



4th Session, 37th Parliament

OFFICIAL REPORT OF

DEBATES OF THE  
LEGISLATIVE ASSEMBLY

(HANSARD)

Thursday, November 27, 2003

Afternoon Sitting

Volume 19, Number 3

THE HONOURABLE CLAUDE RICHMOND, SPEAKER

ISSN 0709-1281

**PROVINCE OF BRITISH COLUMBIA**  
(Entered Confederation July 20, 1871)

LIEUTENANT-GOVERNOR  
Honourable Iona Campagnolo

**4TH SESSION, 37TH PARLIAMENT**

SPEAKER OF THE LEGISLATIVE ASSEMBLY  
Honourable Claude Richmond

**EXECUTIVE COUNCIL**

Premier and President of the Executive Council .....	Hon. Gordon Campbell
Minister of State for Intergovernmental Relations .....	Hon. Greg Halsey-Brandt
Deputy Premier and Minister of Education.....	Hon. Christy Clark
Minister of Advanced Education.....	Hon. Shirley Bond
Minister of Agriculture, Food and Fisheries.....	Hon. John van Dongen
Attorney General and Minister Responsible for Treaty Negotiations.....	Hon. Geoff Plant
Minister of Children and Family Development.....	Hon. Gordon Hogg
Minister of State for Early Childhood Development.....	Hon. Linda Reid
Minister of Community, Aboriginal and Women's Services .....	Hon. George Abbott
Minister of State for Community Charter .....	Hon. Ted Nebbeling
Minister of State for Women's Equality .....	Hon. Lynn Stephens
Minister of Competition, Science and Enterprise .....	Hon. Rick Thorpe
Minister of State for Deregulation .....	Hon. Kevin Falcon
Minister of Energy and Mines.....	Hon. Richard Neufeld
Minister of Finance.....	Hon. Gary Collins
Minister of Forests.....	Hon. Michael de Jong
Minister of Health Planning .....	Hon. Sindi Hawkins
Minister of Health Services.....	Hon. Colin Hansen
Minister of State for Mental Health.....	Hon. Gulzar S. Cheema
Minister of State for Intermediate, Long Term and Home Care .....	Hon. Katherine Whittred
Minister of Human Resources.....	Hon. Murray Coell
Minister of Management Services .....	Hon. Sandy Santori
Minister of Provincial Revenue.....	Hon. Bill Barisoff
Minister of Public Safety and Solicitor General.....	Hon. Rich Coleman
Minister of Skills Development and Labour.....	Hon. Graham P. Bruce
Minister of Sustainable Resource Management .....	Hon. Stan Hagen
Minister of Transportation.....	Hon. Judith Reid
Minister of Water, Land and Air Protection .....	Hon. Joyce Murray

**LEGISLATIVE ASSEMBLY**

Deputy Speaker .....	John Weisbeck
Leader of the Opposition .....	Joy MacPhail
Deputy Chair, Committee of the Whole.....	Harold Long
Clerk of the Legislative Assembly .....	E. George MacMinn
Clerk Assistant.....	Robert Vaive
Clerk Assistant and Law Clerk .....	Ian D. Izard
Clerk Assistant and Clerk of Committees .....	Craig H. James
Clerk Assistant/Committee Clerk.....	Kate Ryan-Lloyd
Sergeant-at-Arms.....	A.A. Humphreys
Director, Hansard Services .....	Anthony Dambrauskas
Legislative Librarian .....	Joan A. Barton
Legislative Comptroller.....	Peter Bray

Published by British Columbia Hansard Services, and printed under the authority of the Speaker by the Queen's Printer, Victoria. Rates: single issue, \$2.85; per calendar year, mailed daily, \$298. GST extra. Agent: Crown Publications Inc., 521 Fort St., Victoria, B.C. V8W 1E7. Telephone: (250) 386-4636. Fax: 386-0221.

**[www.leg.bc.ca](http://www.leg.bc.ca)**

Hansard Services publishes transcripts both in print and on the Internet. Chamber debates are broadcast on television and webcast on the Internet.

ALPHABETICAL LIST OF MEMBERS

Abbott, Hon. George (L).....	Shuswap
Anderson, Val J. (L).....	Vancouver-Langara
Barisoff, Hon. Bill (L).....	Penticton-Okanagan Valley
Bell, Pat (L).....	Prince George North
Belsey, Bill (L).....	North Coast
Bennett, Bill (L).....	East Kootenay
Bhullar, Tony (Ind. L).....	Surrey-Newton
Bloy, Harry (L).....	Burquitlam
Bond, Hon. Shirley (L).....	Prince George-Mount Robson
Bray, Jeff (L).....	Victoria-Beacon Hill
Brenzinger, Elayne (L).....	Surrey-Whalley
Brice, Susan (L).....	Saanich South
Bruce, Hon. Graham P. (L).....	Cowichan-Ladysmith
Campbell, Hon. Gordon (L).....	Vancouver-Point Grey
Cheema, Hon. Gulzar S. (L).....	Surrey-Panorama Ridge
Chong, Ida (L).....	Oak Bay-Gordon Head
Christensen, Tom (L).....	Okanagan-Vernon
Chutter, Dave (L).....	Yale-Lillooet
Clark, Hon. Christy (L).....	Port Moody-Westwood
Cobb, Walt (L).....	Cariboo South
Coell, Hon. Murray (L).....	Saanich North and the Islands
Coleman, Hon. Rich (L).....	Fort Langley-Aldergrove
Collins, Hon. Gary (L).....	Vancouver-Fairview
de Jong, Hon. Michael (L).....	Abbotsford-Mount Lehman
Falcon, Hon. Kevin (L).....	Surrey-Cloverdale
Hagen, Hon. Stan (L).....	Comox Valley
Halsey-Brandt, Hon. Greg (L).....	Richmond Centre
Hamilton, Arnie (L).....	Esquimalt-Metchosin
Hansen, Hon. Colin (L).....	Vancouver-Quilchena
Harris, Roger (L).....	Skeena
Hawes, Randy (L).....	Maple Ridge-Mission
Hawkins, Hon. Sindi (L).....	Kelowna-Mission
Hayer, Dave S. (L).....	Surrey-Tynehead
Hogg, Hon. Gordon (L).....	Surrey-White Rock
Hunter, Mike (L).....	Nanaimo
Jarvis, Daniel (L).....	North Vancouver-Seymour
Johnston, Ken (L).....	Vancouver-Fraserview
Kerr, Brian J. (L).....	Malahat-Juan de Fuca
Krueger, Kevin (L).....	Kamloops-North Thompson
Kwan, Jenny Wai Ching (NDP).....	Vancouver-Mount Pleasant
Lee, Richard T. (L).....	Burnaby North
Lekstrom, Blair (L).....	Peace River South
Les, John (L).....	Chilliwack-Sumas
Locke, Brenda (L).....	Surrey-Green Timbers
Long, Harold (L).....	Powell River-Sunshine Coast
MacKay, Dennis (L).....	Bulkley Valley-Stikine
McMahon, Wendy (L).....	Columbia River-Revelstoke
MacPhail, Joy (NDP).....	Vancouver-Hastings
Manhas, Karn (L).....	Port Coquitlam-Burke Mountain
Masi, Reni (L).....	Delta North
Mayencourt, Lorne (L).....	Vancouver-Burrard
Murray, Hon. Joyce (L).....	New Westminster
Nebbeling, Hon. Ted (L).....	West Vancouver-Garibaldi
Nettleton, Paul (Ind. L).....	Prince George-Omineca
Neufeld, Hon. Richard (L).....	Peace River North
Nijjar, Rob (L).....	Vancouver-Kingsway
Nuraney, John (L).....	Burnaby-Willingdon
Orr, Sheila (L).....	Victoria-Hillside
Penner, Barry (L).....	Chilliwack-Kent
Plant, Hon. Geoff (L).....	Richmond-Steveston
Reid, Hon. Judith (L).....	Nanaimo-Parksville
Reid, Hon. Linda (L).....	Richmond East
Richmond, Hon. Claude (L).....	Kamloops
Roddick, Valerie (L).....	Delta South
Sahota, Patty (L).....	Burnaby-Edmonds
Santori, Hon. Sandy (L).....	West Kootenay-Boundary
Stephens, Hon. Lynn (L).....	Langley
Stewart, Ken (L).....	Maple Ridge-Pitt Meadows
Stewart, Richard (L).....	Coquitlam-Maillardville
Suffredine, Blair F. (L).....	Nelson-Creston
Sultan, Ralph (L).....	West Vancouver-Capilano
Thorpe, Hon. Rick (L).....	Okanagan-Westside
Trumper, Gillian (L).....	Alberni-Qualicum
van Dongen, Hon. John (L).....	Abbotsford-Clayburn
Visser, Rod (L).....	North Island
Weisbeck, John (L).....	Kelowna-Lake Country
Whittrid, Hon. Katherine (L).....	North Vancouver-Lonsdale
Wilson, John (L).....	Cariboo North
Wong, Patrick (L).....	Vancouver-Kensington

