# 1974 Legislative Session: 4th Session, 30th Parliament HANSARD

The following electronic version is for informational purposes only. The printed version remains the official version.

# Official Report of DEBATES OF THE LEGISLATIVE ASSEMBLY

(Hansard)

# **WEDNESDAY, FEBRUARY 13, 1974**

### **Afternoon Sitting**

[ Page 171 ]

### **CONTENTS**

COTTETTS
Routine proceedings
Guaranteed Minimum Income Plan (Bill 20). Mr. Richter.
Introduction and first reading — $\underline{171}$
British Columbia Harbours Board Amendment Act (Bill 17).
Hon. Mr. Strachan.
Introduction and first reading — $\underline{171}$
An Act to Amend the Public Bodies Information Act (Bill 21).
Mr. McClelland.
Introduction and first reading — $\underline{171}$
Transportation Assistance Fund Act (Bill 22).
Mr. McClelland.
Introduction and first reading — $\underline{171}$
Election Expenses Act (Bill 23). Mr. Wallace
Introduction and first reading — $\underline{171}$
Air Ambulance Aid Act (Bill 24). Mr. Phillips.
Introduction and first reading — $\underline{171}$
Rural Student Aid Travel Fund Act (Bill 25).
Mr. Phillips.
Introduction and first reading — $\underline{171}$
The Department of Northern British Columbia Act
(Bill 26). Mr. Phillips.
Introduction and first reading — $\underline{171}$
Oral questions
Squamish Highway closure. Mr. Bennett — <u>171</u>

```
Inspection sticker for government vehicle.
     Hon. Mr. Strachan — 172
Roberts Bank acreage for recreational reserve.
     Mrs. Jordan — 172
ICBC negotiations with auto body shops. Mr. Curtis — \underline{172}
Allocation of interest on overcharged ICBC premiums.
     Mr. Gardom — <u>172</u>
Behaviour modification programme; propriety of police parties held by private citizens. Mr. D.A. Anderson —
Provision of newsprint to The Victoria Express.
     Mr. Phillips — \frac{173}{}
Progress in Victoria Press strike. Mr. Wallace — <u>173</u>
Date of release for Purcell Range study. Mr. Chabot — 173
Work stoppage by janitors in Vancouver schools.
     Mr. Gardom — <u>173</u>
Talks re operation of Victoria transit system.
     Mr. Curtis — <u>174</u>
Plans to take over Surrey welfare administration.
     Mr. D.A. Anderson — 174
Purchase of shares in Kaiser Resources.
     Mr. L.A. Williams — <u>174</u>
Acquisition of timber rights by North Canadian
Forest Products. Mr. Phillips — <u>174</u>
Farguharson report on Kimbasket Lake area.
     Mr. Chabot — 175
Budget debate (continued)
     Hon. R.A. Williams — 175
     Mr. Smith — 182
     Mr. Rolston — 188
     Mr. Dent — <u>197</u>
```

The House met at 2 p.m.

Prayers.

**HON. D. BARRETT (Premier):** Mr. Speaker, I would ask the House to welcome some students who are on a Crown Zellerbach tour. The Crown Zellerbach plant is part of my own constituency of Coquitlam. There are 30 students from Coquitlam who are on the CZ tour and Mr. Jack Morris is the representative with them.

**MR. SPEAKER:** I would like also to ask the House to welcome a large group of market garden and Canadian Chinese student constituents of mine from Burnaby-Edmonds, who are in the House, and they are very happy to be here today.

Hon. Mr. Macdonald files the first report of the Royal Commission on Family and Children's Law, under the chairmanship of Mr. Justice Berger.

### **Introduction of bills**

### GUARANTEED MINIMUM INCOME PLAN

On a motion by Mr. Richter, Bill 20, *Guaranteed Minimum Income Plan*, 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 HARBOURS BOARD AMENDMENT ACT

Hon. Mr. Strachan presents a message from His Honour the Lieutenant-Governor: a bill intituled *British Columbia Harbours Board Amendment Act*.

Bill 17 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.

# AN ACT TO AMEND THE PUBLIC BODIES INFORMATION ACT

On a motion by Mr. McClelland, Bill 21, *An Act to Amend the Public Bodies Information 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.

### TRANSPORTATION ASSISTANCE FUND ACT

On a motion by Mr. McClelland, Bill 22, *Transportation Assistance Fund 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.

### **ELECTION EXPENSES ACT**

On a motion by Mr. Wallace, Bill 23, *Election Expenses 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.

### AIR AMBULANCE AID ACT

On a motion by Mr. Phillips, Bill 24, *Air Ambulance Aid 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.

# RURAL STUDENT AID TRAVEL FUND ACT

On a motion by Mr. Phillips, Bill 25, *Rural Student Aid Travel Fund 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.

# THE DEPARTMENT OF NORTHERN BRITISH COLUMBIA ACT

On a motion by Mr. Phillips, Bill 26, *The Department of Northern British Columbia 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.

# **Oral questions**

# SQUAMISH HIGHWAY CLOSURE

**MR. W.R. BENNETT (Leader of the Opposition):** I'd like to address my question to the Minister of Highways. I'd like to ask him if he can give any assurance to the citizens that use of the Squamish Highway will not be closed, as rumoured, part of the day or part of the evening.

**HON. G.R. LEA (Minister of Highways):** Mr. Speaker, I can't give the assurance that it will not be closed part of the day, because it's going to be necessary to close it for part of the day to do repair work.

# INSPECTION STICKER FOR GOVERNMENT VEHICLE

[ <u>Page 172</u> ]

HON. R.M. STRACHAN (Minister of Transport and Communications): The other day the First Member for Victoria (Mr. Morrison) asked a question regarding a Vega car, licence VAB950. I'm advised that there was some problem with the registration; evidently the dealer had lost the registration. We had to go through a procedure to apply for lost registration before it could go through the inspection station, and it went through the inspection station late last week. But there's been no change in policy. You asked the question; there has been no change in policy. All government cars are supposed to have the inspection sticker on them.

**MR. SPEAKER:** Is there something that turns upon that answer? Do you have a supplementary?

**MR. N.R. MORRISON (Victoria):** I'd just like to ask the Minister why it didn't have a temporary sticker on it.

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

# ROBERTS BANK ACREAGE FOR RECREATIONAL RESERVE

- MRS. P.J. JORDAN (North Okanagan): Mr. Speaker, I'd like to address my question to the Hon. Minister of Lands, Forests and Water Resources, and ask him if he would like to correct his statement of yesterday regarding the lifting of the recreational reserve at Roberts Bank, when he said that the original order-in-council contained an error by staff, in view of the fact that the Minister himself signed order 352 and in that order it contained the exact description of the acreage and an accompanying map of the area in question.
- HON. R.A. WILLIAMS (Minister of Lands, Forests and Water Resources): I'm pleased to answer, Mr. Speaker. The error was, in fact, in the memorandum attached to the order-in-council, which stated that the matter had been reviewed by the Fish and Wildlife Branch of the Department of Recreation and Conservation, and that it had their approval. That was the error. The information was incorrect that I had received, and that is the error I referred to.
- **MRS. JORDAN:** A supplementary, then. I wonder if the Minister is in the habit of signing orders-in-council that he doesn't understand, when it was a very short order and very clear, or if he continues to be in the habit of blaming his staff for his own inabilities and shortcomings.

MR. SPEAKER: Which answer does the Hon. Member want?

**MRS. JORDAN:** Both, Mr. Speaker. We would just like an answer from this Minister as to why he blames his staff for a very simple order that is very clear-cut. I'm sure it points out his own incompetence.

**HON. R.A. WILLIAMS:** If the Hon. Member would like a hearing aid, I'd be glad to contribute, Mr. Speaker.

MRS. JORDAN: I find my eyes quite sufficient, Mr. Minister. Perhaps you should try using yours.

MR. SPEAKER: Order, please.

MRS. JORDAN: But it seems to be a habit that this Minister consistently blames his staff.

### ICBC NEGOTIATIONS WITH AUTO BODY SHOPS

- MR. H.A. CURTIS (Saanich and the Islands): To the Minister of Transport and Communications: is it a fact that officials of the Insurance Corporation of British Columbia are now approaching individual auto body shops, particularly on the lower mainland, in an attempt to sidestep their official negotiating agency, the Automotive Retailers' Association?
- **HON. MR. STRACHAN:** Yes, we're approaching individuals, and asking them whether or not they agree that \$14 is a fair price.
- **MR. CURTIS:** A supplementary, Mr. Speaker. The Minister then feels that the auto body shops concerned do not have the right to be approached on a group basis. Is that the inference we can draw from the answer?
- **HON. MR. STRACHAN:** No. The ARA do not, and they admit frankly that they do not, represent all body shops.
- **MR. CURTIS:** A supplementary, Mr. Speaker. What about those they do represent, such as the one which has been documented for us, which is a member of the ARA and has been approached on an individual basis by a representative of ICBC?
  - HON. MR. STRACHAN: Well, if you say it was, I'll have a look at it. I appreciate the Member asking.

# ALLOCATION OF INTEREST ON OVERCHARGED ICBC PREMIUMS

**MR. G.B. GARDOM (Vancouver-Point Grey):** A question to the same Minister, Mr. Speaker. The other day I asked this Minister whether or not the ICBC was receiving interest on overcharged premiums, and

Page 173

he informed the House that he would look into that. Do you have the answer today?

- **HON. MR. STRACHAN:** All of the moneys we receive are put out on the market as soon as possible, and we do receive interest on all moneys that are put out onto the market.
- **MR. GARDOM:** Well, therefore, Mr. Minister, since the government is receiving interest on the premiums, will you not allow interest on rebates?
  - HON. MR. STRACHAN: I'll certainly think about it.
- **MR. GARDOM:** A supplementary, Mr. Speaker. The ICBC stated in their press release a day ago that interest would not be allowed in rebates. Is this a change in policy that the Minister is announcing today?

**HON. MR. STRACHAN:** No. You've asked me about it and I simply said I'd be quite happy to consider it, look into it, check into it.

# BEHAVIOUR MODIFICATION PROGRAMME; PROPRIETY OF POLICE PARTIES HELD BY PRIVATE CITIZENS

- MR. D.A. ANDERSON (Victoria): May I ask the Attorney-General, Mr. Speaker, first, whether or not he has any more information on the behaviour modification programme of his department, and secondly, may I ask him whether he, or to his knowledge a member of his department, has discussed with either the incoming or outgoing chief of police of Vancouver the propriety of having private citizens throw \$25,000 farewell parties for the outgoing chief?
- **HON. A.B. MACDONALD (Attorney-General):** Well, those are two questions, Mr. Speaker. The first question had to do with behavioural things that's presumably revealing the records of juveniles and that kind of thing.

Statistics Canada wants that kind of information. We're inclined to think that they even legally should not have it, because the *Juvenile Delinquents Act* prescribed secrecy in respect to the records of juveniles. So I think there is even a legal point before we should consider opening up dossiers on kids who have been in juvenile court for the benefit of Stat Canada, quite apart from the fact that I don't believe that kind of information should be revealed.

Secondly, in answer to your other question: no, I don't think there have been any discussions — none that I personally know of, in respect to that dinner, and I don't think I was even invited. If I was, I missed the invitation.

# PROVISION OF NEWSPRINT TO THE *VICTORIA EXPRESS*

- **MR. D.M. PHILLIPS (South Peace River):** I'd like to direct a question to the Hon. Minister of Lands, Forests and Water Resources. Is it true, Mr. Minister, that *The Victoria Express* is one of the only papers in British Columbia getting paper from Ocean Falls Limited?
  - **HON. R.A. WILLIAMS:** I'll take the question as notice, Mr. Speaker.

### PROGRESS IN VICTORIA PRESS STRIKE

- **MR. G.S. WALLACE (Oak Bay):** Mr. Speaker, could I ask the Minister of Labour if he has given any further consideration to the strike in Victoria at the Victoria Press, and whether he might have any comment he could make to the House at this time?
- **HON. W.S. KING (Minister of Labour):** We have a mediation officer involved in that dispute, I think as the Member knows. There has been no further request from either of the parties involved, so at this point in time no further action is contemplated.

# DATE OF RELEASE FOR PURCELL RANGE STUDY

- **MR. J.R. CHABOT (Columbia River):** A question for the Minister of Lands, Forests and Water Resources: can the Minister advise me when he will release the Purcell Range study by Professor Chambers?
  - **HON. R.A. WILLIAMS:** It is my intention to discuss some aspects of the problem and study today, Mr.

Speaker, and the full report will be released in the reasonably near future.

**MR. CHABOT:** A supplementary question. Would the Minister give me an interpretation of "reasonably near future"? The report's been in your hands for several months. I'm wondering if the Members of the House could have the enjoyment of looking at the report as well. What is your definition...?

**MR. SPEAKER:** I don't think that is a proper question.

**MR. CHABOT:** Well, when is it going to be released?

# WORK STOPPAGE BY JANITORS IN VANCOUVER SCHOOLS

MR. GARDOM: To the Minister of Labour, a

[ Page 174 ]

question, Mr. Speaker: some 40 schools were out today in Vancouver as a result of the custodial work stoppage, and I'd like to ask the Minister of Labour what steps, if any, the government is taking concerning this work stoppage.

**HON. MR. KING:** The dispute by the school janitors is being looked at very closely by the department. We again have a mediation officer involved in that dispute. I've been advised by the Associate Deputy Minister of Labour, who has also been watching it very closely, that progress is being made. I think there are encouraging signs that a settlement will be achieved by the parties in the next few days.

**MR. GARDOM:** As a supplementary, do you think it will be government policy, Mr. Minister, to allow tax rebates to parents of children who are prevented from going to school as a result of this kind of stoppages?

**HON. MR. KING:** You'll have to talk to the Minister of Finance (Hon. Mr. Barrett).

# TALKS RE OPERATION OF VICTORIA TRANSIT SYSTEM

- **MR. CURTIS:** A question for the Minister of Municipal Affairs: has the Minister had any formal contact with the Capital Regional District with respect to the operation of the greater Victoria transit system?
- **HON. J.G. LORIMER (Minister of Municipal Affairs):** I personally haven't met with the group as a whole. I've met with certain people that are on the group certainly some of the mayors but not with the group as a whole. But the department has.
  - **MR.** CURTIS: A supplementary, Mr. Speaker. Was that meeting relatively recent, in terms of days, weeks?
  - **HON. MR. LORIMER:** No. Any time I've spoken to them was, I would say, sometime before Christmas.
- **MR. CURTIS:** With your indulgence a supplementary, Mr. Speaker, to the same Minister. Is the Minister offering the same cost-sharing formula in the greater Victoria area as has been refused by the Greater Vancouver Regional District?

# PLANS TO TAKE OVER SURREY WELFARE ADMINISTRATION

**MR. D.A. ANDERSON:** Mr. Speaker, a question to the Minister of Human Resources: could I ask the Minister whether he would indicate whether his department is about to take over the welfare administration for the district of Surrey?

- **HON. N. LEVI (Minister of Human Resources):** No, we are not.
- **MR. D.A. ANDERSON:** Can the Minister please indicate whether or not this can be expected in the near future?
- **HON. MR. LEVI:** I did speak with Mayor Vander Zalm and told him that the staff in Vancouver were preparing a timetable for all of the lower mainland area. When we'd completed that we would invite all of the mayors and managers of municipalities to discuss it with them. But I also indicated to them that the takeover would not be happening within the next six months.

# PURCHASE OF SHARES IN KAISER RESOURCES

MR. L.A. WILLIAMS (West Vancouver-Howe Sound): Mr. Speaker, a question to the Minister of Finance: would he indicate to the House whether any of the funds under his control are being used for the purchases of shares in Kaiser Resources Limited?

**HON. MR. BARRETT:** No, Mr. Speaker.

# ACQUISITION OF TIMBER RIGHTS BY NORTH CANADIAN FOREST PRODUCTS

**MR. PHILLIPS:** I would like to direct a question to the Hon. Minister of Lands, Forests and Water Resources. I understand that North Canadian Forest Products have purchased a planer mill and other facilities of Imperial Lumber of Grand Prairie. Would the Minister inform me if, with this purchase, North Canadian Forest Products gets the timber rights that Imperial Lumber had in the Monkman Pass area of British Columbia?

**HON. R.A. WILLIAMS:** No such submission has come to my attention, and it would require my approval.

**MR. PHILLIPS:** If the request does come, would the Minister consider returning the rights of this timber in the Monkman Pass to a British Columbia firm so that that lumber can be forested for the good of the Peace River area of British Columbia, instead of going to the Peace River area of Alberta?

HON. R.A. WILLIAMS: I would think that this government's record in repatriating timber rights to

[ Page 175 ]

the people of British Columbia is unprecedented in the history of this province.

**MR. PHILLIPS:** A supplementary question Mr. Speaker.

Would the Minister, then, talk to the Minister of Highways (Hon. Mr. Lea) and ask him to get a road in there so that that particular area of the province....

