened of government bureaucracy as it is. That's why we have thousands of people coming to us every year, asking us to help them with their problems. They're frightened of corporations and they're frightened of big-daddy government.

MR. CHAIRMAN: The Hon. Premier on a point of order.

HON. MR. BARRETT: Mr. Chairman, after lengthy debate, which I think is customary on an amendment like this, I'd like to bring your attention to rule 67 and have you advise us whether or not this amendment is in order.

MR. CHAIRMAN: Order, please. I would ask the Hon. Member to remain seated until we have made a judgment.

MR. PHILLIPS: I thought I would just continue while you were doing your research. I don't have that far to go.

MR. CHAIRMAN: We are consulting other authorities.

Interjections.

MR. CHAIRMAN: Order, please. The Chair would make this point: if any Minister of the Crown can advise the Chair that this amendment would of necessity involve the expenditure of public funds, then the Chair would have to rule it out of order. I would ask if the Minister of Finance or any other Minister could....

HON. MR. BARRETT: Mr. Chairman, it would mean the expenditure of public funds in having all of the business of this corporation done by mail. There would be no possibility of us having direct access, and who knows what the cost would be in terms of advertising?

SOME HON. MEMBERS: Oh, oh!

HON. MR. BARRETT: Well, that's correct. Can't open the offices.

Interjections.

MR. CHAIRMAN: Order, please. On the point of order that was raised, and on subsequent consideration, the Chair would rule that the force of this amendment could effectively frustrate the intention of this legislation. Therefore I would rule that the amendment is out of order inasmuch as it is contrary to the principle of the bill.

MR. PHILLIPS: That's it. It's to frustrate the true intent — the takeover of the credit unions, and go into competition. Now we know.

Interjections.

MR. CHAIRMAN: Order, please. In terms of its organization, the ruling is that the amendment is out of order. Therefore the Hon. leader (Mr. Bennett) may challenge the ruling or...

MR. BENNETT: Oh, Mr. Chairman, you took a great deal of time to try and find some way to rule it out of order. But I think the point of order of the Premier was raised under section 67, which indicates nothing about the intent of the bill but whether it would involve the spending of public money.

MR. CHAIRMAN: Order, please. The Chair makes the ruling strictly on the basis.... The point of order was made as to whether the amendment was in order. The Chair is then obligated to determine whether the amendment is in order, and the Chair is ruling that the amendment is not in order. The grounds indicated by any Member....

Interjections.

MR. CHAIRMAN: Order, please. Does the Hon. Leader of the Opposition wish to challenge the ruling?

MR. BENNETT: Yes, I challenge your ruling.

MR. D.E. SMITH (North Peace River): That really lets you off the hook.

Interjections.

The House resumed; Mr. Speaker in the chair.

Interjections.

MR. SPEAKER: The question before the House is: shall the ruling of the Chair be sustained? I think the ayes have it.

Interjections.

MR. SPEAKER: I think the noes have it.

Interjections.

MR. SPEAKER: No, it was before, actually. But the point is, where the Chair is in doubt, the Chair has a right, in any event, to call a division. I have to listen for the voices and also at the same time try to see who is saying what on each side of the House. It's very difficult to watch everyone and whether they are responding to an aye or a no. As you understand it, with the House in its present condition, it's very difficult.

MR. CHABOT: Mr. Speaker, you're not going to take sides, are you?

MR. SPEAKER: I think the Hon. Member heard me say that the noes had it. Are you complaining at that call? Are you complaining at that? Are you attacking the Chair for finding that the noes had it?

[Mr. Speaker rises.]

MR. SPEAKER: Good heavens! What's happened to you?

Interjections.

MR. SPEAKER: It certainly did.

Interjections.

[Mr. Speaker resumes his seat.]

MR. SPEAKER: I always give every Member of the House the opportunity to call for a division.

Interjections.

MR. BENNETT: Mr. Speaker, may I speak on a point of order?

MR. SPEAKER: Not if it has to do with the opinion that has just been expressed by the House. I couldn't very well do that. I would be arguing the case, as it were, while the House has made a decision. We are just now counting the votes.

Interjection.

MR. SPEAKER: I think it would be inappropriate for the Speaker to be discussing a vote while the House is making its decision. It would be arguing the matter between us, in effect.

Mr. Chairman's ruling sustained on the following division:

YEAS — 25

Lorimer	Williams, R.A.	King
Lea	Nicolson	Nunweiler
Skelly	Gabelmann	Gorst
Hall	Macdonald	Barrett
Strachan	Nimsick	Stupich
Hartley	Calder	Brown
Sanford	Cummings	Rolston
Steves	Kelly	Webster
Liden		

NAYS — 15

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

[[Page 3129](#)]

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

MR. BENNETT: On a point of order, dealing with what has happened. Yesterday, an amendment was accepted by the Chair and presumably expected by the Premier, who chose many times during that debate to speak and make his views known on this subject. Other Members were allowed to speak. Yet, after allowing himself his opportunity, today he shows he is abusing the House by denying other Members their opportunity to speak on the same amendment. I wonder if perhaps then all of the statements of the Premier yesterday and those of the Members who spoke and the accounts of such proceedings will be stricken from the record, because he has in fact allowed himself a privilege which today he denies to the rest of this House.

HON. MR. BARRETT: Mr. Speaker, it is traditional in matters like this, although not the common practice in the past, to allow the person who moved the amendment to speak. The tradition carries on to response. The tradition carries on to further statement, which was made by the Member for South Peace River (Mr. Phillips), far more than ever allowed. Had I wished to stifle debate, I would have asked the motion to be called out of order. I don't see where anything other than tradition has been followed, Mr. Speaker.