LIST OF MEMBERS BY RIDING

Abbotsford-Clayburn .....	Hon. John van Dongen
Abbotsford-Mount Lehman .....	Hon. Michael de Jong
Alberni-Qualicum .....	Gillian Trumper
Bulkley Valley-Stikine .....	Dennis MacKay
Burnaby North .....	Richard T. Lee
Burnaby-Edmonds .....	Patty Sahota
Burnaby-Willingdon .....	John Nuraney
Burquitlam .....	Harry Bloy
Cariboo North .....	John Wilson
Cariboo South .....	Walt Cobb
Chilliwack-Kent .....	Barry Penner
Chilliwack-Sumas .....	John Les
Columbia River-Revelstoke .....	Wendy McMahon
Comox Valley .....	Hon. Stan Hagen
Coquitlam-Maillardville .....	Richard Stewart
Cowichan-Ladysmith .....	Hon. Graham P. Bruce
Delta North .....	Reni Masi
Delta South .....	Valerie Roddick
East Kootenay .....	Bill Bennett
Esquimalt-Metchosin .....	Arnie Hamilton
Fort Langley-Aldergrove .....	Hon. Rich Coleman
Kamloops .....	Hon. Claude Richmond
Kamloops-North Thompson .....	Kevin Krueger
Kelowna-Lake Country .....	John Weisbeck
Kelowna-Mission .....	Hon. Sindi Hawkins
Langley .....	Hon. Lynn Stephens
Malahat-Juan de Fuca .....	Brian J. Kerr
Maple Ridge-Mission .....	Randy Hawes
Maple Ridge-Pitt Meadows .....	Ken Stewart
Nanaimo .....	Mike Hunter
Nanaimo-Parksville .....	Hon. Judith Reid
Nelson-Creston .....	Blair F. Suffredine
New Westminster .....	Hon. Joyce Murray
North Coast .....	Bill Belsey
North Island .....	Rod Visser
North Vancouver-Lonsdale .....	Hon. Katherine Whittrid
North Vancouver-Seymour .....	Daniel Jarvis
Oak Bay-Gordon Head .....	Ida Chong
Okanagan-Vernon .....	Tom Christensen
Okanagan-Westside .....	Hon. Rick Thorpe
Peace River North .....	Hon. Richard Neufeld
Peace River South .....	Blair Lekstrom
Penticton-Okanagan Valley .....	Hon. Bill Barisoff
Port Coquitlam-Burke Mountain .....	Karn Manhas
Port Moody-Westwood .....	Hon. Christy Clark
Powell River-Sunshine Coast .....	Harold Long
Prince George North .....	Pat Bell
Prince George-Mount Robson .....	Hon. Shirley Bond
Prince George-Omineca .....	Paul Nettleton
Richmond Centre .....	Hon. Greg Halsey-Brandt
Richmond East .....	Hon. Linda Reid
Richmond-Steveston .....	Hon. Geoff Plant
Saanich North and the Islands .....	Hon. Murray Coell
Saanich South .....	Susan Brice
Shuswap .....	Hon. George Abbott
Skeena .....	Roger Harris
Surrey-Cloverdale .....	Hon. Kevin Falcon
Surrey-Green Timbers .....	Brenda Locke
Surrey-Newton .....	Tony Bhullar
Surrey-Panorama Ridge .....	Hon. Gulzar S. Cheema
Surrey-Tynehead .....	Dave S. Hayer
Surrey-Whalley .....	Elayne Brenzinger
Surrey-White Rock .....	Hon. Gordon Hogg
Vancouver-Burrard .....	Lorne Mayencourt
Vancouver-Fairview .....	Hon. Gary Collins
Vancouver-Fraserview .....	Ken Johnston
Vancouver-Hastings .....	Joy MacPhail
Vancouver-Kensington .....	Patrick Wong
Vancouver-Kingsway .....	Rob Nijjar
Vancouver-Langara .....	Val J. Anderson
Vancouver-Mount Pleasant .....	Jenny Wai Ching Kwan
Vancouver-Point Grey .....	Hon. Gordon Campbell
Vancouver-Quilchena .....	Hon. Colin Hansen
Victoria-Beacon Hill .....	Jeff Bray
Victoria-Hillside .....	Sheila Orr
West Kootenay-Boundary .....	Hon. Sandy Santori
West Vancouver-Capilano .....	Ralph Sultan
West Vancouver-Garibaldi .....	Hon. Ted Nebbeling
Yale-Lillooet .....	Dave Chutter



## CONTENTS

Thursday, November 27, 2003  
Afternoon Sitting

### Routine Proceedings

	Page
Tributes .....	8259
John McInnis	
J. MacPhail	
Introductions by Members .....	8259
Tabling Documents.....	8260
<i>The Health and Well-Being of People in British Columbia</i> , provincial health officer, annual report, 2002	
Statements (Standing Order 25B) .....	8260
Campaigns by environmental activists	
B. Suffredine	
Response to AIDS	
L. Mayencourt	
Violence against women	
S. Orr	
Oral Questions.....	8261
Public release of B.C. Rail-CN Rail agreement	
J. MacPhail	
Hon. J. Reid	
Hon. G. Campbell	
Public release of B.C. Rail privatization proposals	
J. Kwan	
Hon. J. Reid	
Vancouver school board advocacy kit	
K. Johnston	
Hon. C. Clark	
Severance packages for B.C. Rail employees	
P. Nettleton	
Hon. J. Reid	
Petitions.....	8263
W. Cobb	
Tabling Documents.....	8263
British Columbia Treaty Commission, annual report, 2003	
Second Reading of Bills.....	8264
British Columbia Railway (Revitalization) Amendment Act, 2003 (Bill 89) ( <i>continued</i> )	
Hon. G. Campbell	
Hon. S. Bond	
D. Hayer	
K. Krueger	
Miscellaneous Statutes Amendment Act (No. 3), 2003 (Bill 90)	
Hon. G. Plant	
Committee of the Whole House.....	8277
Railway and Ferries Bargaining Assistance Amendment Act, 2003 (Bill 95)	
Report and Third Reading of Bills.....	8278
Railway and Ferries Bargaining Assistance Amendment Act, 2003 (Bill 95)	

Committee of the Whole House.....	8278
Health Sector Partnerships Agreement Act (Bill 94) ( <i>continued</i> )	
J. MacPhail	
Hon. G. Bruce	
Report and Third Reading of Bills.....	8282
Health Sector Partnerships Agreement Act (Bill 94)	
Second Reading of Bills.....	8282
British Columbia Railway (Revitalization) Amendment Act, 2003 (Bill 89) ( <i>continued</i> )	
Hon. R. Neufeld	
K. Johnston	

THURSDAY, NOVEMBER 27, 2003

The House met at 2:03 p.m.

### Tributes

JOHN McINNIS

**J. MacPhail:** I rise on a very sad note today to inform the House of the very sudden and unexpected passing of John McInnis. John served several NDP leaders as a staff member in positions ranging from caucus research director in the eighties to executive director of the government caucus in the mid-1990s.

What many didn't know on either side of the House was that John was elected to the Alberta Legislature as an NDP MLA in 1989, and he served as their environment critic until 1993. John was famous in the Alberta Legislature for insisting on riding his bicycle to work, even on the coldest winter days. He was a passionate advocate for the environment long before it became fashionable. He returned to the environmental movement and, until his passing, was a tireless advocate for environmentally responsible mining in British Columbia.

Both my colleague and I just saw him this past weekend at our party's convention, and he was participating with enthusiasm and positive energy. John leaves behind his wife and three daughters. I'm sure all members will join me in mourning his passing and in celebrating his life.