MR. SPEAKER: Order, please. I'm afraid that's out of order in this case.

# FARQUHARSON REPORT ON KINBASKET LAKE AREA

**MR. CHABOT:** A question to the Minister of Lands, Forests and Water Resources: I wonder if the Minister could tell me when he will be tabling the Farquharson report of a study of the uplands and land use in the neighbourhood of Kinbasket Lake? The report has been in his possession for some time.

**HON. R.A. WILLIAMS:** I would like to say, Mr. Speaker, that the report was submitted only a week ago,

and will be reviewed by the regional staff in the Kootenays because we think regional input is necessary, it will subsequently be reviewed by the staff in Victoria. The expectation is that the final report will be ready in March.

**MR. CHABOT:** A supplementary question. Will the Minister pay any attention to the input made at the public hearings at Revelstoke and Golden relative to the naming of the body of water to be formed behind Mica? There's a strong desire on the part of the residents there to have the lake called Kinbasket Lake. Would the Minister take that into consideration, calling the Lake Kinbasket instead of McNaughton?

**HON. R.A. WILLIAMS:** I really don't like to get into these controversies regarding place names because of the record of the former administration with respect to major water bodies, darns and other facilities in the province. We have named them after genuine, historic, important figures in the nation. I agree that Chief Kinbasket was one, but I think General A.G.L. McNaughton was another.

### Orders of the day

HON. R.A. WILLIAMS (Minister of Lands, Forests and Water Resources): Mr. Speaker, it is a pleasure to take part in this debate. I find it interesting, particularly after this question period from the Members of the official opposition. The Members are most concerned about the integrated resource management studies that are at long last being carried out in British Columbia. And it's intriguing that that's the case because we went for 20 years without them in this province.

One need only look at the problems in the Mica Reservoir — call it Kinbasket, call it McNaughton, whatever you will. They're severe; they're extensive; and they are the result of seat-of-the-pants, single-purpose work by a government which never saw beyond the immediate task they had in front of them, and rarely saw the consequences of what they were doing.

It's intriguing that the opposition is beginning to catch up because one of the major jobs this administration has is a massive mop-up operation with respect to the single-purpose enterprises of the last 20 years, That's the case in the north; that's the case in Williston; that's the case in Mica; that's the case in the Purcells, and on and on, There is a massive task left for this administration to bear because of the single-purpose view of a government that rarely looked ahead as it took major steps that are affecting both the economy and the environment of this province.

Dealing with budget, Mr. Speaker, is a chance, I think, not only to deal with numbers and the amounts that are reflected in the budget, but it's a chance to reflect on the spending and government programmes and what they can mean in at least a couple of the regions in the province in more real terms — because the numbers in themselves don't mean very much.

I'd like to talk about two major regions of the province: The northwest, a part of the province where a great deal of activity has been carried on by this government. Another is in the Kootenays where considerable activity is beginning by this government. I'd like to show what a different approach by this administration can mean for the people living in those regions.

I want to show, Mr. Speaker, that social democrats on this continent — social democrats in British Columbia — are free of the hang-ups of the old-line parties — particularly the hang-ups of the group that governed us for 20 years, and that through our policies we can work toward improving the life of people in regions that have been ignored in the past.

The first one I'd like to cover is the northwest. What was at stake in the northwest when we came into office in British Columbia was the total regional economy of a quarter of the province. The economy of that region was teetering in the balance when we came into office. That region, to a very great degree, was dependent almost always on decisions made in board rooms in New York or board rooms in Finland. The future of the people who work in that region was determined generally by a management elite in a Manhattan high-rise. Jobs in Prince Rupert, jobs in Terrace, jobs in Kitwanga, jobs in Nascall depended

on the whims of decisions of absentee owners in New York.

The decisions that one can make that far away get pretty abstract. Kitwanga and the places of the northwest don't mean very much in New York. I suspect they may not even mean very much in Point Grey because the First Member for Point Grey (Mr. McGeer), yesterday, talked about the lunch bucket brigade and the impact of this budget on those people.

I think this government, Mr. Speaker, has clearly shown that it will not ignore these people when the private market system is willing to ignore them consistently. We do not view the people of these regions as abstractions as seen from New York. The social concerns regarding the people of Ocean Falls, the people of the northwest, the people of the Kootenays are indelibly intertwined in our economic thinking as a government in this province; it's indelibly intertwined in our economic planning in this province.

In effect the Members on the other side are saying let them, the people in New York, determine the future of those people of ours in Prince Rupert, in the Kootenays and in the northwest. Does the Member think for one minute the view of the man-on-the-street in Prince Rupert is that this is the way we should manage our economy in British Columbia?

None of the major private sector forest enterprises in British Columbia were willing to step into the northern regions of the operations of the former Columbia Cellulose, none of them. Does that mean that it should have been allowed to die? Is laissez-faire the approach you want in that part of the province?

Mr. Speaker, it obviously would have been okay for the Members of the opposition, both the Members of the Liberal Party and the Members of the Social Credit Party, to ignore the economic and social implications of a laissez-faire attitude and the attitude of the absentee-owned corporations.

The alternative: There were two choices at that time: one was the sale proposed to the Weyerhaeuser Company, siphoning off the southern assets of the operation and leaving the northern assets in the hands of the New York owner.

The other choice was the choice we took because we believe that government has a role, that we should use the power of government to allow us to become masters in our own house.

The two opposition parties, as I see it, Mr. Speaker, lack confidence both in themselves — which is maybe understandable — but lack confidence both in the land and in the people of this province to solve their own problems right here in British Columbia. Clearly, the two major groups on the other side of the House would have accepted the other alternative, selling off the southern assets of the company, which clearly was in motion during the tenure of the last government, turning the Celgar operation, the Arrow Lakes operation, over to Weyerhaeuser, letting the northern region remain with the New York owners and likely go bankrupt, likely damaging the region's economy for a decade. Damaging that region's economy for a decade has mammoth implications.

I suggest that the kind of ideological hang-ups about government intervention prevent the major parties in the opposition from doing the kind of job that is necessary in this day and age in this province to preserve jobs for people, to develop proper regional development programmes and to affect the environment. It's your ideological hang-ups that prevented you from solving these problems. Because if the tack that the former administration was prepared to take was followed, it would have meant that the workers in that region in the northwest would have been without steady jobs. It would have meant that their savings would have been used in relocation. It would have meant social ties would have been severed. It would have meant the future of those communities in the north would have been in jeopardy for a decade. That was the prospect we as a government faced and they, the people in the region, faced.

What was in the making, in addition, was an immense tax holiday for the next multi-national that would have taken over the profitable southern operations of the enterprise. The funny-money tax world of the corporate elite

would have been used to transfer the losses of the northern operations to the new company in the south. For a decade there would have been a tax holiday by the major forest enterprise in southeastern British Columbia. That would have been the case, and within a very profitable company. We would in fact have had another Standard Oil of British Columbia on our hands: a profit-making company in southeastern British Columbia that probably wouldn't have paid taxes for a decade.

Those were the choices that we faced: Weyerhaeuser in the south with a tax holiday dominating yet another huge region of the province, including Kamloops, much of the central plateau, the Yellowhead pass area down through the Kootenays to Nelson and Trail; one single enterprise — not a Canadian enterprise — dominating the whole southeast quarter of British Columbia.

In addition, we would have faced a major depression in northwestern British Columbia. The only other alternative was acquisition by the government. In that single step we avoided single industry dominance in southeastern British Columbia; we avoided a depression in the north. We created the opportunity of "Made in Canada" solutions; in fact, "Made in British Columbia" solutions.

[ Page 177 ]

**AN HON. MEMBER:** No more giveaways.

**HON. R.A. WILLIAMS:** Mr. Speaker, they were the people that voted against it and I look forward to a period when I can spend some time in the northwest with people from those parties, pointing out that when their jobs were in jeopardy that was the group which voted against it.

**HON. D. BARRETT (Premier):** Who rehired the people?

**HON. R.A. WILLIAMS:** It was, in fact, a magnificent opportunity to look at the full potential of a region through Canadian eyes. We were able to look at the difficulties of the company and see if the potentials of the region and the problems of the company could be uniquely melded to the benefit of us all here in the province. There was an opportunity there that few saw; an opportunity to be bold almost beyond our dreams to benefit the people of the province and a region in a way that has never happened before in this part of Canada. We could transform the economy of a region and not create a windfall profit for an absentee-owned, non-Canadian company.

Let's compare that with the Ottawa pattern, Mr. Speaker, and DREE (Department of Regional Economic Expansion) in Ottawa and those programmes as they've been applied in eastern Canada. What has happened is some regional development with massive windfall gains for the multi-national companies. Just look at Quebec. Our competitors in the pulp field in Quebec, ITT (International Telephone and Telegraph), are being financed by the federal government in the Quebec region, so that regional development in the Maritimes and in Quebec means massive windfalls for absentee, multi-national corporations. Regional development in British Columbia will mean windfall profits for the people of British Columbia through enterprises they own.

**HON. MR. BARRETT:** We know how you voted.

**HON. R.A. WILLIAMS:** But the two groups on the other side essentially have been trapped by their own laissez-faire, do-nothing philosophy. They couldn't accept or take the steps that we took as a government.

HON. MR. BARRETT: That's right.

**HON. R.A. WILLIAMS:** And ironically, they were trapped in their own dogma — they who think they don't have a dogma.

It was a unique chance, Mr. Speaker, to look at the north in a different way than the north had been looked at by the former government. Almost everything the former government did in the north was with a lower mainland point of view, with heavy benefits and heavy impact on the Vancouver area. Everything the former administration did in the north had a massive impact on the lower mainland.

In fact, the great B.C. Rail programme, when you analyse it, was primarily related to its southern terminus in North Vancouver. That was the focus for the movement of freight on B.C. Rail; that was the focus of transportation planning in the former government.

Interjections.

**HON. R.A. WILLIAMS:** There was no thought of relationship to a northern port, Mr. Speaker. There was not a view, Mr. Speaker, of the north region as an economy itself, growing more autonomous over the years. We saw the opportunity of changing that and relating transportation more and more to Prince Rupert rather than to Vancouver and the population pressures of the lower mainland.

At one point, Mr. Speaker, we actually stopped rail construction on the line that was being built from Fort St. James to Dease Lake on the Bennett route.

### MR. D.E. SMITH (North Peace River): What's happening now?

**HON. R.A. WILLIAMS:** We took a second look at that programme because, when you started analyzing the region, you found that the railway was not being built in the valleys that were resource rich, that had the best forest potential and other potentials; the railway, in fact, was going through an area that was a magnificent upland alpine area with limited resources. That was where the railway was going.

I had the opportunity of following that whole railway line last summer and living for a period in the region, Mr. Speaker, and to see the magnificent meadowlands at the headwaters of the Skeena and the Sustut. To follow that route is an exciting thing that I would hope more British Columbians could do. To see the magnificent area that is not resource rich but will have a railway built in it was staggering in many ways. But the railway programme was underway; construction was beginning at both ends and it was clear that the commitment had been made.

Last winter, Mr. Speaker, a great deal of work was done by our departments in resources, in Mines, in trade and industry and other departments, along with the federal government, with respect to route location. An analysis was made that had never been undertaken by the former administration. Incredibly, the Forest Service had never been involved in the planning of the rail routes in the north. Incredibly, the department of trade and industry hadn't been

### [ Page 178 ]

involved. Incredibly, Recreation and Conservation had not been involved.

### HON. A.B. MACDONALD (Attorney-General): Nobody told Waldo.

**HON. R.A. WILLIAMS:** As a result of our work we were able to come up, Mr. Speaker, with a programme that would optimize the return, given the situation we had. The result of that was the federal-provincial agreement of last summer. It also involved the northern port which we viewed as important for that region.

Now, I'd like to say that the former Premier (Hon. Mr. Bennett) made much of his Interior base, being the Member from central Okanagan and Kelowna. But in later years the focus was not on regional development at all. The Interior base of the former Premier seemed more and more like a Palm Springs branch plant to the Vancouver wheelers and dealers.

A northern port was critical, Mr. Speaker, for the region, as we saw it, because the whole northern region west of Prince George is tied essentially to the American lumber market. The American lumber market is cyclical, of course; but this area at the tail end of the rail line was always more the victim of the market forces than any other part of British Columbia. Their costs are high in the region and their transport cost are the highest of probably any group serving the American lumber market. So a transport system that worked for them is what was needed. The chance of focusing on a northern port and providing markets for that region that were not just American markets was a means of freeing the economy of that whole part of British Columbia.

It was that kind of dream we had, Mr. Speaker, that we could work toward a north that was less and less dependent upon the south, a north that more and more would be self-sufficient. So much that the last government did make that region more and more dependent on the south.

The rail agreement and the new line focused on Terrace and Prince Rupert, the significant communities in the westerly part of that region. The rail line bisected the Canadian Cellulose Tree Farm Licence holdings; the railway benefited holdings 79 per cent held by the public of British Columbia directly. In turn, it strengthened two cities: Terrace and Prince Rupert. I'm convinced there is a need for strengthening the cities of the north.

In addition we repatriated 9 million acres of land. An immense, magnificent region, Mr. Speaker, was brought back home to British Columbia. It was truly a major, bold start at becoming masters in our own house.

Interjection.

### HON. R.A. WILLIAMS: Maîtres chez nous, mais oui.

But not only did we want to turn around the southern focus of provincial development policy, we wanted to integrate our resource development work with a recognition of environmental problems and opportunities. We established a secretariat for the Environment and Land Use Committee of the cabinet. We integrated it with the Canada Land Inventory staff, and that's now covered in this budget.

We have them working on the problems of this region. We have them working with most of the departments of government, regarding the problems of this and other regions. So we have Trade and Industry, Highways, Recreation and Conservation, Lands and Forests and Municipal Affairs working together in more integrated programmes than we've yet seen in this province.

To summarize, Mr. Speaker, the basics have been established. We have acquired the majority interest in Canadian Cellulose Corporation. Two, we've established a freight rate agreement with the Canadian National Railway for chip movement, in relation to lumber, in that region through British Columbia Cellulose. I might note that we now have a new chairman of B.C. Cellulose, as is mentioned in the paper this morning: Mr. W.C.R. Jones. Mr. Jones is....

### MR. J.R. CHABOT (Columbia River): Thank God for that.

**HON. R.A. WILLIAMS:** I admit his qualifications exceed those of the former chairman. Mr. Jones, in fact, worked at the Canadian Cellulose plant in Rupert about 15 years ago, and he subsequently was a vice president of MacMillan-Bloedel at the time of the merger. But, like many at the time of the merger, he subsequently left. They lost some of their better people in that period. He then became president and chairman of the E.B. Eddy Company in Hull, Quebec, and managed it successfully for over a decade — very successfully. We expect that he'll be able to continue in his work in a similarly successfully manner with our own enterprises.

We then worked on establishing a sawmill development programme for the region. Burns Lake was the first area we planned on developing. I expect that within a week we will announce our decision on the Burns Lake development. The railway infrastructure, with its focus on Terrace and Prince Rupert, was the beginning of making those more significant communities in the north. In addition, there was the northern port development as well.

The next steps, Mr. Speaker, are with the Department of Trade and Industry and DREE on improving the existing industrial structure in the

### [ Page 179 ]

existing communities, along the north line of the CN essentially. Then there will be a careful, step-by-step programme into the farther north of the CN main line itself and into the Ootsa Lake region, These steps will be taken in conjunction with the people in the communities in the region.

Further steps will evolve in the sawmill development programme in Houston and Smithers, and subsequently in Hazelton and Prince Rupert. We intend to work with the communities closely. In Burns Lake, for example, once our announcement is made, the Municipal Affairs Department will be working, I expect, closely with the local council in Burns Lake and the secretariat staff. We intend similarly to work with all the people in the region to determine the major steps that we take beyond that.

Mr. Speaker, I can frankly think of no other part of the country, no administration, that has been as prepared as this administration — to be as bold as we have in that part of British Columbia — to turn a region around in the time that we've had. We've been building a foundation for a different north, a north that will reflect more direct benefit on the people of the region than has ever been the case before.

And they voted against it, Mr. Speaker.

I just had the chance to review the speech from the Hon. First Member for Vancouver-Point Grey (Mr. McGeer) earlier today, Mr. Speaker. One of the things he was talking about was the surplus the government had. He said that it had been slipping away, and that obviously some of it had gone to Canadian Cellulose. Well, let's look at Canadian Cellulose in just a little more detail.

**HON. MR. BARRETT:** He slipped away.

**HON. R. A. WILLIAMS:** I should make it very clear, Mr. Speaker, that absolutely no funds were paid for the acquisition of the Canadian Cellulose empire — absolutely no provincial taxes. In fact, Mr. Speaker, we insisted that the New York-based owners, American Celanese, write off some \$72 million, and that mortgage was written off before we acquired the company and its assets.