MR. SMITH: Mr. Speaker, it was obvious yesterday that the amendment was in order.

HON. MR. BARRETT: No one challenged it.

MR. SMITH: It was debated by both sides of this House, including the Premier, who rose and spoke in the debate more than once. He took his place and made his points. As a matter of fact, Mr. Speaker, after I had entered into the debate and taken my place, the Premier got up and moved adjournment of the debate on the amendment. Now certainly that is an abuse of the other Members of this House, to take his full turn in the debate and then deny that right to other Members by trying to skate out the back door, skate out sideways on a ruling of the Chair.

MR. SPEAKER: Order, please. I think the Hon. Members know that I personally have made a practice, when there is any proposal by a private Member before the House, of letting him try to state his position on that amendment or bill or motion that he is producing so that he can have his say on it. That is my policy.

Interjection.

MR. SPEAKER: May I explain further that at any time the Chair is advised that a point of order is raised, a point of order must be dealt with immediately? It has precedence over any debate, as you know. It follows that at any time during any debate, if it is out of order, the Chair, when advised, has a duty to deal with the point of order.

The second thing is this: whenever it is coming to a vote, under standing order 58, the Chair has the duty to deal with the question of whether the motion of order or bill is in order. Now the fact that Members were allowed to debate the issue yesterday in this particular instance, or any other issue, does not preclude the Chair accepting, or any Member of the House raising, a point of order. Therefore the fact that one Member spoke and then raised a point of order may not strike the Hon. Member as equitable, nonetheless, it is still within the rules of the House.

MR. BENNETT: Only if the Speaker permits.

MR. SPEAKER: Well, it is not a question of a merit issue. It's a question of the rules, and the rules have to be observed. In the circumstances, I can't say anything else, but that is my opinion.

The House in committee on Bill 86; Mr. Dent in the chair.

**SAVINGS AND TRUST CORPORATION
OF BRITISH COLUMBIA ACT**
(continued)

On section 3.

MR. PHILLIPS: Mr. Chairman, as I was saying, the object and purpose of this particular section is truly to do away with credit unions.

MR. BENNETT: He doesn't want to show his hand.

MR. CHAIRMAN: Order, please. Before the Hon. Member proceeds too far, I would point out that when we have had an amendment on a particular subject before the committee, once the House has made a ruling on it, or a decision has been made on it...

MR. PHILLIPS: That's fine, Mr. Chairman. I'll rephrase the statement.

This particular section, the objects and purposes of the Savings and Trust Corporation of British Columbia Act, is to provide a full range of financial facilities and services which, Mr. Chairman, if you will just pardon me for saying so, is going to be in competition with the credit unions of British Columbia.

"(b) to provide competition in the financial markets with a view to reduction of the rates of interest on

borrowing by citizens and institutions of the Province," which I say, Mr. Chairman, just has to include credit unions. So the object is to set up a complete....

MR. SMITH: To provide competition.

MR. PHILLIPS: Yes, to provide competition in the financial markets. I'm saying that the credit unions of British Columbia are certainly in the financial market, so it is certainly going to provide competition for the credit unions.

But what bothers me is that it will also provide for the takeover of the credit union movement, because it will squeeze them out, take over their customers and, indeed, encourage them to deposit their funds. This means that this Savings and Trust Corp. of British Columbia is going to take over the customers of the existing credit unions, because it seeks to encourage the citizens and institutions of the province to deposit their funds to support further economic and social development of the province. To encourage the citizens to deposit their funds.

The type of people the Premier has explained that he wants to help, if he's going to encourage these people to deposit their funds, he's going to be taking away from the normal, ordinary customers of the credit unions in British Columbia. This way it will eventually end up in being a takeover of the facilities the credit union has.

Before we finish debate on this particular section, we would like the Premier to give us some assurance, at least say specifically.... If he wouldn't accept the amendment, Mr. Chairman, let him say it: put it down in black and white in *Hansard* that he is not going to open offices of this corporation that will be in direct competition to the credit unions of British Columbia. Let him say it into the record. I know that because the Premier was unsuccessful in taking over the credit union movement, which he wanted to do, because they didn't want government involvement, they didn't want the government to take them over, they didn't want the government to run them.... They have flourished as an independently run body....

MR. P.C. ROLSTON (Dewdney): Are you a Member?

MR. PHILLIPS: Yes, as a matter of fact I happen to be a member, and I'll go a little bit further. I've borrowed money from the credit union. I still owe them some money.

We just want to be sure, Mr. Chairman, that this great institution is protected.

I go on to section (d): "...to ensure the maximum retention within the Province of the funds of the citizens..." Well, I would venture to say that there are more citizens' funds deposited in savings accounts with the credit unions throughout the province than with any banking system, and if this institution is going to siphon those savings, those deposits, away, it's going to weaken the position of the credit unions in the province.

(e) "... to attain a more equitable balance between loans and deposits among all regions of the province."

Well, if we're going to run this institution where you get a low interest rate on deposit and a low interest rate when you borrow the money back out, that means that it's got to be subsidized somehow by the government. If we have a subsidized institution by the Province of British Columbia, which this government is famous for.... The government is famous for subsidizing their own institutions to make them function because they can't run them on a business-like basis. It'll be unfair competition for the credit union movement.

It goes on to say: "to increase the availability and the amount of credit for low-income and middle-income citizens, farmers, fishermen and small businessmen." I tell you, Mr. Chairman, this is what the credit union movement is all about. It's all about the very people that subsection (f) is talking about.