[1405]

### Introductions by Members

**Hon. G. Halsey-Brandt:** Today I would like to acknowledge three special visitors in the members' gallery from the United Kingdom. Please join me in welcoming His Excellency David Reddaway, the newly appointed high commissioner of the United Kingdom to Canada. I am pleased that His Excellency has taken this opportunity to visit our spectacular province and meet with several of our ministers. His Excellency is accompanied by Consul General James Rawlinson, who is the United Kingdom's representative based in Vancouver, and Mr. Rab Mackenzie, head of the Canada desk in the North American department of the Foreign and Commonwealth Office in London.

As members know, the United Kingdom shares a long history of cultural, economic and political ties with Canada and British Columbia. Part of that parliamentary tradition is question period, and I know that our guests will be impressed with the decorum and wit of this Legislature. I hope His Excellency the consul general and Mr. Mackenzie enjoy their visit to Victoria. Will the members please make them welcome.

**Hon. S. Hagen:** Today we have more visitors from the United Kingdom with us in the House. MacDonald Dettwiler is hosting a delegation of 40 leading CEOs, information technology directors and elected council-

lors of local governments in the United Kingdom. The members of this delegation are taking the lead in the United Kingdom in introducing e-government and electronic service delivery. We are pleased that British Columbia is able to demonstrate effective delivery of services from our government to our citizens and businesses. Visits such as this continue to maintain and confirm the ever-renewing alliances and bonds between the province of British Columbia and the United Kingdom. Would the House join me in making them welcome.

**K. Manhas:** I have been slowly, over the last two and a half years, convincing my family that I actually do work here. So they have been coming to find out, to make sure that it's true. Earlier this year you'll know that I introduced my parents to you, as they came and visited. Today I'm very proud to have my older twin sisters, who are here visiting from Winnipeg and Los Angeles. Dr. Sheila Manhas, one of the twins, is a neurologist in Winnipeg, and Dr. Sharan Manhas, the other twin, is a laparoscopic surgeon practising in Los Angeles. Also here with them is Dr. Neal Prakash, who is also a neurologist. They are all up here for Thanksgiving weekend. It's perfect this weekend, because we're giving thanks for the great powder we've got on our mountains, and they'll be testing that out. I'm very proud to introduce them into the House, and I'd like the House to join me in making them very welcome.

**Hon. G. Plant:** Evelyn and Mervin Kuzminski have come to Victoria from Regina to spend some time with their son Jason, who is my hard-working executive assistant. This afternoon they have come into the chamber to spend some time with the rest of us, and I hope we will make them both feel very welcome.

**P. Sahota:** It gives me great pleasure to introduce Garth Yoneda to the House. Garth is the program director for HardHats. This program provides people on income assistance with training for entry-level trades positions, and it is sponsored by the Ministry of Human Resources in partnership with the Canadian Home Builders Association, Grant Thornton and Camosun College. Apart from that, Garth also wears another hat. He happens to be my brother-in-law's brother. Would the House please make him welcome.

**R. Sultan:** On behalf of the Minister of State for Intermediate, Long Term and Home Care, I would welcome 12 grade 5 students from Seymour Academy in North Vancouver-Lonsdale and their teachers, Ms. Celeste Hambleton and Mr. Ben Glover. Seymour Academy has the very interesting motto "*Cum Aquilis ad Astra*," or "Fly with the Eagles." Would the House please make these eagles welcome.

[1410]

**R. Stewart:** Coquitlam is a partner in the Smart Choices initiative and is working on sharing technology and information with the visitors we welcome to-

day from Great Britain. Joining us today from the city of Coquitlam we have city manager Warren Jones. We have economic development and public affairs manager Al Ordge and Jennifer Wilkie, who is the project leader for the Smart Choices Society. Would the House please make them welcome.

**J. MacPhail:** It gives me great pleasure, on behalf of my colleague and me, to welcome two longtime political activists from the riding of Maple Ridge–Mission: Greg Engh, who the vice-president of the NDP there, and his partner, Anique Tremblay. Would the House please make them welcome.

**B. Locke:** I wish to welcome to the House today Mr. Bill Hutchings Sr. from right here in the city of Victoria and his son Bill Hutchings from San Diego, California. I ask that the House make them welcome.

**R. Visser:** I would like the House to make welcome Nilo Edwards, a friend of mine from Sointula, and Kelly Carson and Ketty Weiller from Port McNeill. They're down here visiting me, and I don't know why. It makes me very nervous, but I hope we make them welcome.

**K. Manhas:** I'd like the House to make welcome Mr. Robert Shirra, my campaign co-chair during my election. He's here from Port Coquitlam with the Smart Choices Society.

### Tabling Documents

**Hon. S. Hawkins:** I have the honour to present the report on the health of British Columbians, the provincial health officer's annual report for 2002 entitled *The Health and Well-Being of People in British Columbia*.

### Statements (Standing Order 25b)

#### CAMPAIGNS BY ENVIRONMENTAL ACTIVISTS

**B. Suffredine:** In a recent statement to the *Nelson Daily News* the Valhalla Wilderness Society admitted not only that they are part of the plot to block the sale of B.C. wood in China but that it's all about politics. In her letter, Ann Sherrod, the chair of the society, sets out what it would take for the government to stop the boycott when she says: "All it has to do is create the parks it promised in the Great Bear rain forest."

Let me say that simply. She says: "Give us our park, and the protests will stop." So much for concerns about forest practices. So much for concerns about logging practices. So much for concerns about endangered species. She couldn't be more clear. This is about politics, not about the environment. This valley-by-valley attempt to intimidate has gone on for too long. For decades we have heard: "This is the last pristine valley. We just need one more park." It never ends, and it won't

until no one has a job in the forest. This intolerable effort seeks to stop people from doing what they have a lawful right to do: buy B.C. wood products so B.C. workers can support their families.

We've dedicated about 12.5 percent of our land base to parks and protected areas. I'm proud to support that, but when do we have enough? Since 1974, in Nelson-Creston alone we have 13 new parks, which include the Purcell Wilderness Conservancy, the Valhalla wilderness park, the West Arm wilderness, the Goat Range and Monashee parks — over 600,000 acres — and that's just some of them.

If these groups want to exchange some existing protected lands for lands that have better use for parks, then let's talk. But let's end the intimidation. Families that depend on forests deserve better than to be held for ransom by irresponsible groups like this. The Valhalla Wilderness Society should drop this preposterous plot and apologize. Until that happens, no one should support them — not with one red cent.

### RESPONSE TO AIDS

**L. Mayencourt:** You may note in the House today that many of us are wearing a red ribbon. It's to signify World AIDS Day, which will happen on Monday, December 1.

[1415]

British Columbia has over 13,000 individuals living in our province with this disease. Many of them have full-blown AIDS. We recently commissioned a study through the Ministry of Health Planning and published a new *Priorities for Action in Managing the Epidemics — HIV/AIDS*. This is the first time it has been updated in many, many years. The goals of the British Columbia government are articulated in that. They are, quite simply, to reduce the incidence of infection by 50 percent through the next five years; to increase the proportion of HIV-positive individuals who are linked to appropriate care, treatment and support services by 25 percent over the next five years; to enhance our province's capacity for monitoring the HIV epidemic; and to look at strategies for helping women to deal with the disease.

Women used to represent only 4 percent of those that were HIV-positive. Today in British Columbia they number 20 percent. In Toronto injection drug users make up only 5 percent of AIDS cases. This number is estimated to be more like 30 to 40 percent in Vancouver.

There are many examples of wonderful work that is being done in our community, but this speech is really not about policies and that sort of stuff, just as this ribbon is not about fashion. It's about individuals. It's about individuals like a friend of mine and a friend of the Premier's, Mr. Glen Hillson, who was the chair of BCPWA and who we lost this year to AIDS. It's about the many wonderful volunteers at AIDS Vancouver Island and the people at Positive Women's Network and the people at Loving Spoonful that deliver home-cooked meals to people living with AIDS. It's about

people at Vancouver Friends for Life and so many other organizations.

Today we salute them. We ask that the whole province stop on December 1 and take a moment to remember people living with AIDS and all of the people that serve them.