In addition, we insisted, in effect, that they leave working capital in the company, and some \$4.6 million in working capital was left. In addition, we insisted on paying the arrears to the preferred shareholders, comprising some \$1.5 million. In addition, we insisted on them paying some of the debts of the Brussels subsidiary of the company, Hassledocks, based in the capital of Belgium, a fine-paper operation that we, citizens of British Columbia, are now the owners of.

In addition, there was money left for capital expansion. In addition, the normal inventory level was assured. And what kind of mortgage did we accept when we accepted this empire, Mr. Speaker? It was a \$68 million mortgage, part of which was at 5.25 per cent and part of which was at 6 per cent, held by the Prudential Insurance and Mutual Insurance companies of the United States. That was the kind of mortgage we were able to establish for the people of this province on the considerable assets of that company, the pulp mills of the north, the pulp mills of the south and the sawmills of both regions as well.

What about the price of the shares of this enterprise on the market now? The range has been \$6 to \$6.50 and the people of British Columbia own 9.6 million shares in the company. Based on the usual type of analysis of earnings, Mr. Speaker, the company is worth at least \$100 million at this time, and we would think that if there were bids, they would be in the range of \$150 million to \$200 million for this company of which we are the prime owners. And it's not for sale.

HON. MR. MACDONALD: B.C. Is not for sale either.

**HON. R.A. WILLIAMS:** Let's look at the profits of the last year, Mr. Speaker. I see that *The Province* newspaper has that information, although the annual report is not yet out. The profits of Canadian Cellulose, the daily *Province* tells us, are \$12 million in the last year — \$12 million under public ownership. Let's compare that, Mr. Speaker, with the previous year under the New York owners. In the previous year, under Celanese, the loss was \$7,959,000.

Interjection.

**AN HON. MEMBER:** And we can't run a peanut stand. (Laughter.)

**HON. R.A. WILLIAMS:** The annual sales of Canadian Cellulose now, Mr. Speaker, are something like \$200 million annually.

**HON. MR. MACDONALD:** How do you like those peanuts? (Laughter.)

**HON. R.A. WILLIAMS:** The annual sales of Ocean Falls in the coming year should probably be around \$18 million. The annual sales of Plateau Mills in the next year.... Well, in the past year it was \$15 million. The annual sales of Kootenay Forest Products in the coming year are anticipated at \$18 million. That's a total of some \$250 million, and the amount that the government has spent in acquiring these assets, these enterprises, assuring these jobs — having a chance to work directly with these companies to prevent abuses to the environment — the amount paid was under \$20 million.

### [ Page 180 ]

Contrary to what the Member for Point Grey says, Mr. Speaker, what we're doing in this administration is establishing lunch-bucket equity in the assets of British Columbia. As the Hon. Attorney-General says, "Some peanuts! Some stand!" (Laughter.)

You know, Mr. Speaker, I don't think one can ignore this kind of activity that the government has been involved in to ensure jobs in these regions, and say that it hasn't had an impact on employment and the basic economy of the province. Look at what the newspaper this morning says.

**AN HON. MEMBER:** Which paper?

**HON. R.A. WILLIAMS:** The daily *Province*. They actually put the budget on the front page, unlike the Sun.

AN HON. MEMBER: Oh, shocking.

**HON. R.A. WILLIAMS:** They stated that British Columbia — this is out of Ottawa — was the only province to make any headway against rising unemployment during January.

In January of this year the unemployment rate in British Columbia dropped from 6 per cent to 5.5 per cent. No other province achieved that kind of goal.

Interjection.

**HON. MR. BARRETT:** You're still suffering from shock.

**HON. R.A. WILLIAMS:** I'd like also to talk about the Kootenay region of the province — the beautiful basin of Kootenay Lake and the Purcell Range — one of the great assets of the province.

**AN HON. MEMBER:** Alberta?

**HON. R.A. WILLIAMS:** That's a little further east. We have a statute regarding the provincial boundary problems with Alberta that should reflect some improvements we might consider later.

While it's one of the most beautiful parts of the province — the Kootenay Lake basin and the Purcell mountains — it's also an area where in many ways we are at the margin. We're at the margin or we're beyond the margin in timber cutting in the region in some of the sustained-yield units. We've been moving into the high-elevation areas, and there are significant problems in the high-elevation areas in the Purcells and in the Kootenay basin. We're at the margin in terms of negative impact on wildlife in some watersheds in the region as well.

We're also at the margin in terms of recreational and industrial use conflict. This is the core problem in terms of conflict in the region.

It's also a region which has been long settled, at least in terms of British Columbia's history. So the people of the region identify very closely with the land that they live in, and they eloquently articulate their concern about the land.

It's these conflicts that have led us to carry out an integrated management study of the region. Doctor Alan Chambers from the UBC Resource Science Centre carried out work throughout last summer, along with the regional staff of the different departments, and he got the staff working together reasonably well. That's no mean achievement, given the years of neglect that the Fish and Wildlife Branch of this government suffered and that recreation suffered under the former Social Credit administration.

The key areas that were examined were high-elevation logging, where there is a conflict between recreation, forestry, and wildlife — with the greatest problems being in the Goat Creek drainage near Creston.

The untouched creek basins were also examined — the Fry-Carney watershed west of Kaslo. There, recreation, forestry, and fisheries were in conflict.

Access roads were also conflicting with recreational interests in much of the Purcells.

Overgrazing in the east Kootenays was a conflict between agriculture, wildlife and forestry.

That's the kind of residue that we received from the former administration.

Beyond that, inter-agency competition had become extremely severe between the branches and departments of government. The major company in the region, Kootenay Forest Products, based in Nelson, had been involved in some of these conflicts, of course.

We believe and we're convinced, as a result of our most recent work, that the conflicts, over time, with planned, careful programmes — more like those already underway in the Prince George region — can be greatly minimized by working closely with the company. As a result, the acquisition of the company — announced last week — gives us an opportunity to use public ownership creatively to resolve difficult environmental problems. In addition, it too, like Canadian Cellulose, is a repatriation of a significant land base of the province.

The lands that are held by Kootenay Forest Products cover the Lardeau River Valley between Trout Lake and Kootenay Lake — which is one of the most significant bottom lands in the region, now that so much of the bottom land has been flooded as a result of the disastrous Columbia River Treaty, which I hope in subsequent debates this session to detail. I think the province deserves information that it never had before regarding the incredible mismanagement of our resources, the loss of our sovereignty, and a kind of backroom hardware economics that I hope is

[ <u>Page 181</u> ]

never applied in British Columbia again.

We received, as a result of that acquisition, 42,000 acres of fee simple, privately held land. Critical bottom land is included, as I said; critical shoreline land, where much of the shoreline is alienated, is returned to the public. Critical fisheries and wildlife land was repatriated, as well — land that otherwise would have been mainly managed for industrial forestry purposes alone, rather than for the other purposes which may be, in fact, far more significant.

It is land, in fact, that has been valued by resource economists as worth \$200 a square yard. The Gerrard spawning area at the southern end of Trout Lake at the beginning of the Lardeau River is worth \$200 a square yard. On an acreage basis alone, Mr. Speaker, that is worth \$946,000 an acre. This company and its land assets we acquired for \$9 million plus working capital.

Beyond this most significant acquisition, I'd like to announce several other major steps that were taken to overcome critical resource conflict problems in the Kootenays:

- (1) We are carefully considering the province's first wilderness area in the Purcell mountain range. We see the highlands between the east and west Kootenays as one of the natural opportunities for wilderness preservation. The area that will be considered in detail is well over 300 square miles in area and includes the upper reaches of Toby Creek, Dutch Creek, Findlay Creek, Skookumchuck Creek, Dewar Creek, Fry Creek, Carney Creek, Hamill Creek, and the upper St. Mary's River. These alpine and sub alpine areas are rich in scenic beauty and wildlife, and include the historic Earl Grey Pass. It is the largest untouched area in the entire Kootenays.
- (2) We will be appointing an independent regional resource manager for the Kootenays to be based in Nelson. The longstanding jealousies that have festered over the past 20 years we hope will be removed as a result of the beginning of this process in the Kootenays. That was a recommendation of the Select Standing Committee on Forestry and Fisheries in the last spring session of the Legislature.

Jealousies between the departments that have been starved and the departments that have not been starved: the Fish and Wildlife Branch, the recreation section of Recreation and Conservation, which suffered with a virtually impossible budget through the last 20 years developed a bitterness among the professionals that will take years to erase.

MR. CHABOT: It wasn't there 20 years ago.

- **HON. R.A. WILLIAMS:** It will take years to erase the abuse, the lack of funds and the lack of opportunities for the good professionals that we had on staff.
- (3) Logging in the fragile high-elevation areas of the Purcells will be phased out on a detailed basis with the work of the new manager.
- (4) Five-year plans for logging operations, along the lines of the Prince George region planning programme, will be required in the Nelson district. In the interim, while the plans are being prepared, logging road construction will be limited to one year in advance of actual logging.

The other major point with respect to cable and cable logging in the Kootenays is that the forest service will be undertaking shortly an experiment in aerial logging. In some areas extensive damage can result from typical logging methods, especially in the steeper areas. Frequently, under the present programmes, watercourses can be disrupted and surface soil scarred, and erosion can take place, affecting productivity of fisheries and wildlife habitats.

Interjection.

**HON. R.A. WILLIAMS:** The experiments that will be taken won't be balloon experiments but, in fact, cable essentially, but that is being looked at in other areas.

Further, it's clear that considerably more work needs to be done in intensive management in the region. I'm convinced that with the regional resource manager in the Kootenays we can begin an intensive management programme that will preserve much of the landscape of the basin and the Purcells.

Mr. Speaker, I believe we are taking a creative route to solve many problems from both a regional development point of view and from an environmental point of view. Part of the way is through public ownership. And public ownership is a way that is unacceptable on the other side of the House.

I think it is ironic, Mr. Speaker, that we have an opposition that is trapped, in fact, in its own ideology. Because of their ideology, had they continued to be government, we would have had greater concentrations of economic power in the hands of absentee owners in British Columbia. Had they continued to be government, we would have had unemployment and insecurity for thousands of workers in the northwest and in the Kootenays. Had they been government, we would have had a regional depression in northwestern British Columbia. Had they been government, we wouldn't have taken the creative public ownership route we've taken with respect to the enterprises in these regions. Had they been government, we wouldn't have repatriated the 9 to 10 million acres of British

Columbia land that was repatriated during the last 18 months.

Mr. Speaker, this is the only group in this House that is prepared to build a truly mixed economy in British Columbia, a unique British Columbia

### [ Page 182 ]

economy in North America that will assure us that we are masters in our own house.

MR. D.E. SMITH (North Peace River): After the dissertation by the Hon. Minister, who has just taken his place in this debate, Mr. Speaker, I think it only fair that I be allowed a few minutes from the speech that I was going to give this afternoon to correct a few misstatements, a few myths that were bounced off the ears of the Members in this chamber this afternoon. The Minister loves to use the word "repatriation". He loves to talk about "repatriating 9 million acres to the people of the Province of British Columbia."

Well, Mr. Minister, the people of the Province of British Columbia should realize that that land and the resources upon the land always did belong to the Province of British Columbia. By agreement, people were required and given an opportunity to harvest logs and trees.

Now, in recent months it's become very apparent that this same Minister who talks about repatriation has no regard for contracts. If he felt at any time that any tree farm licences or cutting rights did not return to the Crown sufficient revenue, he could do the same thing that he is presently doing to the people who are harvesting logs and timber in the Interior of this province and by subterfuge, or one means or another, suggest to these people that if they want to continue in business in the Province of British Columbia, they'd better toe to your line or they won't have any cutting rights left in the Province of British Columbia. That's going on right now.

You don't have to own the resource outright, and you said it yourself, all you have to do is control it. And with control in the hands of the Minister of Lands, Forests and Water Resources, you call the tune and if the people who want to actively operate in this province do not march to that tune, they simply are out of business in the Province of British Columbia.

### MR. D.M. PHILLIPS (South Peace River): Some control!

**MR. SMITH:** This is what worries the small private investor. This is what worries the man who's employing 100 to 200 people in the bush right now — that he doesn't know from one day to the next how long his tenure will last. He doesn't know what requirements or imposts you're going to put on him next week or the week after which will require him to pay far more to the Crown in revenue than he can possibly afford and therefore go bankrupt. But this doesn't seem to matter to the Minister. The Minister's quite happy to talk about Prince Rupert and the development that's going on in the north.

Mr. Speaker, I suggest the Minister go up to Prince Rupert and through the Skeena-Terrace area and talk to some of the people who live there; they're not so happy with his moves.

### **HON. G.R. LEA (Minister of Highways):** Yes I am. I don't live there anymore.

**MR. SMITH:** You have to be, Mr. Minister — you don't live there, you're living down here. But the people who live there are not happy with his moves any more than they're happy with your own at the present time.

Let's talk about the port of Prince Rupert for a few minutes. There's one thing that's an undeniable fact: the development of Prince Rupert as a major port in the north was well along and proceeding very well before you ever became a Minister of the Crown — while you were still a Member of the opposition. Because it is a fact that the whole matter of the development of the Prince Rupert area as a major port had proceeded to the point where the boundaries of Prince Rupert would have been extended to cover the port area. That was taken care of. The area was in the process of being turned over to the Federal Port Authority by agreement with the province. That was looked after. The arrangement between the B.C. Rail and the CNR for reciprocal running rights was agreed to between

Jameson and the former Premier of this province. That was looked after.

MR. PHILLIPS: Put that in your pipe and smoke it!

**MR. SMITH:** It was also agreed that the federal government would build the port at Prince Rupert and their own CN extensions at no cost to B.C. It was also agreed that the Ashcroft-Clinton line would be built at the sole expense of the federal government. It was a matter of record that the B.C. government would not have to give up the \$27 million claim for B.C. Railway subsidy, which your government has now given up.

MR. PHILLIPS: That's construction in the Peace River area — a giveaway — \$27 million.

**MR. SMITH:** Mr. Speaker, I suggest that that money would have gone a long way in the Dease Lake extension, provided the Dease Lake extension ever gets back off the ground again. Talk to the people that are up in the Dease Lake area right now. A meeting is taking place in the north country this afternoon — a meeting of people who are concerned about the lack of action on the Dease Lake extension.

The facts of the matter are that the NDP were taken for a ride by the CNR and the federal department of regional disparities, That is the type of

[ Page 183 ]

super-planning that has been going on in this province under this Minister of Lands, Forests and Water Resources.

MR. PHILLIPS: You were sold out!

MR. SMITH: Let's take a look at a few of the other things. You brag about the profitability of Canadian Cellulose in the first 12 months of its operation under the provincial government. Let me say this, Mr. Speaker, neither the Minister of Lands and Forest nor anybody else in this chamber created the market conditions of 1973. The market conditions were created by a world demand for that product, and the foreign market took 90 per cent of the production of northeastern and north central British Columbia, as you well know.

The same market condition does not exist today. Instead of talking about the profit of last year, you should be concerned about the picture of the future because there doesn't seem to be as great a demand if you look beyond the borders of British Columbia. Quit looking at the world through rose-coloured glasses and see what's really going on outside of the perimeters of the Province of British Columbia.

Interjection.

**MR. SMITH:** They might be pink glasses at that; you're right, Mr. Member.

You know yourself that at the present time the price of No. 1 spruce is down an average of \$60 a thousand. You know yourself that in the Interior of British Columbia at the present time we have 300 million board feet of timber waiting to get to market, and they can't get any railway cars. You know yourself that the average requirement, the shortfall on cars to haul timber, lumber, processed material over the B.C. Rail to the port facilities is between 5,600 and 5,800 cars per month. That's what they need and that's the shortfall.

You know yourself that the small and the private operators in the Province of British Columbia, collectively in the Interior, lost \$18 million in this last six months as a result of the lack of rail cars, And then you get up and say how profitable Can-Cel is.

**AN HON. MEMBER:** Whose fault is that?

MR. SMITH: Let me suggest to you that if you want to compare Can-Cel as a going concern and an operation, don't brag about the few dollars of profit they've made in the last 12 months. Take a look at their picture and compare it to other people in similar circumstances operating in the same line, and then see how you compare the Crown corporation to the others who are doing business in the same line in British Columbia. Don't compare

apples with oranges.

Now, Mr. Minister, when you talk about these things in such glowing terms, it leaves the opposition with the feeling that everything you say lacks credibility.

You talk about the Kootenays in glowing terms. You know, Mr. Speaker, the Kootenays are so happy with the present government that they want to leave British Columbia and secede to the Province of Alberta. That's just how happy they are with you and your operations in this province. So if I were government today in this province I wouldn't be bragging about your position in the east Kootenays.

**AN HON. MEMBER:** He said it's uphill all the way.

**MR. SMITH:** You talk about people, the money barons, who owned the Province of British Columbia before you stepped in to repatriate the province, and then you turn right around and advertise for lumber sales and timber quotas and sales in New York and Japan and Britain and other parts of the world. Who are you trying to kid?