Subsection (g): "to provide a full range of credit facilities and collection services, including the process of payments to and from the Crown." Well, this is the only area in the whole objects and purposes of the bill that will not allow the Premier to go in competition with the credit unions.

I say we could see the death knell of one of the greatest people-owned, people-run financial institutions of British Columbia if this big daddy government goes into competition. We know that the credit unions have functioned and grown and become so strong in British Columbia because they're not competing, as they were in Alberta, against the government bank. That has been the reason for the growth of the credit union movement in British Columbia. I don't want to range away from the debate on this particular section, Mr. Chairman, but I did just want to throw that in.

I'd like the Premier to stand in this Legislature, since he wouldn't accept the motion, and put down in *Hansard* that: "no, the British Columbia Savings and Trust Corp. will not be going into competition with the credit unions as they exist today." If he doesn't give us that assurance, we have no alternative but to know that this is the purpose of this, because this is the way the bill is written.

Another thing: I'm not sure that the bill is even legal. I see by today's paper that the legality of the bill — the entire bill — is being questioned by the higher authorities in Ottawa. I would have thought that the Premier, in his usual unsloppy manner,

[[Page 3131](#)]

would have at least checked this bill out.

MR. WALLACE: Section 3(a) says: "to provide a full range of financial facilities and services." It's the point that the previous Member just touched upon that I would like to inquire about of the Premier. I haven't seen today's newspaper on this subject, but my federal colleagues have contacted me to inquire in debate what discussions took place prior to the introduction of this bill between the Premier and the federal government to try and determine the area of intervention in the financial world which this bill represents, and whether the bill as we have it and its stated goals and objectives can be achieved and still be constitutional.

I've gathered from statements made by the Premier, which have been repeated in the press, that he's made it plain that this institution would not be a member of the Canada Deposit Insurance Corp. and that it would not belong to the central bank clearing system. I understand that the institution would function only within the boundaries of British Columbia. These are three of the factors which the Premier has stated, in his view, would keep this bill constitutional. Perhaps the Minister could tell us just what discussions have gone on with the federal government, if there is any area of uncertainty, and whether or not any further amendments might be necessary.

Under subsection (a) of section 3, it certainly states very clearly that the objects and purposes of this institution are to provide a full range of financial facilities and services. To my layman's mind, I would think that a full range of financial services really implies that there is no financial service that will not be provided by this corporation.

Anyway, I would like the Minister to clarify that. As I say, the point has been raised by the Conservative Party federally.

Just quickly, as I said in second reading of this debate, the goals under section 3 are certainly admirable. There's no point in reciting them all over again. Nevertheless one has to ask, under enabling legislation, whether we really can give wholehearted support to such sections as section 3 and other sections such as sections 6 and 7, with powers and additional powers, without knowing in more detail some of the ways in which these goals will be achieved or sought after.

Certainly the whole element of competition, whether it's competition with the credit unions or any other institution.... As I understand it, here again we have a Crown corporation, 90 per cent of which is owned by the Crown and which would not pay income tax. So, again, I just make a point that in the business world you certainly have a head start on your competitors if they pay income tax and you don't.

The other point of the manner in which this institution is being created is that it is created politically. I suppose the government might again suggest that we're all being paranoid on this side of the House, but one can see

the real potential for political interference. It can leave the person dealing with this financial institution in a position to be pressured politically in a variety of ways.

As I mentioned in the earlier debate, one thing that just about every citizen is involved in is credit of some kind or another. There's no quicker way to influence individuals in society than by pressuring them through financial means. If this were not the case, we wouldn't have loan-sharking, violence, the Mafia and a whole lot of other evil influences in the financial world. I'm not suggesting for a moment, in using these phrases, that this government would descend to that level. I am simply saying that the potential for political pressures and interference of one kind or another are implicit in the way in which this government outlines its goals and objects in section 3.

With regard to the goal of providing low-interest funding and loans, one has to ask the Minister if he would care to give us some more information as to how this will be done. In second reading he pointed out that it wouldn't be some widespread provision of loans for everybody at 6 per cent, but only under certain circumstances. But I still feel that the precise interest rates that prevail in the marketplace mean that money is only available if the government obtains the money at that interest rate. If it in turn loans out that money at a reduced interest rate to what it cost the government or cost this institution, that money has to be a subsidy, whatever way you use the word "subsidy." We've been around that racetrack many times on ICBC.

That leads to the other kind of question I would like to ask. Would he tell us perhaps on this section or at the appropriate section where he proposes to get the authorized capital in the first place in trying to achieve these goals to provide lower interest rates? Is it to come from consolidated revenue, pension funds or other government accounts? Where is the authorized capital to be realized or to be provided to meet the objects and purposes of this financial institution? If the goals, objects and purposes of the institution are to be satisfied, it is quite clear that somewhere along the line some form of subsidy is involved. While this is one of the main reasons the Minister has given for establishing this institution, namely to provide low-interest loans to persons who have difficulty obtaining credit, we must ask the question: would there not be a simpler way to provide assistance to these people without going through this very extensive, complicated and expensive manoeuvre of setting up a whole new financial institution?

[[Page 3132](#)]

I think of all the objectives of the bill one which seems most creditable and most worthy of support from the opposition is the fact of trying to help the low-income or middle-income earner who either has difficulty obtaining credit or when he needs credit has to pay a very high interest rate. If that person, in the view of society, is entitled to some assistance in the form of subsidized interest rates, we have to ask the question: is it necessary to go through this whole business of a piece of legislation where its objectives, goals and powers appear to extend far beyond the capacity simply to help the low-income earner to obtain credit?