#### VIOLENCE AGAINST WOMEN

**S. Orr:** November 25 was International Day for the Elimination of Violence Against Women. In 1999 the General Assembly of the United Nations passed a resolution declaring recognition on this day every year.

The origin of this special day stems back to the 1960 murders of three sisters — Patria, Minerva and Maria Teresa — who were political activists and highly visible symbols of resistance to General Trujillo's dictatorship in the Dominican Republic. These three courageous women were murdered by secret police while being driven to visit their imprisoned husbands. Their bodies were later found broken and strangled. The sisters have since become a symbol of the need to eliminate violence against women worldwide.

November 25 also marks the beginning of 16 days of activism against gender violence. Within those 16 days, on December 6, is the day of remembrance for the Montreal massacre, where 14 female students were murdered while attending University of Montreal school of engineering. They were murdered for being women.

Every minute of every day of every month of every year — in fact, right this minute — somewhere in this world a woman is being abused, beaten, raped or murdered. This is such a sad fact and, unfortunately, a fact that can only be changed with zero tolerance for violence against women. This is why the International Day for the Elimination of Violence Against Women is so very important.

#### Oral Questions

##### PUBLIC RELEASE OF B.C. RAIL—CN RAIL AGREEMENT

**J. MacPhail:** The Premier has said that he's going to campaign in an election on his broken promise to sell B.C. Rail. [Applause.] However, despite the enthusiasm of the members who are still in the dark, he won't provide details of the contract. How's that for openness and accountability? The Premier has said this is a done deal. There's no necessity for confidentiality anymore. It's a publicly owned asset, and British Columbians are the shareholders on one side of this deal. If the Premier is so confident that he can win another election on the deal, what's he hiding in the contracts that he refuses to reveal to British Columbians?

**Hon. J. Reid:** In the contracts there are two types of information. There is commercially sensitive information, which that member should understand because it was her government that exempted B.C. Rail from FOI.

Then there's general information, which will be released. That information will be released in the first quarter of next year as all the details have been finalized.

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

[1420]

**J. MacPhail:** There is nothing in the Freedom of Information Act that exempts the revelation of all the details, and we have requested the information under freedom of information. There is nothing for the minister to hide behind, and she knows that. This deal to sell B.C. Rail breaks a fundamental election promise, but the government is too afraid to let British Columbians judge the deal on its merit. All the Premier has provided the public is a bunch of press releases and bad spin.

A very minor point, but important to Prince George: he said that the deal would reduce the cost of the Cameron Street Bridge in Prince George. It got front-page news. Wrong. He was referring to the wrong bridge.

He said the deal means B.C. Rail will pay municipal taxes, but he already promised that for all Crown corporations. In fact, he hasn't delivered on that promise.

Again to the Premier: why should British Columbians be expected to believe him now, when his spin is full of holes and he's shown that he can't be trusted to keep his promises? They can't hide behind the Freedom of Information Act, and the minister knows that.

**Hon. J. Reid:** There are so many people in this province that are so excited about the positive news with B.C. Rail that this member cannot understand what the excitement is about, cannot understand the growth opportunities, cannot understand why the people of Prince George are excited and why the people of Prince Rupert are excited. My goodness, even Dan Miller is excited about this.

As that member knows, B.C. Rail was exempted from FOI because of that government's decision, because of commercially sensitive information. Because she can't seem to understand that... Even though B.C. Rail is exempted, we have said that whatever isn't commercially sensitive information will be released.

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

**J. MacPhail:** Well, certainly the CN shareholders are very excited. U.S. business analysts yesterday and today are predicting that as a result of stealing, in a good buy, B.C. Rail, CN will get — wait for it, Mr. Speaker — a minimum of 18 percent return on their investment. Now, that information is available in the United States. Somehow it's not available here.

Interjections.

**J. MacPhail:** You're right. CN gets a profit, not the taxpayers.

Interjections.

**Mr. Speaker:** Order. The Leader of the Opposition has the floor.

**J. MacPhail:** A point that clearly the Liberal MLAs miss is that that profit would have gone to the B.C. taxpayers. It's unbelievable that they don't understand at all what they did when they broke their promise to not sell B.C. Rail.

British Columbians have a right to know what's in the contract that the Premier signed on behalf of the shareholders of British Columbia. The CN shareholders know. There's no keeping of information from the CN shareholders. If the Premier wants to campaign on the contract he signed with CN, he should put the contract before the voters. That's what he said he was going to campaign on.

Again to the Premier: what exactly is he going to put before the voters when he said he was going to campaign on his broken promise?

[1425]

**Hon. G. Campbell:** What we intend to put before the voters is whether or not they endorse an agreement that will move us forward to a whole new era of prosperity and hope in the north of this province.

Interjection.

**Mr. Speaker:** Order, please.

**Hon. G. Campbell:** What we intend to put before the voters is the fact that the British Columbia Rail Company continues to own the right-of-way, continues to own the railbed and continues to own the track; that the British Columbia taxpayer will get \$1 billion up-front; that the British Columbia taxpayer will be able to write down \$500 million of debt and pay it off on behalf of those taxpayers.

Furthermore, what we'll be able to show British Columbia taxpayers is a brand-new northwest gateway to Asia for British Columbia and Canada. What we will show British Columbia taxpayers is a new continental gateway in Prince George with a new wheel shop, with a new northern office for CN, with 375 new jobs in Prince George and the surrounding region through the airport. That's what we're showing to British Columbians.

Interjections.

**Mr. Speaker:** Order, please. Order.

PUBLIC RELEASE OF  
B.C. RAIL PRIVATIZATION PROPOSALS

**J. Kwan:** The Premier's got his facts wrong, and he knows it. He's just giving spin to British Columbians. What he's doing is hiding the contract with CN. He won't provide any of the details of the contracts with the

other two bidders. As the Premier knows, those two bidders are complaining that the bidding process was unfair and biased in favour of CN. If the next election is going to be fought on the Premier's broken promise to keep B.C. Rail, British Columbians should be able to compare the proposals to make the judgment.

To the Premier once again: if the Premier is so confident that he signed the best deal, why won't he let British Columbians compare the deals and let them make the judgment on their own?

**Hon. J. Reid:** One of the reasons we have had such an excellent result with this process is because of how we have...

Interjections.

**Mr. Speaker:** Order, please.

**Hon. J. Reid:** ...consulted in advance with the communities and with the shippers, because we were so thorough with the work with the shippers in looking for the shippers' advisers, the information.... That's how we've delivered, for the shippers and for the communities, 600 new railcars — new railcars. B.C. Rail couldn't do that. That's the investment of CN to be able to build this province. That's where we have rate reduction for the interline shippers. That's where we have a new subdivision reopening, which will create greater opportunities for the grain to move in this province all the way to Prince Rupert. There are so many benefits in this, it's unfortunate that member can't see them and won't admit to them.

**Mr. Speaker:** Member for Vancouver–Mount Pleasant has a supplementary question.

**J. Kwan:** If the deal is such a good deal, why won't this government let British Columbians judge for themselves?

Last time British Columbians took the Premier's word on B.C. Rail, he wasn't straight with them. He promised not to sell B.C. Rail. Guess what. He broke that promise. It's that simple. The Premier looks foolish trying to pretend otherwise.

Now he says, "Trust me," again, but British Columbians won't be fooled once again. They want to see the deal and what was signed, and they want to compare it to the other proposals. It's not an unreasonable request for a government that promised to be open and accountable.

Again to the Premier: why is he hiding the contracts and the other proposals? Why is he taking British Columbians for granted?

**Hon. J. Reid:** It is unfortunate that these members don't understand business in the slightest.

Interjections.

**Mr. Speaker:** Order, please.

[1430]

**Hon. J. Reid:** For the proponents to even be entered into the bidding process, they had to be assured of confidentiality. That was important to them, and that maintains through the process. We will be judged on the results of this deal — the results of the lower rates, the results of the railcars, the results of increased service, the results of the Chicago express, the results of the investment into this province. We will be judged on that, we're proud of that, and everybody in B.C. sees that.

#### VANCOUVER SCHOOL BOARD ADVOCACY KIT

**K. Johnston:** My question is to the Minister of Education. A few days ago the Vancouver school board issued a press release announcing that it was launching a district-wide advocacy program. The COPE-dominated school board in Vancouver — we all know it's a minor-league NDP team — is apparently so concerned with student resources that they plan to blow money that could be used for students on something called the Vancouver school board advocacy kit.