**MR. PHILLIPS:** Selling abroad.

MR. SMITH: Who are you trying to kid? You talk about made-in-British Columbia decisions. Well, let me tell you something about some of the decisions that have been made in British Columbia in the past 12 months under the direction of your department — decisions like the redirection of chips from the Prince George pulp mill to the Prince Rupert area in order to bail out Canadian Cellulose; decisions like the re-allocation....

Interjection.

**MR. SMITH:** Oh, Eurocan, eh? Decisions like the re-allocation of timber cutting rights so that the benefit is far greater to the Crown than it is to the smaller operators who presently operate in the Cariboo and the Prince George areas.

MR. A.V. FRASER (Cariboo): Plateau sawmills.

MR. SMITH: Plateau sawmills: we should know that name and what went on up there — decisions like the one which allows the Prince Rupert Colcel operation to buy chips, No. 1 chips, from the Interior of the Province of British Columbia for \$8 to \$10 a cunit, when those chips are realistically worth \$28 a cunit.

These are the kinds of figures, and these are the kinds of facts, that you failed to mention when you spoke in this debate just previous to me. Decisions to allow favourable stumping rates for the Crown corporations when they are compared to others

#### [ Page 184 ]

operating in like manner in the same field. That will come to be a proven fact before long, Mr. Minister.

As a matter of fact, the only good thing we heard in that whole dissertation was the fact that there was a new chairman for Canadian Cellulose.

HON. R.A. WILLIAMS: B.C. Cellulose.

**MR. SMITH:** B.C.? You wish that term now rather than Can-Cel? Oh, he's now the president of B.C. Cellulose? We'll get that right — a Mr. Jones.

All I can say is that any change would be a change for the better, and I'm sure that the man will do the job he's there to do, provided you let him do it, Mr. Minister.

Let's take a look at some of the other things in the budget. You know, the Premier, who has left his seat along with a number of the rest of the cabinet Ministers, brought the budget. In the budget, of course, I presume that the

allocation of funds went before the Treasury Board and that there were a lot of tug-of-wars and pulling and stress and strain back and forth between each of the cabinet Ministers to see who would come up with the lion's share of the budget.

Well, it is interesting to look at the comparison and find out who is No. 1, No. 2 and No. 3 in that list of priorities and who stands just below the pedestal on which the Premier wishes to place himself, and who else is going down the line from that position.

Well, it is interesting to note that the person, or the department, that received the greatest percentage increase in the allocation of funds is none other than the Attorney-General. Now there may have been reasons for that (and I see that he's not in the House), but obviously he talked a better line than some of the other Ministers.

Really, he was not too far ahead of the Minister of Lands, Forests and Water Resources (Hon. R.A. Williams). He received a substantial increase, percentage-wise, in the allocation of funds for the department. So obviously he was able to get the ear of the Minister of Finance. Hospitals did pretty well too. They were right up there very close to the Lands, Forests and Water Resources portfolio.

But then we get down to the Minister of Transportation and Communications (Hon. Mr. Strachan), who is also out of the House at the present time. The Minister didn't do so well. It must be the ICBC that's got him down, I'd say. Then we get down to the Minister of Municipal Affairs (Hon. Mr. Lorimer). Shame, Mr. Minister; you were sleeping again — napping when they decided how much of the portfolio, how much of that pie, they were going to cut up for the Department of Municipal Affairs.

It is obvious that you came very, very, very close to the bottom of the ladder! Sleeping again! Well, perhaps the moral of that is that next time they have a meeting about budgets, for goodness' sake stay awake until after they have dealt with the Department of Municipal Affairs. That way you may be able to keep up with the other Members in the House.

**AN HON. MEMBER:** There's no one there.

**AN HON. MEMBER:** Why don't you move adjournment of the House?

**MR. SMITH:** No one here? Perhaps we'll move adjournment if they are no more interested in the debate than they appear to be.

**AN HON. MEMBER:** The government's not interested.

Interjections.

MR. SMITH: You know, there was a little valentine in the paper this morning that's called *The Victorian*— a little valentine for the Premier of this province. Since I won't be speaking in the debate tomorrow, I thought that perhaps I should share with the House the wit and the valentine as it was illustrated by one John Bryant. I think, perhaps, it sums up the attitude of the Minister of Finance, when he presented the budget, as well as anything I could say. This is just a bit of an advance valentine, and I'm sure, Mr. Speaker, that you will see that the Premier receives the benefit of these words.

It says:

I take from the rich and I give to the poor, Equal assessments, takeovers galore. With my bow and my arrow I feel a bit stupid; People might possibly take me for Cupid.

In examining the budget, in comparing it with last year, I think one point is abundantly clear: it is not a forecast of revenue at all. It simply takes the actual 1973 revenue, adds 10 per cent for inflation and projects an income of \$2,100 million. This is not a forecast. It is simply a restatement of 1973 revenues, as they turned out to be,

with a correction factor added to take inflation into consideration at the rate of 10 percent.

If that is so, I must then raise the question: is this revenue forecast the product of serious examination of both our economy and conditions in foreign lands where our goods must be sold? Or is it an inward-looking seat-of-thepants guess done in 10 minutes?

Well, I'd say that it wasn't a serious forecast, because even the Minister of Industrial Development, Trade and Commerce (Hon. Mr. Lauk), when reviewing 1974, had this to say — and I'm quoting from the Vancouver *Province*:

" 'Strikes and shutdowns in major B.C.

### [ Page 185 ]

industries could slow the province's economy to a no-growth pattern in 1974, 'Industrial Development Minister Gary Lauk said Friday. 'Record growth occurred in 1973, 'Lauk said, 'but this cannot be expected to continue in 1974 because of the energy shortage that will disrupt the economies of many of B.C.'s trading partners such as the U.S. and Japan.'

I think he was quite correct in making the statement that we do have to look at those world markets and project into our budget a reflection of whether the gross product for the province will improve or shrink because of shrinking markets in those areas.

If we consider this a serious forecast, then one thing becomes apparent, and that is that the revenue projected from the forest industry and the basic resource industries will not return to the Crown the same type of windfall profits that we enjoyed last year. It therefore follows that somewhere down the line, next day, next week, or before this House prorogues, a bill will come before this House indicating exactly what the intent of the Minister is with regard to greater imposts, greater royalties and greater stumpage fees. Then and only then will we really be able to accurately calculate whether this budget was a sham or not.

In all fairness to the Members of the opposition who sat in this House and the members of corporations that employ people throughout the entire Province of British Columbia, the Minister of Finance and his other Ministers responsible for resource development had an obligation to bring before this House, at the same time they brought down the budget, the bills — if such are to be brought down — which will give an indication of the imposts the Crown intends to put on industry in the 1974-75 fiscal year.

Everyone admits we had a buoyant economy in 1973. It was a result of heavy worldwide demand for our forest products and our minerals, not because of something that the NDP, the opposition or anyone else in this House did. It was one of those facts that we were able, as a province, to reap windfall profits in a year when the market was strong and the demand was good.

It's interesting also, Mr. Speaker, to realize that the system of collection of royalties and stumpage was a system that the previous government was responsible for instigating some years ago, and that as the gross demand went up and the price went up, so did the windfall profits to the government. So it's not realistic for the government to suggest that in 1974 the revenue generated from stumpage alone will be in the neighbourhood of \$220 million.

What if it falls back to the 1973 level of under \$100 million? At that point the shortfall of revenue will be between \$120 and \$150 million, minimum. I suggest that it has already been taken into consideration that that could happen in this province, and that there will be greater imposts. The only thing that the public does not now know is when they will be imposed and at what rate.

Of the stumpage generated last year, 80 per cent was generated in the Interior of the province and 20 per cent from the sale of coastal timber products. In addition, the industry paid \$262 million directly into the provincial coffers, and at the same time industry paid corporate profits of about \$200 million. These made a major contribution, a windfall profit, to both the provincial and federal government which deal respectively in those areas of taxation.

Suppose that we do take an optimistic outlook and say that there will be no decline in forest revenues in the forthcoming year. If that is so, then there is no need for greater imposts on industry at this time, because the same

sliding rules that have been in effect for a number of years will produce revenue in excess of what the budget indicates. In that case, there would be no need for major tax adjustments in 1974-75.

As a matter of fact, it would be completely irresponsible for the Minister of Finance to levy more taxes on our basic industries at a time when windfall profits were accruing in ever greater amounts to the province.

The Premier, when he brought the budget down, talked about the fact that it was a balanced budget. There was a great amount of money in surplus that he was going to divert to certain special areas to help the people of the province. And there were no increases in taxation. It sounded wonderful, except that the budget does not in any way mention the fields of taxation that we know the people of British Columbia face in 1974 — the hidden taxes that are not mentioned in the budget.

The first one that comes to mind is the Autoplan, and the premiums that will have to be paid by people in 1974. Hopefully, many of them will receive a refund. I am told by reliable authorities that 60 per cent of the car owners in the Province of British Columbia know that their premiums will be higher in 1974 than they paid in the previous year for similar coverage. Is this the way the NDP carry out their promise for insurance at the lowest cost possible — insurance for \$25 a year?

It was interesting to note, when the Premier spoke about Autoplan, just in passing, that now the amount of premium income to the province has been increased from \$160 million to \$200 million. In other words, the taxpayers of this province, in his own words, will be ripped off for \$40 million more in insurance premiums and costs than they estimated just a few short months ago.

Reliable figures told us that the amount of insurance in force last year was about \$160 million in

[ Page 186 ]

terms of premium dollars paid to all the insurance companies operating in the province of British Columbia. The figure was used many times in this House by Members of the government. But suddenly the \$160 million charge that the private corporations were ripping off the taxpayers in the province for becomes a \$200 million charge when the government operates a monopoly corporation.

Perhaps the Minister who's in charge of that particular fiasco would like to go out and tell the people just why they have to pay this increased premium when they have no option but to buy their insurance from the Province of British Columbia. Not only do they have no option, but they have no way of comparing whether the premium that they're being charged is just or unjust, except by comparison with their last year's premium.

Most people in the province will be forced to pay three premiums, not one. The first premium will be paid, if everybody buys their insurance prior to the end of February, when they buy their insurance and their auto plates for their car.

The second premium, which everyone has temporarily forgotten about at the present time, is the \$10 per year that everyone must have to insure their driver's licence. And that doesn't mean every car owner; that means that every individual who owns a driver's licence, whether he has a vehicle in his own name or not, must pay the \$10-per-year charge.

Then, if they are fortunate enough to have had no points in the last three years, that's it. But then the other charge will come down, and for those people who have accumulated points in the last three years there is a charge equivalent to the square of whatever points they had on their licence.

Is that the way an efficient government which is so concerned about people services sets up and operates an efficient insurance plan?

[Mr. Dent in the chair.]

At the present time we have a problem as to who is going to be able to repair cars in the Province of British Columbia, and whether in fact we will be able to get a car repaired without paying the auto body dealers a surcharge because of the disagreement between the provincial government and those people who are in the auto body business in the Province of British Columbia.

Mr. Speaker, if plumbers, electricians, carpenters — whatever vocation they happen to be in are entitled to a fair wage in the Province of British Columbia, then I suggest to you, by the same measure, that a person who makes his living repairing cars in the Province of British Columbia is also entitled to a fair living.

If that fair living is not paid to them then they have every right to refuse to repair cars for the provincial government at the price you're quoting. So there's another surcharge which the people of British Columbia could very easily be faced with in the next 30 days.

We've seen an extravagant advertising campaign to launch a corporation which has a monopoly in the field of auto insurance in the Province of British Columbia. I don't know of anything quite as ridiculous because there is no question about it: you have no other carrier to go to in the Province of British Columbia if you desire to drive a car after February 28 and have it insured without the risk of becoming involved in a traffic violation or a fine. You must buy your insurance from the provincial corporation.

Why, then, is it necessary to carry out an extended advertising campaign throughout the whole Province of British Columbia in every periodical in the province, including every daily and weekly newspaper, for weeks on end? It's not little ads that the corporation has bought and paid for. That's probably one of the smallest I've seen. Not little ads; ads a full page in size.

"Now you can get auto insurance in just minutes. Later it will take hours." An indirect way of suggesting to the people that if they don't get their auto insurance, look out.

There's another good-sized one: "Get off to a good start. See your auto agent now."

There's certainly nothing cheap about the people who are in charge of the advertising campaign for Autoplan in the Province of British Columbia. Could it be Dunsky, I wonder?

In any event, the advertising campaign has certainly been overzealous, particularly when you consider the fact that the people in the Province of British Columbia have no choice as to where they'll buy their auto insurance in this province.

How much did it cost? How much are the taxpayers being ripped off for an advertising campaign of very extensive proportions to advertise a Crown corporation which has a monopoly and no one could escape from it if they desired to? That's money for people? That's benefits for people?

Then, to top it all off, they had to start into the television field because the newspaper and the radio media were not enough. They had to hire a man by the name of Bruno Gerussi to do sort of a commercial for Autoplan. I understand the tab was somewhere in the neighbourhood of \$5,000. Fortunately, I think it's off the electronic media because I haven't seen it on television in the last few days. It was a junky commercial. You have a cabinet Minister (Hon. Mr. Lea) in your own ranks who is a former member of the news media. At least he could have earned some of his salary by doing the commercials for Autoplan. Then it would have kept the money at home and you would have been getting double utility out of the

[ Page 187 ]

cabinet Minister.

What's going to happen when the people who have cars to be repaired wish to have them repaired after the end of February? So far, the only claim to fame that the Minister has is the fact that he has spent \$7.5 million to acquire property for claim centres; \$7.5 million dollars for 13 sites, an average of \$500,000 per site for claim centres

which have not as yet been built.

That's sound economics; that's sure defusing the fires of inflation when you pay half-a-million dollars for a site to operate a claim centre. Yes, that helps the people of British Columbia and the persons who are on fixed incomes, that provides a lot more pension for those who are aged and crippled, doesn't it, Mr. Minister? Seven and one-half million dollars for 13 sites in the Province of British Columbia; an average of \$500,000 per site to acquire property for claim centres which are not even going to be in operation, and Lord knows when they will be in operation.

Everyone talked when the NDP were in opposition about those nasty, nasty, private insurance companies that ripped off everybody in the Province of British Columbia and never really put anything back into the provincial economy. I don't have current figures for what they had been able to do but I do have a survey conducted in 1971. It's interesting to note that all the companies collectively collected \$113 million in premiums for the sale of auto insurance in that year.

Guess how they spent it? Guess what they did with that money? Well, they invested \$2.5 million in premium tax, taxes paid to the government; they paid \$43,000 in licences; they paid the provincial government \$500,000 in income tax; and they paid \$225,000 for municipal, real estate and business taxes in the Province of British Columbia.

But not only that, Mr. Speaker. They invested some money in the province as well, not only from that year's premium income but from previous years when they had been able to accumulate money that was in reserve. Do you know what they invested it in? Sixteen million dollars in provincial bonds; \$19 million in municipal bonds; \$27 million in Corporation of the Province of British Columbia bonds; \$23 million of preferred and common stock at market value of Province of British Columbia corporations, and \$14 million in other investments in the province. These slap-happy people who ripped off the taxpayers reinvested the money they had available to them in the Province of British Columbia. Isn't that terrible that they did that? Certainly a lot better than the irresponsible attitude that has been exemplified by the people who are in charge of the new Autoplan in the Province of British Columbia.

### **HON. MR. MACDONALD:** Are you against public auto insurance?

**MR. SMITH:** They're spending money like it was going out of style for no needful purpose, Mr. Attorney-General (Hon. Mr. Macdonald), just because it's there. Talk about mismanagement of provincial income; talk about mismanagement of provincial affairs! That's going to be the prime example of a corporation which from start to finish was a complete political boundoggle with mismanagement from one end to the other on the largest scale this province has ever seen, wasting the people's money when it should be applied to people services in the Province of British Columbia.

Mr. Speaker, I'd like to spend a few moments, seeing the Attorney-General is now back in his seat, discussing vote 18 in the budget. It's entitled vote 18 under the Attorney-General's department: development of justice systems in the province. Included in that vote, because of a transfer of responsibility for courts and the judicial system from the municipalities to the province, is a sum of \$15 million. But what we don't have, Mr. Attorney-General, is any clear statement of policy or intent by your department as to what your programme really will be in this area.

### **AN HON. MEMBER:** He doesn't know.

**MR. SMITH:** We've heard about a B.C. police commission and we would certainly like to know how it fits into the picture. We'd certainly like to know what powers will be bequeathed to this new B.C. police commission, and when. We would also like to know definitely, concisely and clearcut if the Attorney-General is thinking about or is going to establish a B.C. provincial police force in this province. If he's going to establish it, when? If that is to happen, what is the position of the RCMP in the Province of British Columbia? What is your intent with respect to the policing protection they now provide for this province?