I think that really has to be a question which I hope the Minister would also answer: why go to all this trouble to set up an institution when, as he has already pointed out in introducing second reading, the pilot project in the hands of the credit union subsidizing interest rates at 6 or 7 per cent was working very well? I just wonder whether some kind of a simpler alternative could well be developed without going through the substantial procedure of setting up a whole new institution.

The last point, of course, that I think one has to ask when you read the objectives and purposes of section 3 is: will this institution have the distinct goal of making a profit? Or has no decision been made that if subsidies are provided and this results in the bank or in the corporation not making a profit or losing money — once again, will that be subsidized by the general taxpayer?

I'm not accusing this government that that is necessarily its deliberate intent. But I'm saying that public comment from economists and financial reporters in the various columns of the newspapers make this point very clear. While admittedly this bill is enabling legislation, it has potential ramifications in the ways I've tried to outline briefly which are so great that we are entitled to have answers, I think, in debate to some of these questions, particularly on the three or four points I've raised.

HON. MR. BARRETT: Well, Mr. Chairman, let me go through some of the questions asked by the Member. I appreciate the questions being asked in committee stage and I will try my best to answer them. No violin music.

To my knowledge, no federal Member of Parliament has been in touch with my office concerning this bill, nor did we contact anyone in Ottawa. The legal advice we have is that we are within our constitutional grounds or rights to go ahead with such legislation. Certainly if the Treasury branches of Alberta are permitted, our savings and trust corporation should be permitted as well. There's never been a challenge of the Treasury branches in Alberta. They have served a useful purpose in that jurisdiction for years.

In terms of the statements about competition and the credit union movement, the credit union movement has an opportunity to become 10 per cent participants in the operation. If they do, I've already made the public statement that our public presence would be limited to regional offices, ranging between 8 and 14 such offices throughout the province.

We hope that the corporation would make a modest profit. Now I'm not going to give an exact figure of what we consider to be a modest profit. But certainly the profit made by lending institutions in the range of 22 to 24 per cent is simply too high. We have had regulations in this province on profit-making — for example, Westcoast Transmission. We allow them to make 10 per cent profit now on their capital investment, and that's fairly high. Within 10 years they doubled where they were originally. I'm not saying that's the figure we're aiming for, but that's a negotiated figure that we consider to be fair and equitable.

Now in terms of participation for original funding, we see the corporation extending itself in two ways to the community. There is the credit union movement, if they wish to participate. That is to make available short-term money and long-term money at close to prevailing rates, but also to channel vast pools of money that have not been traditionally channeled for anything other than straight deposit in the traditional banking system.

For example, we have observed in North America a deterioration of a participation in the economic system of the trade union movement. The trade union movement has not been channelled as a movement or as individual unions in any way to participate in the developing growth of any region's economy in North America. There are, for example, funds within the trade union movement that they may wish to redirect into social purpose use. For example, some unions build up large strike funds. They need them on a liquid basis pending the period of time when they may have to call on those funds for the economic purpose that they were originally set up to provide over a period of time. Now those funds generally are not socially directed by the trade unions concerned.

We would like to see, as in some European countries, an opportunity for unions to participate in the limited time period based on the needs of their own contractual obligations in terms of their own management-labour relations. We'd like to see those funds channelled in a social purpose; channelled for short-term financing, perhaps, through an institution like this; channelled for long-term financing beyond strike funds or other union funds; channelled into long-term uses, such as mortgage money for their own members.

I think there is a potential pool of funds in the community that we can ask to come together on a

[[Page 3133](#)]

co-operative basis for the social and economic benefit of the province. I think that once more and more people have a feeling of direct connection with the economic system, either as individual investors — if that's the opportunity they wish to invest in, either through credit unions — and their choice is there or the trade unions — they may choose to do that. But the opportunity, the potential of having a pool of funds available that is mobilized for social purposes and economic purposes, is one that this bill provides.

I can understand the need for political rhetoric if people wish to take a position based on political opposition. But the social purpose and the social objective of this bill has not been lost on the banking community. As a matter of fact, in spite of the comments I've made which are highly critical of the banking system, I've had a response from a major bank saying that they would be willing to assist us in any way possible.

That may come as a surprise to the official opposition, but there are reasonable people in the community who see that the objectives of this corporation can serve a useful purpose. For the attention of the Member, I would like to read a letter to the House. This letter is from Mr. John A.C. Hilliker, senior vice-president and regional general manager of the Canadian Imperial Bank of Commerce. It says: "Dear Mr. Barrett....

Interjection.

HON. MR. BARRETT: Well, certainly, this is a response. I think it's fair for the community to comment and express its opinion and I think I should share this fair comment. It goes on:

"I would like to take this opportunity to extend our good wishes on your government's recent introduction of legislation which will lead to the formation of the British Columbia Savings and Trust Corp. This new institution should play an important and constructive role within the province. If there is any way in which our bank can be of assistance in these activities, it will be a pleasure."

Now there is a responsible banking....

Interjections.

HON. MR. BARRETT: Well, I know it's uncomfortable for the official opposition to hear that there are constructive people in the community who are willing to express an opinion on the major social and economic thrust of this legislation. I don't find that unusual. I think there are reasonable people in the community and you can interpret it.... I don't think that everything has to be politically charged, and I find that the opposition's unease is essentially based on what political decision they are going to have to make in terms of voting for it or voting against it.

Those, Mr. Member, are some of the comments in response to your questions. This is the major approach to the role of the bank. I see a great public involvement, and I see no reason at all for any federal government interference in this whatsoever.

[Mr. Liden in the chair.]

