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4TH SESSION, 37TH PARLIAMENT

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CONTENTS

Wednesday, November 26, 2003
Afternoon Sitting

Routine Proceedings

	Page
Introductions by Members	8209
Introduction and First Reading of Bills	8209
Miscellaneous Statutes Amendment Act (No. 3), 2003 (Bill 90) Hon. G. Plant	
Statements (Standing Order 25B).....	8209
Military leadership V. Roddick	
MLAs' response to environmental activists B. Bennett	
Student spaces in post-secondary institutions D. Hayer	
Oral Questions	8210
Benefits of B.C. Rail–CN Rail agreement J. MacPhail Hon. G. Campbell	
Privatization and viability of B.C. Rail J. Kwan Hon. G. Campbell	
B.C. Rail pension fund J. Kwan Hon. J. Reid	
Occupational safety W. Cobb Hon. G. Bruce	
CN Rail operation of B.C. Rail services and impact on jobs P. Nettleton Hon. G. Campbell	
Tabling Documents	8212
<i>Alternative Payments to Physicians: A Program in Need of Change</i> , auditor general report No. 4	
Committee of the Whole House	8212
Timber Licences Settlement Act (Bill 96)	
Report and Third Reading of Bills	8213
Timber Licences Settlement Act (Bill 96)	
Second Reading of Bills	8213
British Columbia Railway (Revitalization) Amendment Act, 2003 (Bill 89) Hon. J. Reid P. Nettleton J. MacPhail J. Kwan	

Motions on Notice	8219
Amendment to sessional order (Motion 105)	
Hon. G. Plant	
J. MacPhail	
Committee of the Whole House	8220
Significant Projects Streamlining Act (Bill 75) (<i>continued</i>)	
J. Kwan	
Hon. K. Falcon	
Reporting of Bills.....	8234
Significant Projects Streamlining Act (Bill 75)	
Third Reading of Bills.....	8234
Significant Projects Streamlining Act (Bill 75)	
Committee of the Whole House	8234
Parks and Protected Areas Statutes Amendment Act, 2003 (Bill 84)	
J. MacPhail	
Hon. J. Murray	
Report and Third Reading of Bills	8241
Parks and Protected Areas Statutes Amendment Act, 2003 (Bill 84)	

WEDNESDAY, NOVEMBER 26, 2003

The House met at 2:04 p.m.

Prayers.

[1405]

Introductions by Members

D. Hayer: It gives me great pleasure to introduce Paul Keenleyside. Paul was one of my key volunteers on my campaign. He has also volunteered in more than 40 municipal, provincial and federal campaigns. He is also a good friend. Would the House please make him very welcome.

R. Sultan: We have as a guest this afternoon a well-known West Vancouver entrepreneur, Peter Kains. Would the House please make him welcome.

Introduction and First Reading of Bills

MISCELLANEOUS STATUTES AMENDMENT ACT (No. 3), 2003

Hon. G. Plant presented a message from Her Honour the Lieutenant-Governor: a bill intituled Miscellaneous Statutes Amendment Act (No. 3), 2003.

Hon. G. Plant: I move that the bill be introduced and read a first time now.

Motion approved.

Hon. G. Plant: I'm pleased to introduce Bill 90, the Miscellaneous Statutes Amendment Act (No. 3), 2003. This bill amends provisions in the following statutes: Assessment Act; Credit Union Incorporation Act; Election Act; Family Maintenance Enforcement Act; Financial Institutions Act; Health Care (Consent) and Care Facility (Admission) Act; Land Title Act; Land Title Amendment Act, 1999; Medicare Protection Act; Miscellaneous Registrations Act, 1992; Mortgage Brokers Act; Personal Property Security Act; Real Estate Act; and Strata Property Act.

I will elaborate on the nature of these amendments during second reading of this bill. In addition to these provisional amendments, this bill also provides for minor housekeeping, transitional and consequential amendments to the changes in the acts that I have already identified.

I move that the bill be placed on the orders of the day for second reading at the next sitting of the House after today.

Bill 90 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.

Statements (Standing Order 25B)

MILITARY LEADERSHIP

V. Roddick: At ten this morning in Ottawa, a very special ceremony took place. My constituency assistant,

Elizabeth Merritt, along with her two brothers, Cecil and Peter, and their respective families donated the Victoria Cross belonging to their late father, Lt-Col. Charles Cecil Ingersoll Merritt, Q.C., to the Canadian War Museum — the museum having the best means of promoting the virtues of leadership in a free society.

Freedom cannot be won nor maintained without leaders. Leadership is putting your country before your party, before yourself. Effective leadership requires a clear vision of the future and a willingness to engage the enemy. It must be inspirational and persistent. It must be rewarded.

Mr. Merritt won the Victoria Cross at Dieppe on August 19, 1942. Born in Vancouver, Cecil Merritt — whose father died at the second battle of Ypres in 1915 and whose mother, Sophie Tupper, was the granddaughter of Sir Charles Tupper, Father of Confederation — also served as Conservative Member of Parliament for Vancouver Centre immediately following the war. For those who are interested, his picture is on the wall in the corridor directly behind me.

[1410]

It is hoped that the Canadian War Museum will not shrink from the role of glorifying leadership and preserving the values and the valour of those many great men and women who served our country so that freedom could survive. There is an inevitability to war as new generations do not always find a peaceful path to progress. Canada must have people who are willing to fight for its future when diplomacy fails. Freedom has to be protected, and Canada's freedom was and is worth fighting for. Charles Cecil Ingersoll Merritt, VC, Q.C., was an inspirational leader and a great Canadian.

MLAS' RESPONSE TO ENVIRONMENTAL ACTIVISTS

B. Bennett: Recently three of my colleagues took some inspired actions, for which I'd like to thank them today. I speak of the three courageous MLAs who recently took on the most righteous of all activists, the green activists.

The member for Chilliwack-Kent gave an incisive lecture in downtown Vancouver recently to some eco-activists about B.C. forestry workers and their families and the altogether reasonable proposition of selling B.C. wood to China. Then, right here in the capital city, the feisty members for North Coast and for North Island waded into a sea of extreme environmentalists, proudly waving packages of pure, natural farmed salmon and shocking those present so much that they were uncharacteristically silenced. What do these actions signify? Was it just a clever communications exercise, or is there a lesson we can draw from the audacious pluckiness displayed by these members?

I suggest that two important points were made by the gallant actions of our colleagues. First, some attention has finally been drawn to the real-life impact of environmental blockades and boycotts on the people of our province. We must not stand by while the working people of British Columbia are sacrificed at the altar of political correctness and eco-dogma.

The second lesson learned, I hope, is that despite the very good work of many conservation groups in B.C., many claims by extreme environmental groups must be challenged for their factual basis. Radical environmental groups needing to raise large amounts of money from the general public — including from wealthy U.S. donors — and needing to acquire the political capital of the general public, motivate a trusting public with gloomy warnings of impending catastrophes.

Eco-champions painted as heroes in the media have convinced much of the public with a litany of doom and gloom that our natural environment is ever-depreciating and that human interaction with nature is inherently bad. This cynical, anti-human proclivity must be challenged with facts, statistics and science, and I thank the three private members for standing up for working families in B.C.

STUDENT SPACES IN POST-SECONDARY INSTITUTIONS

D. Hayer: As a former member of the board of governors of Kwantlen University College, I have a long and abiding interest in post-secondary education. That is why I was very concerned when earlier this month *Maclean's* magazine's annual survey of university rankings stated that B.C. has the lowest number of university seats per capita. That is misleading. In fact, this year's ratings were good news for B.C., with three of our biggest universities ranking on the top in their categories nationwide.

Where British Columbia really shines is what *Maclean's* fails to ignore. It is that our post-secondary education system includes outstanding university colleges, colleges and other institutions.

As a member of the Select Standing Committee for Finance and Government Services that travelled around the province this fall, I heard about increasing need for more skilled trades people. I know that our Minister of Advanced Education is committed to providing a top-notch post-secondary education system and will continue to increase access and choices for British Columbia's students — choices that include certificates, diplomas and apprenticeship, for example, not just degrees.

Recently I was speaking with Skip Triplett, the president of Kwantlen University College. I was told that due to the changes implemented by this government, they are now able to offer more than 10,000 additional seats at Kwantlen University College alone. I firmly believe the opportunities for the post-secondary education system in this province are excellent. As our economy expands and preparations for the Olympics get underway, I know the future for our kids in my riding of Surrey-Tynehead and across B.C. is more bright, as we continue to add even more spaces and create more choices.

Mr. Speaker: That concludes members' statements.

[1415]

Oral Questions

BENEFITS OF B.C. RAIL-CN RAIL AGREEMENT

J. MacPhail: The Liberals are blowing a small fortune to sell the B.C. Rail deal to British Columbians, but all the spin in the world can't hide some basic truths. Yesterday the Premier made a big deal about the fact that taxpayers won't have to pay \$30 million in interest payments on B.C. Rail's debt. But as the Premier knows, B.C. taxpayers were never on the hook for that debt. It's paid by B.C. Rail through its revenues, not by the taxpayers.

To the Premier: is he so desperate to sell this bad deal to British Columbians that he's willing to make claims for the deal that aren't true, or was it just an innocent oversight?

Hon. G. Campbell: The member opposite probably has not paid much attention to the finances of the province in the last ten years. Certainly, she didn't when she was on the government side of the House.

The fact of the matter is that the dollars paid out for debt from B.C. Rail are dollars that are not available to the province of British Columbia. The fact of the matter is that this province has had to write off \$860 million over the last 15 years. The fact of the matter is that this provides us with a long-term economic future for the north and the interior of this province that people have been looking for — a long-term, sustainable rail system and private sector investment into the rail system. In fact, this single partnership transaction will generate literally billions of dollars of private sector investment in British Columbia's economy.

Mr. Speaker: The Leader of the Opposition has a supplementary question.

J. MacPhail: The Premier knows full well that the taxpayers weren't on the hook for that debt servicing at all. Yet he refuses to come clean just now. Not only did the Premier claim that taxpayers would save \$30 million a year that they never had to spend, but he also made a big deal about the fact that B.C. Rail will now pay municipal taxes in Prince George and Squamish.

Let me remind the Premier of a campaign promise he made in a speech to the Union of B.C. Municipalities on October 26, 2000. Here's what he said: "Crown corporations in a B.C. Liberal government will pay your community full property taxes." There's the quote from the Premier. That was a commitment over three years ago to every single municipality in the province. Just like the promise to give municipalities revenue-sharing from traffic fines, that promise, too, has been broken. It's not a spin machine grinding away in the back rooms; it's an election-promise Cuisinart grinding it all up into nothing.

Does the Premier believe that British Columbians should now thank him for a deal that breaks a promise

not to sell B.C. Rail because it results in money to municipalities that was promised a long time ago? By the way, the promise was made that all Crown corporations would pay property tax. It's a zero sum for the municipalities. Why doesn't he just admit it?

Hon. G. Campbell: I'm not quite sure what the member opposite is opposed to. Is she opposed to the fact that the Peace River regional district will see their property taxes go from \$59,000 to \$1.2 million? Is the member opposite opposed to the fact that 100 Mile House will watch as the private sector puts five times more, in terms of property tax, into their coffers? Is the member opposite opposed to the fact that the district of North Vancouver will watch as the private sector increases its contribution to property tax in North Vancouver by half a million dollars?

The member opposite may be opposed to the private sector contributing to local government. We want the private sector contributing to local government. We said we would have Crown corporations pay full property tax, and they will.

Mr. Speaker: Leader of the Opposition has a further supplementary.

J. MacPhail: So the Premier yesterday takes credit that some municipalities are going to get a Crown corporation finally paying property taxes that he promised to municipalities on behalf of all Crown corporations, and he has yet to deliver. But that was presented as great news.

Again the Premier takes great pains to sell the idea that B.C. Rail is a drain on the public purse — again, not true. Year after year B.C. Rail pays dividends to the public — money that's used to pay for health care and education. Far from being a drain, B.C. Rail is a profitable asset that helps support our province, particularly in health and education.

[1420]

Can the Premier advise this House how much money B.C. Rail paid in dividends to taxpayers over the 15-year period prior to this government taking power — dividends that will now flow not to British Columbians but to the CN shareholders? Just how much?

Hon. G. Campbell: The member opposite should know that had the government not written down \$860 million of debt, indeed B.C. Rail would have had taxpayers support it. That's what the auditor said. The member opposite should know that. Further, the member opposite knows that the "dividends" that B.C. Rail supposedly has paid over the last 15 years might amount to \$130 million. There has been \$860 million in write-offs, and those write-offs are taxpayer-supported write-offs. It's the government, the taxpayer, paying for that.

What we have managed to do here is.... There is a billion dollars of private sector investment that is coming up front for British Columbia. The member opposite may be opposed to this. She may be opposed to a

\$135 million northern development initiative. She may be opposed to the port of Prince Rupert finally reaching its full potential. She may be opposed to Prince George becoming a continental gateway. She may be opposed to tour passenger service making available and creating hundreds of jobs in British Columbia. She's opposed to it, I'm for it, and we're sticking with it.

PRIVATIZATION AND VIABILITY OF B.C. RAIL

J. Kwan: The Premier won't admit it, but B.C. Rail paid a total of \$137.7 million in dividends to the public. Now he's selling the whole company for 90 years for what amounts to \$500 million. That's about \$5.5 million a year that CN is paying for a company that made \$64 million profit last year. Someone is getting ripped off here, and it is not CN. Can the Premier explain how selling a profitable company that paid \$137 million in dividends over the last 15 years for \$5.5 million a year is a good deal? If he can sell that, he should try selling the Brooklyn Bridge to Cincinnati.

Hon. G. Campbell: The members opposite didn't do math very well when they were in government, and they do it even worse now that they're over on the other side of the House. The members opposite think it makes sense for \$130 million to generate \$860 million of taxpayer-written-off debt. The members opposite don't seem to understand that \$502 million of debt causes debt service costs, and those are costs we don't have to meet.

A billion dollars. We will be able to pay off \$500 million in B.C. Rail debt. We will be able to expand the transportation infrastructure in the province, and the private sector will be investing in the rail right-of-way. The private sector will be investing in new cars. The private sector will be investing in providing better service. The private sector will be investing in the port of Prince Rupert. The private sector will be investing in the city of Prince George. The private sector will be investing in the interior and the north of this province. That's how we're going to drive the economy forward.

Mr. Speaker: The member for Vancouver–Mount Pleasant has a supplementary question.

B.C. RAIL PENSION FUND

J. Kwan: British Columbians know when they're being sold a bill of goods, and they know they were not told the truth in the election. They can't be fooled by a spin machine on overdrive. Right now there is a \$150 million surplus sitting in the B.C. Rail pension fund. Nowhere does the government say what's happening to that surplus. The company couldn't answer that question today.

[1425]

To the Premier again: as part of the deal to sell B.C. Rail for a song, who got the surplus — CN or the Minister of Finance?

Hon. J. Reid: It's very important that the workers are being respected. We worked very hard to make sure that their rights are being respected. If that pension fund were wrapped up today, there would actually be a deficit in it. That pension fund goes with the workers, and any benefit from that pension fund is attached to the workers who are eligible for it in the future.

OCCUPATIONAL SAFETY

W. Cobb: My question is to the Minister of Skills Development and Labour, and it's more to do with forestry. We've been developing a number of forest policies and legislation changes in this last year, but one of the major issues in my area is safety for the workers. We have a number of fatalities and injuries both in the logging industry and in the trucking industry. Can the minister tell me what's being done to ensure the safety of these workers?

Hon. G. Bruce: There have been a number of changes that we've been working through with the workers compensation system, and of course, as the member opposite would know, we just brought in a new board ten months ago. That board has been very concerned that workers compensation, as a system, is focused on safety in the workplace.

In respect to the forestry sector, it still has, next to the construction industry, the highest fatality and serious injury rate that we have in the province. In fact, over the last 15 years in work that's been done, that fatality rate has not come down.

The chairman of the board has put together a specialized task force with a number of players from the industry, both the union side and company, to focus in on those particular industries that have a good safety record and see what we can take from that and apply it through the sector so that we can try and get to a situation where we're actually reducing fatalities and serious injuries in the forest industry.

CN RAIL OPERATION OF B.C. RAIL SERVICES AND IMPACT ON JOBS

P. Nettleton: I have some serious issues to raise with respect to potential job loss at B.C. Rail. The figures that are being bandied about really are all over the landscape. According to a leading B.C. columnist, the latest and perhaps most accurate figures seem to be a possible 35 percent reduction in the workforce.

This is scary stuff for B.C. workers to anticipate — that is, B.C. Rail workers. But having read up on the track record of CN's CEO, Hunter Harrison, a southern cracker and American entrepreneur if there ever was one, it would not be beyond the realm of possibility. Harrison's success is measured by how much he can reduce the operating ratio — having, for example, reduced Illinois Central operation from 90 percent to 62.5 percent in less than seven years.