What changes are contemplated in the judicial system, Mr. Attorney-General? And before these changes are made, even though we do have a report from the Law Reform Commission, will there be an opportunity for people

who are concerned about the system of law and law enforcement in this province to have some input and to look at the type of programme you intend to introduce?

Perhaps the Attorney-General will speak at some point in this debate and tell the public why the present budget anticipates expenditures of \$15 million because of the transfer of the responsibility of the judicial system in the courts from the municipalities to the province without failing to anticipate any revenue from the operation of the courts. It would seem to me that somewhere in that budget should be included the amount of money that you anticipate from that source. There's an amount

### [ Page 188 ]

there: it's up \$600,000 from the amount shown last year. Yet by the statements of yourself and other Members of the cabinet, the shortfall is nothing like \$600,000; the shortfall is around \$6 million, as I understand it. So somewhere in the budget, if it requires \$15 million to finance the programme, there should be a figure of \$9 million in revenue.

Perhaps the Attorney-General would be good enough to show us where that's at in this budget. I've looked for it and I can't find it.

Interjection.

**MR. SMITH:** It seems to me, Mr. Speaker, that if the expenditures are anticipated on one side of the balance sheet then the revenues should be anticipated on the other side, unless there is some new system of bookkeeping that the NDP subscribes to that we're not aware of on this side of the House.

Interjections.

**MR. SMITH:** Mr. Speaker, I don't wish to prolong the debate but I do want to say a few things about the parliamentary process and this matter of law and the establishment of it in this province.

I have no idea what the Attorney-General anticipates both with the police commission and with respect to recommendations that have been made to him by the Law Reform Commission, But I do say this: if we do not preserve the distinct and definite demarcation between the legislative branch of law as we are involved in it here, the judicial branch as represented by the judges and juries of the courts, and the enforcement branch, then it would be a step in reverse. That system is one that has stood the test of time. There should be no doubt in the minds of the people of this province that it would not be continued. If you try to meld the legislative arm, the judicial arm and the enforcement arm of the law under one umbrella then it will be a sorry day for justice in the Province of British Columbia. That should never happen.

#### HON. MR. MACDONALD: No chance of that.

**MR. SMITH:** I'm glad to hear the Attorney-General say that, and I hope he will reiterate that when he is speaking in the debate in this House. I take the word of the Attorney-General that the political arm and politics and the judicial system have to be separate, and I subscribe to that point of view.

Mr. Speaker, the budget we've had before us was the largest in the history of this province. But what else was it? It was one that devoted less money to people and more money to padding than any previous budget. When the history of this government is written, men will say in 1974 the budget exceeded \$2 billion for the first time. But its presentation disclosed only half-truths and, in fact, some deception because we still do not know what will happen in many of the areas of revenue and particularly resource revenue in this province.

It provides no welcome or encouragement for people to invest in this province. It gives no definitive statement of policy regarding our basic resources. It reduces the total percentage of revenue for health, education and human resources. It contains a great deal of rhetoric and irresponsible bragging about revenue sources and nothing of substance to show how the revenue will be generated.

In summary, it is a shallow, shallow document, unbecoming of a Minister of Finance and a cabinet who had before them the greatest opportunity ever to show statesmanship and leadership. On both counts it is a complete bust and regretfully must be viewed in that light by the official opposition.

MR. P.C. ROLSTON (Dewdney): I found it hard to believe my ears when I heard those final cynical remarks before that Member for North Peace River (Mr. Smith) sat down. I just somehow can't get into the kind of space he's into even if we talk about the integration of services in social welfare where our Minister is really making remarkable progress in integrating. Why, I understand in Vancouver there are 170 different agencies delivering care. And he can make that kind of comment!

Now, maybe up in North Peace River where things are a little simpler, where maybe there is a flat earth, where there is a much simpler, rural society, he can get away with that. But that to me is just not useful in trying to deal with the budget which I think is a helpful budget, which is figures and Pictures and expectations of the people of this province.

I would just like to dwell on this whole idea of having a positive attitude in this debate before I get into a little more detail. I would like to think of this being the first real NDP budget which reflects a group of people who have a sense of confidence, a sense of hope. We're not going to go away from difficult urban problems, whether integrating social welfare, dealing with the very great shortage of hospital beds at various levels of care, looking at a rip-off, disorganized forest industry which we inherited, or a lack of planning in transit and other ways of moving people. We are trying to budget and plan for all the people of B.C.

I appreciate that these are buoyant times. We do give credit to previous years and the little bit of planning that did go on by the previous administration. We have inherited a very buoyant economy: an economy that grows to the extent ours has, an economy that sees a 10 per cent increase in the capital investments in this province. I just read,

### [ Page 189 ]

incidentally, in this morning's paper the full ads by Merrill Lynch and other large security houses which obviously must still have confidence in the economy, the increasingly buoyant economy of this province.

I wouldn't want to just go for buoyancy and growth just for the sake of that, but I appreciate that some of us are very fortunate; we just happen to live in a very fat land. This is not Nova Scotia. This is the largest budget of any government in Canada which is balanced. We are appreciative of that; we're very lucky to live in this well-endowed part of the western world. This is a budget which sees much less of the percentage of the revenues that we are taking in coming from the federal government. In the Province of Quebec, for instance, 15 per cent comes from the federal government through various forms of sharing and other subsidies.

This is a budget which I think is beginning a planning process to get more money back from this endowment, this legacy which I believe the Creator has left to us. This means sharpening our pencils, sharpening our axes, our chainsaws, or whatever tool we use so that we can get a better return for all of the people.

I think any government which sees nearly a 70 per cent increase in the taxes and the royalties on natural resources alone really means business. We don't mean to put people out of business; we expect them to be very sharp.

We are now seeking \$419 million from the resource industries of B.C. I don't know if our Minister of Forests (Hon. R.A. Williams) is conservative in budgeting for \$200 million from stumpage, tree farm royalties and other types of return from the forest. I suggest he probably is budgeting still low; we will certainly meet that next year.

We seem to have a buoyant economy. We have very buoyant prices in pulp. Yet, Mr. Speaker, I don't know if you realize that anybody who has a brown envelope in this building tonight is very lucky because, as far as our NDP caucus goes, there are no brown envelopes.

MRS. P.J. JORDAN (North Okanagan): The Minister sent them all out.

**MR. ROLSTON:** He sent them all out. Well, the lowly backbenchers can't get their hands on a simple, large brown envelope to send out the budget. There just are no envelopes. The government has put in orders and we got a tiny fraction of that order back. It maybe illustrates some of the demands on some of the forest products which B.C. is fortunate to be able to sell.

Of course, on the revenue side, we are again, I think, conservatively estimating for a very large increase in the natural gas and crude oil returns. I note that we are nowhere near estimating \$100 million, which we talk about as the return in natural gas, because if the federal government is willing, we would like to share some of that legacy with my brothers and sisters in Nova Scotia and New Brunswick and other parts of Canada who aren't as well off as far as gas and crude oil prices as we are in B.C.

So, I'm saying at the outset that this is an "I'm okay, you're okay" type of fiscal and budgeting outlook for British Columbia. I think it is responsible and it's positive. It reflects, I think, maybe the first step in a definite plan to get a more reasonable return.

I hope, in a sense, in demographical terms to maybe reshape much of the life of B.C. I want later on to get into the whole business that we must, as we develop British Columbia, encourage and entice and make it very attractive for people that live beyond the lower mainland and the lower part of Vancouver Island. I hope we're very conscious, as we sit in this chamber this afternoon, that we are sitting on the very end of a peninsula at the bottom end of Vancouver Island, the lowest latitude in the province. It is many, many hundreds of miles before you get even halfway through the province.

It's much more than hardware. I appreciate what the Minister said about pushing the railroad up into Dease Lake and eventually building a town site somewhere near there and making really a metropolis around Terrace, and to some extent Smithers and certainly Prince Rupert. These are very important things, but this is much more than a hardware discussion. Some of us have lived in some towns where we did the underground paving, we put in the lovely split-level houses, we had the recreation centres, and that just did not work; it wasn't simple. It involves people; people have to live out there.

I hope that this resource budget is not just a dividend in terms of hardware and in money, but a dividend in the social sense, even in the spiritual sense, as our children are attracted to live out in the remoter parts of B.C.

A preponderance of us in this House live in the lower mainland. Even in my case it is difficult to get professional people to go out and work in Mission. I'm thinking of lawyers that have been attracted to go there and yet won't stay there. So I think a great deal has to be done, and I hope that in this budget debate there will be some creative suggestions by all of you as we try to populate all of this province.

For instance, I would go on record in hoping that as we develop towns like Terrace, as the Minister has described, we see a first-rate community college. We have the makings of a community college there now, but we should really do a job and expand the vocational school that's there. Possibly a university should be mooted for some part in the north — possibly Prince George — where we go beyond the

### [ Page 190 ]

two-year junior college type of thing and get into a university where we'll be able to plan curricula and programmes to meet the special needs of the people in the north.

Diefenbaker was right in his dream for the north. Maybe he didn't work this out in the detail that is certainly needed now by a sophisticated planning government, but I appeal to you on this. I appeal to you as you talk about the B.C. Rail and the CNR and the basic primary extractive industries of the north, that we also talk about manufacturing in the north. If we need mobile homes, we should be making mobile homes in the north. Mr. Speaker, in your town of Terrace, we should really seriously look at the possibility of manufacturing more and more items that are going to be used in the life up in those areas.

I know the municipalities must be happy with this budget. We heard the cynicism of the Member for North

Peace River (Mr. Smith) regarding the administration of justice and the taking over of the court programme — not just the taking over the hardware. For instance in my town, Maple Ridge, there are real problems with the hardware. There just literally is not enough space for Judge Varcoe and his staff. We have to redirect some of the space, the hardware.

In some parts of B.C., and I'm thinking particularly of Maple Ridge and Mission, there is a very heavy institutional legal cost. We have a lot of institutions in our area. We understand that there are more federal-provincial jails and prisons in the Fraser Valley per capita than in any other part in Canada. It lays a particular kind of emphasis on a municipality as far as the administration of justice goes.

I'm happy that in a sense we are bringing some kind of regular standards in the accommodation, in the supporting staff and in the quality of the judges and the magistrates, and that we're picking up this tab. Obviously it's mainly a cost to us, even though in some municipalities, I believe, they do actually receive quite a lot in fees. But I assure you that in my towns, in Dewdney riding, it's welcome. It's really taking not just the financial burden, but I think the leadership that we would expect from this new administration of justice committee that the Attorney-General is developing. It is very much needed.

Of course, the municipalities in my riding are very happy with the influx of money from the Parks Branch of Recreation and Conservation. We received nearly \$1 million over the budget last summer for very creative programmes in our large provincial parks. This has a direct influence on us and we appreciate that. We are happy about the influx in recreational grants — \$15 million in a sense going to municipalities to be an incentive to get going with the recreational facilities that otherwise might be quite a few years away.

We are very happy that in Vancouver and Victoria the social welfare department is being taken over and administrated. There are already discussions about the integration of services with local resource councils in metro areas. I know that the Minister of Human Resources (Hon. Mr. Levi) has already been out to Abbotsford and has held meetings with the people in the central Fraser Valley regarding the integration of services and the picking up of very substantial costs of this government which are budgeted in this document. I'm thinking of MSA Community Services — we're talking a lot of money here. At one time we were talking \$1 per capita; we're talking a great deal more than \$1 per capita now when we're talking about picking up the core funding for what we call the professional and lay community services or resource-centre programmes in about 20 communities in B.C.

We could talk about many other direct things that will help the municipalities. Municipal Affairs already have assured me that there will be fast bus service out of Maple Ridge by the end of this year. The hardware is ready. We were assured in very informal discussions, even two weeks ago with the CPR, that there are real possibilities in the next few years of rapid transit out towards my riding.

I'd like to talk about education. I feel as an MLA it should be our responsibility to get around to the various classrooms and staff rooms and school board meetings and just hear what is happening in education. I would hate to think that this Legislature would get bogged down, as it tended to get bogged down last week, in a bit of a harangue about class sizes. I'm not going to minimize class sizes. I've read about what BCTF has said about class sizes. I've discussed this with the Minister, and I've listened to our Premier and his comments.

I'm sure that obviously a smaller class size is relevant to the discussion, as it will help in the atmosphere of learning. But I think that it should be expected of this Legislature that there should be a discussion on what we are doing in school and what is the purpose of school. What are the questions about life that must be asked in the classroom at any age? As we spend 25.5 per cent of the budget — \$567 million — we must be asking these things. I think the Legislature can be doing a little sharing on just how relevant the preparation is from kindergarten right through to post-secondary education for what we say are really fast-changing social conditions.

I might just say that our government has spent a great deal of money in day care, and this right now is under the Department of Human Resources. But day care is really an educational matter. I think that sometime our government has got to ask whether day care belongs in Education rather than under Human Resources.

There were mechanical reasons for it easily starting

in Human Resources. But basically I see it as part of the preparatory process — for children as they enter into school — but also as they simply, as a four-year old and a five-year old, learn how to interact and learn how to relate and get into a somewhat larger social experience.

I'm very happy, in my riding, that the fourth day-care centre actually started yesterday — the fourth day-care centre in Dewdney riding. That is, four day-care centres since we took office are starting, and I think this will be a real catalyst to help little people as they become part of the formal learning process.

MR. CHABOT: That's an NDP riding.

**MR. ROLSTON:** Oh, talk to other ridings. How about your own riding? No facilities yet? We're very lucky, and there are many other day-care centres in other ridings on both sides of the House.

But I would like to ask the House to consider that many of the best teachers are not people with Bachelor of Education degrees. They are not people who have certificates. Many of the best teachers are simply....

MRS. JORDAN: Your Minister of Education (Hon. Mrs. Dailly) just did away with them in kindergarten.

**MR. ROLSTON:** Well, I would have to check on that, but I understand that's an exception. That's news to me. I understood that she made the exception that in kindergarten you didn't have to have....

Interjection.

[Mr. Speaker in the chair.]

**MR. ROLSTON:** Well, if we can prepare them. But I believe that right now you needn't be a professional teacher to teach kindergarten as part of the school system — partly because of the real shortage of kindergarten teachers.

What I'm appealing to you with is that in the neighbourhood there are many people who have a great deal to offer in an informal way. I suppose an MLA coming into a classroom is somebody coming into the neighbourhood. Whether he comes in just for an hour or so every six months is beside the point.

I'm appealing for some kind of a neighbourhood interaction with the school system, where the senior citizens, the people, can experience taking a class to a mill, to maybe an agency. We have many children coming to this Legislature. We have many children who can be going to see tree farms, nurseries, and a host of experiences in the community which are educational and learning experiences. I would certainly encourage that. I would hope that there could be more facilities for that, that busing could be more readily available for that.

If you study the school Act you realize that actually it is quite against the law to be charging for such a field trip. It would seem that there is a rather tight tradition in just allowing for school children and older students to get that kind of experience with the other teachers in their immediate neighbourhood.

What I'm really trying to say is: if we're spending a quarter of this budget on education, I'd like to be assured that we are motivating kids early in their life; that they are excited about the world they live in; that they are enticed and that they are highly motivated by the time their basic outlook is formed.

I met a teenager last week who told me he would much rather go to the Lougheed Mall than go to school because the Lougheed Mall, which in a sense was the classroom, had in many ways more to offer in learning experiences — that sophisticated Lougheed shopping mall — than the junior secondary school he was going to. Now I don't know what that says. But I think, somehow, it says to me that there are very informative and yet unprofessional, informal teaching people who could help us in this educational process.

I know that our Minister of Education (Hon. Mrs. Dailly) is aware of the influence of television shows like

the *Electric Company, Zoom, Sesame Street*, and a host of other very, very brilliant TV documentaries which have had a remarkable impact on the educational attitudes of young children. I would like to see her, in the budget, budgeting for a great deal more money in film, in VTR, in using the very best film material and getting it out to the schools, especially to the remoter schools.

I lived in Tahsis for three years. This is a town which, maybe now at least, can afford more in the way of very good film. I see no reason why this government couldn't be doing more in the film industry. It takes an awful lot of money to make a film; it takes very little money to print copies of film.

I really can't say I've seen recently a top film on the basic geography of this province. I can't say I have recently seen a top film on the geology, on the water. In my riding of Dewdney — we all know that we'll be talking about dikes a little later — water rights, the whole engineering of water, is very, very significant. I haven't seen a film on that.

We rely on the National Film Board and they are very helpful, but I would like to see this government, this Department of Education, do much more in film. You know, McLuhan had a few comments on film — on the non-print ways of motivating people. At times this Legislature seems the most unmotivating and least-educating experience. At times I wonder. I think we have to ask just how the educational learning and sharing process of this Legislature can be enhanced.

### [ Page 192 ]

I'd like to make a few further comments on education. I wonder about school boards. I really wonder whether it is relevant to have a school board like Agassiz, a tiny little school board all by itself — or Mission, or Maple Ridge, or Surrey, or maybe some school board way up in the Interior. We have many school boards, many administrations.