MR. PHILLIPS: You're not as sure of yourself today as you were yesterday.

MR. J.R. CHABOT (Columbia River): Mr. Chairman, just a few words. I was rather surprised that the Premier would read that little short letter from the Canadian Imperial Bank of Commerce, which is shaking in its boots today because they're frightened that the government accounts will be moved from that bank to the Savings and Trust Corp. of British Columbia. They just want to protect their own skins — that's why they wrote to the Premier of British Columbia. They're frightened you're going to move the government accounts out of their bank and into your little piece of legislation — the Savings and Trust Corp. of British Columbia! Yes, that's the only reason you got that letter! Can you imagine the gall of that Premier reading that letter here? If he doesn't see through that letter, how can he possibly expect to manage from a string here in British Columbia this savings and trust corporation which we're debating at this time?

HON. MR. BARRETT: Are you saying they have ulterior motives in this letter? Shame!

MR. CHABOT: What really concerns me, Mr. Chairman, is the lack of response from that Premier over there regarding the concerns that were expressed by the Member for South Peace River (Mr. Phillips) just a few moments ago. They are very legitimate concerns that were raised by him and he asked you questions which you failed to answer, willingly or otherwise. You chose to ignore very legitimate questions put to you regarding the objects and purposes of this legislation.

The question that was put to you is one which is very simple: is the government in the process of moving into this savings and trust corporation for the purpose of competing for customers with the credit union movement in this province? Is that what the government intends to do — move in and destroy the credit union movement in this

province by taking over those people who historically trade with the credit union movement in this province? Straight competition for customers — that's what this legislation is all about. Not only that, but this great bureaucracy which we are about to set up will

[[Page 3134](#)]

destroy something that has been historical in British Columbia in the credit union movement, and that is local autonomy. Local autonomy will disappear where the local citizens together set up the loan committee and make the decisions on the advisability of loaning of money.

MR. R.T. CUMMINGS (Vancouver–Little Mountain): Rubbish! Rubbish! Nonsense!

MR. CHABOT: But no, that's all gone. The local autonomy of the credit unions is going to disappear with this legislation because the decisions are going to be made by big daddy government. That's how the decisions are going to be made.

HON. MR. LEA: Are you going to vote for it, Jim?

MR. CHABOT: If the government truly believes in making these funds available at attractive rates to those people who genuinely need them, why can't they make the money available to the credit union rather than attempting to get into the banking business or the savings and trust business in direct competition with the credit union movement of this province? There's no reason in the world that the government over there could not make the money available to the credit unions tied down to specific guidelines in which these dollars could be made available to those people whom they claim to protect and those people whom they claim they want to help.

HON. MR. LEA: Are you going to vote for it?

MR. CHABOT: They could do that. There's no doubt about it that it could be done. They talk about cheap mortgages. The Premier brings up the question of cheap mortgages. There's necessity to help those a people out there of low income — the farmers and the small businessmen.

HON. MR. LEA: Are you going to vote for it?

MR. CHABOT: Now we have a Department of Housing. I know that the Minister of Housing (Hon. Mr. Nicolson) in this province is not a very adequate person. But, nevertheless, you could set up the guidelines which he and his staff could administer. I'm sure the staff is sufficiently competent that they could administer the cheap mortgages in this province, but I wouldn't attribute that kind of a qualification to the Minister.

HON. MR. LEA: Are you going to vote for it?

MR. CHABOT: But certainly the Premier can control that Minister if he goes wrong in making these cheap mortgages available through the Housing department.

The objects and purposes of this legislation talk about making cheap money available to small businesses in this province. You would almost think the Premier never heard of the B.C. Development Corp. It just filed its annual report today, the first report. The Minister was proud when he presented the report today. What is wrong with that vehicle? I thought the objects and purposes of that particular corporation were to make attractive loans available for small business in this province so that jobs could be created for the people, so that they could expand existing plants, so that they could bring on secondary industry in this province. Now the Premier says that that vehicle is not worth a plugged nickel. Now he says it's necessary to have a savings and trust corporation to fulfil the responsibility that is clearly spelled out through the B.C. Development Corp. What sort of duplication of services are we talking about here? The government has two perfectly legitimate, legalized vehicles by which they could make money available to those people if needed at attractive interest rates.

Interjections.

MR. CHABOT: They are not prepared to live up to those two corporations and the department that are in place in this province.

Interjections.

MR. CHABOT: That's a good point. The Second Member for Vancouver–Point Grey (Mr. Gardom) wants to know whether this Savings and Trust Corp. of British Columbia is going to compete against mortgages being given by the Department of Housing and against loans being made by the B.C. Development Corp. Is it competition that you are going to be proposing by the objects and purposes of his legislation? If it is, there is no justification for the debate on this legislation. Furthermore, there is no justification for this legislation as well.

It sounds very clear to me that this legislation is big brother government moving in on the credit unions of this province in straight competition for the customer. There is no doubt about that. What we are going to have, Mr. Chairman, are double-standard loans.

AN HON. MEMBER: Right on.

MR. CHABOT: Will people in the same economic status, for instance, who are presently tied to loans, say, in the neighbourhood of 11 per cent to the credit union movement have their interest rates lowered once the guidelines have been established for this

[[Page 3135](#)]

corporation. Will their interest rates be reduced at the credit union when they are in the same economic status? It's double-standard legislation, that's what this is. It doesn't do the job which the Premier suggests that it will do for the people of this province.

Mr. Chairman, it's about time that the Premier started giving us some facts instead of attempting to declare closure against the debate on section 3, the objects and the purposes of this legislation. It's about time we were told whether the government intends to destroy, to compete against the credit union movement of this province.