I am truly concerned about this waste of money. I'm truly concerned that this money is not going directly to students. Can the minister tell us how much funding the school district receives and what parents can do to stop this initiative?

**Hon. C. Clark:** I, too, have seen the campaign brochure from the Coalition of Progressive Electors in Vancouver. I want to make clear a couple of things, because the brochure does not talk about facts. It just talks about the political campaign that this board is engaged in.

First of all, this board received \$384,000 more this year than last, despite the fact that they have 500 fewer students. They talk in the brochure about how they're having their tenth deficit in a row. Let me give you just a quick history. In '97-98 they predicted a \$3.9 million deficit. Their deficit was zero. In '98-99, a \$7.1 million prediction. Their deficit was zero. In '99-2000, an \$11.8 million deficit prediction. Who was in government then? I forget. The deficit was zero. In 2000-01 they predicted a \$5.2 million deficit. Their deficit was zero. Last year they had a \$6 million surplus. This year they have had a \$12 million surplus.

They will not have a cut in per-student operating funding. In fact, they will have the biggest per-student operating funding just like every other district in British Columbia. So I say to the COPE school board: politics more properly belongs on the campaign trail during an election period, not in the classrooms of Vancouver.

#### SEVERANCE PACKAGES FOR B.C. RAIL EMPLOYEES

**P. Nettleton:** I think it's time we generated some real questions for the Minister of Education. I think she misses the rough-and-tumble of question period.

Interjections.

**Mr. Speaker:** Order, please. Order.

**P. Nettleton:** I promise to work on that next week.

Interjections.

**Mr. Speaker:** Order, please. Order, please. Hon. members, let us hear the question.

**P. Nettleton:** To the Minister of Transportation. Since no one — not the media, myself or the opposition — is likely to receive a copy of the B.C. Rail agreement, I find myself reduced to asking the minister for a few scraps of information from the bargaining table. I don't like to be repetitive, but I have no choice when it comes to jobs, jobs, jobs, and this is at this time my chief concern.

My question is about the moneys that are being directed toward voluntary and involuntary severance, quoted in the range of \$45 million over the next three years, which also leads me to wonder if that amount is indicative of the scale of downsizing. Can the minister please comment on this issue?

**Hon. J. Reid:** The workers at B.C. Rail who have really applied themselves in the last few years to the initiatives that have been underway are very.... It's very important that they're well respected and that they're well respected as we move forward.

The severances and early retirement packages that are going to be offered are going to be quite generous. That's why the member is quoting a large figure. The pension plan that the employees have will continue on with those employees for and only for the benefit of the B.C. Rail employees currently engaged. CN does not take on that. It does not merge with their pension plan. It stays with the B.C. Rail employees.

Interjections.

**Mr. Speaker:** Order, please. Order, please.

[1435]

[End of question period.]

#### Petitions

**W. Cobb:** I rise to present a petition of 1,077 names: "We the undersigned, hunting enthusiasts of the Cariboo, realize that the moose population here is healthy enough to support an open season for spike-fork bulls. This will provide residents of the Cariboo similar opportunities for hunting moose in our own region as other stakeholders have and as have the residents of regions 3, 6, 7 and 8."

#### Tabling Documents

**Hon. G. Plant:** I rise to table the annual report of the British Columbia Treaty Commission for 2003.

### Orders of the Day

**Hon. G. Collins:** I call second reading of Bill 89.

### Second Reading of Bills

BRITISH COLUMBIA RAILWAY  
(REVITALIZATION) AMENDMENT ACT, 2003  
(*continued*)

**Hon. G. Campbell:** I am proud today to stand up in support of the British Columbia Railway (Revitalization) Amendment Act, 2003. I want to congratulate the minister and all of the people in the public service of British Columbia who have brought us to this exceptional day. There are times when those of us who have the opportunity to serve in public life and elected office get to make a decision that has enormous impact on the lives of the people that we serve. This bill today gives us an opportunity to open a whole new era of opportunity and prosperity for the northern region of our province, for the interior of our province and indeed for the people of the province.

I am particularly sad to note that all of the opposite members are not in the House today, because I have a few comments that I'd like to make about the comments of the new leader of the NDP. The new leader of the NDP has shown us that nothing has changed in the NDP. She is carrying on the tradition that there is not a debt that the NDP doesn't like. There is a tradition that says that somehow profit is a bad thing, and we just heard this earlier today in the House. But let me tell you, with this government we want to encourage private sector investment. We want to turn our backs on debt and move forward with the new era of prosperity, hope, jobs and opportunity for all British Columbians.

Let me say to the member for Vancouver-Hastings and the member for Vancouver-Mount Pleasant that this is their chance. They have a vote in this House. They have a free vote. Their leader won't even be here to watch what they're doing. Don't listen to the leader of the NDP. She's against this piece of legislation. It's time for them to stand up and vote yes for paying down the debt. It's time for them to stand up and vote yes for economic development. It's time for them to stand up and vote yes for new tourism opportunities, yes to open a new gateway to the northwest, yes to open a new continental gateway in Prince George, yes to hundreds and hundreds of new jobs for all British Columbians.

[1440]

The new leader of the NDP has decided she doesn't want to be in this House, where she in fact can have an impact on the future of our province. She says that she would like to travel British Columbia. Well, let me invite the new leader of the NDP to travel to Prince Rupert. Just take a moment to travel to Prince Rupert and talk to the people of Prince Rupert about their dreams and hopes for their community. Talk to them about their hopes for an expanded, scientifically sound aquaculture industry that will provide jobs and oppor-

tunities in the northwest. She is against those. Talk to them about their hopes for a new offshore oil and gas industry that is scientifically sound and that paves the way for private sector investment and for new jobs. The NDP leader is against that too. Talk to them about the opportunity to create an exceptional port in the northwest that takes our industry and our resources a day and a half closer to the most important and expanding markets in the world, in Asia — to China, to India, to the entire Asia-Pacific basin. Talk to them about that.

The NDP leader is opposed, but I'll tell you, in Prince Rupert they want to move forward. They want that port. It may even be possible for the new leader of the NDP to talk to Dan Miller, the former NDP Premier, who said it was time we got on with making these choices so that we could build the kind of economic future the north deserves.

Let's just go through the opportunities and the benefits this decision makes. First, there will be continued public ownership of the right-of-way, of the railbed and of the rails. We will maintain the British Columbia Railway Co., and it will hold in perpetuity that asset which is so critical to the north and the interior of the province. Just think of this — something that the members opposite may not understand. The fact of the matter is that with a billion dollars in proceeds upfront, we can pay down that \$500 million debt which — make no mistake about it — is a burden on B.C.'s taxpayers.

While we're at it, I know that, again, the members opposite have suggested that somehow or other the \$860 million of write-downs that the taxpayers have been required to do over the last 15 years just don't count. Well, it does count. That \$860 million counts in the constantly growing debt that we saw under the previous government. That \$860 million counts in terms of opportunities that have been taken away from British Columbia. I can tell you this: as we pay down that half a billion dollars of debt, it will mean we don't have to pay \$30 million a year in interest. And that's good news for B.C.'s taxpayers.

As is often the case, somehow or other the members opposite don't understand this. Most taxpayers would rather it was the private sector that was providing critical private services. Now, just think of this. Over the term of this agreement, CN, in their new investment partnership agreement with us and B.C. Rail, will be investing \$40 million a year of private sector money in improving the track, the rolling stock and the service for British Columbia's resource industries and shippers across this province. That's a critical thing. I can tell you this: when the private sector is willing to take on the risks, provide the resources, focus their effort on providing increased and improved services to all of us, we should say: "Thank you very much. We want that private sector investment in this province. That's how we're getting jobs, and that's how we're building opportunity."

The CEO of B.C. Rail told the public the other day that under the constraints B.C. Rail has had to operate under in the past, it was not possible for them to ex-

pand services. We heard from shippers last year and we heard from mayors and community leaders across the north that it was time for us to maintain our public commitment to hold the ownership of B.C. Rail's right-of-way, their track and the railbed, but that it was time for us to ask in a new investor to try and provide better services for British Columbians. They recognized that as a critical component of their economic future, as a cornerstone to building the kind of hope and opportunity they deserve up and down the rail track and throughout the north.