I would like to hear comments from all MLAs on whether, as we deal with the more sophisticated facts of this province, maybe a more regional school board would be better — one that can be able to develop curricula for a regional area and the demands that those young people are expected to be prepared for in that particular area.

It would seem that administratively it would simplify things. It would possibly be less expensive. I see it relating to regional library boards, to regional industries, to regional recreation, to the more regional needs. I won't elaborate at this time, but you've heard me before on the need for regional teams of family-life educators to work through an area, whether it is the central Fraser Valley, whether it is the Surrey-Delta-Richmond area — but highly skilled teams of people simply to deal with and help share in the work for the kids in that region.

I believe that the Department of Education must insist on the basic skills of composition, of computing, of knowing the scientific methods of reading; here is one skill that somehow I wish I had picked up much better: the ability to read and comprehend much faster.

So I'm appealing to this Legislature, and I'm appealing through this Legislature, through you, Mr. Speaker, to every teacher, every student, every parent, every school board to, as we say in the Church, be divinely discontented with your lot. You know, the Church has gone through a decade of being somewhat dissatisfied with itself, with its relevancy in this world. It loves itself and yet it is not satisfied with its lot. I'm appealing to all people in this province, as we look at this budget — a budget which sees over a quarter to education — to be divinely discontented, to be part of the cutting edge, part of the solution as we prepare people for an apocalyptic age, an age of very great social change.

I'm very happy that there is a real budget increase in vocational schools and in junior colleges. I think this is obviously necessary. Sometime we could have a discussion on the real shortage of certain skills. In Dewdney riding we need shipwrights immediately; we need welders, we need pipefitters, we need people who are trained in water.

We are told that our Department of Water Rights cannot get trained water engineers or civil engineers. They just are not available. So there are just a host of skills that we just must see the vocational schools, the trade schools

and certain universities.... I think our caucus was most impressed with many of the people who came from UBC last week, especially the Dean of Engineering, the young Irish dean to whom the Member for Oak Bay (Mr. Wallace) referred yesterday in his speech. Very, very helpful. Very enlightening. Very practical things that that dean of applied science is getting along with. We must support and encourage him, and our caucus does support him.

But some of us have also gone through university at times pretty blind as to where we were going; it was never sure. We were just part of the great lineup that went there for registration. And I don't think that's good enough. I think we have to at times look at the university, look at this business of autonomy on one side — the institutional academic autonomy — but also the very definite, practical, even pragmatic, needs of a developing Province of British Columbia.

I'd like to say a few words on health care. Again, I don't understand the cynicism by Members of the Social Credit and the Leader of the Opposition, saying, I thought in incredible words, cynical things about health care. We acknowledge that there is a great shortage in hospital beds, but we've inherited much of that shortage.

I understand that we are still 1,500 beds short in extended care. We are building 1,100 beds and that will help. In about a month's time we will have a 75-bed extended-care facility ready in Maple Ridge, but it's already well over-subscribed by people that live within that hospital district.

So we've inherited some real problems. I don't know how many intermediate or chronic care beds this province needs, but I would guess that it's well over 4,000 beds — whether in an institution or in a home. There is a great shortage.

The doctors constantly ask me what alternative there is to take Mrs. Black out of an acute care bed and into some other facility. Where does she go? I'm glad at least that we've purchased a second private hospital which will take some of this load — mostly, I think, extended care, but possibly some of the chronic-care load off of hospitals.

At least there is \$1 million in the budget for home care. At least right now there are seven health districts that have home care. At least we have a Minister of Health (Hon. Mr. Cocke) who has assured me informally that home care is at the top of the priority list for Maple Ridge-Pitt Meadows. I find that encouraging. But again, there is a tremendous pressure on hospitals like the 108-bed acute-care hospital in Maple Ridge, which is simply jammed most days — so badly that there is often two days without surgery. That's expensive. That's expensive in human terms, and obviously in investment terms. We just have got to have health alternatives.

Say what you like, the Foulkes Report has at least started discussion. I've never met the man, but he seems to create expectations in people, which surely

### [ Page 193 ]

is useful. He's a catalyst. I'm sure there are many things that we disagree with in what he's saying, but at least he's starting a discussion in what is the biggest budgetary item in this document on health care.

It's frightening when you look at the increase in health care — if I can find the page here. It's a great deal of money. I believe it's somewhere around \$551.4 million. I have the total somewhere. But it is absolutely amazing, the total increase in health care costs; social welfare, education and health care are making up somewhere around 69 per cent of that budget.

I'd like to see the Minister talk a little more about preventive health care. I'd like to hear much more on nutrition. I'd like to hear much more on creative film on television. We saw a reasonably okay film on the big, fat, obese fellow that was on television, and I think we have one or two anti-smoking films. I'd like to see more on nutrition, more on smoking.

I think also it's the responsibility of this government, if we take a \$108 million profit in liquor, to spend some money in film and preventive education on alcohol. This brings up the whole need under Health to have a real, good programme on education to deal with any addiction but specifically alcohol, which is still probably the No. 1

addiction and killer.

We must start a careful, clinical, rehabilitative programme. We have various attempts; we have attempts like the Alouette River unit out in Maple Ridge — which is a jail. Let's face it, it's a jail. There's no treatment really at that place. With all respect to the warden, who I think is an excellent person, it's just not, in a preventive and rehabilitative way, doing much for those people.

So I'd like to see health care in a preventive way — dental preventive programmes through public health. Hopefully, we'll eventually get enough dentists to get into a preventive dental programme — maybe drill-and-fill technicians. Perhaps the universities will be able to gear up and provide enough skilled people in preventive dentistry and preventive health care.

I'm glad to see \$5 million for physical fitness. I really feel that this is most important. It's going to take an awful lot more than just pushups on our desk to get us and all the people in this province consistently in good physical shape. I'm glad that nearly 300,000 people are on Pharmacare; they greatly appreciate this. I again feel that this is part of the legacy that's due the people of this very wealthy province.

Housing: I understand that there was a 45 per cent drop in housing starts in the United States last year. I understand that 60,000 people have moved into the lower mainland last year. That is frightening. Of course, the statistics of the post-war children now married, now with enough money to make what was at one time a decent down payment — that statistic is frightening. The vicious inflationary trend in land and in residential property is frightening.

I feel very uncomfortable discussing this. I feel very uncomfortable as I think of people — out in my riding and, I'm sure, many lower mainland ridings — who, attracted by real estate industry, just went out and grabbed land, took options on land, picked up land — not for housing, not for them to move on to and build a house, but simply to have that land as an investment. It bothers me that many people see that as the only worthwhile investment as they hedge the inflationary trend that all of us take seriously and with which we must, with the federal government, deal.

That bothers me — that hoarding of land, of buying several houses and fixing them up, but not increasing the number of houses — just simply buying and selling. Of course, every time you buy and sell you have to refinance. Every time you refinance that means higher rentals for other people.

If you look at apartments in Vancouver: at one time, with the financing of 15 years ago, those rents weren't so bad. But to build or to refinance an apartment today, it really is bad. It is so bad that last year there were only 450 new apartment starts in metro Vancouver, compared to 11,000 apartments in 1969. So housing is really bad. It's really inflationary. Something has got to be done with it.

MRS. JORDAN: I'm glad you admit it.

MR. ROLSTON: Well, we've admitted it long before this speech, and we're buying as much as we can. But what I'm trying to say is that I think it's a misuse of investment, a misuse of land. A person should be able to buy some property and put a house on it. That is dealing with the problem. But an awful lot of people have been adding to the problem by simply promoting and increasing that price. Related to the subject is the fact that if you get into institutions — if you look at what is happening to the price and the refinancing, the resale, of rest homes....

Let's talk about Maple Ridge, if we can be specific. There are certain occurrences there where people would come in — sometimes with money from Hong Kong, Japan — buy a rest home at an alarmingly high price — and, of course, that rest home is refinanced at a higher interest rate and eventually the costs, which often are borne by the Minister of Human Resources (Hon. Mr. Levi) or by the Minister of Health (Hon. Mr. Cocke), go up and up and up. One really wonders if one can really operate a rest home viably with those kinds of financial loads.

I'm told that 60 per cent of the Canadian people today could not get into the most minimal housing: condominiums, duplexes or single housing — 60 per cent! It's very bad in Ontario. I was there for four

weeks last August; it's just as bad there. It's a North American problem, but probably is especially bad by the inflationary grabbing of land in this lower mainland of British Columbia.

Now socialists try to deal with the problem. That's the problem; we try to plan for that problem. We're now bringing in resource people. We've infused an immense amount of money into this budget to deal with that problem. Quite frankly, I haven't heard enough — we heard very little from the Member for North Peace River (Mr. Smith) — and the tremendous infusion of nearly \$120 million into housing. Along with that, that has an accelerating effect into the rest of the economy.

We're going to spend \$50 million in land assembly — landbanking. You talk about Dunhill; you make cynical comments about Dunhill. Dunhill is the largest landholder in Mission, owning probably the most prestigious and beautiful assembly of land in Mission and chunks of land in Richmond — huge pieces of land in Richmond — which, together with other properties around Victoria and many other places, I think will have a real effect.

I don't know if two-thirds of the housing starts this year will be directly related to our housing programme, including their first and second mortgages, but it will be a very significant influence on this very serious problem of accommodation.

So let's be positive. Let's not be part of the problem but part of the solution. I think we also have to acknowledge in this discussion that, of course, there have been some changes recently — that to simply develop a lot costs a lot of money.

I doubt if five years ago in developing a lot you would be spending, as in Maple Ridge, \$3,500 to \$5,500 per lot. Not just because of inflation but because — and quite rightly so — a municipality expects more: underground wiring, effluent and storm sewers, curbing, paving, in some cases sidewalks. They certainly expect proper lighting. So there are greater expectations of developers.

I'm just hoping that the government and municipalities can also be a very aggressive part of that land assembly and developing programme.

Of course, materials have gone up and many people have asked why we still have a 5 per cent provincial sales tax. And I ask that question. I ask why we still have an 11 per cent federal sales tax on building materials. It's not just the increase in the materials but what we are expecting out of them.

We also have very serious shortage. I found out that we have a very big shortage in plastics for plumbing. Even a prosaic toilet is evidently in short supply in British Columbia.

These are things I think we acknowledge as a government. We're set up a Crown agency to deal with it; we are infusing over \$120 million to deal with it.

Incidentally, part of that infusion is \$10 million for senior citizens' programmes. I doubt if many of the listening audience here or many of the Members realize how attractive it is that the government — and, admittedly, the previous government — put in a one-third straight grant for senior citizens' housing. Now CMHC, the federal people, put in a one-tenth grant for a total of a 43.3 per cent straight grant.

There's also a start-up grant and attractive financing through CMHC so that for municipalities, non-profit churches and other community groups there really is an incentive to get into the senior citizens' housing programmes.

Interjection.

**MR. ROLSTON:** We are a deficit church, would you believe. We're quite the opposite; we're losing money each month.

In Maple Ridge and in Mission we have already opened several. We're hoping to start a new programme in Maple Ridge and in Mission to take advantage of the \$10 million in this budget for senior citizens' housing.

Of course, related to housing is the fact that we are putting another \$40 into the homeowners grant to help alleviate the education cost. After five years that means that, with the \$200 homeowner plus another \$200 for education, it's \$400 which in most cases, I think, would remove most people's educational costs.

I would like to talk about energy and what our B.C. Petroleum Corporation has done. I think we really should be proud of what they've done. But possibly that can wait for another debate, except to quote a B.C. industrialist in a newsletter which every MLA gets nearly every week. A resource industry newsletter said of the Premier, for whatever it's worth, that we had one of the only realistic energy policies at that conference.

In many ways our country is pretty vague in its plans for energy. Often we're so preoccupied with the local, domestic housekeeping matters we don't seem to have a national policy. We seem to be kind of like a ship that goes in the night and is not very clear on where it is going.

I am very proud of our Premier, the Attorney-General, Mr. Rhodes and others who went down with a clear policy: one price that will help subsidize the poorer areas and that we will really mean business as a federated country with non-renewable resources.

I would also like to say something about lumber, about the forests and about resource management generally.

I don't know how it is that some people are afraid of our Minister of Lands, Forests and Water Resources (Hon. R.A. Williams). Again, he's one of

### [ Page 195 ]

the few senior Ministers in Lands, Forests and Water Resources in my memory who had a very clear goal, a very clear policy regarding the management of our forests. I just can't understand how people in this House and outside of this House — in some cases, in the industry — can be....

MR. PHILLIPS: You're biased.

**MR. ROLSTON:** Oh, we're all biased. But we mean business.

MR. PHILLIPS: Takeover?

**MR. ROLSTON:** No, not necessarily, not necessarily. People come up and say....

Interjection.

**MR. ROLSTON:** Well, we'll wait and see. History will show whether we take over every forest industry. We'll just wait and see.

But the ones we have taken over were peculiar situations. Facts of history. He asked you this afternoon: would you have allowed Colcel just to die?

Interjections.

**MR. ROLSTON:** Would you? Would you? That's right, hey. You would have allowed the economy of the northwest just to die. We acknowledge there are problems with that company; we acknowledge there are problems with the maintenance in those mills in Prince Rupert. But we're not going away from those problems; we're going to deal with those problems. In a systematic way we're going to deal with maintenance problems, with unused capacity on the CNR and the BCR, and slowly make a job of the northwest part.

As with religion, as with politics, sometimes there are flukes of history where you just happen to be there at

the right time. We're very fortunate to have been there at the right time with Ocean Falls, with Colcel and with Kootenay Forest Products. It was a mature, negotiated agreement. Even some Tories were involved in negotiations.

Interjection,

**MR. ROLSTON:** That's his problem. We have a sense of humility as we talk about this, but, by George, we have a sense of purpose, a sense of planning.

How can you justify putting the B.C. Rail pretty well parallel for many hundreds of miles where the CNR existed? Isn't that kind of crazy economics? I don't know much about railroading, but I don't understand why you duplicate many hundreds of miles with one railroad. Why not have run down to Terrace and done a job up into Dease Lake and possibly even further? It seems strange. Maybe it was that you couldn't talk to the CNR or the feds before. Couldn't talk at all.

I would like to make an appeal to our Minister of Forests (Hon. R.A. Williams) for the small companies. Quite frankly, we haven't seen any great breaks yet for the small companies. I am waiting for this break.

I have to be candid about this. My riding is made up of the small truck-logging firms. Admittedly, we have four large companies as well. But I really hope that the reserves of the forests of the coast working circle can be opened up to the smaller companies.

As the Member for Chilliwack (Mr. Schroeder) knows, there's a tragedy in his riding. Forty-five people are out of work right now because a logging company that worked in the Chilliwack working circle was working for the large owner of a Tree Farm Licence which involved 20 million feet per year. He would not even increase his allocation to that small truck-logging firm of \$1.50 a thousand. He knows as well as I do that that firm is under now.

I don't know where those people are. Maybe on welfare now because that big mean owner of that tree farm working near Chilliwack would not even increase \$1.50 per thousand, which was the IWA interim agreement.

He is paying \$50 to the logger; he is paying, at the maximum, \$27 stumpage; at the very maximum he is spending \$3 in engineering. That's a total of \$80, and we know he's getting a lot more than \$100 per thousand for even the least desirable of his logs. He admitted to me he was getting around \$120. That's a \$40 per thousand straight profit without driving a truck, lifting a shovel, pushing a pencil. To me that's wrong.

So my appeal to the Minister is that the small people have a chance to get some of the cut in the coast as, I believe, they will now up in the Interior, and that they aren't bullied by the big companies who are able to use this quota as a leverage to get a lower price. Sometimes they bid the price so high that they will lose a bit on the logging but they will make it because they are a vertically-integrated forest company in the sawmilling aspect.

I take seriously this aspect of free enterprise which should allow for the smaller operator to get in there. I realize it's very difficult; I realize that the allocation of the forest on the coast is much more intricate than in the Interior.

I hope and I expect of our Minister to do something, especially about those early tenures. They're not fee simple, but they are nearly fee-simple tenures which were granted in the early days. In many cases they don't even pay a stumpage; it's simply a very low royalty. I just feel we must open

[ Page 196 ]

that cut up.

I want to just say a few words in closing to both management and labour in the forest industry. I'm glad that the IWA (International Woodworkers of America) and FIR (Forest Industrial Relations) are negotiating early as they prepare for their contract expiring in June.

I certainly hope that negotiations include, once again, the subject I brought up at the beginning of this speech:

the livability in some of those towns in British Columbia. How many of you have spent month after month in a company town or in a bunkhouse? How many? I feel like a teacher asking you.