My question, then, is to the Premier: can the Premier set the record straight for us on the job figures, as well as

give us his take on Mr. Harrison's plans in this regard? And, oh, can the Premier also tell us how much face-to-face interaction he's had with Mr. Harrison, please?

Hon. G. Campbell: To the member opposite: the first time I met Mr. Harrison was yesterday at roughly ten to 11, before we went to make the announcement. So he's seen me with Mr. Harrison as much as I've been with Mr. Harrison.

Let me say this to the member opposite. We are concerned about the job impacts here as well, and I think it's important to note this. There are approximately 420 jobs that may be affected in the B.C. Rail network. There are 250 of those jobs that would be voluntary retirements, early retirements, etc. There are an estimated 180 involuntary job losses that would take place as a result of the partnership agreement that's been entered into.

I think it's important to note that the agreement that's been entered into will create an additional minimum 250 jobs as a result of the tour trains and passenger trains that are available. The announcement we made yesterday will result in an additional 75 new jobs at the airport at Prince George, as well as 300 indirect jobs. There are an estimated 500 new jobs that are anticipated in the port of Prince Rupert in the northwest of this province.

[1430]

More important than all of that, Mr. Harrison — and we had no reason not to take him at his word — said he wants CN to expand its services in the north. They announced yesterday that there will be three to four years of additional contracts between a coal supplier in Asia as a result of the reduced times it takes to get from the Asian markets to North America and vice versa. I can tell the member opposite this. The billion dollars of investment that is coming up front, the millions and millions or billions of dollars over the term of this, will mean more jobs for the interior, more jobs for the north and a long-term sustainable economy for the northern part of our province.

[End of question period.]

Tabling Documents

Mr. Speaker: Hon. members, I have the honour to present the auditor general's report No. 4, *Alternative Payments to Physicians: A Program in Need of Change*, to the Legislature.

Orders of the Day

Hon. G. Collins: I call Committee of the Whole for consideration of Bill 96.

Committee of the Whole House

TIMBER LICENCES SETTLEMENT ACT

The House in Committee of the Whole (Section B) on Bill 96; H. Long in the chair.

The committee met at 2:32 p.m.

Sections 1 to 7 inclusive approved.

Title approved.

Hon. M. de Jong: Mr. Chair, I move the committee rise and report the bill complete without amendment.

Motion approved.

The committee rose at 2:33 p.m.

The House resumed; Mr. Speaker in the chair.

Report and Third Reading of Bills

Bill 96, Timber Licences Settlement Act, reported complete without amendment, read a third time and passed.

Hon. G. Collins: It gives me great pleasure to call second reading of Bill 89.

Second Reading of Bills

BRITISH COLUMBIA RAILWAY (REVITALIZATION) AMENDMENT ACT, 2003

Hon. J. Reid: I move the bill now be read a second time.

In 2001 we made a commitment to revitalize the economy and manage taxpayers' money responsibly. This year we developed the B.C. heartlands economic strategy to help fulfil this commitment. It is with this commitment and this strategy in mind that I propose Bill 89, the British Columbia Railway (Revitalization) Amendment Act, 2003.

[1435]

B.C. Rail is struggling under significant debt. That has restricted B.C. Rail's ability to reinvest. Shippers have been telling us this, mayors have been telling us this, and railway communities have been telling us this. They've been asking for the responsible management of the railway. They tell us that shippers are turning to alternative transportation sources because B.C. Rail is no longer competitive and is under-resourced and cannot meet its service requirements. As a result, our rail communities are suffering.

B.C. Rail no longer has the means to make the capital improvements needed to win back their customers. We have a number of communities from North Vancouver to Fort Nelson that rely on the services provided by B.C. Rail. We must keep B.C. Rail going, but we must manage it responsibly. This bill will allow us to do that.

B.C. Rail is draining taxpayers' funds needlessly. Over the past 15 years taxpayers have lost \$857 million in railway asset write-offs, and that's on top of the railway's current \$502 million debt. This bill will allow

us to pay off that debt and put an end to the ongoing burden on taxpayers.

In consultation with the shippers, the mayors and the railway communities, we've developed a new model, a responsible model that will maintain the railway as a publicly owned asset. After a thorough evaluation process, cabinet selected CN as the successful proponent to operate our railway. By allowing CN to operate the railway and invest in the infrastructure, we can get B.C. Rail back on track.

This bill allows us to put this revitalization plan in motion. It amends the British Columbia Railway Act to provide long-term security for Crown ownership of the railway right-of-way, railbed and track. B.C. Rail is an important government asset, and it is important that we retain ownership of the right-of-way, railbed and track. It will enable the British Columbia Railway Company to enter into a long-term partnership with a third-party operator by providing access to the railway right-of-way for railway purposes.

This amendment will clarify legislative authority for the British Columbia Railway Company. It will clarify that the British Columbia Railway Company has legislative authority to enter into partnerships and to undertake property transfers and subdivisions.

There are currently some discrepancies between the British Columbia Railway Act and the Railway Act. This amendment will clarify any discrepancies. It will ensure that the British Columbia Railway Company maintains control over the port subdivision and that successor rights for B.C. Rail Ltd. employees are protected.

The bill will allow for the smooth transition of inter-company land transactions to ensure long-term protection by the Crown. It will also allow by OIC an amalgamation of B.C. Rail properties and a bypass of Land Title Act requirements for a few subdivisions. There are more than 3,000 properties involved in refining and protecting the railway right-of-way. Given the scope of the number of properties involved and the need to ensure public ownership is protected in the shortest term possible, an efficient land transfer mechanism is required.

Shippers have asked for this, mayors have asked for this, and rail communities have asked for this. We have worked hard with them to develop a new model for rail revitalization. This bill is another step forward in that process.

A revitalized railway will return job opportunities to B.C. at the port of Prince Rupert, at the new wheel shop CN will open, and in the service and hospitality industries. It will bring investment back to the railway in the form of 2,100 new or upgraded railcars, and it will see the reopening of the Dawson Creek to Hythe subdivision. It will reduce shipping times by establishing a Chicago express route, and an open gateway program will make the railway competitive and will bring shippers back to the rail line.

CN and B.C. Rail will issue an RFP to develop new tourist passenger train services. This will create hundreds of jobs in the hospitality and tourism sector.

This investment partnership will ensure the long-term sustainability of the railway while allowing us to maintain public ownership of the right-of-way, railbed and track, and it will increase economic activity not only in the heartlands, where our railway communities are situated, but in all of British Columbia.

[1440]

P. Nettleton: Responding, then, in second reading. It's now almost official. A deal has been struck between the B.C. government and CN Rail for CN to take over and operate B.C. Rail, the details of which may demonstrate that the north and Prince George have finally been heard loud and clear — at least according to the government's spin on the sale. The rail reps are more than a tad cautious. The resulting agreement, which seems on the surface a far cry from the original request for proposals, proves that a united front can have a powerful effect even on a big deconstructionist government.

That brings us to step 2, which should have been step 1. That's Bill 89, British Columbia Railway (Revitalization) Amendment Act, 2003. This is legislation to enable and facilitate the privatization of B.C. Rail, which I have opposed for many years — in fact, since 1996 — and continue to oppose with my limited means since becoming an independent member of this Legislature.

It would appear this is a compromise deal that has been arrived at, barring further information coming to light during the assessment and approval process, which may in fact undermine the deal. If the deal passes these tests, it could be said that the B.C. Liberal government has finally recognized the value and the voting power of northern and central British Columbia, and in particular Prince George. But what a round-about way to finally recognize it — a seven-year story: the threat to sell B.C. Rail, the promise not to and the promise now broken.

According to the government, when is a sale not a sale? Apparently when it's modified, concession by grudging concession, with a wary eye on the public and the pundits. The government may say that it has not made any concessions, that this was their plan from the beginning. Not so, I say. Obviously, concessions have been made or at least verbalized so far, and the direction of government has appeared to have shifted somewhat, at least on this one issue. But this government has shown that it has not been turned away from its indiscriminate privatization agenda.

Privatization is an issue-by-issue battle that will continue as long as the Premier views the selling-off of B.C.'s assets as furthering his ideological goals. Does B.C. Rail see that an agreement does not signify a reversal in direction by this government but rather is a meeting of two opposing parties at a halfway point? The two parties I am referring to are the government and the anti-privatization public sector. This was a forced but nonetheless major compromise by the government in the face of overwhelming public protest.

It is my opinion that with a transparent, open process, we could have achieved the same or better

ends without the angst, frustration and confrontation. B.C. Rail could have been retained as a revitalized Crown corporation, where the B.C. Rail Crown corporation would not have had to become the B.C. Railway Company to achieve the Premier's goal of converting it into a test case of public-private partnership. It is an affront to the public intelligence to try to pass it off as anything less than privatization.

Yesterday at the announcement which I attended, the Premier said that he agreed, back in 2002, with Mayor Kinsley of Prince George that the goal was not to privatize B.C. Rail but to find private partners — outsource but not privatize. We've had this debate before, and it's futile to reduce it to the level of semantics.

How did we get from there to now, with the B.C. Rail Crown corporation becoming the B.C. Railway Company? The Premier explains it away by saying that underneath the rail still remains the B.C. Rail corporation, literally. The Crown corporation owns everything up to the rails. We own the bed and the bed rails. But nothing that rolls on those rails belongs to the people of British Columbia, at least not for 90 years. You can argue 60, but none of us will be around to prove it.

[1445]

Can you follow the Premier's logic? I can't, but hopefully you can, because most of you are still true believers. If the Premier says it's so, it must be so. Only time will tell as the details come out, and regardless of Tuesday's announcement, it's not a done deal yet. U.S. President George W. Bush announced that the war was over in May, but all that banner-waving didn't make it so.

Talking about hoopla, let's look at the promise that this deal holds for B.C., according to the Premier. The Premier's announcement and presentation was way over the top. He said as much. "Boy, have I got a deal for you." It's the stuff that elections are made of. CN's number one man, American entrepreneur Hunter Harrison, remarked that the Premier was a hard act to follow. Mr. Harrison, we find him a hard act to follow too.

The deal as outlined by the Premier was all-encompassing. There's nothing this deal can't fix, a panacea for the whole province. If we are to believe all he said, the people's protests have been heard. The Premier has answered, and untold and unrelated blessings are about to drop from the sky. Fortunately, the Premier was soon brought down to earth when he faced tough questions from the media. The glib answers he had provided here in the Legislature didn't stand up in the glare of public scrutiny.

It's not so quick, and it's not so easy. In reality this has been an evolving process, unnecessarily drawn out and egregious not only for the communities along the B.C. Rail line but for the bidding proponents as well. This government recognizes pressure, and now the average British Columbian also recognizes the power of their individual and collective voices. What I am about to say may alarm some, because I am cautiously accepting of what has been achieved by this unified effort coming from all corners of the province. I will be

voting against this B.C. Rail bill on principle, despite the fact that major concessions have been made and that the north may well benefit if the government and CN are true to their word and if the facts are straight. Hmm, that's a lot of ifs.

Credit for any genuine and lasting benefits that flow from this deal cannot be claimed by the government, as concessions were wrested at considerable sacrifice to the people involved. If there's any credit due, if the deal is actually creditable, it should go to the people of northern and central British Columbia for hanging in there and resisting the original premise.

Sadly, we did not stop B.C. Rail from being privatized, but we did stop the government from giving it away. If the details coming out of this deal are consistent with the claims being made, I congratulate the people of the north, which include the B.C. Rail workers, most mayors and many council members, newspaper editors and various other media outlets that have championed this issue and have demonstrated tremendous courage in the face of overwhelming odds. Vigilance is still required, especially on behalf of the rail workers and their families. Thankfully, this deal will not be concluded in the winter.

It is not my place to itemize all of the pros and cons of this deal. I will instead leave that to government while continuing to monitor the commitments that have been and will be made between CN Rail and the people of B.C.

J. MacPhail: I rise to speak to Bill 89, a bill whose title is even misleading: British Columbia Railway (Revitalization) Amendment Act, 2003. Mr. Speaker, you can't amend an act that doesn't exist. The very title is used as spin with this government, the same way their explanatory notes are. There is no British Columbia Railway Revitalization Act — none whatsoever — yet these Liberal caucus members are more than happy to have the government, even through use of legislation, do it with spin and misleading.

[1450]

The government, the Premier, the Minister of Transportation and all the Liberal MLAs have no mandate whatsoever to bring this bill forward. They have no mandate to speak to it; they have no mandate to support it.

In spite of all that, as they do just that, they are breaking a fundamental election promise — a promise each and every one of them signed on to. They campaigned on a new-era commitment that was announced and trotted out during the last election on April 23, 2001, as a big breakthrough — a big campaign promise of a new-era commitment to not sell or privatize B.C. Rail. Prior to that, they waffled.

They, of course, during the '96 election had said that they were going to sell it, and they lost the election. So they thought about it, they reviewed it, and on April 23, 2001, they released their *New Era* document that for the first time, right during the election, made a commitment to not sell or privatize B.C. Rail. It was a deliberate act during the election. It wasn't just off the

side of their desk that they made that commitment. They brought out a new-era commitment, and they were elected by constituents who took them at their word on the promise that they made during the election. Now their word is worthless. B.C. Rail has been sold. It has been privatized.

Bill 89, this legislation, is a clear contradiction of the new-era promise, no matter how this government tries to weasel out of that. A sale is a sale; a deal is a deal. The Liberal MLAs and the executive council have broken the public trust.

The Premier — I can't believe he still does this — claims that he has not sold or privatized B.C. Rail. Perhaps he could explain, then, why Hunter Harrison, the CEO of CN, told investment analysts — away from the media, away from the Liberal MLAs — yesterday on a conference call that CN paid \$750 million to buy the business. Mr. Harrison knows when he's purchased something.

Oh, Mr. Harrison said that they paid \$750 million. That's the maximum taxpayers are going to see for this — the maximum. But I can hardly wait for the Liberals to stand up and say how wrong Mr. Harrison is. It's not us saying this; it's Mr. Harrison himself. Even the CEO of CN understands that he just bought B.C. Rail. Why is it so difficult for the Premier to admit to that?

The issue at hand is simple. The Premier and the Finance minister are so desperate for cash because their economic policy has been a complete failure. It's such a failure that they've been forced to sell a public asset — a profitable public asset.

I note that the government tries to say it's not profitable. They try to say: "Oh, isn't it awful that B.C. Rail had to write down the debt accumulated by the Bennett government in the eighties?" Well, the Bennett government knew that B.C. Rail was the only avenue of opening up the economy in the northeast sector. They knew that they had to make an investment for coal and that there had to be a spur line there.

[1455]

No one stood up and challenged the B.C. Social Credit government under Bill Bennett when they invested \$600 million in that spur line. The very people who are now backing this Liberal government backed the building of that rail line — the same business people. The same people said that was a good idea. Well, it turned out that it didn't do what the Social Credit government of the day promised, because the coal contracts didn't come through from Japan. There was competition from the southeast, the Cranbrook area, as well, just like there will be competition amongst various regions again. The government, my government and my colleague's government, was forced to write off \$600 million of debt on B.C. Rail.

Never once have I heard this Liberal government get up and badmouth then Premier Bill Bennett for risking that investment. Oh, they badmouth other megaprojects every day, but not that one. Why is that? It's because Bill Bennett supports this government. He's the one that stands up with this government and says: "Oh, this government is doing a great job." Well, his

government made a mistake in B.C. Rail, and the debt had to be written off. Is that B.C. Rail's fault? No, it isn't. For this government to somehow make a leap that the writing off of that debt really would have meant that taxpayers were paying an extra \$30 million in debt-servicing charges is beyond belief.

Then, of course, the Minister of Transportation, the Minister of Finance and the MLAs from Prince George say: "Oh, but B.C. Rail isn't profitable." Oh, really? From the year 1986-87 through to the year 2000, B.C. Rail delivered a dividend to taxpayers every year — a total of \$137.7 million in dividends over a 15-year period. Who's going to get that dividend now? CN shareholders. The dividends paid into health and education, building hospitals and schools, building roads — straight from B.C. Rail — are the same as what the north is now going to get in total.

Somehow the northern MLAs are saying that this is great? The north loses \$137 million over 15 years in dividends, and they get about \$150 million over 90 years. Gee, is that Liberal math? Is that what the northern mayors are clapping their hands about? They gained \$137 million over 15 years, and now that's wiped out, but they get \$150 million over 90 years. Just do the math, northerners. You are losing tens of millions of dollars each and every year, even with this deal.

The Liberals have broken one election promise in a dismal effort to save another. The Finance minister needs cash to plug the gaping holes in his budget, and apparently he is willing to sell out communities. He promises to do it, and the Liberal MLAs support him.

The people of British Columbia deserve the truth. They deserve better than broken promises. They deserve to be represented by members of this Legislative Assembly. Instead, they have 70-odd MLAs willing and ready to go back on their word, to break a fundamental promise and ram through legislation in the dying days of this session. The Liberal government and the Premier have no mandate for this. Bill 89, the British Columbia Railway (Revitalization) Amendment Act, 2003, is a broken promise now entrenched in legislation. CN has bought B.C. Rail. Hunter Harrison of CN knows it; the Premier knows it; the people of B.C. know it. It is a done deal. B.C. Rail is gone.