I am proud today that because of the work of this Minister of Transportation and this government, we are able to deliver on that commitment and recommendation from the north. Our shippers said there were not enough railcars; they couldn't depend on the rail service. As you know, what was happening was that instead of shipping through the rail, they were moving onto the roads.

[1445]

Our goal is to make sure that the rail system is flourishing. We have a commitment for the building of 600 new centre-beam cars to increase the car availability. We have a commitment that there will be an upgrading of literally hundreds and hundreds of cars across those tracks.

There will be faster transit times from Prince George down to Vancouver. There will be much faster transit times from Prince George to the core of the continental marketplace in Chicago. Two days faster we will get our product from British Columbia to our customers. That makes our industries more competitive, and that means we have more opportunities for more investment here in B.C. and more jobs in British Columbia.

When the leader of the NDP travels around the province, I recommend that she take some time to talk to Peace River farmers, who are now going to watch as the Dawson-Hythe subdivision is reopened. Talk to the prairie farmers who are asking for faster access to Asian markets. Talk to them about the benefit of being one and a half days closer to those marketplaces for their grains and products.

Talk about what it means in Tumbler Ridge when someone says: "We are maintaining that rail line for the next five years for you to decide how you can use it to benefit your industries and your people and create jobs in your community." Talk to Tumbler Ridge. Talk to Peace River. Talk to the Dawson Creek farmers. Talk to the people in Fort Nelson. I'll tell you what they'll tell the NDP leader: "It's time we did this. It's time we moved forward. Let's get on with building the future of this province."

Let's make no mistake. We are protecting this rail network. When you really listen to what people have said to us throughout this province, they've said that this rail network is a critical piece of public sector infrastructure, and we are maintaining that under public ownership. Not only that, but the D'Arcy-Lillooet and the Takla shuttle services will be continued. We will watch as, indeed, we have a partner that is trying to

build this business, and in building this business up and down the track, we are in an effort to make sure we have jobs up and down the track. The day before yesterday a request for proposal was put out for the expansion of rail tour facilities throughout the province of British Columbia, and that will mean hundreds of jobs.

Talk to the people in Squamish. Ask them how excited they are about the new 71 acres that are available for the redevelopment of their downtown. Ask them about what that will do to help them springboard off the advantages that the 2010 Winter Olympic Games provide. Ask them about the jobs that will be created, and then ask them if they support us moving forward with a new partnership, an investment partnership. They will say yes — yes, yes and yes again.

I hope she'll take time to talk to the people of Prince George, because I know this. For years the people of Prince George have said it's time to move the head operations of B.C. Rail to Prince George. That's going to happen. For years they've told us that Prince George is ready to take on its true role as a continental gateway for the northern part of our province. That's going to happen.

We have said that as a result of this deal, there will be \$4 million made available for the expansion of Prince George's airport runway. There will be an expansion of customs facilities. There will be 75 new jobs in Prince George and 300 indirect jobs in the region. Those are jobs that will be based on a strong, new, exciting gateway to the continent that Prince George represents for all of us. Ask them if they want that, and they will say: "Yes, it's time to move forward."

Then as she goes through, ask any community in the north whether they will benefit from the opening up of the northwest gateway in Prince Rupert. Ask them if they'll benefit from an expansion of the containerization facility and the \$17.2 million the government has decided to invest. Ask them if they will benefit from CN's \$15 million investment in track upgrades and improvements so that people can get closer to the marketplace faster. Ask them if they think that's a strong and sensible transportation investment for the northern part of our province, and they will say yes.

There is one group that will not say yes unless the two members opposite have the courage to stand up and do what's right for British Columbia. The NDP keeps saying no, but it is their chance to say yes. I invite them to join us as we move forward in building a stronger future for the north and the interior of this great province. That's what it's time for them to do.

[1450]

There is no question, when you talk to people of the north, when you listen to the voices of the people of the north and the interior part of our province, they will tell us it's time for us to give them the opportunity to make their own choices, to direct their own investments, to take the benefits of British Columbia's assets and use them for their communities' benefits and their regions' benefits. The new northern development initiative is aimed directly at putting in the hands of

northerners investments that will take advantage of northern and interior opportunities up and down the rail line and throughout this province.

That's \$135 million for investments in forestry, in pine beetle recovery, in transportation, in Olympic opportunities, in new tourism product development, in mining, in energy development — \$135 million in the hands of northerners to do what's best for the north. In spite of the opposition pointing out how little they had yesterday, they haven't even taken the time to read what's available to them.

The \$135 million will be broken down in the following way: \$25 million will be created as an endowment. The northern development initiative head office will be in the city of Prince George. It is through that head office that northerners will be able to determine the tasks they would like to move forward with. They will be able to look at economic development strategies that meet their needs, without interference from the government in Victoria.

Equally important, \$15 million will be made available to each of four regions: the northwest, the Peace, the Prince George region and the Cariboo-Chilcotin-Lillooet region. Those communities will have advisory councils who will decide where, when, why and on what they want to invest those investment dollars. They can decide to invest all of it in a year and a half. They can take time to do it. But this is what's critical; this is what the NDP is opposed to. They were opposed to it when they were in government, and they remain opposed. What's critical is that we are giving people in the regions of this province the opportunity to make their own decisions about what's best for those regions.

That's \$25 million for an endowment for the northern development initiative, \$15 million for each of four regions and \$50 million to invest on cross-regional initiatives that will meet the needs of the north and the interior. It is time for us to recognize that by providing resources to those community leaders, to those regions, we will indeed benefit greatly as a province, because we believe the economy of the north is a part of our future. It's a critical part of our future, and it's a critical part of long-term sustainable communities in this province. That's why I am so proud to be supporting this bill today.

Each day that we stand in this House and work in this House, we have an opportunity to make choices. This bill paves the way for a new future for northern communities in British Columbia. It opens up new worlds of possibility for investment and growth and jobs. It moves us forward with a \$1 billion private sector investment, with a new partnership that will see literally billions pumped into our economy over the next 60 to 90 years — billions of dollars to help create jobs and create opportunity. It delivers on a fundamental election commitment of this government to create a whole new era of hope and prosperity for the next decade and beyond.

This piece of legislation guarantees that we will not sell B.C. Rail. It guarantees that B.C. Rail's right-of-way and tracks will be kept in public ownership. It guarantees that the railbed will be there for the public. B.C.

Rail Company is a Crown corporation, and it is an asset that will remain in public hands.

[1455]

I know the members opposite will never let that central fact get in the way of their opportunity to vote for this investment. They can't bear to accept that we're only doing what we said we'd do. This is a smart deal. This is a good agreement. This is a vital agreement for the future of this province.

We can pay off \$500 million of debt, we can save \$30 million a year in interest, and we will still have enough for another \$500 million of investment in opportunities and jobs throughout this province.

We can cut the cost of interline shipping by up to 7 percent. We can cut travel times to North Vancouver. We can cut travel times to the heart of the continent. We can create an operating partner who will help us reduce shipping times to the east by two days, as I mentioned earlier. We can provide first nations with true benefits from this, as we establish a \$15 million trust to benefit the first nations up and down the B.C. Rail line. There will be a new \$1 million wheel shop in Prince George. There will be the new western district head office in Prince George.

Again, just as a quick aside, yesterday a member of the opposition said that she didn't think this wheel shop was such a big deal. Well, let me just tell you that what we're actually doing is creating in Prince George a wheel shop which will be state of the art. In Squamish right now — it's true — they are doing about 3,000 wheels a year. In the operation in Prince George they will do on the order of 40,000 wheels a year.

We will be doing something even more important that we told British Columbians we would do. We're going to bring jobs back home to this province. We're bringing jobs from Washington State, and we're bringing jobs from Winnipeg. We're bringing them to Prince George, where they should have been all along and where they're going to be in the future.

As we look at the excess lands up and down the rail line, we see opportunities for communities up and down British Columbia. But equally important, over the next 60 years communities can know that they can count on getting the full value of their property tax paid on a regular basis — not grants-in-lieu but full property tax.

What does this mean to local communities? Let me just give you some examples. In the district of North Vancouver they currently get \$156,000 as a grant in lieu of tax. Following the completion of this partnership agreement, they will get \$716,000 a year — almost half a million dollars more a year. In the city of North Vancouver a \$5,500 grant-in-lieu will be expanded to \$256,000 as property tax that will go to those people.