It's pretty discouraging. It's discouraging that often a union is not asked, even though it's willing, to participate in negotiating the living conditions in company towns and camps in some of the company-dominated parts of this province. I just find that inhuman. So I'm hoping, as we get into these negotiations and as we discuss many other aspects of the industry, that the living conditions, the recreation, the educational possibilities and a host of other things which make life either worthwhile or very depressing are part of those discussions. The people who are living there surely have a right to some of that negotiating.

I also think that the unions have to look at this whole hang-up they often have about seniority. I'm not convinced that seniority is necessarily relevant to enticing creative young people into the wood industry. I realize that probably within my party that's a somewhat provocative thing to say, but I think we've got to ask. Are we enticing the best people into certain industries? Is seniority sometimes, just like the apprenticeship programmes, very attractive to the older people and to the company people just to keep certain people out or to keep them working at a very low rate of pay?

Incidentally, I'm very happy that our government is spending another \$7 million in reforestation, Of course, this is pretty crucial to my riding, which has a great deal of reforestation. In fact, the whole Fraser Valley has some very large nurseries.

I also appeal to our Minister to consider various types of reforestation. I think the Legislature knows that the main one is what we call the bare root, which is simply the exposed root. Usually we're using a two-year-old tree; it depends on where it is. We also have the styroblock, which is a little plug which our government now seems to be very heavily committed towards. Again, I would want to be good and sure that this is a wise commitment and not just too much after one particular design. This styroplug hopes eventually to mechanize reforestation both in the original planting and husbanding, but eventually in the planting out in the sidehill.

Of course the third method, a method which is unique in Maple Ridge, is the mudpack system, where you take the bare root, coat it with a combination of peat moss and mud, and put it into a cooler until you need it. Then you take it out to the place where you're going to plant.

The last thing I want to say about my riding is that it was with great joy that I heard the Premier say on Monday that he's asking our government to pick up 50 per cent of the dike costs. You heard me bang the table and lift a glass of water to that.

I think you should just realize by looking at this little map here — I realize you can't see the detail — that it is significant to know what we mean by the flood plain. See that? That goes under water. That green part of the lower Fraser Valley goes under water if the waters come up to 26.5 feet at the Mission bridge. That's a pretty serious business. You can see how much of my riding, Chilliwack riding, Richmond and Delta would go under water if those dikes broke.

Some of us take very seriously the need to do something about dikes. We felt that gradually the two senior governments should pick up 50 per cent of the cost of diking. Long ago I was hoping for a discussion in this House; I had two motions in this House asking for at least a discussion on looking at cost-sharing formula on diking.

I'm convinced, having gone to the cabinet, having gone to the Premier, having gone to the Minister, having discussed it in caucus, that we must take seriously those flood plains that you saw in that map that go under water. For instance, two years ago, as the water nearly came up to 26.5 feet above sea level, at the Mission bridge....

Interjection.

**MR. ROLSTON:** That's right. It's going to save thousands of dollars, and so the people in my riding were dancing in the streets Monday night when they heard the news that they don't have to live in fear.

Now, the problem of this whole discussion is that I don't think many of you even know what we're talking about. There are only six MLAs that have anything to do with dikes, but the fact is that if the dikes break, people drown. Farms and great fields become destroyed for many, many months. Highways, gas lines, hydro lines, rail lines — you should have seen the CPR main line when the dikes broke in 1948 out at Hatzic. That was no joke; it cost a lot of money. That to me was a pretty silly thing.

So our government is going to take \$12.6 million dollars next year out of the budget and, presumably with the same amount of money from the federal government, is going to do a real job on the dikes. They've already started in Chilliwack; they've signed programmes in Dewdney. Dewdney has more dikes than any other riding in this province. Nearly 80

## [ Page 197 ]

miles of dikes exist in my riding with the interior drainage to go with it. In a sense that symbolizes my thoughts today; it symbolizes something that's happening.

The Liberal leader said that in this budget you really can't see something tangible for that money. He spoke of \$1,000 per person. Well, the people of Dewdney can certainly see something very tangible, not just in dikes but in many, many programmes, and we're very happy to take part in this discussion tonight.

I want finally to just present a flag to the Premier who lived for, I believe, five or six years in Maple Ridge. This is the centennial flag of Maple Ridge, as 1974 is a centennial year. Along with our celebrations, we're very lucky to elect the first lady mayor in the history of Maple Ridge. Her name is Mayor Betty Dube and she is a very exciting person. She wanted me to have one of the Pages take this right over now to the Premier. We've asked permission for it to be flown in front of the Legislature sometime, maybe, in the next week.

**HON. MR. BARRETT:** There are no supplementary rewards attached to this.

**MR. H.D. DENT (Skeena):** The Hon. Members may be relieved to know that most of my speech has already been delivered by two previous speakers. There's a considerable interest in the northwest part of the province, so that needless to say it's a subject which all of the MLAs like to discuss.

We had some visitors in our part of the riding over the past few months. I always like to make a point of welcoming them. I couldn't do it personally for them all, but at this point I would like to say that you were and you are welcome always to come and visit the beautiful country of Skeena constituency.

I'll just mention a few of the visitors. We had Dan Campbell, Grace McCarthy, W.A.C. Bennett, Bill Bennett and we had the other leadership contenders who were up for the leadership contest. I think it is very good that they travel around like this as a group and visit the different parts of the province so that they can see the province firsthand. We also had the leader of the Conservative Party, Scott Wallace, and he took some interest in some of our problems as well. We also had the Hon. Jack Radford, Minister of Recreation and Conservation. And the Premier, the Hon. Dave Barrett, came after the fall session for a meeting.

This is very good. We would welcome all of you into our constituency. We also had some of the MLAs, of course, in the NDP backbench. Any who have not visited Skeena, please do so in the near future. Very exciting things are happening there.

There is one thing though that I would like to draw to your attention. When the former Premier W.A.C. Bennett, Grace McCarthy and Dan Campbell came to Terrace, they had a meeting and they had a big banner up behind them, and I think it said, "Who Cares?" I could only see the word "cares". Then it had a circle saying "Social Credit Does." I thought it was ironical for this to be shown in Terrace or in the Skeena constituency, because without a doubt we have had more care in our riding in the last 16 months from the present administration, I think, than they had in the 20 years of the previous government.

I want to review again just briefly some of the accomplishments of the government in our riding, and then I'll

follow that by some of our concerns or problems that I would like to see us direct some attention to. Now, the accomplishments have already been very adequately covered by the Minister of Lands, Forests and Water Resources (Hon. R.A. Williams). I had everything laid out almost identically to what he said, so I would simply refer you to his remarks. I'll just review the points that he made without elaborating on them.

First is the takeover of Can-Cel. Now, it wasn't a takeover in the sense that we expropriated it or we took it over in that sense; rather, it was going to go under and so we came to the rescue. It was a real rescue operation for the economy of the northwest, and the people of the northwest are extremely grateful about this. Even our political critics in the area are silent on that point. They have to admit that this was definitely a rescue operation of a very large magnitude.

Then there was the chip agreement, of course, which is an attempt to rectify some of the economic problems of the pulp mills in the area.

Phase III was the rail and port agreement. I just want to refer to that for a moment because there are a couple of points in it which should be mentioned and I will be referring to them later.

First of all, the rail line, as you know, goes from Terrace north to the Nass Valley, then to Meziadin Lake and then finally to Groundhog, which is a point on the proposed B.C. Rail route. It is to be built in three stages: the first stage from Terrace to the Nass Valley; the second stage from the Nass to Meziadin Lake; and the third stage, finally, from Meziadin to Groundhog. The first stage is scheduled to be completed around 1976, in about two years. Work has begun on that rail line, surveying is going on apace and construction crews are beginning to be assembled. The actual construction is now about to begin.

I might point out that a person was hired by the CN Railway as a consultant, and he has others who are assisting him on a part-time basis. I would just like to read a little bit of a comment that was made in the Smithers paper:

" 'The proposed 260-mile railway from Terrace north to logging and mining country

## [ Page 198 ]

will be the first environmentally-designed railroad in North America and possibly the world.' This statement was made in Smithers last week by Bill Horswill who is part of a seven-group consulting team working under the auspices of the CN to deal with the social and environmental impacts resulting from the proposed railway construction."

I just want to repeat that one phrase again: "...under the auspices of the CN to deal with the social and environmental impacts resulting from the proposed railway construction." I am quite sure I know who is responsible for that condition being in this railway agreement so that this kind of thing is done. I am quite convinced that it was the present Minister of Lands, Forests and Water Resources (Hon. R.A. Williams) who insisted that kind of consideration be given the construction of this particular railway.

I think it's probably the first time they actually worried about the social impact and the environmental considerations in advance. These considerations are receiving very careful attention at the present time. Meetings are being held; this man is going around talking to everyone who feels they have a problem, either real or imaginary, in conjunction with the construction of this railway. The kind of job is being done which should have been done when they started building the B.C. Rail north from anywhere — any part of the B.C. Rail line.

There is another point I want to make. The press release issued by the Minister of Lands, Forests and Water Resources on July 23, 1973, not only outlined the route the railway was going to take and so on but it also dealt with the forest potential in the region and the impact of the rail extension on mining development.

Under the forest potential in the region it mentioned the fact that two sawmills would possibly be built, one at the junction of the CN Rail line and the Nass River, and the other at Meziadin Lake, the junction of the CN Rail line and the Stewart-Cassiar Highway. These would be substantial mills and part of the reason for their existence would be that they would then provide chips to the mills at Prince Rupert over the new rail line.

In regard to the mineral development it said that this rail line in the future sometime — and this is not something that may happen tomorrow or the next day but in the future obviously — will be the means of exploiting the mineral resources in the Stikine and Liard. These copper deposits are probably the best and largest in North America and will be very important in the economy of the province in years ahead; not in the next two or three or four or five years but certainly in the 1980s and 1990s these copper deposits will be extremely important.

They could lead to further economic development such as a copper smelter at Kitimat and possibly a refinery as well. That's mentioned in the press release issued by the Minister of Lands, Forests and Water Resources.

Then there are also other possibilities: further asbestos development, coal development and so on.

Phase IV is the utilization of wood at Burns Lake. Additional allocation of wood. This is a very interesting thing, I think. The Minister didn't really mention it very much but I just want to read one paragraph from the press release he issued on August 10, 1973, when that wood was put up for auction. He's requesting proposals from industry. He says:

"'Industry's proposals for the utilization of this wood will have to conform with the government requirements relating to environmental protection, water, soil and timber management. Selection of appropriate proposals will be related to the competitive bonus bids above normal stumpage, 'the Minister stated. 'Consideration will also be given, however, to those offering the best combination of employment, social benefits and wood utilization as well as the Crown revenue factor.' "

Environment and social benefits. Again we see the hand of the present Minister of Lands, Forests and Water Resources: the insistence that no more wood mills be built solely for extraction and for profit purposes but rather they would have to put down on paper in black and white exactly what kind of consideration they were going to give to the local area from the environmental and social point of view as well as the price they were going to pay.

Again, I think this shows the kind of concern the present government is taking in that part of the country.

**MR. FRASER:** Better take a look at Plateau Mills....

MR. DENT: I want to refer briefly to Plateau Mills merely by saying that this was a mill mainly owned in the United States. The Minister has already made this point. Every time I drive along the highway to Vanderhoof or to Prince George — because we can only get out by car, other than by ferry — I look at that mill and say, "That mill now belongs to the people of British Columbia. We have repatriated that mill." And I'm sure the people living in the area feel the same way. Except for some who would like to get into alliances with American companies for their own benefit, I think the citizens, the people of the area, look at that mill as their mill. This is something that belongs to them

I want to say just a word about highway construction. We've had a considerable amount of highway construction in our area: bridges and so

## [ Page 199 ]

forth. I can't even remember the exact number of bridges; there are nine or 10 either built or under construction.

The latest one, of course, is the bridge across the Skeena River at Kinwanga. There have been two contracts awarded, both of them approximately for \$1 million. One was \$962,387 for the substructure and the other was \$1,072,000 for the steel work. This bridge is now under construction. There's a construction camp there and work is proceeding quickly on that bridge. I trust that that is the first concrete step in the eventual construction of a highway connecting the Kinwanga to Meziadin Lake. I might point out that the construction is already coming south from the Stewart-Cassiar Highway to Meziadin Lake.

There are three bridges open so far on the highway west of Terrace: the Kasicks bridge, the Exchamix bridge and the Kalum bridge. There are other bridges, some larger, some smaller under construction: the Zimmacord, the Delta, the Exstew and the Shames. The Shames is finished but they have to rebuild the road connected to the bridge. Work on the Skeena bridge across the river at Terrace is progressing very satisfactorily. It is expected in the not too

distant future that they will begin to do the steel structural work for that bridge.

It's obvious that the government is making a determined effort to fulfil the needs of the people of that part of the country in regard to highway and road construction.

But that is not all you will note in the estimates for the Highways department for this coming year. Considerably more money has been allocated for maintenance. Something we have fought for right from the start is more money for maintenance of roads.

The previous government saw only blacktop; they could never see graders. Many of the graders and the equipment working in the province are 14 or 15 years old. They should have been replaced a long time ago.

Finally we're going to get some new equipment, and maybe we'll begin the kind of maintenance for the people on those back roads that they've long deserved. Believe me, just a little thing like grading the roads once every week or two weeks or so can make the difference between how long the car will last — one year or five years. It's just that important to people who live on those back roads. I know that the Minister himself felt very strongly that there should be much more money for maintenance of roads in the Province of British Columbia.

Before I leave Highways, I want to mention just one more point, and that is that, as we all know, we had a slide on the highway 28 miles west of Terrace. It was a most unusual slide in many respects. It came down under unusual snow conditions. It was a light snow slide, and it was moving very fast, up to 200 miles an hour. It took out a gas station and cafe complex as neatly as if it had just been sliced out with a knife. It just hit the exact spot and took out this complex.

I want to commend all of the government agencies and departments and the private citizens who responded to that particular situation — the Highways Department, B.C. Hydro, Canadian National Railways, other agencies of the government, and just ordinary high school students and hard hats from Terrace, who came out in busloads to help dig snow. Members of the media came out to cover that particular story from Terrace and elsewhere, and many of them wound up taking shovels and helping to dig into the snow. It was a real effort on the part of everyone, and it was something that I think would make us all feel very proud of the citizens of that area, and of the actions of the agencies of the government.

The Minister responded very quickly. He immediately offered any assistance necessary, and now they have developed some measures for avalanche warning and control along that stretch of highway. I'm sure this will benefit other highways in British Columbia as well.

Recreation and Conservation. There are two points in the estimates that we've been given. I'm not going to deal with them in detail, because obviously this isn't the right time, but I just want to draw your attention to two items that are very significant from the point of view of my riding in the north.

One of them is the estimates for the Fish and Wildlife Branch. The number of conservation officers — and I trust that the figures are correct — has been increased by 69 over the current year. That is something that we are very happy about. I trust that there will be a reasonably good allocation of these new conservation officers into the northern part of the province. Personally, I still don't think it's enough, but it's certainly a vast improvement over what there was when we came to power a year-and-a-half ago.

The total proposed increase in staff in the Fish and Wildlife Branch for the coming year is from 251 to 348. It's about time.

Parks Branch remains staffwise about the same, but there is an item in there that is of considerable interest to me and I will be anxious to see how this will apply to our riding. It's a \$5 million item for development projects. We have a number of new parks in our riding, and I trust that part of this money will find its way into the development of some of the parks in the Skeena constituency.

I obviously can't outline everything there is, but I'd like to deal with one more. That is air ambulance service.

I understand that one of the opposition Members introduced another bill on air ambulance service. Well, I don't know whether he's read the

[ Page 200 ]

paper or if he isn't aware of what's happening, but there's already been instituted an air ambulance service in my part of the country. It's on a limited scale as yet, but I haven't the slightest doubt that the Minister is intending to expand it

It is already providing a very valuable service. Several people who have been injured in the area north of Terrace have been taken out by government aircraft — the government Citation jet. I remember just a couple of years ago that there were people injured in roughly the same area, and they had to call on the US Air Force, or Coast Guard, or whatever it was, in Alaska to come and take them down to the hospital in Vancouver. So I'm very pleased that we now have the means and the willingness to provide a service of that type to the people in that part of the country.

I would mention one of the concerns right off the bat that we have in our constituency, and that is that the jet 737s are no longer able to land at Terrace because of the condition of the runway. When one has stood in the airport in deep snow and swirling snow storms, or had to ride a dangerous highway to Prince Rupert one way and had the highway blocked the other way, one's imagination gets carried away with all sorts of weird and wonderful projects to solve that problem. But I would emphasize the fact that the problem is still very real in terms of transportation out. I trust that CP Air will live up to its agreement to provide air service right from Terrace, and, if necessary, as Frank Howard has requested, that they will provide a shuttle service between Terrace and Prince Rupert so that people from Kitimat and the Terrace area will be able to fly out right from Terrace.

MR. FRASER: We want the tunnel.