[1500]

The Premier didn't even give this House a chance to debate the legislation before he put on a glitzy, pricey, taxpayer-paid, rhetoric-filled infomercial yesterday — a series of news releases strung together, much of it factually incorrect.

According to CN and the Premier, the deal is done. They both announced that yesterday. In fact, it was done on October 15. Yet day after day when we asked the Minister of Transportation questions about this, she denied any knowledge of the fact that the deal was done in October. Yesterday both the Premier and the CN CEO said: "The deal is done." They said it. So what chance do we have here in this Legislative Assembly to debate the bill? None. It's going to pass.

In fact, this government probably thinks: "Oh, legislation. What a bother." The Liberal MLAs will be whipped to support it. The Premier will order the troops to fall in line. "The broken promise must be passed," he said — and it will, because this Premier is desperate for cash. He's so desperate for cash that he's going to pay off a mortgage by selling the house.

The deal was announced yesterday at an unbelievably expensive news conference — a news conference that gave the Premier a chance to sell his broken promise in some sort of positive light. He called the sell-off an investment partnership. Well, he makes that commitment out of complete denial. The Premier is in denial. It is official.

The tag line for the deal was: "A billion-dollar investment." All the media picked it up. All the media just printed it as if it were true. Well, some of the media got what Mr. Harrison said. First off, \$250 million of that supposed \$1 billion isn't even guaranteed. Can you imagine if a New Democrat government had made that claim? Do you think the *Vancouver Sun* and the *Times Colonist* would have printed that? No. They would have printed, "Government makes false claim of a billion-dollar deal," because it is a false claim. It's a completely false claim of a billion-dollar deal.

CN is going to hand over a billion dollars, and then taxpayers are going to give CN back \$250 million. Well, we're all taxpayers, aren't we? So what CN giveth with one hand is taken back from us out of another pocket, but we're still \$250 million shy of a billion dollars for a profitable rail line. CN gets that for 90 years — lock, stock and barrel — despite what the Minister of Transportation tries to claim — that we still own the railbed and the right-of-way.

Now, of course, there's even double jeopardy on that \$250 million. If Canada Customs and Revenue Agency doesn't agree with the Premier on tax credits owed as a result of this deal to CN, then CN gets to reduce the amount of cash it gives British Columbians by \$250 million and B.C. taxpayers are on the hook completely. If the Canada Customs and Revenue Agency do that massive tax credit giveaway, at least the burden of a bad deal is shared by other Canadians.

[1505]

Anyway, it's either a rotten \$250 million giveaway for all Canadians, or it's a really rotten tax giveaway for British Columbians alone. There is no assurance that the tax credits will come to pass. Thank God for Mr. Harrison. He actually gave us the facts yesterday. Mr. Harrison recognized that reality in his analysts' conference call. He was quite proud of the fact that he bought a profitable company for \$750 million. The *Vancouver Sun* reported that, and good on them. I don't know why the *Vancouver Sun* then said in the headline it was a billion-dollar deal, when elsewhere they actually admitted that it wasn't.

Anyway, there is a distinct and very real possibility that the taxpayers will be called on to cover at least 25 percent of this deal. Well, what about the rest? The \$500 million comes in and goes out immediately to write off a debt that B.C. Rail was managing quite fine.

The taxpayers weren't managing that debt. It was non-government-supported, non-taxpayer-supported debt. No matter how much the Premier tries to obfuscate on that issue, no matter how much they try to blame the auditor general for their lack of understanding, it's non-taxpayer-supported debt. B.C. Rail was managing that just fine through its revenues, just as CN will continue to manage that debt through its revenues.

Not only is there no benefit to the taxpayer, there's no benefit to the shippers either. They're not going to see a change. That same non-taxpayer-supported debt will be CN shareholder-supported debt now and will be passed on through pricing. So a claim of a \$30 million advantage to B.C. taxpayers in no longer having to service that debt is just plain wrong.

So CN forks over \$500 million and gets a debt-free company. No benefit to the taxpayer — \$5 million in, \$5 million out. There's nothing about an investment there — nothing. To their credit, the government has managed to set aside some money for the communities. It's only 17 percent of the total package, but they did find it in their hearts to give some money to communities.

Let's look at those figures. Some of it will go to deservicing projects, and I sincerely hope that it's well used, because our northern communities need all the help they can get. They have been completely ignored by this government to date.

There will be \$4 million for an expansion of the Prince George Airport. The government has been promising that for ages. There will be \$17.2 million to fund the expansion of the port of Prince Rupert. But let's be clear. That expansion is over \$62 million to actually get it done. There's no commitment from either the federal government or CN. There's no guarantee that CN or the federal government is going to invest in that expansion — none. So Prince Rupert is a quarter of the way toward its goal of getting a port authority, a deep-water port there, but that's all. They cannot look to one single guarantee that the port will actually be built. Of course, as the port of Prince Rupert gains, the Delta Port of the Vancouver Port Authority loses. It's a zero-sum game. The port authority knows that. Delta Port knows that.

[1510]

There's \$15 million for a first nations trust fund and \$135 million for a northern development initiative, and over 400 jobs lost. The railway isn't even going to stop at Prince George anymore. There's absolutely no investment required whatsoever by CN in Prince George, yet the northern communities get a one-time shot for 90 years. For the next 90 years they get a total of \$130 million to help those troubled communities from Squamish north right to the B.C. border and from Prince Rupert right through to the eastern border of British Columbia. That's the big announcement: 17 percent of \$1 billion goes to our communities. Dig deeper, and it gets a little sketchy.

Let's look at the northern development initiative. Some \$60 million will be divided into four regional funds — the regions being the Peace, Prince George, the northwest and the Cariboo-Chilcotin. Those regions

get \$15 million each. The payroll from B.C. Rail in the lost jobs would be bigger than that on a yearly basis. The suppliers servicing B.C. Rail get double or triple that every year from B.C. Rail. All of that will be gone now. Fifteen million bucks, a one-time shot for the next 90 years. That's what four regions get.

The entire Peace region gets \$15 million out of the \$1 billion. That's 1.5 percent of the whole deal. How in heaven's name is that a good deal for the Peace? I can hardly wait for the members from the Peace region to get up and make that claim. The entire northwest gets 1.5 percent out of this. How is that a good deal for them?

Another \$25 million will be set aside to fund the regional boards. That's not even a direct investment in infrastructure. What's that — a pork barrel for some Liberal board appointees? It's got nothing to do with investment in permanent infrastructure. It's not going to go into roads; it's not going to go into bridges; it's not going to go into schools or hospitals. It's going to go into regional boards made up of Liberals. Wow, that's really exciting — not.

For this broken promise, communities across the north have been shortchanged. The entire north will receive less than 20 percent of the \$1 billion. The money will be spread so thin that I predict it will have little, if any, economic impact.

By my tally so far, the allocated funds don't add up to the \$1 billion. Hmm. I thought this was a billion-dollar investment. That's what the Premier said. That's what he spent tens of thousands of dollars for, paying to slap it across every piece of paper and backdrop he could. So far there are a \$171 million investment and a \$500 million write-off that mean nothing to the taxpayers of British Columbia, and then another \$250 million in tax credits that will go to CN and out of British Columbia taxpayer pockets.

Where's the other \$329 million? It's going into government coffers — a government desperate for cash. They've sold off a Crown corporation, broken an election promise and misled the voters. Why? Because they need \$329 million to make up for their failed economic policies. This is the third year of the highest deficits in each of those three years ever in the history of British Columbia's public finances — ever. So the Minister of Finance has sold off a profitable Crown corporation to make up for his miserable failure, and he's going to get \$329 million to do that.

[1515]

That's where that money's going — right into government coffers for the Minister of Finance to plug a hole in his failed fiscal and economic policy. It's money sucked right out of British Columbia's economy. That \$329 million isn't going to add one red cent to the GDP — not one red cent. And this is a government that has added ten times that amount to debt already on government books. In its first three years it has increased the debt at a rate unheard of. I never hear the Liberal MLAs talking about that.

So we have a Finance minister who increases the debt not through investing in British Columbia but by

running operating deficits that are now an accumulated total of well over \$4 billion. He had to sell off a Crown corporation to pay down one-tenth of the debt he's racked up, which his government personally has racked up. Never see that reported — about how this government has racked up debt at a rate unheard of by any previous government ever.

I sure hope that the MLAs for the north are ready to work hard, extremely hard. They're going to have to fight tooth and nail to get any of that \$329 million, because the Minister of Finance ain't going to give it to them. He's not going to let it be torn out of his hands. So the north gets nothing of that.

I wish the northern MLAs well. I truly do, because so far it looks like the one hope they had of getting some sort of privatization deal right is going to fall flat again. They were so desperate to privatize B.C. Rail that they would go to any extreme — break an election promise, tell the northern communities that they get less than 20 percent of the sell-off, take \$329 million as a little drop in the bucket for the debt that they've incurred elsewhere. But there's no getting around it. The northern MLAs' communities are getting the shaft on this deal.

We need investment and growth in the north — absolutely. Why not commit that \$329 million to northern investment? No. The Minister of Finance is going to take it and not add one iota of stimulation to our economy, because he needs it to pay down his debt that he personally created, his government personally created.

There is a great deal of suspicion and anxiety around this deal, and I am afraid we will never get the answers from this government. The deal is done. The Premier has made that clear. It's a bad deal for B.C. The supposed billion-dollar investment is cloaked in spin and rhetoric. The actual investment is minuscule when you look at the price tag. So as I wish all the northern MLAs well in their attempts to ensure that their communities get the money they deserve, I really hope that the breaking of their promise is not in vain.

The people of British Columbia believed this government and this Premier during the election of 2001. They believed the Premier when on April 23, 2001, he and a bunch of his MLA candidates revealed a whole new commitment, and it said that the Liberals will not privatize or sell off B.C. Rail. This bill, Bill 89, the British Columbia Railway (Revitalization) Amendment Act, 2003, is nothing but a broken promise with a lot of glitz to hide the truth. It's a bad deal for B.C. The northern communities are getting a fraction of what they deserve. This deal is a sellout, and the Premier is leading the sellout.

[1520]

J. Kwan: I would like to take this opportunity and echo the words of my colleague the member for Vancouver-Hastings. As the saying goes, the devil is in the details. Once you dig out from underneath all of the Premier's spin, the rhetoric and the glitz, it is clear that this deal is not what it is cracked up to be. Communities are getting a fraction of the selling price.

The so-called billion-dollar investment is simple PR, not reality. It is not \$1 billion at all. It's \$750 million, and that's potentially being generous. As my colleague pointed out, the tax credit issue may come back to haunt British Columbians, and British Columbians may well have to wear that — not CN. It is British Columbians who are on the hook if the tax credit does not come to be. In all of that the northern communities... What they get are scraps. The Minister of Finance takes a portion of that money to cover up and to pay for his failed economic policy.

This is a bad deal for British Columbia. For 90 years the profits of B.C. Rail will flow to a private company that has no responsibility whatsoever to protect British Columbia routes or jobs beyond 2008 — 90 years, Mr. Speaker. The lost dividends from B.C. Rail will go into the pockets of a private company, and it would not benefit British Columbians by contributing in the areas of education, health care, social services or road infrastructure — the things British Columbia and British Columbians need for the future. The \$171 million going to communities from this deal will be pennies of what CN will pull from this deal for itself. This is not an investment for B.C. It is a sellout for quick cash.

The Premier has been spinning hard to communicate the supposed benefits of this deal. My colleague went over how the actual investment in communities is a minuscule part of this deal. The Premier has also crowed about the tax benefits to communities. Well, if the Premier was true to his word in 2003 when he promised Crown corporations would pay their taxes to municipalities, then the tax benefit from this private company, CN, is zero. It's a zero-sum game. The net benefit in taxes for municipalities... If the Premier lived up to his commitment that municipalities will get their taxes for Crown corporations, they're not gaining anything they haven't already lost. The Premier admitted to that today in question period. He said he will make sure Crown corporations pay those taxes. Then the taxes from CN are not an addition in revenues for municipalities.

[1525]

If the Premier was so concerned, by the way, about municipal tax revenues, why has he refused to fulfil his election promise — yet another election promise he has not fulfilled — to transfer 75 percent of traffic fines to municipalities to help with policing costs? That promise wasn't kept in the 2001 budget, in the 2002 budget, in the 2003 budget and apparently won't be kept in the 2004 budget. That's some \$200 million that should be going to municipalities. That's far above the \$8.3 million the Premier claims will flow from this deal. It is yet another broken promise. This government — this Premier, the Liberal government — has no credibility.

What about the other benefits of this deal? A lot of those happen to be pure spin as well. The Premier was all excited about the quicker transportation times between Prince George and Chicago. He said this deal will allow products to be shipped and to reach markets faster. Too bad this deal has nothing to do with it. CN already has the capacity to ship to Chicago in 90 hours,

and it has nothing to do with this deal. The CEO of CN said in the press conference that his company has a new train that is already doing that. He was quite proud of his company's achievement in cutting the time from nine days to 90 hours. The Premier is trying to take credit for something he has nothing to do with. How about that? Talk about spin, Mr. Speaker.

How about this new wheel shop in Prince George? B.C. Rail, the Crown corporation, was already planning to do that. Once again the Premier is trying to create something out of, as usual, nothing. That's what the Premier is trying to do.

Then there are the shipping rates. The Premier has been very proud of the fact that the rates will be, on average, 7 percent lower for shippers once this deal is done. Too bad the Premier didn't talk to Mr. Harrison about that one. Maybe he should have spent more than ten minutes before the announcement with Mr. Harrison. He might have actually found out some facts and saved himself some embarrassment. In the *Vancouver Sun* today the CEO of CN said that the rate will only apply to shipments between Vancouver and Prince George, not on movement between other points on the B.C. Rail line. The Premier is once again grasping at straws.

So much of this process, so much of this announcement, is wrapped in suspicion. The other bidders complained about the process. They complained along the way. One bidder even dropped out. The winner was a major donor, it just so happens.... Perhaps it's a coincidence; I don't know. It just so happens that the winner is a major donor to the Liberal Party. The fairness adviser has raised serious concerns about the leaks, and the Premier won't even show us the deal — just a glitzy press conference and a bunch of press releases with figures that are at best questionable.

I hope the backbench MLAs from the north have better luck in getting answers than us. As it stands now, they are getting very little for this broken promise — a broken promise they traded their honour, their integrity and their word on. Make no mistake about it. It is a broken promise for \$750 million. Mr. Harrison bought B.C. Rail, and apparently he bought the B.C. Liberals too.

[1530]

They're going to ram this through in the dying days of the session. In fact, this Legislature in some ways — in the words of the Premier — is irrelevant, because he's already said the deal is done. B.C. Rail is sold to a private company, and the losers happen to be British Columbians — not for the short term but for the long term.

[H. Long in the chair.]

Hon. J. Reid moved adjournment of debate.

Motion approved.

Hon. G. Plant: I call debate on Motion 105 standing in the name of the House Leader on the order paper.

Motions on Notice

AMENDMENT TO SESSIONAL ORDER

Hon. G. Plant: The motion is:

[That the Sessional Order passed by the House on February 11, 2003, amending Standing Order 2 be amended as follows:

That section 2 (2) (a) (ii) be amended by deleting the words "from October 6, 2003 to November 27, 2003 inclusive", and substituting therefore "from October 6, 2003 to December 3, 2003 inclusive."]

[Mr. Speaker in the chair.]

J. MacPhail: Mr. Speaker, I take it this is a debatable motion.

Mr. Speaker: Yes, it is.

J. MacPhail: The opposition rises to say: huh? The Attorney General or the Government House Leader doesn't even think he has to offer an explanation for breaking another promise. Doesn't even give the courtesy to the public or the Legislature about why they're doing this. Of course, they didn't give courtesy to the Legislature to even tell within this House — to bring a motion inside this House — before they told the media they were going to extend the Legislature.

Here's what happened, Mr. Speaker, and it took us all by surprise. For some reason unbeknownst to any of us inside this Legislature, the government is breaking its election promise, which it takes great pride in every day, that they're going to have fixed sittings and that all of us MLAs would know the schedule — that it would be run like a business. Well, this is the third time they've broken that in a short two and a half years, the third time they've broken that promise. Why? To ram through draconian, extreme legislation that they don't want the light shone on.

Here we are again today. They want to ram through the B.C. Rail legislation with no scrutiny, because every moment and every hour there's more scrutiny on this B.C. Rail sell-off deal, it becomes more suspicious, more suspect. Certainly, the claims are ripped to tatters about the benefits of the deal. No, the Government House Leader doesn't even bother to offer an explanation on that.