In the Peace River regional district, the mighty Peace, they currently get \$59,000 in grants-in-lieu. Following the completion of this B.C. Rail partnership investment agreement, they will get \$1.3 million a year in property taxes. In 100 Mile House they'll watch as their property tax goes up by five times. In Quesnel they'll watch as their property tax goes up by three

times. That means resources for critical community services that people need in those resource communities up and down the rail line, and that's what this agreement does for those communities.

As we decide as a Legislature whether or not to support this bill, let me say this. This is a time for everyone to look to the future, to imagine for a moment what can happen in British Columbia. Instead of listening to the naysayers who will tell you what can't happen and how difficult it is to dream and how we should just keep on looking back, wouldn't it be great to start looking ahead — to start looking to the north of our province and seeing in our vision of the north a great northwestern port in Prince Rupert and a great city in Prince George that's a gateway to the continent that provides service and opportunities to people throughout our North American marketplace?

Wouldn't it be great to look to the Peace and see Peace River farmers saying that our grain is getting to our customers quickly? Wouldn't it be great to go to Terrace and hear them talk with excitement about what's happening in the mining industry and the energy industry? Wouldn't it be great to go to 100 Mile House and to Williams Lake and hear them talk about the new exciting tourism potential and tourism product they have? Wouldn't it be great for British Columbians to dream again and to know that they can reach those dreams because we've given them the tools to do just that? Wouldn't that be great, Mr. Speaker?

[1500]

We all inherited a great province from those who came before, but we should never underestimate the fact that every major decision — every important decision that was made — comes with those who are optimists, who are looking to the future with excitement, and overcomes those who are pessimists, who are constantly telling us what's wrong. Well, I'll tell you this, Mr. Speaker: there is nothing wrong with British Columbia. British Columbia is the place to live. British Columbia is the place to work. British Columbia is the place to build a future for everybody that lives here. British Columbians are ready to move forward. They are excited by the potential of this province, and by passing this legislation today, we take our place in allowing British Columbians to build the future they want.

Some will always say no. Some will always be opposed. They'll be opposed to investment. They'll be opposed to jobs. They'll be opposed and frightened of the future. I hope this government shows that we are excited by the future. We are excited by the potential of British Columbia. We're excited by the north. And let me tell you this: this is a government that will listen to the voices of the north and that will listen to the call of the people of the interior. It's a call to the future. It's a call to build the kind of society people want, where there are jobs and opportunities and hope. It's a call that this government will heed when we vote yes, and that's what I intend to do.

**Hon. S. Bond:** Well, the first thing I want to say is — and you will not be surprised by this — that I am

excited about the future of the north. With all sincerity, I want you to know that as a resident of the northern part of the province of British Columbia.... I look across to the other benches, to my colleagues who live where I live, and I look at the smiles and the excitement, because for the first time in a very long time in this Legislature we have heard the words "the north." We have heard "Prince George" and "Prince Rupert" — all of those communities up and down the line. We care about the north. I'm proud to work for and with a Premier who understands the north.

[H. Long in the chair.]

I want to begin my comments today by speaking just a little bit about the process that's evolved as we've looked at a most difficult and challenging decision for this government to have made. It required bold leadership, it required a sense of vision, and most importantly, it required listening to hear the voices of the people of the north. I have lived in the north my entire life, and I believe this is the best thing that has happened for the northern part of this province in a very long time.

[1505]

It's a pleasure to work with the Premier, who said to us: "I want you to go home and listen to the concerns of the people you serve." He believes that serving is what our job is all about. He said: "Go home and make a list. I want you to bring back the concerns. I want you to bring back the hopes. I want you to bring back the dreams of the people that are telling you what they want for the part of the world they live in."

I want you to know this: he listened, he paid attention, and he acted. He provided the leadership that was necessary to move this province and, from my perspective, more importantly, to move the northern part of this province forward.

I am so proud of the bill that the Minister of Transportation has brought to the floor of this House today, and I am proud to stand in support of it. You see, at home today, despite what you are hearing on the opposite side of this House, I heard the words "hope," "excitement," "opportunity," "potential." The community is buzzing. Do you know how long it's been since we have felt like that in Prince George?

I want you to know something. We recognized something in this process very early on. There was something we all agreed on, those of us who live in the northern part of this province. We need a railway. We know it's important, but we needed a railway that was efficient. We needed it to be competitive. We needed it, most importantly, to be sustainable for our children and their children. We wanted it to provide good jobs, but we also wanted it to be the economic driver for the northern part of this province.

We all agreed on that, and I can assure you that even the members opposite would agree. What we didn't agree on was who should actually be responsible for ensuring that economic driver remained viable and had the opportunity to grow.

We knew one thing: we needed to protect the asset, and that's exactly what we did. You see, we're going to make sure, through this legislation, that we guarantee that the right-of-way, the railbed and the track are legally enshrined under public ownership. That's protecting the asset.

I'm absolutely amazed at people's inability to understand the word "lease." You see, we're protecting the asset, but we're creating a new operating model. That's simply what we're doing. We're finding a partner who is going to operate this railway to the benefit not just of those people where I live but of the entire province. That is responsible, it is effective, and it is going to generate results for years and decades to come.

To understand where we are, we must look at the past. While we may want to deny some of the facts, which has certainly been commonplace over the last couple of days, we have to look at why and how we got ourselves to this position today. First of all, northern leaders came to us and said: "The status quo is unacceptable. We must look at a new way of doing business." We also needed to find new ways to reinvest in this railway, and, simply put, we don't have the resources to do that.

Let me remind you and this House of a number: \$857 million. Now, one might want to trivialize or minimize that number or even try to suggest that it isn't actually debt. Think about it. That's how much British Columbia's taxpayers have paid to write down the debts of B.C. Rail over the past 15 years. Just think about what \$857 million can do.

Certainly, we have to look at another number: \$502 million. That is the current amount of B.C. Rail's debt. Those numbers just begin to give you a sense of the picture about why we needed to deal with the B.C. Rail situation.

[1510]

More than a year ago, northern mayors gathered, and they came and spoke to us and said: "We think you should consider a public-private partnership for the operation of this railway." Under the Premier's leadership, this government worked with those mayors and with other key stakeholders to create a request for proposals. That RFP laid out clear ground rules for finding a partner. The guidelines were clear. We needed to look at the issues of sustainability, competitiveness, growth opportunities and significant community benefits.

We all knew what the problem was. We knew that B.C. Rail needed to grow. It required expansion of its capital assets, and we needed to find a partner to ensure that that would take place. The shippers knew it, the municipal leaders understood it, and the company acknowledged it. Northerners demanded a new approach. They deserve a new approach, one that recognizes the contributions of the north, and with this legislation and with the partnership agreement, that's exactly what we've got. Let's look at one other number: \$1 billion. Our partnership with CN Rail will generate \$1 billion, upfront, of investment in British Columbia.

One of my primary concerns, and certainly my colleague from Prince George North shared this concern.... We are concerned for the men and the women who operate and run the railway. I can honestly say that one of the most challenging things during the past number of months — in fact, probably a year as we've explored this possibility and looked for a dynamic partnership — was our concern for those employees and for their families. You see, we do care about jobs. It's important to look for new jobs and increased jobs, but we care about the jobs we have in our community, the existing employees and their families. It matters to us, despite what you might hear and the rhetoric and nonsense that you hear. There were numbers in our community that were being discussed and people who contributed to that with uncertainty and fearmongering — numbers as high as, for our community, 350 and across the province, thousands. Those numbers were unacceptable to me and to my colleague and certainly to the members of this House.

What did we do about that? Did we sit back and do nothing? Absolutely not. We were at the table. We were here in Victoria bringing those concerns. We were sharing the concerns that we have for the workers in our community. We wanted to make sure that they were treated fairly and respectfully.

Think about the end result. Throughout the entire B.C. Rail network, there will be 180 involuntary job reductions over the next three years. Although restructuring is never easy, we will see a reduction of 25 positions from our communities over the next three years. I know that our partner, CN.... Certainly, we heard it clearly articulated just two days ago that there would be concern, and we will work hard. In fact, and I quote — paraphrase, perhaps, is safest — CN committed that: "We will bend over backwards to be sensitive to the needs of people."