MR. DENT: I'd like to deal in a more orderly way with some of the concerns that we have in the north. I want to refer first of all to a brief which I received the day before yesterday from SPEC, and it was prepared mainly by SPEC in Smithers. I would like to commend the SPEC organization in Smithers, because they are a dedicated group of people who have accepted the responsibility to be watchdogs of the environment and this sort of thing in the north. They are not a crackpot group, they are not nuts, as some people might be inclined to say. Rather, they are an educated, well-informed, conscientious group of citizens who are taking a very sharp interest in everything that's happening in the north, to ensure that the environment in the north is protected in perpetuity, and that we maintain the beautiful northern part of the province that now exists to the highest degree possible.

They express several concerns, but I just want to mention one of them. I would ask that the Minister of Lands, Forests and Water Resources (Hon. R.A. Williams) read this report very carefully. It's true that the people who wrote the report did not have the access to research facilities that he's got, or that others may have, but they've done a very good job. It's worth reading, because it expresses better than anything some of the worry and some of the feeling about the direction we're going in development.

The one issue that they mention is the fact that the kind of development that is already, you might say, on the drawing boards, that's proposed, or that there's a likelihood that will happen, will result almost certainly in an increased demand for electric power. This is the concern, particularly of SPEC, but also of many people in the area, because a few years ago there was a report that came out which said that in order to meet increased energy consumption, the project known as Kemano II — the second phase of the development of the Kemano project — would be the means of developing this additional electric power. This project would have, in the judgment of the people in the area, disastrous effects on the environment and the ecology of the area.

All I can say is that I'm very pleased that we have the present Minister in the driver's seat for Lands, Forests and Water Resources who has that responsibility. I would hate to think of what would happen if anybody from the opposition side was in that job at the present time.

I just want to read a short excerpt of the press release that the Minister issued when he was in the area in the

northwest, in which he described his helicopter trip. I won't read it all, but just a short excerpt from it. This is the paragraph on page 3:

"It was a fantastic trip. We saw bears and moose and caribou, followed mountain sheep and mountain goats on mountain pinnacles, 1,000 beaver dams, and three wolves cornering a moose, ready for the kill. It's a wild landscape, infinite in its variety and diverse land forms, but with an environment that is often delicate and easy destroyed by abuses. It is more obvious to me than ever that the utilization of the resources in the northwest will require extreme care to prevent the critical ecological damage."

That was just a spontaneous comment made by the present Minister of Lands, Forests and Water Resources. I'm very pleased today that we have this Minister in that position of influence where he can ensure that the development of the northwest will, in fact, respect that very delicate and critical ecology.

Now, the next concern I would like to share with you is one which I would call, "lower mainland colonialism." I have to handle the subject very carefully, because being a northerner and being far away from the lower mainland, I may step on some people's toes down here, on both sides of the House.

[ Page 201 ]

But I still have to say what needs to be said.

It is interesting that in the previous government the makeup of the cabinet was something like this: four people from the lower mainland for the Social Credit cabinet and 11 people from outside the lower mainland, mainly from the Interior of the province. Now the present makeup of the cabinet has seven people from outside the lower mainland and 12 in the cabinet from the lower mainland area, the greater Vancouver area.

**AN HON. MEMBER:** Oh, yes. But this cabinet is twice the size of the other one.

**MR. DENT:** Now the previous government — and I think it needs to be said — neglected the greater Vancouver area and the urban problems almost completely, and it was reflected by the makeup of the cabinet. They neglected the lower mainland and the regions in the greater Vancouver area.

Now there is a cabinet that is made up largely of people from the lower mainland and, needless to say, they are interested and concerned about these urban problems. But what's even more interesting is the fact that, even though the majority of the cabinet came from outside the lower mainland, they showed a remarkable lack of interest in some of the problems facing people in the regions of the province outside the lower mainland — and especially the north.

Now we have a cabinet mainly from the lower mainland who say quite emphatically that there has to be regional involvement, that there has to be regional control, and they've shown more interest in the regions, even though they are in a sense dominated numerically by the urban areas. That's a very strange thing, but it is very fortunate for us.

I want to give you an example of how this lower mainland colonialism has a tendency to work. Really, it is not that anybody really tries to be evil, or bad, or anything. It is just the way it works. It has to do with the Egg Marketing Board.

**MR. FRASER:** We don't want any more of their rotten eggs. (Laughter.)

**MR. DENT:** We have a national marketing board, or a policy, which allocates to each province or each region of Canada a certain production of the total production of eggs in Canada, and I believe the B.C. share is 12 per cent. B.C.'s production is approximately equal to its consumption. So, in effect, it is allowed to produce to meet its own consumption in British Columbia.

However, the policy does not apply when you apply it inside the province in the same way. The Egg Marketing Board within the province consists of five people: one from the Island, one from the Interior and three from the lower mainland, or from the Abbotsford area. The bulk of the egg production is in the Fraser Valley, and

there is much less production in the north than elsewhere.

However, the production is fixed within the province by the national marketing board; therefore, they are already producing, you might say, to the maximum consumption, However, in the north — or certainly in my part of the north — they are only allowed to produce 200 cases per week, and the consumption is about 1,200 to 1,600 cases per week. So the deficiencies are made up mainly from lower mainland eggs, or from eggs from the Fraser Valley.

What we are a little annoyed about is the fact that they are not allowed to increase their production in the north in order to make up the deficiency unless new producers come in, and so far that has not happened, I use this as an example of what we call "lower mainland colonialism." It happens in the oil companies; it happens in practically every provincial organization. The Union of B.C. Municipalities has the same problem. The lower mainland dominates it, and the people outside the lower mainland have trouble....

Interjection.

**MR. DENT:** Well, he was supported by the people in the lower mainland.

The other organizations similarly face the same kinds of problems. Even the political parties have this problem: the lower mainland has a tendency to want to dominate each political party, whether it's the Liberals, the Tories, the Socreds, or even the NDP. This creates real problems for us in the north, because we are looked upon as unimportant, as if — well, they'll be nice to us once in a while if they remember to do it. But it's a matter of gratuitous niceness. This was the attitude of the colonial powers in the old days, when they would be very nice to the colonies and they expected the colonies to be suitably grateful.

However, I was very pleased with the Foulkes Report. A section in the Foulkes Report, part VI, chapter 16, is called "The Implementation of Regionalism." It is very interesting that the Minister of Lands, Forests and Water Resources (Hon, R.A. Williams) is already himself implementing this same policy in his department to some extent. But the Foulkes Report recommends that in the delivery of health services there be a greater degree of regional control, that there be a greater degree of regional involvement in the decision-making process, and that there be an integration of services within the region to some extent to the degree that is desired within that region, so far as this is feasible and consistent with province-wide delivery of these services.

One of the points that he makes is to set out

## [ Page 202 ]

criteria for a region: "We have presented the criteria for regions as, first, community of interests within a homogeneous geographic region, the economic feasibility of providing a complete range of primary and secondary health services, and the existence of unique problems in planning, management and delivery." This is applying to the delivery of health services.

Exactly the same thing can be applied to almost every other endeavour, whether it is private enterprise, various organizations, the government services, and so on. There needs to be a continued trend toward regionalization.

I just want to read a short quote from a letter written by the lawyer for the egg producers in the north — just one phrase that emphasizes the same point: "It would be foolish to suggest for one moment that thousands and thousands of egg consumers in this area prefer lower mainland and Fraser Valley eggs as opposed to locally produced eggs." They prefer eggs of the home-grown variety. They want them made in that area. It is as simple as that. Who are going to decide what eggs we eat: we up there or the people in the Fraser Valley?

Similarly with health services: who are going to decide what health services we have — the lower mainland and the greater Vancouver area, or the people of the north themselves? Who are going to decide the kind of forest development — the people in the north or outside?

Now just two or three more brief concerns of the north. Living costs: it costs money to live in the north. First you have to buy a snow shovel and then you have to use it, and that's a cost right away. However, it's very good for some MLAs to do this. But there are other costs.

I checked the prices today of regular gasoline at the Imperial stations in Terrace and just down the street here in Victoria. At this gas station down the street you can buy a gallon of regular gasoline for 56.9 cents, and at the Imperial Oil gas station, the Terrace Esso, it costs 62.9 cents per gallon as of this afternoon. Now that's a six cent difference in price.

You can explain the difference easily by saying, well, there are delivery costs, and higher costs to the retail operator in the north, and so on. But the fact is that that is one more additional cost to the people. For furnace oil the price is 27.7 cents in Victoria and 30.4 cents in Terrace. It's a very narrow difference, really, but we use a great deal more fuel oil up there than you do down here. We burn five or six times as much in the winter as you would down here, because your temperatures are much better.

So not only do we have to put up with the cold, but we have to pay more just to keep warm. Again, these extra costs all added together collectively: the additional cost of food, the transportation and — as the Hon. Member will undoubtedly say with his bill — to go to college....

We would like a college in the northwest. We would like to be able to have our young people, when they graduate from high school, go to a college in or near Terrace rather than having to travel all the way to Prince George.

You know, you think of Prince George as being near Terrace. It's not. It's 400 miles away from Terrace. It's almost as far from Terrace as Vancouver is. So we need a regional college in the Terrace area, in the northwest and additional services at the vocational school for technical training.

But I am very happy to report that this is under active consideration by the Minister and by the Department of Education, and by the task force on colleges.

I referred to the airport and the condition of the airport. I'd like to refer to one thing in conjunction with transportation. There is now a B.C. Ferries terminal at Prince Rupert, with every-other-day service between Prince Rupert and Kelsey Bay. But most of the people in the northwest don't live in Prince Rupert; they live in Kitimat and in Terrace.

Really, we have our own deep-sea port right on our own back door at Kitimat, so what would make a lot of sense is that we continue the present service to Prince Rupert. I wouldn't want to see the Highways Minister have to drive to Terrace to get on the B.C. Ferries. But we need alternative service, and this would mean the construction of another alternative service to Terrace. There are ways this could be better utilized by hauling piggyback trailers and so on.

MR. SMITH: What about the tunnel?

**HON. MR. LEA:** No tunnel.

**MR. DENT:** We'll settle for the airstrip to be repaired and for the ferry slip at Kitimat.

**MR. FRASER:** You've just lost your tunnel.

**MR. DENT:** Native Indians. We have considerable numbers of Indian reserves in my constituency and I believe they are among the most progressive people anywhere. I'm very proud of them. They're very active and, generally speaking, they are very hardworking.

They are very talented. For example, we have the Ksan project at Hazelton where the people there put on a show just about every night of the week during the summer months and have travelled all over Canada with that

show. A very talented and beautiful show it is.

However, the native Indians have concerns too. I just want to mention about three.

First of all, we stole all their mineral rights at one time a few years back. I think it was around 1944. We

[ Page 203 ]

also took some of their prime land in exchange for land which was not quite as good. I trust our government is now addressing itself to this injustice that was performed by previous governments in the past.

I'm very pleased that the Attorney-General has decided that money will be given, in the case of the Okanagan Falls Indian band, so they can take their case, if necessary, to the Supreme Court of Canada.

This land issue is a very important one to the native people, extremely important, especially those lands which were interfered with by the provincial government. Not by the federal government but by the provincial government. The same with their mineral rights. We owe the Indians a great deal in rectifying those injustices, even if it's going to cost us a big pile of money. You can't say, well, it's too expensive to be just. If something is wrong, it's wrong, and we have to try to make it right. So it requires very active study on the part of our government.

Services to Indian people, particularly in matters of road access. Road access to Indian reserves to me is one of the disgraces of the whole of our 100-year history of B.C. I remember a few years ago travelling to an Indian reserve in the Cariboo, and this was the only way to get to that reserve. It was on a public provincial road. I'm quite sure that road hadn't been maintained for five years. Nothing had been over it for the longest period. Certainly no gravel had been put on the road or anything done to it to bring it up to any kind of standard.

I think the assumption of the government of that day was, oh well, this is a federal matter because that's an Indian reserve. The fact is that that road was a public provincial road which went to that reserve and therefore it was the responsibility of the government to maintain that road as well as it would maintain any road to any community anywhere in the province.

Again, I'm very pleased that the present Minister of Highways (Hon. Mr. Lea) has responded so quickly to some of the urgent appeals from native people in my constituency. For example, in the Port Babine situation, when that was brought to his attention, within two days he had given an order that a bulldozer keep that road open for the rest of the winter. Believe me, that kind of action is something very much appreciated.

Similarly, we have the problem with the road between Kitimat and Kitimat village. I would make an appeal here today that that road be reconstructed, without any excuses, this summer. We always can find some reason for not doing something. "It's a federal responsibility." But the fact is that that has been in a deplorable condition for years. It's the only method for the children to get to and from school from that Indian village. Kitimat village is one of the most progressive communities anywhere in B.C. They deserve it, and I believe that we have an obligation to make sure they get the money to get that road built this summer.

**MR. PHILLIPS:** How many miles?

**MR. DENT:** It's only seven miles long. It's not a big road. But again, I have the assurances of the present Minister that there will be action on this road as soon as possible. I received a petition signed by every man, woman and child in that reserve expressing their concern about that road.

**MR. PHILLIPS:** You have my permission to build it, Mr. Minister. (Laughter.)

**MR. DENT:** I just want to wind up by mentioning an idea which I think is pretty important and which we need to remind ourselves of once in a while. There are two words which we bandy around fairly freely. One is justice and the other is mercy.

The word justice, of course, is defined different ways, depending on how you apply it. There's legal justice,

social justice and so on. Generally, though, it has an idea of equity, of ensuring that everybody has an equal go at whatever it is that's going. If it's free air, then everybody gets their share of the free air. If it's water, then everybody gets their share of the water. And if it's social benefits such as health, they get their share of these benefits, especially when they're paid for by the public purse.

I know I'm flying in the face of many things when I raise this particular issue, but I'm deeply concerned about the plight faced by people who have to pay additional money for a private independent school system. I'm thinking only of the individuals who must pay.

The thing is, they in their own mind and their own conscience have chosen to send their children to an independent school because they believe that that kind of education is the right kind. We've tolerated this for a long time even though they do not receive any official recognition. We've allowed you might say, something to continue that isn't even officially recognized,

However, it's sort of a gnawing cancer in a way. It's something that's there and we can never seem to get a solution to it. I'm not even suggesting what the solution should be. All I'm saying is that that group of people — I have many of them in my riding, especially in Smithers and Kitimat — are paying twice for the education of their children, once to the public school system and once to the independent schools.

Interjections.

**MR. DENT:** I believe there are many ways we can

[ Page 204 ]

bring relief to these people. I would hope that the Minister of Education (Hon. Mrs. Dailly) and the government would address themselves to bringing in some kind of measures which will bring relief to those people who, as a matter of conscience, find themselves having to pay for two school systems.

Finally, there's the word mercy. Mercy is the ability to make exceptions because of unusual circumstances. I just want to refer to something that has been of very great concern to many people.

Prior to moving to the north I used to live in 100 Mile House when I was in the ministry and shortly thereafter. I have many friends there. An event took place which was a very unhappy event. The woman who had been there for many years as the Public Health Nurse was asked to resign because of the fact that she was supposedly using a government car for personal use. I'm not going to say who's right and who's wrong in this situation, but I would like to read a letter written by one person, just a brief letter by a friend of mine:

"I would like to add my voice to the uproar caused by the rude dismissal of Freda Vaness after four-and-one-half years here. How many public health nurses did 100 Mile House go through? None would stay or, should I say, could stay. Could it possibly be for the ridiculous reason stated? Misuse of the department car, indeed!

"After 6:30 p.m. our family was offered her services as no suitable time could be worked out during the day. Is this a crime?

What manner of co-workers does she have? Heaven help any newcomer. I would be interested to know under what circumstances a member of that department could expect to be backed up."

And then part of another one:

"I am a mother of six of which one has a serious disease and is handicapped. Without the kindness and guidance of this wonderful woman, there are times I could just give up. She is the only nurse outside of the family doctor who I consult and allow to give my son his shots. I believe her to be the pillar of our community, dedicated and unselfish."

As I said, I'm not saying that this side is right or that side is right because I'm not a judge. I do not have all the facts. But what I am saying is this: this is the very kind of situation which points up the need for an ombudsman for

the province. I would hope that there will be some kind of impartial person, an ombudsman, who will be able to look into a situation such as this one.

As it happens, I know the people involved in this situation very well, and I know that there is very serious concern about this particular problem. I would feel, from a humanitarian point of view and so on, that some means should be provided so that we are sure that justice is done and that, if need be, the proper kind of mercy is shown. Thank you very much.

Hon. Mr. Nicolson moves adjournment of the debate.

Motion approved.

**HON. MR. BARRETT:** I thought they wanted to be all through with the budget debate. We've had two days already. (Laughter.)

Hon. Mr. Barrett moves adjournment of the House.

Motion approved.

The House adjourned at 5:50 p.m.

[ Return to <u>Legislative Assembly Home Page</u> ]

Copyright © 1974, 2001, 2013: Queen's Printer, Victoria, B.C., Canada