Here's what happened. My colleague the member for Vancouver–Mount Pleasant and I got called out into the hallway two days ago, on Monday around 5 o'clock, and a reporter says to us: "How do you feel about the Legislature being extended?" We said: "Huh — pardon? You must have your information wrong, reporter." And the reporter said: "Well, no, I called public affairs bureau, and they confirmed that the Legislature would be extended by a week."

[1535]

Public affairs bureau. What is public affairs bureau? It's that spin-doctoring \$45 million organization of political appointees that reports directly to the Premier and writes news releases that give new meaning to

misleading Liberal-speak every day. We saw a perfect example of that yesterday. Public affairs bureau is running this legislative chamber.

Do you know how ashamed my colleague and I felt? It was shame, actually. We were embarrassed, and we actually wanted to say: "Oh no, you must be wrong. That can't be so." This reporter — who is a darn good reporter, I might add, as they all are — said: "No, no. The public affairs bureau confirmed it." We said: "But that's not possible. There's no notice of motion." "Oh yes, it's true."

Then later that evening the Government House Leader snuck in a notice of motion that we're now debating. No explanation from the government why they're doing that — none. So shame on them. Clearly, it is with shame that they're doing this.

Then one wonders why we need to extend the legislative sitting. It's not like the Liberal MLAs are doing anything. My colleague and I sit here day after day debating the substance of legislation that takes away union contracts and privatizes our health care system. Not a peep. I'm sorry; that is not fair. One or two Liberals take a position on that. The rest of them are silent, stand up and support the government no matter what.

Bill 75, the Significant Projects Streamlining Act. Every day as it gets examined, more and more people protest it, including the Union of B.C. Municipalities, and it's left up to my colleague and me to defend the interests of those communities who are being run over roughshod by this government. It's not because they need to pass this legislation, the British Columbia Railway (Revitalization) Amendment Act, 2003, because the Premier said it's a done deal. He said that yesterday. The deal doesn't even kick in until the second calendar quarter of 2004. The earliest — and believe you me, I claim it will be the earliest — that there will be any effect on the deal will be April of 2004 — plenty of time for the government not to break its promise on fixed sittings and on reforming this Legislature, plenty of time for them to come back and do what they promised to do, which was introduce all significant legislation in the spring sitting.

Oh yeah, that's what the Government House Leader and the Premier said: we're having fixed sittings. MLAs will be able to conduct their constituency business and their family business, because we'll know years ahead when this parliament is sitting — oh, except for this week.

The Premier and the Government House Leader claim: "No, no. The fall sitting is just to clean up legislation that was introduced in the spring, or non-significant legislation would be introduced." Really? Well, in this fall sitting of this session, the government has introduced 22 pieces of legislation.

Is it controversial? You bet. The Significant Projects Streamlining Act that overruns local government authority makes the Community Charter irrelevant — null and void, if you ask me. The B.C. Railway (Revitalization) Amendment Act, 2003 breaks an election promise and sells off B.C. Rail. Bill 84, amending the

Park Act, now allows for business to be done inside the parks. It destroys the Muskwa-Kechika park.

[1540]

Bill 94, the Health... I don't know. The health privatization act, it should be called. For the first time ever in the history of Canada, as the minister admitted, services in our public hospitals will be delivered by private employers with no responsibility to the health authority. Hospitals will be built privately, for the first time ever in Canada. The Minister of Labour took great pride in saying that nowhere else does this legislation exist. Here we are in a fall sitting, and that's the kind of legislation we're debating.

The government doesn't even have the gall to stand up and justify its actions. It slips it in, in the middle of some other controversial debate. We're not going to go on at length, because there are two of us, joining with other colleagues sometimes — one or two — trying to hold this government to account. We'll do our job, forcing this government to be revealed for what it is, which is breaking election promise after election promise. This motion extending the legislative sitting, despite all of the promises they made, is just another example of a broken promise, and they don't even have the fortitude to explain why.

Mr. Speaker: Hon. members, apparently the motion was not moved.

Hon. S. Hagen: I move Motion 105.

Mr. Speaker: Before I call the question, the Minister of Sustainable Resource Management seeks the floor.

Hon S. Hagen moved adjournment of debate.

Motion approved.

Hon. S. Hagen: I call committee stage on Bill 75.

[1545]

Committee of the Whole House

SIGNIFICANT PROJECTS STREAMLINING ACT (continued)

The House in Committee of the Whole (Section B) on Bill 75; H. Long in the chair.

The committee met at 3:49 p.m.

On section 2 (continued).

J. Kwan: We were debating section 2 on Bill 75. To follow up the question on section 2, will these descriptions, as it is described under section 2, be subject to the Freedom of Information Act? Since the minister, under sub (1), makes the recommendation to cabinet, one

would assume that it is not subject to freedom of information. Could the minister please advise?

Hon. K. Falcon: The answer is that this act is subject to the Freedom of Information Act. That's correct.

[1550]

J. Kwan: No, I didn't say whether or not the act is subject to freedom of information. I said that the description that is described under subsection (1)... Would that information be subject to the Freedom of Information Act?

The Chair: The member for Vancouver-Mount Pleasant.

J. Kwan: The minister seems confused, so let me spell it out for him. Under subsection (2) of section 2, it reads as follows: "Before the minister recommends a project under subsection (1), the minister must (a) determine the identity of the proponent of the project, and (b) obtain from the proponent a description of the project that (i) in form and content is satisfactory to the minister, and (ii) sets out the scope, intended operations, anticipated constraints and other details of the project."

The description that the minister receives of a particular project — would that be subject to freedom of information?

Hon. K. Falcon: My understanding is that would be advice to the minister. I haven't got the FOI Act in front of me, but I don't believe that would qualify as being FOI.

J. Kwan: No, it's not advice to the minister. It's information that the minister receives about a project. Yesterday I asked the minister the question about whether or not he would be receiving written information about these projects so that he can review, presumably, and that there be a public record, a written record available. He got up, Mr. Chair, and made fun of my question, saying: "We are the kind of government that relies on plans and business plans and so on. Of course those things would need to be in writing. How else can we examine the project?"

My question is.... Those business plans, the description, the details about the particular project that the minister is receiving, which ought to be public information so that the public knows on what.... The details of a project on which the minister is making his decisions — that information ought to be made available to the public through freedom of information. It's not advice to the minister. It's factual information from the proponents. Would that information be made available under freedom of information?

Hon. K. Falcon: The information that the public would be interested in knowing about is information on projects that are designated. The public will presumably have little to no interest in every person who

approaches the minister with a project that they may wish to have considered, which the minister — in 95 percent of the cases or even more — is unlikely to even consider.

J. Kwan: The minister didn't answer my question, Mr. Chair. It's irrelevant whether or not the minister thinks the public is interested in getting that information at all. It's up to the public to decide what information they would want to seek. It is this government's responsibility to make sure that when the public wants that information, it is in fact available. That's an open and accountable government — not to say: "Gee, we don't think you're interested, and we're going to make secret decisions behind closed doors, so we're not going to show you the stuff." That's just complete nonsense from the minister.

I'll give the minister one more chance. The details of projects that the minister will be making decisions on and recommending to cabinet — whether or not those projects would receive a designation under this bill, whether or not the details of that information would be subject to the Freedom of Information Act.... If this government is at least going through the motions of pretending to be open and accountable, then the answer would be yes.

[1555]

Hon. K. Falcon: I want to assure the member that we will be fully compliant with every aspect of the Freedom of Information Act — fully.

J. Kwan: Well, it's a simple question. Would that information be subject to freedom of information? Would the people of British Columbia be able to access that information through the Freedom of Information Act? A simple question to the minister — yes or no. Or if he doesn't know the answer, perhaps we should wait for his staff to come in so we can get clarity on this.

Hon. K. Falcon: I'm happy to, if my staff have anything to add when they arrive, add to that for the member, but I can tell the member that this act will be in full compliance with the Freedom of Information Act.

J. Kwan: Either the minister is trying to hide the information, or he's ignorant of the information — one or the other. Does he know or not know whether or not information received about projects by this minister for determination, whether or not those projects will be deemed to be designated under this act, be subject to freedom of information...? Yes or no? It's not that difficult.

Hon. K. Falcon: My staff has now arrived and has confirmed that yes, it will be fully compliant with the freedom of information and will be subject to the freedom of information, subject to whatever terms and conditions also allow for exemptions under the FOI. I haven't got the act in front of me, but I'm presuming the member might know what those are too.

J. Kwan: To confirm with the minister that the descriptions of the project which the minister would receive would be subject to freedom of information? I just need a simple yes or no.

Hon. K. Falcon: Through the Chair to the member: once again, yes.

Section 2 approved on the following division:
[1600-1605]

YEAS — 49

Falcon	Coell	Hogg
J. Reid	Bruce	van Dongen
Barisoff	Wilson	Lee
Hagen	Murray	Collins
Bond	Nebbeling	Stephens
Neufeld	Coleman	Chong
Penner	Jarvis	Anderson
Orr	Harris	Nuraney
Belsey	Bell	Chutter
Trumper	Johnston	Bennett
R. Stewart	Hayer	Krueger
McMahon	Bray	Les
Nijjar	Bhullar	Wong
MacKay	Cobb	K. Stewart
Visser	Sultan	Hamilton
Sahota	Hawes	Kerr
	Manhas	

NAYS — 3

Nettleton	MacPhail	Kwan
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On section 3.

Hon. K. Falcon: I move the amendment to section 3 standing in my name on the orders of the day.

[SECTION 3, in the proposed section 3 (2) (b) by deleting "create measures to replace any or all of" and substituting "approve the replacement of, and to create measures to replace, any or all of".]

On the amendment.

J. Kwan: Could the minister outline the rationale for the amendment?

Hon. K. Falcon: This section amends section 3(2)(b) to authorize the responsible minister to "approve the replacement of, and to create measures to replace, any or all of...." Then it lists the different classes of constraints.

J. Kwan: The way I read it, it's just likely grammatical errors — it seems to me. There's no significance, really, to the amendment. Am I right?

Amendment approved.

[1610]

On section 3 as amended.

J. Kwan: In relation to a project recommended by the minister, section 3 gives cabinet the power to: "By order, designate that project as a provincially significant project." From there the overriding process then begins. Will these decisions be subject to FOI?

Hon. K. Falcon: Again, this bill will be subject to FOI with all its provisions and exemptions therein.

J. Kwan: So the public will be able to access the decisions made for projects deemed to be provincially significant projects.

Will there be any role for the independent officers of the House to participate in the process? For example, if the auditor general wants to review the process that deemed a project significant, would he be able to do that?

Hon. K. Falcon: Nothing in the act restricts the role of the auditor general whatsoever, so whatever powers the auditor general has would continue to apply.

J. Kwan: The Auditor General Act has been amended as well, so when the Public Accounts Committee requests that the auditor general undertake a project.... In that case, the matter will be brought before the Public Accounts Committee for a review. I would anticipate that the Public Accounts Committee could still exercise that right to review a provincially significant project that's been designated under this act. Am I correct?

Hon. K. Falcon: Nothing in the act also restricts the scope of the Public Accounts Committee.

J. Kwan: Is there any opportunity for public oversight?

Hon. K. Falcon: Nothing in this act restricts the ability of any current provisions of public oversight.

J. Kwan: Nothing prevents it or restricts it, but has the minister planned for any public oversight processes?

[1615]

Hon. K. Falcon: There's nothing in this act that adds any additional public oversights into any of the existing public oversights that apply today. There's also nothing, as I said earlier, that restricts any public oversight.

J. Kwan: To be clear, we're talking about section 3, which deals with designation. The process for designation is through the Lieutenant-Governor-in-Council, who will consider a project in relation to which the

Lieutenant-Governor-in-Council receives a recommendation under section 2, which is a recommendation from the minister, etc. Then that triggers the designation process. My question to the minister is.... Maybe he can just tell me what opportunities there are for the public to engage in a public oversight process.

Hon. K. Falcon: We will get into the consultation process under section 4, and we'll be able to talk a little more fully about that.

J. Kwan: I anticipated that the minister might say something like that, but the fact is this. After the consultations to remove the constraints are completed, what happens, as an example, if the local government says no? The community consultation process is important, so you can't ride roughshod over it. You can't just skip over it, because that's what section 3 allows for. Can the government just sweep aside elected officials at the municipal level and override their processes? What happens when the community is opposed to fast-tracking a project?

Hon. K. Falcon: Part of that question does engage section 4, but I think I was able to carve out the section that would engage section 3. Under section 3(2)(a)(i) and (ii) it states very clearly there.... What it does say is: "Ensure that decisions they are required to make in relation to the designated project are made expeditiously." Then (ii) says, "if and to the extent that it is decided that the designated project is to proceed," facilitate the decision.... There's a certainty of process, not a certainty of outcome, under section 3.

J. Kwan: The minister actually didn't answer my question. I mean, that's precisely the point. Under section 3 the government, this minister, has the power to expedite a project, a project they'll designate as provincially significantly important. Therefore, it just moves right along. In doing that, the government can — I presume, in reading this bill, and correct me if I'm wrong — use this power to override local governments' right and authority. It can use this power to override community consultation processes, and it can use this power to override community plans. Am I not right in understanding this?

Hon. K. Falcon: The member is actually getting ahead of herself a bit. That actually is section 4 discussion. Section 3 is just referring to the designation act itself.

[1620]

J. Kwan: No, I'm not getting ahead of myself. Let me just read to the minister section 3(2)(b): "(b) the Lieutenant Governor in Council may, in the designation order or in any subsequent order, authorize the responsible minister, subject to section 4, to create measures to replace any or all of (i) specified constraints, (ii) constraints of a specified class, and (iii) any constraints affecting the designated project."

What section 3 does is give the government the authority to override a whole bunch of things. I'm asking the minister whether that overriding power includes, as I understand it, local government rights, like community consultation processes and community plans — just to illustrate by using these examples. Am I not right in understanding that?

The Chair: The member for Vancouver–Mount Pleasant has a further question.

J. Kwan: If I'm not right, I would love it for the minister to get up in this House and say, "No, you're absolutely not right" — that the government will not, under this section of the act, have the power to override local government authorities, local government rights, local government consultation processes, community plans, etc.

Hon. K. Falcon: I think the clarification that may help the member is that section 3 only gives the ability to use those powers that the member mentioned, subject to section 4. You'll see there under section 3(2)(b) it does say "subject to section 4," so it ties in very importantly to the provisions laid out in section 4.

J. Kwan: God, what does a person have to do to get a straight answer from anybody in this government? We're going through committee. Mr. Chair, you'd think it was question period all over again. Why doesn't the minister just come clean and tell people that, yes, they have the authority to override these rights — what everybody already knows.

I just want to confirm that in the language that's written here under section 3, because it is this section that gives the power to this government to override local government rights. It is in this section that the government can designate a project as provincially significant. It's when they exercise that power that they will override local government authorities to arrive at their end result. Isn't that correct?

Hon. K. Falcon: If the member reads section 3(2)(b) carefully, what it does say is that the Lieutenant-Governor-in-Council may — not "must" but "may" — in the designation order.... Then it says "subject to section 4." I'm happy to have the discussion that the member opposite wants to have, but that is really more proper once we're engaged in section 4.

J. Kwan: Okay — whatever. We'll get to section 4, but getting back to the decisions, and that's what we're dealing with under section 3. After the consultations to remove constraints are completed, what happens if a local government says no? If the local government says no.... The community consultation process is important. Can the government just sweep aside the elected officials' authority? Could they just sweep it aside? What happens when the community is opposed to the fast-tracking of a project?

Hon. K. Falcon: I think that is a perfectly legitimate question from the member, and I don't want to in any way undermine that at all. But I do want to remind the member that that actually is a discussion we need to have under section 4. I'm absolutely perfectly happy to have that under section 4, but it is not a subject that's engaged in section 3.

[1625]

J. Kwan: Well, fine. I disagree with the minister. I disagree with him, and I'll ask him exactly the same question under section 4 and then exactly the same question under section 5. Those are the two relevant sections here. You know, it's a strange happening when you have a section that relates to another in this House, and the minister refuses to answer questions in this House. It's a strange happening. Fine. We'll go with that, hon. Chair. I'll ask him exactly the same questions. In fact, I won't ask him. He already knows what I've asked him, so when we get to section 4, I'll ask him to rise and give me the answers to my questions.

Section 3 as amended approved on the following division:

[1630]

YEAS — 48

Falcon	Coell	Hogg
J. Reid	Bruce	van Dongen
Barisoff	Wilson	Lee
Thorpe	Hagen	Murray
Clark	Bond	Nebbeling
Stephens	Neufeld	Coleman
Chong	Penner	Jarvis
Anderson	Orr	Harris
Nuraney	Belsey	Bell
Chutter	Trumper	Johnston
Bennett	R. Stewart	Hayer
Bray	Nijjar	Bhullar
Wong	Suffredine	MacKay
Cobb	K. Stewart	Visser
Brice	Sultan	Hamilton
Sahota	Hawes	Kerr

NAYS — 3

Nettleton	MacPhail	Kwan
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On section 4.

Hon. K. Falcon: I move the amendment to section 4 standing in my name on the orders of the day.