HON. MR. LEA: You'll vote for it.

MR. CHABOT: You'll see how I vote.

HON. MR. LEA: Sure, you'll vote for it.

MR. GIBSON: Do you want to reply to it, Mr. Premier?

HON. MR. BARRETT: No, I don't have to.

MR. CHAIRMAN: Order, the Member for North Vancouver–Capilano has the floor.

MR. GIBSON: Mr. Chairman, the Premier, in replying to a previous question, indicated that he saw no difficulty with the constitutionality of this bill. I would ask him what advice he has received on this and whether he has indeed gone to lawyers outside of the government.

HON. MR. BARRETT: I took the trouble of going to three lawyers, and I got nine opinions. All of them said that it's okay.

MR. CHAIRMAN: Order. The Member for North Vancouver–Capilano has the floor on section 3.

MR. GIBSON: The reason I ask, Mr. Chairman, is because this clause (a) here which says, "to provide a full range of financial facilities and services," appears to have stirred up some concern back in Ottawa.

Interjection.

MR. GIBSON: It says on the front page of the *Sun* today that Mr. Turner was concerned.

HON. MR. BARRETT: Ohhhh!

MR. GIBSON: Now you know that the *Sun* is a newspaper of record, Mr. Premier.

HON. MR. BARRETT: Of my liabilities?

MR. GIBSON: Mr. Chairman, with the Premier's news service, he can't blame the press for being a little confused now and again.

HON. MR. BARRETT: Let the *Vancouver Sun* find out if they're wrong.

MR. GIBSON: In view of this indication of concern by the Minister of Finance for Canada, I ask the Minister of Finance for British Columbia if he has taken the trouble to consult with the federal authorities on this matter.

I was impressed yesterday, Mr. Chairman, when the Premier stood up in this House and said he was a Canadian first. I was very impressed when he said that. I want to know if he has consulted with the national authorities about the constitutionality of this bill.

Interjections.

MR. GIBSON: For example, Mr. Chairman, while in section 3 it says that the object is to provide a full range of financial facilities and services, in section 9 it says: "nothing in this Act shall be construed to authorize the company to issue a note payable...or to engage in the business of banking." That's what section 9 says.

Now what is the Premier going to do if the time comes in 1977, I think it is, when the Bank Act is reviewed and the definition of "bank" is brought forward? The definition of "bank" happens to be the things that this corporation is doing. I just want to ask him at that time if he is going to be a good citizen of Canada. That is the only curiosity I have. I hope you will answer that question.

I would ask him next if he has an opinion on the tax status of this company. Does he have an opinion that this company will be tax-exempt?

HON. MR. BARRETT: Yes.

AN HON. MEMBER: What kind? Income?

AN HON. MEMBER: Income.

MR. GIBSON: The Minister indicates he has an opinion.

MR. CHAIRMAN: Order. The Member for North Vancouver–Capilano has the floor.

MR. GIBSON: He has an opinion that this company will be income tax–exempt. Does he have that opinion from the Minister of Finance or the Minister of National Revenue for Canada? I think this is a discretionary thing.

[[Page 3136](#)]

HON. MR. BARRETT: I got it from my lawyer.

MR. GIBSON: Oh, the Premier says he got it from his lawyers.

AN HON. MEMBER: Is Dowding moonlighting?

HON. MR. BARRETT: No....

MR. GIBSON: Maybe the Premier will tell us who his lawyers are. This is a very important question.

HON. MR. BARRETT: One or two of them are Liberals. They are not even independents.

MR. CHAIRMAN: Order.

MR. GIBSON: This is a very important question, Mr. Premier, on this tax status. I hope you'll answer that when you stand up.

HON. MR. BARRETT: Certainly. Certainly I will.

MR. GIBSON: Now 3(b) suggests that a purpose is to provide competition in the financial markets with a view to reduction of the rates of interest on borrowings by citizens and institutions in the province. That is a laudable objective, Mr. Chairman. I just want to ask the Minister of Finance how, exactly how that is going to be done.

The next indication has been that one of the purposes is going to be low-cost loans — below-market loans, I guess you would call them, Mr. Chairman. I would like to ask the Premier just roughly what per cent of the loans of this institution will be low-cost loans? Just roughly. Tell us: 1 per cent, 5 per cent, 10 per cent, 50 per cent? Just close. Have you got any idea at all? Just I try and get close, Mr. Premier.

HON. MR. BARRETT: You've got to be more precise in your question.

MR. GIBSON: No, no. That is a very precise question. "What per cent of the loans of this institution will be low-cost loans?" Precise question.

HON. MR. BARRETT: Now you are changing your question. Before you said "just close" was good enough.

MR. GIBSON: Well, I didn't think you could be precise, but since you wanted a precise question, I gave it to you. I am not expecting a precise answer from you; just try and get close.

HON. MR. BARRETT: I get the impression you are being political.

MR. GIBSON: The fact of the matter is that you have got no idea, Mr. Premier. You are waving your arms. It's election bait.

HON. MR. BARRETT: Oh!

MR. GIBSON: Sure, it's election bait.

HON. MR. BARRETT: Oh, no.

MR. GIBSON: All through the next year, you are going to be saying to people: here is the list where you sign up for a low-cost loan, but we are sorry that we are not ready yet. I just want to know the percentage.

Part (g) suggests that an object is to provide a full range of credit facilities and collection services, including the processing of payments to or from the Crown. I would like to ask the Minister of Finance what of the Crown's deposits with regular banks will be shifted into this new savings and trust organization. The Crown has a lot of accounts around the province, some of them with that bank that wrote the nice letter which might conceivably have been written with a slight amount of concern about the endurance of their own banking accommodation for the Crown.