[SECTION 4, in the proposed section 4 by deleting subsections (4) to (6) and substituting the following:

(4) If a proponent and an approval authority are able through the consultation process contemplated by this section to reach agreement on how a measure that is

perceived by the proponent to be a constraint on the designated project can be overcome in a manner that is consistent with the reasonable requirements of the approval authority, the parties must

(a) enter into an implementation agreement in which (i) the measure that is perceived to be a constraint is identified,

(ii) the measures that the parties have agreed are to replace the constraint are specified,

(iii) the approval authority agrees to waive performance of the constraint identified in subparagraph (i) if the proponent performs the replacement measures specified under subparagraph (ii), and

(iv) the proponent agrees to perform the replacement measures specified under subparagraph (ii), and

(b) submit the implementation agreement to the responsible minister for approval.

(5) If an implementation agreement is submitted to the responsible minister under subsection (4) (b), the responsible minister may approve the agreement if the responsible minister has been authorized, under section 3 (2) (b), to approve the replacement of the constraint identified in that agreement.

(6) If, after an implementation agreement is entered into under this section in relation to a designated project, the implementation agreement is approved by the responsible minister under subsection (5) and if the replacement measures specified under subsection (4) (a) (ii) are complied with, the following apply to the project whether or not the project loses its designation as a provincially significant project after the implementation agreement is made:

(a) compliance with the replacement measures is deemed to be full compliance with the constraints they replace;

(b) the approval authority must treat the project as having fully complied with the replaced constraints and, without limitation, must

(i) issue or provide, or facilitate the issue or provision of, the permits, approvals and consents that would normally be issued or provided had the replaced constraints actually been complied with, and

(ii) take, or cause to be taken, any actions that would normally be taken had the replaced constraints actually been complied with.

(7) For the purposes of subsection (6) (b), an approval authority referred to in that subsection must issue or provide, or facilitate the issue or provision of, the permits, approvals and consents referred to in subsection (6) (b) (i), and must take, or cause to be taken, the actions referred to in subsection (6) (b) (ii), in the manner, within the time and on the terms and conditions that

(a) are specified in the implementation agreement, or

(b) if not specified in the implementation agreement, would normally apply had the replaced constraints actually been complied with.]

Amendment approved.

On section 4 as amended.

J. Kwan: For the benefit of the members of the House, I will be canvassing a few questions with the minister on section 4, and then we'll move on to section

5, on which I have a few questions. I'll be calling division on section 5. For those who need the exercise, they should go out and come back. For those who don't, they can stay and enjoy the debate.

The Chair: Can the member please stick to section 4.

J. Kwan: Mr. Chair, my question to the minister he already knows for section 4, which I stated under section 3.

The Chair: It's on the amendment?

J. Kwan: No. You already passed the amendment, I thought. Same questions that I tabled under section 3....

[1635]

Hon. K. Falcon: Section 4 lays out the consultations required for the removal of constraints. The important thing I would point out to the member, which I think is very important, is that any proponent must — not may but must — consult with the approval authority — whether that's local, as in the case the member is mentioning, or the provincial approval authority. It goes on to state that they must facilitate any reasonable requirement of the respective approval authorities, which I think is also very important. The bill then allows that should there be a case where — even though the requirement to consult with the approval authority is in place and the approval authority has made reasonable requirements — there is an allegation that there is unreasonableness taking place, then the minister may, in an additional step, appoint a facilitator to come in — under section 8 but referred to here — to facilitate the conditions, to do some work in finding out what the fact base is, etc., and try and resolve the subject or whatever the perceived constraint may be.

Then there is an option for the proponent and the approval authority to reach agreement on an alternative process. They may decide to work together, identify what the constraint is, come up with a mutually agreed-upon agreement on an alternative process which will allow the project to move forward while still meeting the needs of the approval authority. That is something that can be jointly agreed upon, subject to the approval of the minister. I believe that sums it up.

[K. Stewart in the chair.]

J. Kwan: The question is if there is no agreement with the local authority.... That's the point here. The whole point here about this bill in its entirety is that it gives the government the ability to override and run roughshod over local government authority. The minister can say: "Well, you know, they have to go and ask them to see what they think, and then there can be a facilitator and all those kinds of things, and then hopefully they'll come to an agreement." The point is that if there is no agreement, does cabinet therefore have the power to override local government authorities, over-

ride a local government's decision on its community consultation processes, override local government's decisions on their community plans? Isn't that correct?

Hon. K. Falcon: Section 4 is simply talking about the consultative process that has to take place. The member is actually referring to section 5, I believe, in the heart of her question. The key thing under section 4 is that we've put into place a process that must be followed to ensure that there is a dialogue and a spirit of dialogue that can be created. A proposal is designated by cabinet, thereby signalling everybody that this is provincially significant. What section 4 does is say that we want to make sure the proponent must deal with the approval authority, and we want to make sure they do so with the reasonable requirements of the approval authority. We make sure we build into place the ability to bring in a facilitator if that is necessary to help this dialogue. All of that speaks to the consultation requirements that are all specifically laid out in section 4. The heart of the member's question is actually engaged in section 5.

J. Kwan: Isn't that funny? I asked the question of the minister under section 3 of where the government makes those decisions. Then he goes: "Oh no. I'll answer that question under section 4." Now we're at section 4, and he goes: "Oh no. I will answer that question in section 5." The minister can keep delaying and delaying however long he wants. At some point in time he's got to own up to it.

[1640]

By the way, the consultation process the minister tries to put out softly, as though somehow the government won't be riding roughshod over local government authorities and the government won't be overriding their decisions and authorities.... Guess what. The UBCM don't buy it. They already said to this minister that you have betrayed, I would argue, the commitment to UBCM that the government has put out under the Community Charter. The Community Charter goes to recognize local government and their authority, and so on and so forth. There was much fanfare when the Premier said he was going to put the Community Charter in place at the UBCM. Now the ink on the Community Charter is barely dry, and the government is bringing in legislation that would override the Community Charter.

The minister can delay all he wants in answering the question, but it doesn't change the fact of what he is trying to do. That's fine. I will wait for the minister's answer to the exact same question under section 5.

Section 4 as amended approved.

On section 5.

J. Kwan: I'm waiting for the minister's answer.

Hon. K. Falcon: I appreciate the member's forbearance in that. I can recognize the frustration of me hav-

ing to say it comes up in the following section, so I appreciate that. Section 4, as the member knows, laid out the consultation requirements.

J. Kwan: It passed. Move on.

Hon. K. Falcon: That's right. It did pass.

If we run into a situation where there is a breakdown in all of those steps that have been put in place to ensure dialogue and to ensure that the process — after all, this is a streamlining act — moves the review and decision process along, then section 5 can be engaged. I think the critical thing here in section 5 is that we're now dealing with what, by any definition, would be an unreasonable approval authority to the extent that we've had every opportunity for the issues to be worked out under section 4, and we've now run into a barrier where that still is creating a problem.

Section 5 then requires and allows the minister responsible to make an order regarding replacement measures to specifically deal with whatever particular barrier is holding up the ability to expedite the review and decision processes. What is important in section 5, especially in subsection (2), is that it requires the minister responsible to consult with the proponent, the affected approval authority and any facilitator that would have likely been engaged under section 4.

J. Kwan: Well, the minister tries to skate over the question, and he's all over the map about it. He tries to hide and say: "Well, you know, there's this process, and we'll talk to so-and-so, and then we'll go and talk to so-and-so." The net result is — and this is the most pertinent part to this bill and to this section, as it related to section 4, as it related to section 3 — that if the government, the cabinet and through all of these processes the minister responsible, in talking with the local authority, cannot arrive at a place where they agree with each other, even if you use a mediator.... You can use whatever you want. If there's no agreement at the end of the day, under this bill, in this section, could the cabinet use their power to override local government authorities and local government rights?

Whether it be for a community consultation process or a community plan or any of the local government authority decisions — it could be local bylaws that have been set up by the local government; it could be the zoning requirements — if at the end of the day there is no agreement through all of the processes outlined, could cabinet override local government authorities?

[1645]

Hon. K. Falcon: What is critical to remember here is that the minister must abide by the reasonable requirements and a proponent must abide by the reasonable requirements of the approval authority. It is only if there is unreasonableness associated with an approval authority, and I might point out — this is, I think, very significant — that this is actually an equal discipline. It's an equal discipline on both provincial approval

authorities and local approval authorities, which is one of the reasons why the bill has also generated considerable support among local government leaders who appreciate the fact that this also can impose a discipline on provincial approval authorities.

What is being engaged here is that if we have a decision where an approval authority — whether it be a local approval authority or a provincial approval authority — is clearly acting unreasonably, then yes, it does allow for a replacement measure following discussions with the proponent, with the approval authority and presumably with a facilitator. That replacement measure would only be implemented to address whatever the issue was that was unreasonable in terms of the approval authority. What would happen is that the replacement measure would replace the unreasonableness with a reasonable measure to allow the review and decision process to continue.

J. Kwan: The minister keeps using the word "unreasonable." Unreasonable in whose terms? If local government says, "Here's our community plan, and you have to go through this, this and this, and this is the direction we want to go," and the provincial government comes in, and they say: "That community plan doesn't fit our game plan, and we want to build" — actually, let's just use the example — "a fish farm right there in the middle of that lake, because that's what we want to do...." Local government says, "That's a great thing for us. We want it," or local government says: "No, that doesn't fit our community plan, and by the way, it violates all kinds of environmental standards and we don't like it, so we disagree with that." Using that example, this government, this minister, could rise and say: "Well, that's not reasonable, those local government types, and we're going to use this bill to override their authority."

Isn't it right that at the end of the day, this bill gives the cabinet the authority to override local government decisions, bylaws, authority, community processes, community plans? Isn't that right? Why is the minister having such a hard time admitting that?

The UBCM, by the way, have expressed to the opposition that they don't like this bill, and they don't agree with the government's sweeping power to override their authority. That's exactly what this bill is doing. What is the minister trying to hide?

Hon. K. Falcon: It's very important, I think, to point out to the member opposite that yes, there are some portions of UBCM leadership that do not support the bill. But I think it's important to point out that government has always had those powers that the member is mentioning in terms of override provisions under section 874 of the Local Government Act — rarely used, I might add, just as this bill will be very infrequently used.

This bill is meant to ensure that as opposed to using the blunt instruments we have under section 874, which allow us to override all the things the member mentioned in local government issues, this bill allows

cabinet, by designation, to say: "This is a really important project with broad provincial or environmental benefits. Because of that, we want to ensure we have a way to work cooperatively to make sure that just the review and process provisions which government puts a project through are done expeditiously."

It is not guaranteeing a certainty of outcome; it is guaranteeing a certainty of process. Right now in British Columbia, sadly, after many, many years of a whole lot of process being added to government, it often takes years — up to a decade — for projects to be approved. We think that the province can do better. We certainly think that local governments, working in cooperation with the provincial government, can do better. It's something we can work cooperatively on when a project is considered in the provincial interest.

[1650]

J. Kwan: Funny how it is, because the minister says: "Oh, there are only a few of the leadership at the UBCM that disagree with this bill." Guess what. In case the minister missed it, UBCM passed a resolution opposing this bill as recently as September, saying that no, the government should not have this authority. The past president wrote to this minister after she met with the minister, saying: "This overriding power of local government authority stinks, and we don't support it."

The Local Government Act. Yes, it's true. There's a section that gives some overriding powers to provincial government, and it has not been used in the last 25 years. More than that, the past president writes — and I quoted this onto the record already — to say this compares nothing to that section of the act. This is far more sweeping, because when we get to it under section 11, it basically gives all overriding powers of all legislation in this bill.

Just for the record.... I want to challenge the minister's comment that only a few people within the UBCM disagree with this, because we got a letter. The opposition got a letter as recently as November 24. Guess what. The current president of the UBCM writes to the minister....

Well, actually, before I get to that, let me put on the record the municipalities that don't agree with the minister's position and that oppose Bill 75: the city of Armstrong, the district of Bowen Island, the city of Burnaby, the village of Cache Creek, the regional district of Central Okanagan, the district of Central Saanich, the town of Creston, Delta, Fort St. James, Gibsons, greater Vancouver regional district council of councils, Greenwood, Hazelton, Kaslo, Kelowna, Kitimat-Stikine regional district, Langley, Lillooet, Logan Lake, Lumby, Maple Ridge, Mission, Nanaimo, Nelson, North Van, Port Coquitlam, Qualicum Beach, Rossland, Saanich, Salmon Arm, Sicamous, Silverton, Smithers, Sparwood, Squamish, Squamish-Lillooet regional district, Sunshine Coast regional district, Telkwa, Vancouver, Vernon, Victoria, Wells, district of West Van. The groups are adding up. The list is growing longer and longer day by day.

The minister can pretend all he wants that the UBCM thinks this is great. Well, they don't. They don't, and that's the truth, Mr. Chair.

I'll give the minister one more chance just to come clean and answer the question and be straight up. We already understand it is the case, and all he has to do is confirm it — that the government, under this bill, has the authority to override local government authorities if they are in disagreement. In the processes that have been outlined, if they are in disagreement, they have that authority. Section 5(1) says this:

"If, at any time, the responsible minister considers that the proponent and an approval authority are not able, or will not be able, to reach an agreement contemplated under section 4 (4) in relation to a constraint, and the constraint is one that the responsible minister has been authorized under section 3 (2) (b) to replace, the responsible minister may

- (a) develop detailed measures to replace the measure that is perceived to be a constraint, and
- (b) set out those replacement measures in an order."

When I ask this question of the minister under section 3, he says go to section 4. When I ask the question under section 4, he says go to section 5. Well, the end of the food chain has arrived. We're now in section 5. Come clean. Answer the question.

[1655]

Hon. K. Falcon: No, I've actually been very clear what section 5 is all about. Section 5 follows a process that was laid out in section 4 to ensure that unlike the powers we have under 874, which is an override provision.... Let's be very clear about that. Section 874 of the Local Government Act is an override provision. It allows the province to override local government.

What this bill does that is very different is allow for extensive consultation to ensure there's a cooperative dialogue. It allows for the use of a facilitator, which is also important. Sometimes you want to make sure you have someone independent come in and take a look at the facts to make sure, as the member is concerned about, that you haven't got a case where somebody is exhibiting a bias toward the particular constraint. Then, as the member correctly points out, you've got the ability to implement the replacement measure for the specific barrier that has been identified as being a constraint.

But even there, again it says that prior to putting into place the replacement measure, the minister must consult with the proponent, with the affected approval authority and with any facilitator that had been engaged. I think it's fair to say, as the member correctly does, that there are some elements of UBCM that candidly said to me.... Frank Leonard is president — you're absolutely correct — and said to me that he absolutely preferred a case where no disciplines would be imposed on the local government level.

They love the fact that there were disciplines being imposed at the provincial approval level but not at the local approval level, and that's where I as a reasonable person part ways. I believe the whole purpose of this bill is to recognize that we are talking about provin-

cially significant projects whereby the province has indicated, through the use of the guidelines, that there is a provincial interest here — a broader provincial interest.

The local government interest is very, very important, and there's no question that everything we do fully respects local government. In fact, this bill is entirely consistent with section 2(2) of the Community Charter, which states — and I paraphrase — that nothing within the charter shall in any way take away from the responsibility of the province to act in the interests of the citizens of British Columbia generally.

So I'm actually very proud of the fact that we have a very balanced piece of legislation here that says when there is a project that is really important to the province and really important to the citizens of British Columbia and generally, then rather than use an 874 that would just be a very blunt override that has no provisions whatsoever for the kind of consultative process we have put into place in this bill, this bill actually ensures that there is a consultative process.

I must say that I have worked hard to try and work with local government and UBCM to address the concerns they raised, and I have no doubt that in the minds of the president and the past president, they are important concerns. I briefed them fully on the bill back in April of this year, which is about six months ago and since that time have written them and actually incorporated two of the important recommendations that came out of that April briefing.

I will qualify this by saying I want to repeat, to be very accurate, that the overall impression of the table executive I met with was that they'd prefer not to have any disciplines whatsoever imposed on local government: "We like the fact you're putting it on the provincial approval authorities but not on the local approval authorities."

When I indicated that that was inconsistent with the whole purpose of the bill, which is to provide and lend some degree of certainty at least of process, then they suggested to me that there were two important issues. The first was that the bill emphasize the infrequent nature — that it won't be used all the time. The second was that it should emphasize the cooperative portion of working together of respective levels of government. This bill has done exactly that.

We changed the name, by the way, to signify the fact that this applied just to provincially significant projects. The bill was originally named the economic development streamlining act. To give further comfort to local governments, we changed the name to the Significant Projects Streamlining Act to emphasize in the title, certainly, that this is just referring to those projects that rise to the level of provincial significance.

The second thing we did was ensure, based on the letter I received from former president Pat Wallace, that we do incorporate the cooperative nature they had recommended. That's why section 4 goes through all those steps — to ensure, as I mentioned earlier, that we have a whole bunch of steps in place so that the proponent must deal with the approval authority — not

"may" but "must." They must meet the reasonable requirements of that authority.

[1700]

If there is still a breakdown, we have the ability to work with the proponent, the local government, to ensure that through the use of an independent facilitator, we try to resolve whatever that perceived challenge is.

Then under section 5, if there is still a problem, if there is clearly an unreasonableness with one of the levels of government's approval authorities, we have the ability to, in a very focused way, put into place a replacement measure, but only a replacement measure that will replace the unreasonableness of the approval authority with a reasonable measure to allow the continuation of the expedited process.

J. Kwan: The list grows, as I was mentioning, of the local governments that disagree with this minister and this government's approach under Bill 75. Guess what. Other people, other municipalities have written to ask for the province to withdraw the legislation: the village of Anmore, the regional district of Cariboo, the city of New West, the regional district of Peace River, the city of Richmond. Communities and local governments asking for the legislation to change are the district of Powell River and the city of Surrey.

[H. Long in the chair.]

For the minister to suggest the local governments and the UBCM would prefer the government not to do this.... I would say that's an understatement of the century, Mr. Chair, because here's their letter and what they said — not my words but the words of the president of UBCM in a letter that he wrote and sent to the minister on November 24.

"This is to restate the UBCM executive's position regarding Bill 75 and address issues raised during our recent discussions. We also want to express our appreciation for these meetings during the past two weeks and the facilitation of these sessions by Minister George Abbott.

"We hope we've made clear to you our support for timely reviews and decisions by all levels of government of projects that bring not only economic benefit to our communities and our province but also those that provide social, cultural and environmental benefits. The UBCM is currently advocating best practices to our membership, and we are working with the provincial government and the private sector on best practices guides.

"We also wish to emphasize the fundamental principles that exist in the legislation that govern our members. We are the most open, transparent and accountable level of government, and the Local Government Act and the new Community Charter have significant measures that ensure the democratic rights of our citizens. That is why we find the generalities in Bill 75 that allow ministerial overrides of any local government decisions foreign and unacceptable.

"The UBCM has proposed that Bill 75 be amended to exclude local government. You have rejected that proposal outright. Subsequently, in our meetings we

have put forward several compromise amendments to limit the scope of the bill as it affects local government and to introduce some openness and consultation to the decisions that override the democratic decisions made by our council and boards. Once again, you have rejected every amendment proposal we have put forward.

"Finally, you have agreed to consider a process for the provincial government and the UBCM to prepare guidelines and criteria as to how Bill 75 will be applied to local governments. We must once again stress that we take little comfort in such arrangements outside of legislation because they have no means of enforcement.

"Thus, we're asking, as an act of good faith by the provincial government, that the bill be amended so that guidelines and criteria be developed and agreed to prior to the bill's imposition on our member governments and the citizens they serve. This can be accomplished by amending Bill 75 to allow the provisions of the bill to be brought into effect by regulation and stating that local government will not be brought under the legislation while the guidelines and criteria are being developed.

"Letters conveying council and board resolutions in support of the UBCM executive's opposition to Bill 75 are pouring in from our members, although I acknowledge you have recruited support for this bill as well. Yet good governance is not about who has the largest stack of letters. Our members and the citizens of our communities enjoy democratic rights that are exercised at council and board meetings where the decisions affecting them are made. The spirit of this longstanding tradition was recently expressed in the principles of the Community Charter your government passed this spring.

"Therefore, we implore you to support this amendment. That amendment would be to have the act come into force by regulation accompanied by a commitment from the government not to bring local government under the act until guidelines and criteria are finalized. This will provide an opportunity to give some good measure of protection to these principles and rights through guidelines and criteria.

"Sincerely,
Mayor Frank Leonard
President"

[1705]

For the minister to suggest he's made changes.... To be polite, those changes that he's made at the request of UBCM barely touch on the periphery of the substance that needs to be changed. For the minister to say he's changed the title of the act as though somehow that's significant, that's like changing a name from Big Bully to Big Bull. It doesn't help.

Let's be clear. What we've got here is that the government is bringing forward a measure to override local governments' authority and decisions. That is to say that after all the consultation is said and done, if this minister and this government do not like local government decisions, they will say: "Too bad. We're the senior level of government. We have a piece of legislation that says our power overrides yours, and that's how we're going to proceed."

It's as though local governments don't actually care about economic prosperity for their own communities, don't care about the well-being of their communities. Of course they do, but they also want to make sure their decisions are made on the basis of a balance of a

number of competing demands — namely, social, cultural, economic and environmental demands — not a one-sided or lopsided approach where money is the driving force for this government and for our communities, and be damned with everything else.

I note the minister is not going to answer my question outright, but the people know what the answers are. Let me ask the minister this question: will the information surrounding the minister's order be subject to FOI?

Hon. K. Falcon: To restate, I want to be very clear that this act will be fully compliant with all provisions of the Freedom of Information Act in its entirety. To respond briefly to the member, I thank the member for reading into the record the letter from Mayor Leonard, as president of UBCM. The member made reference to the fact and the acknowledgment in that letter that there was considerable support among the mayors for this bill too. Really, that's not to say there's anything wrong with the fact that there are differences of opinion.

I think the critical thing is and the concern that some mayors have had.... What I've found in my discussions with them, frankly, was that the concerns were raised as a result of a letter they received from UBCM, and that's legitimate. In talking to me and once they had an understanding of these sections of the bill, particularly the consultative provisions.... I found that lends a lot of comfort to this bill.

The member should probably acknowledge one of the things that is a reality in public life. Even though governments have powers to override local governments, as they do under section 874, those powers have been there — as the member correctly pointed out — for at least 25 years, and they're rarely, if ever, used. The point of departure I have with my friends at UBCM — and many of them are indeed just that — is that I think local government does a fantastic job. All of the councils that member mentioned in her recitation do excellent jobs in representing the local interest. I have absolutely no quarrel with that.

This bill, though, suggests there are times at which there is a broader provincial interest, and that broader provincial interest at times needs to be respected to the extent that if there is a sense there is a broader provincial interest, let's make sure we have an ability to engage in a cooperative dialogue to ensure we allow the broader provincial interest to at least have some resonance in the debate.

[1710]

I believe very strongly that this bill has done that, and that's why I stand very proudly in introducing this bill. I believe it strikes a balance, and I think balance is very important.

Though the letters from the UBCM and some of those resolutions suggest that the provincial government will now engage in routine overrides of all provincial government decisions, that is as unlikely. The reality is that it has rarely done so, as the member herself has said, under the existing powers that we already

have under section 874. Just as we would rarely use those powers that we already have under 874, so will we rarely, I believe, have to use any of the replacement measures that would only come into play after all of the substantive consultations and independent facilitators, etc., come into play here.

J. Kwan: I just want to correct one thing on the record that the minister said. He claims that the Local Government Act actually already does what this bill does. That is simply wrong and false. You know, the words are not from me but from the past president of the UBCM, who writes that the Local Government Act referred to does not provide a sweeping override of all bylaws. That's what Bill 75 does. Furthermore, she writes that the section 874 defence — that is, the existing Local Government Act section — in the context of expanded powers today, is a weak, ineffective and offensive justification. These are the words of the past president of the UBCM, Pat Wallace.

I know it is the habit of this government and this minister to try and hide behind old legislation. They say: "Everything is the same." It's simply not true. It's false; it's wrong. He's being called on it by the past president of the UBCM. To put it on record: to my count, the number of municipalities, regional districts and councils who oppose this bill.... There are 49 of them — the groups that I read out earlier.

We can debate this on and on and on, but the fact is that the government is bringing forward powers that would override local government authority. The minister can justify it all he wants. The justification doesn't wash. Let me ask the minister this question on subsection (5)(a), which states: "Compliance with the replacement measures is deemed to be full compliance with the constraints they replace." What happens when the constraints replaced are environmental regulations? What is the impact on due diligence and liability if something goes wrong?

Hon. K. Falcon: The due diligence would be undertaken in the issue of a replacement measure. It would engage section 8, which deals with the ability to hire experts of whatever nature may be required, so that would undertake the issues of due diligence.

The further question of liability. Were the province to introduce a replacement measure to replace an existing measure, then the liability would be in place with the province for that particular replacement measure.

[1715]

J. Kwan: Just to be clear, section 8, "Responsible minister may appoint consultants and experts," reads: "Without limiting any other provision of this Act, the responsible minister may at any time appoint facilitators, monitors, consultants and experts and set their remuneration and the terms of their appointments." It says nothing whatsoever around due diligence. Section 8 actually doesn't talk about that. I just want to point that out.

The one thing that's good in the answer from the minister is that the province would be responsible for liability. That's important to get on record for the municipalities. If they ride roughshod, make these decisions and something goes wrong, it is the province who is responsible, not the local government. It's the provincial government who made those overriding decisions who's responsible. That's good to get on record.

Subsection (5) states: "For the purposes of subsection (4) (b), an approval authority referred to in that subsection must issue or provide, or facilitate the issue or provision of, the permits, approvals and consents referred to in subsection (4) (b) (i), and must take, or cause to be taken, the actions referred to in subsection (4) (b) (ii)...." What happens if the approval authority refuses to comply with the minister's order? As a matter of principle, say the community really doesn't want a polluting mill in the middle of their neighbourhood. What happens? Are the penalties associated? What are the consequences for the local government?

Hon. K. Falcon: I think the important thing to point out is to just reiterate that there are all these steps in place to ensure that we can try and get through these things as cooperatively as possible. In terms of the thrust of the member's question, I believe and will always believe that governments at all levels will obey the law as it stands.

J. Kwan: What if the local government really disagrees? What happens? What consequences do they face in that situation?

Hon. K. Falcon: Well, you know, again I'll just really emphasize the point that I'm not going to hypothesize as to whether a government would break the law. I don't believe governments would. I think what's more important is to recognize and reiterate the important fact that there is a whole bunch of process in place here on purpose to ensure that in this respect, before a replacement order ever has to be made, we make sure we go through all the dialogue necessary with independent facilitators, etc., to ensure that we are only dealing with unreasonable approval authorities and dealing specifically with the unreasonable nature of whatever measure is the problem.

J. Kwan: It's unfortunate the minister won't come clean and tell local governments what consequences they face if they don't go along with this hammer that the minister and this government are bringing down on them. I think they have the right to know. The minister can say all he wants that there are all these processes. The issue is: when there's no agreement on these processes, what happens? Yes, the government will have the authority, then, to override local governments' decisions. That's what happens. If the local government protests that, what will happen to them?

[1720]

Well, we don't know, and I guess we'll just have to wait and see. Local governments may well have to test

the theory, and matters may end up in court. Who knows? Chaos in the community. Instability perhaps. Who knows? We'll wait and see.

Hon. Chair, the opposition does not support this section of the bill for all the obvious reasons that I outlined — most notably that the government is going to ride roughshod over local governments and that at the end of the day they have, in putting in legislation, the overriding authority of local governments. At the protests of local governments, UBCM executives and many community groups, communities, councils and regional boards, etc., this minister is ignoring their concerns and their protestations. This minister is saying that by doing this, the Community Charter that was just brought in is irrelevant. The opposition does not support this bill and this section of the bill.

[1725]

Section 5 approved on the following division:

YEAS — 47

Falcon	Coell	J. Reid
van Dongen	Barisoff	Wilson
Lee	Thorpe	Hagen
Murray	Clark	Bond
Stephens	Neufeld	Coleman
Chong	Penner	Jarvis
Anderson	Orr	Harris
Nuraney	Belsey	Bell
Trumper	Johnston	Bennett
R. Stewart	Hayer	Krueger
Bray	Les	Nijjar
Bhullar	Wong	Suffredine
MacKay	Cobb	K. Stewart
Visser	Brice	Sultan
Hamilton	Sahota	Hawes
Kerr		Manhas

NAYS — 2

MacPhail	Kwan
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Section 6 approved.

On section 7.

J. Kwan: Section 7(5) states: "An oral or written statement or report made by a monitor or any other person in an investigation under this section has qualified privilege." Could the minister please explain: what is qualified privilege? Will these reports about qualified privilege be available for the public or the Legislature to review?

[1730]

Hon. K. Falcon: The purpose of the clause that the member mentions, which is section 7(5) having refer-

ence to qualified privilege, is to ensure that a monitor's inspection and subsequent report can be made without fear of being sued for defamation — as long as the comments, of course, were suitable in the context and not made in bad faith. That's really all it speaks to.

J. Kwan: Would the reports arising from this clause of the bill be subject to FOI? Would the public be able to get access to them? Would the Legislature be able to get access to them and review them?

Hon. K. Falcon: Just to reinforce again a point that I have made numerous times — but I think it bears repeating, particularly when raised by a member — the Freedom of Information Act will apply in all its form to this act in its entirety.

Section 7 approved on division.

Sections 8 to 10 inclusive approved.

On section 11.

J. Kwan: Section 11 states: "If there is a conflict between this Act and any other enactment, this Act prevails."

Before I get into the bigger issues, I have a technical question. Section 71 of the Coastal Ferry Act, which is Bill 18, states: "In the event of a conflict between this Act and any other enactment, this Act prevails." What happens if B.C. Ferries wants to establish a new service between Victoria and Richmond for the Olympics, let's just say, and the B.C. Ferries commissioner, who is the regulator, says that is not economic and should not be approved? Could cabinet invoke Bill 75 to override the ruling and processes of the Ferries commissioner?

Hon. K. Falcon: Over the years there have been all kinds of interpretive provisions that have arisen, which speak to the question of paramouncy between bills that have sections like that.

J. Kwan: Yes, and the question is: which one overrides — Bill 75 in this instance or the Ferries commissioner?

[1735]

Hon. K. Falcon: The issue the member raises is really a question of paramouncy between two bills with similar clauses. As I indicated, there is a body of interpretive decisions over the years that has built up. What would happen in the event of a specific case where there is a question of paramouncy is that the legal minds that are so prevalent in British Columbia would then look at the specifics of the situation and make a determination, based on previous interpretive decisions, as to which paramouncy would be in place. I can't add anything more knowledgeably to that, to be honest.

J. Kwan: Well, how many other acts contain this kind of language — this conflicting language?

Hon. K. Falcon: I frankly don't know. I'm not sure if anyone in the government knows exactly how many.

Perhaps what will lend some comfort to the member is that I do know there were several acts passed by her government that had the same provision. I'm happy to give her a few of them. I've got a list: the Freedom of Information and Protection of Privacy Act in 1996, which is indeed important, because we've talked about that several times; Community Financial Services Act in 1994; the Tax and Consumer Rate Freeze Act in 1996, etc.

J. Kwan: Well, this is interesting, because yesterday the minister, when I asked and canvassed questions under definitions about the Park Act or the Wildlife Act... Both also have the same language of paramountcy, and I asked the minister if this act, Bill 75, would override the Park Act or the Wildlife Act. The minister said no, the environmental standards would not be overridden. It's interesting, though, because if you just listen to the minister's answer earlier on the B.C. Ferries situation, he couldn't say whether or not the B.C. Ferries commissioner would have paramountcy over this act. He couldn't say what other acts have the similar language and who would have paramountcy. It's all up in a cloud from here on in. That's basically a summary of what happened yesterday and today.

The section goes on to make exemptions to the Agricultural Land Commission Act and the Environmental Assessment Act. However, the exemptions did not really mean anything. Last year the government passed legislation that gutted the environmental assessment process. The Minister of Sustainable Resource Management already has total control. No need to worry about that here. Furthermore, the government eliminated many of the valuable consultation processes, like the project committees that existed.

Section 11 is meant to make people feel that environmental regulations are actually protected when in fact they're not. The Park Act prohibits the expansion of industrial activities in parks across the province. The Liberals made a promise during the election not to log or mine in parks, and I would assume that also applies to other industrial activities. If they are in fact committed to protecting B.C.'s valued park system, they will have no problem supporting the amendment I'm bringing forward now.

The reason I'm bringing the amendment forward is because the minister's answers are contradictory. I have no way of actually knowing which part of his answer would actually stand, because it's all over the map. To be clear and to be safe, then, I would like to move the following amendments.

[1740]

I move the amendment as follows:

[SECTION 11, by deleting subsection (2) and substituting the following:

(2) Subsection (1) does not apply in the event of a conflict between this Act and

- (a) the Agricultural Land Commission Act and the regulations made under that Act, or
- (b) the Environmental Assessment Act and the regulations made under that Act, or
- (c) the Drinking Water Protection Act and the regulations made under that Act, or

- (d) the Environmental Management Act and the regulations made under that Act, or
- (e) the Fisheries Act and the regulations made under that Act, or
- (f) the Forest Act and the regulations made under that Act, or
- (g) the Forest and Range Practices Act and the regulations made under that Act, or
- (h) the Forest Practices Code of British Columbia Act and the regulations made under that Act, or
- (i) the Integrated Pest Management Act and the regulations made under that Act, or
- (j) the Water Act and the regulations made under that Act, or
- (k) the Wildlife Act and the regulations made under that Act.]

On the amendment.