HON. MR. BARRETT: You don't really believe that, do you?

MR. GIBSON: It is a possibility that has been raised, Mr. Premier. Just a possibility.

HON. MR. BARRETT: Oh! You've got group paranoia.

MR. GIBSON: I think the Premier is perhaps looking at this with all the love he can find in his heart when he puts that interpretation on the letter. I commend him for that, but if I was the bank I would be a little bit worried about what deposits were going to be pulled out.

HON. MR. BARRETT: Ahh!

MR. GIBSON: So I am going to ask the Premier what per cent of the deposits of the Province of British Columbia — and he can check with his Deputy Minister there; he might know — are going to be put in this new institution instead of in the regular banking system.

Interjection.

MR. GIBSON: I would expect it would be to a

[[Page 3137](#)]

considerable extent, Mr. Chairman. If it is not a very considerable percentage, then the Premier is not supporting this new institution. What is the percentage?

HON. MR. BARRETT: Do you want an answer to that now or do you...?

Mr. Chairman, I have been patient this afternoon, I have been loving this afternoon, and I have been kindly this afternoon.

MR. L.A. WILLIAMS: Then where were you?

HON. MR. BARRETT: Okay, I'll sit down.

No, I feel great love in my heart because of the purpose of this bill. I understand the political fears of the opposition. But I want to give them the opportunity, through calmness, through rational debate, to repent before it is too late. You would suggest that I would run around this province, naming the people in this House who voted against this bill? You're absolutely correct. (Laughter.) What else could I do? I have to tell the people the record of what went on when this great financial institution was being created by this little government to assist the ordinary people of the province, and the fat cats!

MR. GIBSON: Name names.

HON. MR. BARRETT: I can't understand it! I just don't understand. Wait, wait, I'm going to come to your questions. I'll mention your name.

MR. GIBSON: Certainly!

HON. MR. BARRETT: The 57-vote wonder who is trying to parlay that into leadership.

MR. GIBSON: I need the publicity. Mention my name.

HON. MR. BARRETT: You need the publicity like the captain of the Titanic needs the publicity.

Interjection.

HON. MR. BARRETT: Titanic? Thank you. I'm glad that the first group to correct my pronunciation of the name of the ship was the group that's most familiar with it. (Laughter.)

AN HON. MEMBER: That was a set-up.

HON. MR. BARRETT: You're right. I confess that was a set-up. (Laughter.)

Interjections.

HON. MR. BARRETT: But you are far more clever than they are, so you are able to appreciate it.

Interjection.

HON. MR. BARRETT: No, no. It's just that I've been watching lawyers and clerks. I mean lawyers. (Laughter.)

Now let us talk about this letter from the Canadian Imperial Bank of Commerce. To suggest, as the Member for Columbia River (Mr. Chabot) did — I'm sure you weren't implying — that this was written out of fear... I cannot believe that there is a banking organization as powerful as the Canadian Imperial Bank of Commerce that would write a letter such as this with any motive other than one of a desire to assist this government in its aim.

Are you suggesting that the Canadian Imperial Bank of Commerce would in any way with its board of directors attempt to use guile?

MR. PHILLIPS: They don't want a loser. They want to get rid of your overdraft.

HON. MR. BARRETT: I can't believe that. I don't believe that the bank would... This bank has written a letter from Mr. Hilliker offering assistance, and I respond to his message of love.

AN HON. MEMBER: Did you take him up on it?

HON. MR. BARRETT: Well, we just got the letter. I rushed up to share it with you, it's such good news.

MR. PHILLIPS: You probably loaned him a typewriter. Did you loan him the typewriter?

Interjections.

HON. MR. BARRETT: Shhh! Mr. Chairman, I have no way of coping with such irrational behaviour, other than saying "Shhh!" If there was a better approach, I would use it. (Laughter.)

Interjections.

HON. MR. BARRETT: Now, Mr. Chairman, I've got to say that some of the questions raised by the Member for North Vancouver–Capilano (Mr. Gibson) are of great concern to all of us. That is why we would not define the detailed, precise policy in this legislation, because we intend to put together a board of directors who bring with them skills, knowledge, information, style and awareness of what an institution can do with their administrative guidance.

I've already announced a prominent Canadian who is the first to be named — Mr. Eric Kierans. Now surely it could be pointless for us to define all of

[[Page 3138](#)]

these things and then name a board of directors. We don't believe in using this as a political instrument, Mr. Member. We see this as people from right across this great nation of Canada, like Mr. Kierans, participating in defining the precise role. They understand the social thrust, they understand the economic thrust, but they, too, will be...the board of directors will be involved. If the credit unions decide to come in, Mr. Chairman, they, too, obviously must have representation on the board.

We are trying to create a community base with a great deal of expertise to help us make this institution into the finest fiscal instrument, with a social purpose, that is available through the help of the community. So I don't

understand — even the Bank of Commerce is saying they are willing to help. Everybody else wants to help. Why are you so critical? That's why I asked you the question: "Is it politics?"

MR. PHILLIPS: You didn't ask me a question.

HON. MR. BARRETT: No, you weren't asking questions. You were on a diatribe. You were on a semi-hysterical snowbound speech.

AN HON. MEMBER: You're a demagogue.

HON. MR. BARRETT: I'm a demagogue? (Laughter.)

Interjections.

HON. MR. BARRETT: My goodness gracious me, Mr. Chairman. In the face of that Member's ranting, shouting, hollering and irrational approaches, to call me a demagogue upsets me, Mr. Chairman. It upsets me.