J. Kwan: The reason why I'm moving this amendment is obvious. These acts should have protection. Paramountcy should be spelled out, and these acts should override Bill 75 when it comes to paramountcy.

[1745]

Amendment negated on the following division:

YEAS — 2

MacPhail

Kwan

NAYS — 48

Falcon

Coell

J. Reid

van Dongen

Barisoff

Wilson

Lee

Hagen

Murray

Clark

Bond

Stephens

Neufeld

Coleman

Chong

Penner

Jarvis

Anderson

Orr

Harris

Nuraney

Belsey

Bell

Chutter

Trumper

Johnston

Bennett

R. Stewart

Hayer

Krueger

Bray

Les

Nijjar

Bhullar

Wong

Suffredine

MacKay

Cobb

K. Stewart

Visser

Lekstrom

Brice

Sultan

Hamilton

Sahota

Hawes

Kerr

Manhas

J. Kwan: I rise to move another amendment standing in my name, amending Bill 75, intituled Significant Projects Streamlining Act, section 11, by deleting subsection (2) and substituting the following:

[SECTION 11, by deleting subsection (2) and substituting the following:

(2) Subsection (1) does not apply in the event of a conflict between this Act and

- (a) the Agricultural Land Commission Act and the regulations made under that Act, or

- (b) the Environmental Assessment Act and the regulations made under that Act, or
- (c) the Park Act and the regulations made under that Act.]

The Chair: Members, this is the second of four amendments. There will be a division on each of the amendments. Is it the pleasure of the committee to waive the time?

Leave granted.

[1750]

Second amendment negatived on the following division:

YEAS — 2		
MacPhail		Kwan
NAYS — 48		
Falcon	Coell	J. Reid
van Dongen	Barisoff	Lee
Hagen	Murray	Clark
Bond	Stephens	Neufeld
Coleman	Chong	Penner
Jarvis	Anderson	Orr
Harris	Nuraney	Belsey
Bell	Chutter	Trumper
Johnston	Bennett	R. Stewart
Hayer	Krueger	Bray
Les	Nijjar	Bhullar
Wong	Suffredine	MacKay
Cobb	K. Stewart	Visser
Lekstrom	Brice	Sultan
Hamilton	Sahota	Hawes
Kerr	Wilson	Manhas

J. Kwan: I move another amendment standing in my name for Bill 75, intituled Significant Projects Streamlining Act, as follows:

[SECTION 11, by deleting subsection (2) and substituting the following:

(2) Subsection (1) does not apply in the event of a conflict between this Act and

- (a) the Agricultural Land Commission Act and the regulations made under that Act, or
- (b) the Environmental Assessment Act and the regulations made under that Act, or
- (c) the Community Charter and the regulations made under that Act, or
- (d) the Community Charter Transitional Provisions, Consequential Amendments and Other Amendments Act, or
- (e) the Local Government Act and the regulations made under that Act.]

On the amendment.

J. Kwan: The reason why I'm moving this amendment is obvious. Local governments do not agree with this government's decision in having overriding powers of local government authority. This exempts the acts that apply to local government, so that paramountcy will prevail with local governments and not Bill 75.

Third amendment negatived on the following division:

YEAS — 3		
MacPhail	Kwan	Lekstrom
NAYS — 47		
Falcon	Coell	J. Reid
van Dongen	Barisoff	Wilson
Lee	Hagen	Murray
Clark	Bond	Stephens
Neufeld	Coleman	Chong
Penner	Jarvis	Anderson
Orr	Harris	Nuraney
Belsey	Bell	Chutter
Trumper	Johnston	Bennett
R. Stewart	Hayer	Krueger
Bray	Les	Nijjar
Bhullar	Wong	Suffredine
MacKay	Cobb	K. Stewart
Visser	Brice	Sultan
Hamilton	Sahota	Hawes
Kerr		Manhas

[1755]

On the main motion.

The Chair: Division has been called. Again, members, shall we waive the time?

Leave granted.

Section 11 approved on the following division:

YEAS — 47		
Falcon	Coell	J. Reid
van Dongen	Barisoff	Wilson
Lee	Hagen	Murray
Clark	Bond	Stephens
Neufeld	Coleman	Chong
Penner	Jarvis	Anderson
Orr	Harris	Nuraney
Belsey	Bell	Chutter

Trumper	Johnston	Bennett
R. Stewart	Hayer	Krueger
Bray	Les	Nijjar
Bhullar	Wong	Suffredine
MacKay	Cobb	K. Stewart
Visser	Brice	Sultan
Hamilton	Sahota	Hawes
Kerr		Manhas

NAYS — 3

MacPhail	Kwan	Lekstrom
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On section 12.

J. Kwan: I move the amendment standing in my name to this section of Bill 75, intituled Significant Projects Streamlining Act, as follows:

[SECTION 12, by adding the following subsection:
(3) This Act comes into force by regulation of the Lieutenant Governor in Council.]

On the amendment.

J. Kwan: Mr. Chair, the reason why I'm moving this amendment is at the request of UBCM, who just sent the opposition a letter that the president, Frank Leonard, had written to the minister. The letter asks for the provincial government, in the minimum, to make an act in good faith "that the bill be amended so that the guidelines and criteria be developed and agreed to prior to the bill's imposition on our member governments and the citizens that they serve."

It goes on to say, Mr. Chair: "Therefore we implore you to support this amendment. That amendment would be to have the act come into force by regulation, accompanied by a commitment from the government not to bring local government under the act until 'guidelines and criteria' are finalized. This will provide an opportunity to give some measure of protection to these principles and rights through guidelines and criteria."

The date of the letter is November 24. It was only written and sent to us yesterday.

Amendment negatived on the following division:

YEAS — 3

MacPhail	Kwan	Lekstrom
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NAYS — 47

Falcon	Coell	J. Reid
van Dongen	Barisoff	Wilson
Lee	Hagen	Murray
Clark	Bond	Stephens
Neufeld	Coleman	Chong
Penner	Jarvis	Anderson

Orr	Harris	Nuraney
Belsey	Bell	Chutter
Trumper	Johnston	Bennett
R. Stewart	Hayer	Krueger
Bray	Les	Nijjar
Bhullar	Wong	Suffredine
MacKay	Cobb	K. Stewart
Visser	Brice	Sultan
Hamilton	Sahota	Kerr
Hawes		Manhas

Section 12 approved on division.

Title approved.

Hon. K. Falcon: I move the committee rise and report the bill complete with amendments.

Motion approved.

The committee rose at 5:59 p.m.

The House resumed; Mr. Speaker in the chair.

Reporting of Bills

Bill 75, Significant Projects Streamlining Act, reported complete with amendments.

Third Reading of Bills

Mr. Speaker: When shall the bill be considered as reported?

[1800]

Hon. K. Falcon: By leave, now.

Leave granted.

Bill 75, Significant Projects Streamlining Act, read a third time and passed on division.

Hon. K. Falcon: Thank you, Mr. Speaker — and for the patience of the members.

Noting the time, I move the House recess until 6:30 p.m.

Mr. Speaker: The House is in recess until 6:30 p.m.

The House recessed from 6:01 p.m. to 6:31 p.m.

[Mr. Speaker in the chair.]

Hon. G. Hogg: I call committee stage on Bill 84.

Committee of the Whole House

PARKS AND PROTECTED AREAS STATUTES AMENDMENT ACT, 2003

The House in Committee of the Whole (Section B) on Bill 84; K. Stewart in the chair.

The committee met at 6:32 p.m.

On section 1.

J. MacPhail: This section allows the minister to permit resource development in parks. It changes sections 8(2) and 9(2) of the Park Act. Section 8(1) and (2) of the current act says:

"Restriction on alienation of interests

"8 (1) An interest in land in a Class A or Class C park must not be granted, sold, leased, pre-empted or otherwise alienated or obtained or made the subject of a licence except as authorized by a valid and subsisting park use permit.

"(2) A park use permit referred to in subsection (1) must not be issued unless, in the opinion of the minister, to do so is necessary to preserve or maintain the recreational values of the park involved."

The other section that's being changed by this section 1 is section 9(1) and (2) of the original Park Act. Those two clauses read thus:

"9 (1) A natural resource other than fish and wildlife taken, hunted or killed in accordance with the Wildlife Act and fish, game or wildlife stalked or pursued for observation or for photographic or study purposes, in a Class A or Class C park must not be granted, sold, removed, destroyed, damaged, disturbed or exploited except as authorized by a valid and subsisting park use permit.

"(2) A park use permit referred to in subsection (1) must not be issued unless, in the opinion of the minister, it is necessary for the preservation or maintenance of the recreational values of the park involved."

There's that repeat.

[1835]

What does section 1 of this act we're debating now do to those two sections? It says: "Nothing in section 8 (2) or 9 (2) prevents the issuance of a park use permit for an activity related to resort or tourism development if, in the minister's opinion, the activity and the development are consistent with or complementary to the recreational values of the park involved."

So we're going to have resorts in parks. Since the vast majority of our parks do not have resorts in them, would it be fair to say that when these parks were established, the development of resorts within their boundaries was not considered a recreational value?

Hon. J. Murray: Sections 8(2) and 9(2) are not being amended. We have a clarification that resort or tourism development is an allowable use. A permit can be issued for those uses if those uses are complementary to the recreation values of the park involved. To the member's question about whether parks were intended to have resorts, we have between 65 and 80 resorts in our parks system — small and large. Yes, my understanding is that the intent of parks has been to include lodges.

J. MacPhail: How can it be between 65 and 80? These are real buildings that exist. Does the minister not have a firm number?

Hon. J. Murray: Some are within the parks, and some are on private land holdings within the parks, so

65 would be the number of parks that have lodges of various sizes on parkland in the park. Others are private land but are surrounded fully by the park.

J. MacPhail: What are the criteria? If this is a clarification — that's always a risky term for us to accept when this government clarifies things — what are the criteria the minister is going to use to determine recreational values now?

Hon. J. Murray: We're putting park management plans or park direction statements in place for all parks within the system, and those will identify what areas are appropriate for intensive recreation.

J. MacPhail: How are those values preserved and maintained now?

Hon. J. Murray: Could the member please clarify what she means by that question?

[1840]

J. MacPhail: I asked the minister what criteria she was going to use for determining recreational values given this new act, and I asked how those recreational values are preserved and maintained now under the current system.

Hon. J. Murray: We've managed our parks and the recreation values through the policies, the management plans and the standards that are applied by the ministry.

J. MacPhail: Well, the junior Minister of State for Deregulation is overseeing a B.C. resort task force, and that task force is to do two things: first, to enhance resort development; second, to identify and eliminate barriers to resort development and expansion. He's doing so, as he states every time he gets a chance, on orders from the Premier.

Here we have that minister out championing resort development and this minister making it easier for resorts to go into our parks. So does the minister consider the amendments to the Park Act found in section 1 of this bill to be enhancing resort development or eliminating barriers to resort development, or both?

Hon. J. Murray: What we're doing is clarifying that it is an allowable activity. The new provision will provide greater certainty that a park use permit can be issued for these activities when consistent or complementary to the recreation values of the park involved.

J. MacPhail: Okay. That didn't answer my question, but I'll leave it on the record as unanswered.

When was the last time a resort was permitted to be built in a park?

Hon. J. Murray: The most recent lodge was the Kokanee Glacier lodge, and that was opened this summer.

J. MacPhail: And prior to that?

Hon. J. Murray: We believe the previous one may have been the Cypress resort expansion authorized by the previous government, but we can check and ensure that we have the correct answer and get back to the member.

J. MacPhail: Yeah, I'm sure the minister will do that, because it's clearly her government that's allowing resort development, not the previous government. It wasn't done under the previous government at all.

Let me ask this: should a proposal come forward and this minister does the right thing and denies the development as one that would preserve and maintain the recreational values of a park, could that proponent use the provisions of Bill 75 to simply put the minister's objections aside?

Hon. J. Murray: No, it couldn't. Bill 75 is to expedite processes, not to override environmental standards.

[1845]

J. MacPhail: Well, actually, that's not true. The minister and the government just turned down an amendment that would exempt the Park Act from Bill 75, just defeated an amendment put forward by the opposition to exempt the Park Act from Bill 75. During the debate, the Minister of State for Deregulation could not say that the Park Act was paramount over Bill 75, the Significant Projects Streamlining Act, or whatever it's called. So where does the minister get her legal advice on that, then?

Hon. J. Murray: We haven't obtained a legal opinion on this, but the intent of Bill 75 is to expedite processes, not to override standards.

J. MacPhail: Well, no matter how much the minister says that, there is nothing in Bill 75 that specifies what a standard is — absolutely nothing. There's not going to be any regulations attached to Bill 75, and there's all sorts of evidence gleaned during debate that environmental standards will be affected. The minister, clearly, is completely unaware of the legislation that her government is implementing at the same time that she's allowing resort development in a park, and she doesn't even understand the implications of the combination of those two.

A couple of weeks ago this House passed Bill 55. That bill also contained an amendment to the Park Act. It amended section 20 of the Park Act to require written approval for issuing a park use permit if that permit authorizes "the offering of goods, services, accommodation or equipment for sale, hire, or rent." This approval must come from a committee composed of the deputy minister and two park officers.

While that amendment to section 20 was an improvement on the previous act, does the minister consider this level of consultation sufficient to meet the

requirements set out in both the Park Legacy report and the recreation stewardship panel report?

Hon. J. Murray: I'm not clear which consultation the member is referring to, but the provisions that she outlined in Bill 55 do apply to projects in Bill 84.

J. MacPhail: Well, let me tell the minister, for the record, what the consultation requirements are of those two reports commissioned by her government. Here's what recommendation 16 of the recreation stewardship panel report said, commissioned by her own government. It says:

"Manage park recreation. Develop a park recreation strategy: (a) update the existing park categorization and nomenclature system that describes the purposes, ecosystem protection objectives and appropriate uses of parks and reflects the management and funding model recommended in this report; (b) develop a strategy for the provision of recreational opportunities in parks, including direction for acceptable activities, services and facilities in front-country and back-country areas.... (c) the provincial government provide a one-time grant to cover the serious backlog of capital facility repairs and replacements....(d) on Crown land, encourage Land and Water B.C.'s support of new recreation/tourism facilities and services outside but adjacent to parks...."

[1850]

It goes on. So that's one. It recommends that tourism facilities be outside parks. But here's the 1 one — (g) of that recommendation:

"...(g) permit a limited number of commercial, revenue-focused facilities in parks only if they meet all of the following tests: are in an existing road-accessible front-country area or are an addition to an existing facility or service in a back-country area; enhance the province's reputation for high-quality and high-value outdoor recreation opportunities; are consistent with the park categorization system and are endorsed in an approved park management plan that included opportunities for public input; are subject to provincial development, appearance and maintenance standards; are subject to an impact assessment that is appropriate to the scale, risks and potential impacts of the proposed development and that includes opportunities for public input; and are subject to a business case analysis that assures the venture's economic viability."

Now, that report, commissioned by this minister and done by Bruce Strachan, also states:

"There may be opportunities for a limited number of more intensive recreation facilities, such as currently exist in Manning Park. The panel recognizes the extreme concern expressed by individuals about the impacts from such facilities. The panel also recognizes the high level of user satisfaction for such facilities as those in Manning Park and acknowledges surveys showing that many British Columbia residents support such facilities and services.

"The panel's recommendation includes a number of significant tests that any proposal must pass before it would be allowed. The panel believes these tests will protect the public interest by determining an acceptable level of impact on a case-by-case basis."

The panel's report, commissioned by this government, also calls for the creation of advisory councils

and the preparation and implementation of a comprehensive outdoor recreation tourism strategy. The Strachan report is saying that you have to consult, get the public's input, on at least two different occasions. I'm asking the minister: will she do that, and will she be doing it subject to the amended clause 20 of the Park Act? Is that sufficient, in her mind?

Hon. J. Murray: My ministry has a representative working with the Minister for Deregulation's resort task force, particularly on our park lodge strategy. The process will include consultation, working with first nations and stakeholders to develop the criteria and policies for the lodges in parks. My intent is that the criteria and policies will be guided by the recreation stewardship panel principles and that the character and quality of B.C. parks that are recognized around the world and in British Columbia will be maintained and enhanced through these developments.

J. MacPhail: What's the minister doing about the Strachan report's recommendation on appointing advisory councils? When will they be appointed?

Hon. J. Murray: The parks as well as fish and wildlife provincial advisory committees are expected to be in place in the new year. We've been working on that over the past three months.

J. MacPhail: No action will be taken until they're appointed?

Hon. J. Murray: We have no applications to take action on at this point. Part of the purpose of having these parks and fish and wildlife advisory committees is to have a group with whom we can consult on this kind of policy.

J. MacPhail: According to the park stewardship report this minister commissioned, it recommends an outdoor recreation and tourism strategy. At what stage is that?

Hon. J. Murray: That's our lodge strategy, and it's in the planning stages.

J. MacPhail: When will it be complete?

Hon. J. Murray: By early summer.

[1855]

J. MacPhail: The report calls for a park lodge strategy. Can the minister describe for the House the elements of the park lodge strategy?

Hon. J. Murray: The elements are the criteria and policies that will be identified through consultation and guided by the recreation stewardship panel's principles.

J. MacPhail: Will it be in place before any applications for resorts inside parks are approved?

Hon. J. Murray: We will be accepting applications to the regional offices prior to the finalization of the lodge strategy. The current policies will be applied, but final approval might be subject to the direction resulting from the lodge strategy.

J. MacPhail: Upon hearing provisions of this bill that we're debating right now, the Canadian Parks and Wilderness Society, CPAWS, said: "This is a dark day for B.C.'s provincial parks. These changes will have a permanent effect on nature that is supposedly protected in B.C.'s park system." Given that the minister appointed Bob Peart, who is the executive director of the Canadian Parks and Wilderness Society, to the recreation stewardship panel, from which I have just been quoting its recommendations, why didn't she consult with the Canadian Parks and Wilderness Society or, for that matter, any other environmental group before introducing this legislation?

Hon. J. Murray: This legislation is completely consistent with the recommendations of the panel as read out by the member. I will be consulting, as I move forward with the lodge strategy, and developing the principles and criteria for implementing it.

J. MacPhail: Sorry, Mr. Chair. It isn't consistent on one major, most significant point. Here's what the stewardship panel said: "On Crown land, encourage Land and Water B.C.'s support of new recreational tourism facilities and services outside but adjacent to parks." That's the report. The minister's allowing for that inside parks. I can't believe she just stood up and said it's consistent. Her own panel recommends development of resorts outside parks, and she is, by legislation, allowing resorts to be developed inside parks — big difference. Got a lot of people upset. No wonder she didn't consult with the very people she appointed to the stewardship panel.

Will the minister be formally consulting with the Canadian Parks and Wilderness Society and others in the environmental community on the development of the park lodge strategy?

Hon. J. Murray: Yes, we will. I just would like to bring to the member's attention that recommendation 16(g) does say to permit a limited number of commercial revenue-focused facilities in parks, subject to certain tests. So it does recommend that we do that, and we will be encouraging lodge and resort developments adjacent to parks.

[G. Trumper in the chair.]

We believe there are locations adjacent to parks that will be very suitable and may be preferred by proponents, but we also believe that there are a limited number of commercial revenue-focused opportunities in parks, as acknowledged by the panel's report.

[1900]

Section 1 approved on the following division:

YEAS — 16

Falcon	Hogg	Barisoff
Wilson	Murray	Stephens
Anderson	Orr	Harris
Bell	Chutter	Christensen
Bhullar	Cobb	K. Stewart
	Brice	

NAYS — 1

MacPhail

[1905]

On section 2.

J. MacPhail: Section 2 of the Parks and Protected Areas Statutes Amendment Act, 2003 gives discretion to the minister to specify categories of park. At present the minister must specify a park to fall into one of six categories. Section 12 of the act states:

"Park Categories

"12 (1) On the establishment of a park, the minister must specify the park to be in one of the following categories:

"(a) category 1, if the main purpose of its designation is the preservation of its particular atmosphere, environment or ecology;

"(b) category 2, if the main purpose of its establishment is the preservation and presentation to the public of specific features of scientific, historic or scenic nature;

"(c) category 3, if the main purpose of its establishment is to offer enjoyment, convenience and comfort to the travelling public;

"(d) category 4, if the main purpose of its establishment is to offer recreational opportunity to the public of a particular community or area;

"(e) category 5, if the main purpose of its establishment is to offer opportunities to participate in a specific recreational activity;

"(f) category 6, if the area is established a park for 2 or more purposes."

With this amendment under section 2 of this act, the minister will be able to designate at any time the main purpose of a given park. Since the whole purpose of this bill is to put more lodges, resorts and tourism developments in our parks, this section seems — to me, anyway, Madam Chair — to allow the minister to make sure the park designations will permit resorts and development in any park. My question is: have all parks in the province been assigned a category under this section of the act?

Hon. J. Murray: No, they haven't.

J. MacPhail: How many of the parks that are subject to the Park Act have not been assigned a category under section 12 of the Park Act?

Hon. J. Murray: Approximately 520 have not been assigned a category.

J. MacPhail: How many parks are there under the Park Act?

Hon. J. Murray: There are 581.

J. MacPhail: Does this allow the minister to change current designations?

Hon. J. Murray: Yes, it would be allowed, but that's not the intent of this amendment.

J. MacPhail: Well, what is the intent of the amendment?

Hon. J. Murray: Currently, there are a number of the parks that aren't designated under category 12, and we intend to utilize the park management plan purpose statements for those parks that have park management plans. This amendment allows the ministry to do these designations after the establishment of the park, whereas before, under section 12, the minister must specify the category at the time of the creation of the park.

[1910]

J. MacPhail: That clearly hasn't happened, because there are over 500 parks that haven't been designated. The Park Act hasn't been an impediment to that. I don't understand the minister's explanation. The act has not been an impediment to the classification of parks, the designation of parks, at all. She's introducing an amendment that says the minister can actually designate the main purpose of any given park.

What's the real explanation here? The current legislation is not an impediment, clearly.

Hon. J. Murray: The current act is not been being followed. There is a requirement to specify parks belonging to a category at the establishment of a park, and that hasn't happened for a number of years. This amendment enables but no longer requires the minister to do that categorization, as it hasn't been done over the past couple of decades.

J. MacPhail: Why couldn't the minister have just removed from section 12 "...the minister must specify the park..."? Where in this act does it say it has to be done at the time of the designation of the park? Isn't there a simpler amendment that would be less suspicious?

Hon. J. Murray: Section 12(1) says "...on the establishment of a park, the minister must specify the park..." in answer to the member's question about where it says it must be done at the time the park is established.

J. MacPhail: Madam Chair, will this allow the minister to change the designation of a park at any time? She said: "Now. Yes, it is possible now." What about in the future?

Hon. J. Murray: Yes, it will, and that's not our intent.

J. MacPhail: Well, I must tell you that the fact that the minister consulted with no one on this legislation and the fact that this legislation goes against several of the recommendations of her own recreation stewardship panel report and the Park Legacy report.... There are a lot of people out there who are suspicious and don't trust the minister.

[1915]

Section 2 approved on the following division:

YEAS — 14

Falcon	Hogg	Barisoff
Wilson	Murray	Stephens
Anderson	Orr	Chutter
Christensen	Bhullar	Cobb
K. Stewart		Brice

NAYS — 1

MacPhail

On section 3.

J. MacPhail: This is the section of the Park Act that introduces provisions by legislation now for directional drilling. How much directional drilling is now done under parks and protected areas? I believe it started in 1997. How much?

Hon. J. Murray: Drilling is authorized in 12 protected areas that were established under the Environment and Land Use Act, as well as three additional protected areas that have not yet been established.

[1920]

J. MacPhail: The minister forgot to read out one part of that. Here's what she's reading actually says: "Directional drilling under protected areas has been in place in B.C. since 1977. It's currently permitted in 12 protected areas established under the Environment and Land Use Act and was approved by land use plans for three additional protected areas that have not yet been established. All of these areas are located in northeast B.C."

So how is that drilling regulated?

Hon. J. Murray: It's regulated by the Oil and Gas Commission.

J. MacPhail: Will future drilling under this government be subject to land use plans?

Hon. J. Murray: This amendment allows directional drilling under parks and recreation areas.

J. MacPhail: Yes, but even in previous protected areas, land use plans — LRMPs — established directional drilling. The Fort St. John, the Dawson Creek and the Fort Nelson LRMPs established the directional drilling according to the LRMP. Will that be the practice in the future?

Hon. J. Murray: Directional drilling will be authorized under any existing park or recreation area.

J. MacPhail: It will be the Oil and Gas Commission that will regulate that. Am I correct? The Oil and Gas Commission that this government touts as the economic driver for our resource-based industry, oil and gas, is going to be put in charge of determining directional drilling inside a park now — directional drilling. Is that not the equivalent of putting the fox in charge of the henhouse?

Hon. J. Murray: Yes. It will be the Oil and Gas Commission in charge, exactly as was set up by the previous administration in 1997 when this oil and gas drilling was authorized under protected areas.

J. MacPhail: Madam Chair, even though the minister likes to think that she's not doing anything worse than the previous government, I just asked her if she was going to do it according to LRMPs, and she refused to answer the question. Directional drilling under the previous government was authorized after LRMPs, land use plans, were in place, and the minister refused to confirm that she would continue that.

While the Oil and Gas Commission regulated the directional drilling, it was after LRMPs were negotiated and approved at the local level. The minister is missing that step. She refuses to confirm that she will follow that step, so it ain't the same. No matter how hard the minister tries to say she's just carrying on the practices of the previous government, she is not. She's doing it in a way that's pro-oil and gas and anti-park.

How far back from the park boundary will drilling rigs and the equipment associated with that need to be?

Hon. J. Murray: A minimum of 100 metres.

J. MacPhail: Is that in legislation?

[1925]

Hon. J. Murray: A 100-metre minimum is the policy of the Oil and Gas Commission. We can confirm with the member opposite whether or not that's in regulation administered by the Oil and Gas Commission.

Section 3 approved.

On section 4.

J. MacPhail: Section 4 changes park and protected area boundaries. When all but one of these changes contained in Bill 84 were introduced in Bill 55, the min-

ister said: "Adjustments will be made to the boundaries of certain protected areas in support of measures to address health, environmental and public safety concerns in some areas and to support economic growth in the province, while preserving environmental and recreational values."

Because of particularly what I thought were way too broad amendments to Bill 55, park boundary descriptions were removed, but all of them have been put back in through Bill 84, plus one more that I'll talk about in a moment.

During second reading debate on this bill, Bill 84, and referring to exactly the same park boundary area changes and protected area boundary changes, the minister said that these changes will enable public safety concerns to be addressed, correct inadvertent errors in boundary descriptions and allow access to economic opportunities, while protecting environmental and recreational values. Well, Madam Chair, the language is different. Her first commitment was to address the health, environmental and public safety concerns in some areas, and her second reading debate on exactly the same amendments eliminated some of that commitment. Could the minister tell us which of these parks and protected areas noted in section 4 were adjusted to address health concerns?

Hon. J. Murray: Rubyrock Lake Park.

J. MacPhail: Environmental concerns?

Hon. J. Murray: Omineca Park.

J. MacPhail: Safety concerns. Well, let me just read the whole list so the staff can work on this with the minister.

What park boundaries were adjusted for safety concerns to support economic growth or to correct inadvertent errors?

Hon. J. Murray: Inkaneep Park boundaries being changed for safety reasons; Spatsizi and Omineca to correct inadvertent errors; and Graham-Laurier, Pine Le Moray and Tunkwa for economic purposes.

J. MacPhail: I'm sorry. After Graham-Laurier, could the minister just repeat what were the two parks she listed, please?

Hon. J. Murray: Pine Le Moray and Tunkwa.

[1930]

J. MacPhail: So Graham-Laurier Park is the new addition to this legislation over Bill 55, and the minister admits it's being amended to support economic growth inside Graham-Laurier Park. Section 4 of this bill, Bill 84, differs significantly from section 21 of Bill 55, in that it adds Graham-Laurier Park and changes the boundaries to Graham-Laurier Park. Bill 55 didn't do that. What is missing from this legislation that was in Bill 55 were changes to the Satellite Channel that would have allowed for the Georgia strait crossing pipeline to go

through the Satellite Channel rather than around that ecological reserve.

The minister deleted any changes to the Satellite Channel, because of course the Duke Point energy plant is not going ahead, and therefore the Georgia strait crossing pipeline is not going ahead. That's eliminated. The Satellite Channel is protected from economic development, but now we've substituted back in.... After the removal of the Satellite Channel, we've got Graham-Laurier Park back in — or in for the first time, I should say — to support economic growth.

I understand that the changes to Graham-Laurier Park are to allow for the construction of a road to access oil and gas reserves. What's to prevent people from being suspicious, in a very cynical way, that the only way the Minister of Water, Land and Air Protection can actually protect anything is if she turns something else of equal value over to the Minister of Energy and Mines? He wanted the Satellite Channel for a pipeline crossing. He didn't need that anymore. Does she have to give up Graham-Laurier Park now to allow him to develop inside a park?

Hon. J. Murray: I just want to make a correction to a statement the member opposite made, which is that this change to Graham-Laurier is to support economic growth inside the park. That's not the purpose. It's to support economic growth outside the boundaries of the park. This amendment enables the development of a road through the park should that be necessary and should the exploration determine that there are, indeed, developable resources outside the park.

J. MacPhail: It's still allowing for economic development for oil and gas reserves by using the park to put a road through. The park is the one that's sacrificed to allow for the economic development by the Minister of Energy and Mines. The minister didn't answer my question about why people should not be cynical that when she gets to protect a park, the only way she can do that is to give up a park elsewhere to the Minister of Energy and Mines. Why wasn't the Muskwa-Kechika Advisory Board, which is the advisory board for Graham-Laurier Park, consulted on this change?

Hon. J. Murray: The Deputy Minister of Sustainable Resource Management did advise the board's executive committee, prior to this legislation being tabled, about the government's plan to amend the boundary of the park to facilitate the construction of a road should that be necessary.

J. MacPhail: I'm just quoting the Muskwa-Kechika Advisory Board themselves when they said they weren't consulted. Of course, the minister didn't say that they were consulted. She said they were advised of these changes before the legislation was tabled. Could we have the name of the person, the deputy minister, who did that and what the time frame was prior to the tabling of this legislation when the Muskwa-Kechika board was advised — not consulted, advised?

Hon. J. Murray: It was Jon O'Riordan who advised the executive committee. I believe it was around October 1, approximately six weeks before this act was introduced.

[1935]

J. MacPhail: What does the minister think about the advisory board for the Muskwa-Kechika saying they weren't consulted? Are they wrong?

Hon. J. Murray: This is an enabling piece of legislation. Should it be determined that there are developable resources, then an order-in-council would need to be put forward to actually build the road. Consultation as well as environmental impact assessment would need to be done at that time.

J. MacPhail: Why is this change being introduced now? This government has introduced 96 pieces of legislation this session. If this isn't needed, why is it being introduced now without any consultation?

Hon. J. Murray: Should this road be needed, once that's determined, we want to be able to act expeditiously, because that's the way the oil and gas business works.

J. MacPhail: Always expeditious on behalf of developing in parks. Always expeditious. The minister said she would consult at the time of the OIC. Wouldn't consultation be meaningful if it were done before the OIC?

Hon. J. Murray: There will be consultation and environmental impact assessment before the OIC is put forward.

J. MacPhail: Were Treaty 8 first nations and/or the Kaska Dena nation consulted on this change to what was a previously agreed-upon use for this area?

Hon. J. Murray: Any redesignation of the area or road development plan will be subject to normal consultation with first nations before an order-in-council is tabled.

J. MacPhail: I think the minister is just raising the hackles of people by her language. She says the reason why they're introducing this amendment now, even though there's no need for it, is so the oil and gas industry can act expeditiously. Then she had to correct herself to say that consultation would be done prior to an OIC allowing this. Boy, I can imagine that people are really suspicious.

And she didn't answer the question about whether she consulted the Treaty 8 first nations or the Kaska Dena. She didn't answer the question, but I'll answer it for her. No, they weren't consulted. They didn't know anything about this. Who was consulted?

Hon. J. Murray: The Muskwa-Kechika executive committee was advised.

J. MacPhail: Yes, I'm sure that gives them great comfort. They're advised, probably just the way they

think they're going to be advised before the OIC is rammed through. Did the minister consult with the Minister of Energy and Mines, or did her staff consult with the Energy and Mines ministry staff?

Hon. J. Murray: My ministry staff worked with the ministry staff of Energy and Mines.

[1940]

J. MacPhail: So the Muskwa-Kechika Advisory Board, the minister's own board, wasn't consulted? They were advised? The first nations affected directly by this were advised prior to the tabling. No consultation. The only consultation is with the Minister of Energy and Mines. Methinks there's something suspicious going on here — that it's only the oil and gas sector that gets consulted, and anyone who may have a view on that being an inappropriate use of the Graham-Laurier Park gets shut out. They're advised.

Section 4 approved on the following division:

YEAS — 12

Hogg	Barisoff	Wilson
Murray	Anderson	Orr
Chutter	Christensen	Bhullar
Cobb	K. Stewart	Brice

NAYS — 1

MacPhail

Section 5 approved.

Title approved.

Hon. J. Murray: I rise to report the bill complete without amendment.

Motion approved.

The committee rose at 7:44 p.m.

The House resumed; Mr. Speaker in the chair.

Report and Third Reading of Bills

Bill 84, Parks and Protected Areas Statutes Amendment Act, 2003, reported complete without amendment, read a third time and passed.

Hon. G. Hogg moved adjournment of the House.

Motion approved.

Mr. Speaker: The House is adjourned until 10 a.m. tomorrow.

The House adjourned at 7:45 p.m.