Interjections.

HON. MR. BARRETT: You see, they don't want to understand the politeness of this House. They are constantly interrupting, yelling, interfering with debate. But that's all a matter of record that I won't have to share with the community — unless necessary.

So, Mr. Member....

MR. PHILLIPS: Threats are about all you've got left. That's why you use them all the time.

HON. MR. BARRETT: Well, Mr. Chairman, the whole purpose is to allow the board of directors to become precise, to define, to direct, to guide and to lead us on to new paths in the development of a community financial institution.

I have said that we're not going to put the banks out of business. We don't have the capacity to do that. We want to provide a human alternative for those people who have been shut out of the system — widows, single women, people on marginal incomes. The credit unions are saying....

Interjection.

HON. MR. BARRETT: In regard to that, Mr. Member, and I quote from the *Financial Times* of Canada dated May 26, 1975, Mr. George May:

"There are advantages for both sides in the partnership. The trust corporation would be able to operate out of many existing credit union offices and thus avoid large start-up costs. At the same time, the credit unions would be able to get vastly increased funds.

"Our members," said Mr. May, "need more credit than we can provide through savings. With the Savings and Trust Corp., more money, obviously, will become available and we will get additional recognition. For instance, savings will be guaranteed by the province. The partnership will also add stature and reputation to the credit union movement, and B.C. Central could get access to money markets now out of our reach."

That's a statement from Mr. May himself, and I think it sufficiently covers the last question you asked, Mr. Member.

MRS. JORDAN: I found the comments by the Minister of Finance very interesting. I also found his lack of answers to the former speaker's questions very interesting.

I also find it most interesting that the Premier stands up, waves his arms, and cries and laments: "Why are you suspicious? Why are you concerned? Why don't you trust me?"

The Premier doesn't seem to understand that it's his own record since becoming Premier and Minister of Finance in this province, and it's his own action in this particular debate that increases the concern not only of the opposition in this House, and not only the public of British Columbia, but very definitely the members of the credit unions in British Columbia — the individual members.

They know what this Premier means when he stands up and smiles and says: "I have love in my heart." They know when he says that that he usually has a spear in his hand, and it's aimed at some little guy in British Columbia society. They've seen it all before. They've seen it. The little, independent insurance agents in this province heard him cry this when he said to them: "Trust us. Don't worry, we're not going to hurt you." Those that are on welfare now know what he meant when he said: "We're not going to hurt you." Those who lost their live savings, their lifetime investment know. Those who had their

[[Page 3139](#)]

businesses expropriated, they know. Those independent insurance agents who are acting today, and have no marketable value on their capital assets in their business because this government won't give them a contract — the few that they let stay in business — know what the Minister means when he says that he has love in his heart, and they felt the spear in his hand.

It's most interesting when the Minister, the Premier of this province, stands up and talks about the board of directors. He says that he can't answer the Members' questions, and he can't really define the actions of the new organization because that's the job of the board. He elaborated the name of the new appointment to the board, but he didn't give us any indication of who the others would be. He says it's the board that's going to define a precise course, define the action, direct the action, involve and evolve new paths. The public and the members of the credit union are saying: "You mean like ICBC — that board, appointed by this government to define its role, to evolve precise policy, to involve itself in new directions in the whole insurance business — in new paths — without political interference?"

It's quite common knowledge that the reason ICBC is showing a \$36 million deficit this year is because of political influence, and because that board was not allowed to be precise or to define its actions, or to direct the course of that corporation, or to experiment in new paths on a responsible basis. Therefore there can be no more confidence in this Minister of Finance's statements about the board for this new vehicle than we have seen him express in the board of ICBC.

The Minister of Finance insults the intelligence of the people of British Columbia, and certainly the intelligence of the credit union members of this province, when, with such a blistering, blatant political record behind him, with its scorching losses to the taxpayers of British Columbia through ICBC, he then asks them to take him on faith in dealing with the credit unions.

MR. BENNETT: Remember his mid-term statement on ICBC?

MRS. JORDAN: Yes, his mid-term statement on ICBC: there will be no subsidization of ICBC.

Interjection.

MRS. JORDAN: Then the next step, after some of their political interference, was: "Well, there may be a slight loss." Then a few weeks later he decided that the slight loss might be \$18 million. Then as he tripped along his path of truth and non-political interference, we ended up with a loss of \$36 million.

MR. CHABOT: Despicable! Absolutely despicable!

MRS. JORDAN: Now when this happens to the credit unions, who's going to pick up the tab? The Premier talks about utilizing capital for social services through the credit union — an excellent idea. But someone is going to pick up the loss. Is he going to ask those members of the credit union who have already put their capital and their savings in the credit union to absorb the loss? When this new vehicle, the Savings and Trust Corp. of British

Columbia, and the political interference that will come in the credit unions, has a loss will they pick up the tab, or will it be the taxpayers of British Columbia?

Interjection.

MRS. JORDAN: Is the Minister of Finance asking for a motion of adjournment? I'm sorry that he's feeling so uncomfortable in this debate but I can appreciate why.

The House resumed; Mr. Speaker in the chair.

MR. CHAIRMAN: Mr. Speaker, the committee reports progress and asks leave to sit again.

Leave granted.

MR. GIBSON: Mr. Speaker, I wonder if the House Leader could indicate the order of business.

HON. E. HALL (Provincial Secretary): We're just going to carry on.

Hon. Mr. Hall moves adjournment of the House.

Motion approved.

The House adjourned at 5:55 p.m.

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