B.C.'s own executive said that status quo job loss, more job loss, would have been inevitable. So we've worked hard. We've worked hard as MLAs. We've worked hard as a government. The team that worked hard on our behalf, who have done an outstanding job, concentrated on their priorities as well — jobs for the province and jobs, protection, for those people who live in our communities and those communities which B.C. Rail serves up and down the province.

This partnership will be a major source of economic development for the entire province. But in my community — the community of Prince George, the city of Prince George — the benefits are enormous. I am actually shocked by the comments of people who have suggested.... Let me give you one quote: "The northern MLAs' communities are getting the shaft on this deal."

[1515]

Let me just read you one or two or three or four or five or six of the benefits that the people of Prince George will enjoy. Prince George will be the location of CN's new B.C. northern division office, finally bringing a regional rail office to Prince George. Let me tell you a little bit about that division office. Prince George has been chosen as the office. It will be the home to trans-

portation, customer service, engineering, mechanical and general management employees. That is a significant and sustainable commitment to the city of Prince George and to the province of British Columbia.

We will also be the site of the new million-dollar, state-of-the-art wheel shop that the Premier so accurately described. Think about that. We've been chosen as the site for the wheel shop. As a result of that new investment, CN will perform all of its western Canadian work in Prince George, which is now performed in Winnipeg. As well, some of the jobs that are created will be attracted from work that is currently being outsourced to U.S. suppliers. That is a long-term and sustainable commitment to Prince George and British Columbia.

The people of Prince George also wanted to expand their airport. They want to look at terminal and runway improvements. They want to look at cargo opportunities. They needed a customs office to be able to expand. To make that happen, \$4 million will go to the Prince George Airport Authority. That results in direct and indirect jobs that can only benefit our community.

One of the most exciting components of the opportunities that are before us relates to tourism opportunities and passenger rail services. Imagine. People are actually competing now to have the right to run tourism and passenger opportunities on the railway. Think about what that means. It means the opportunity for more jobs, opportunities in the hospitality and tourism industry. It means the possibility of circuit tours. It means endless opportunities. And that's just the beginning. New tax revenues for our municipality will help fund our local services, and that is important to us.

The new Chicago express — and it is a new Chicago express — will transport freight to one of our largest markets quicker and more efficiently — in fact, in 90 hours.

This is also good news as we look at being competitive and we enter the global market. But think about it. We're not just talking about railways. We're not just talking about airports. We're talking about ports as well. Prince George will be the gateway to the north. Think about the possibilities. I can't imagine people not wanting to be supportive of a bill and an opportunity that is all about benefit for the northern part of the province, for the middle part of the province — in fact, for the entire province of British Columbia.

Perhaps one of the things that has been most meaningful for me as we've explored how we move forward with this proposal was a discussion with the Premier that led to the creation of more opportunity for northerners. One of the things people say in Prince George and other places in the north — in McBride and Valemout and the communities I represent — is: "Do they actually listen to us in Victoria? Does anyone actually pay attention to us? You know, sometimes if government would just get out of the way and let us make some of those decisions ourselves, that would be a very good thing." I can't begin to tell you how pleased I am that \$135 million is being returned to northerners to support economic development and

investment in things like forestry and pine beetle recovery, transportation, tourism, mining, Olympic opportunities and small businesses.

[1520]

The best news about this is that this fund is not going to be administered in Victoria. In fact, it is going to be administered by northerners with regional advisory committees for each of the four regions of the north. We will decide what the priorities are, and we will provide that input. Think about that. How can we not be supportive of an opportunity that allows people to be directly involved in the decisions that will assist us in rebuilding our economy? Decisions being made in the north, for the north, by the people of the north — that just makes great sense. I thank both the Premier and the minister for returning this investment and this opportunity to those of us who live in the north.

For the past few months I've heard all of the critics and all of the detractors, especially those across from us in this chamber, talk about how somehow the status quo was good enough. I guess that's perhaps one government's idea — that the solution is just to do nothing. You know, there have been countless opportunities over the last ten years in the previous government's mandate to help the north. They didn't decide to build a stronger B.C. Rail, and they did little for economic growth in British Columbia. As a matter of fact, we went to the status of being a have-not province.

Now their new leader is certainly a supporter of the 1990s edition of that government. I guess she's prepared to stand up and say to the people of Prince George: "No, I don't want a million-dollar wheel shop. No, I don't want a divisional headquarters in Prince George. No, I don't want more parkland. No, I don't want to preserve jobs. No, I don't want to look at future economic development in this part of the province." Well, that's simply not good enough.

It's time, as the Premier suggested, that we respond to the call of the north, and that's exactly what we intend to do. People in my community would be astounded and horrified if we turned our backs on renewed investment in the rail line, eliminating public debt, 600 new cars and an expansion of service, lower rates, improved access to markets and, most importantly, long-term protection of the rail network.

During the decade the NDP was in power, community leaders in Prince George repeatedly asked that government to put B.C. Rail's head office in our city. They did nothing. CN Rail is going to make Prince George the home of its new B.C. north division office. As I said, it will be home to transportation, customer service, engineering, mechanical and general management opportunities. This is long overdue.

You can't simply not make investment and assume the entity will thrive. During the 1990s there was no investment. There was no necessary investment in ensuring the sustainability of B.C. Rail. CN Rail is going to purchase 600 new centre-beam cars and upgrade 1,500 more. That is how you help build and grow a rail network. CN is issuing, in partnership, a request for proposals for passenger tourist train service. Two com-

panies have already expressed great interest in operating the service. That is how you generate new tourism opportunities.

This partnership is good news for my community. In fact, I was pleased to hear the member for Prince George-Omineca recognize the opportunities that exist. He said recently in an interview: "The fact that there will be a wheel repair shop and headquarters in Prince George generating millions of dollars by way of municipal taxes — that is a very good thing for Prince George and beyond."

So often we believe that decisions are made in the south, and they don't reflect northern realities. Now, with the \$135 million northern development initiative, we will be able to decide how our money is spent. We're going to choose the projects that work for northerners. We're going to work with first nations, and we're going to exert more control over our own destiny.

There have been so many words exchanged and rumours exchanged over the past number of months, but times have changed, and the way we operate has changed. The bottom line is that B.C. Rail needs an investment and an infusion of capital.

[1525]

Canfor's CEO, David Emerson, a respected businessman, puts the case succinctly:

"The fact is they have not had that scale and size and sort of general level of efficiency and staying power for the long haul. We have to plan to do business with a railway that's going to be around in ten years or 15 years, and we don't have that confidence today with B.C. Rail. It's not because we don't like B.C. Rail or we don't like their people. It's because, by their own admission, they're not a viable railway today."

Mr. Emerson is not the only shipper who saw the need for improvements to rail infrastructure. A group of large forest product companies in B.C. has also expressed the need for changes that allow for a competitive, efficient and service-oriented railway. This deal provides the shippers with a competitive advantage. Forestry is what drives our economy, and they now have quicker access to their markets. As well, they will receive an average rate reduction of 7 percent for interline rail shipments. This is good news for companies who need an efficient and effective rail system.

I think our mayor, Colin Kinsley, said it best. As we go through this, you'll see what has happened with the rate reduction for the shippers. I mean, that's good for us. The acquisition of 600 I-beam cars so that it will satisfy the shippers' needs to get back on the rail — that's good news. CN upgrading the tunnels between here and Prince Rupert to allow for double-decking or piggybacking for containerization. The province announcing \$17.5 million for the port of Prince Rupert — more good news.

I was born and raised in Prince George. I know the passion of the people and the entrepreneurial spirit of the northern communities. I know and believe that a railway is important. I know how difficult this decision has been, and the results have been a challenge for the

people where I live. I've spent a lot of time listening to those people who were concerned that we were simply going to give it away, sell it away, give it up. We're simply not prepared to do that.

The north needs leadership, and it needs a plan. It needs bold and courageous ways to revitalize our economy so that our children and our grandchildren have a future not just in the province but in Prince George where we choose to make our homes. This agreement says that northerners deserve to be full partners in the success of British Columbia. Today we begin moving forward to our goal of creating economic growth and sustainable communities. We believe in the north, and we now have the tools to construct a stronger economy.

As we move forward, as we face the days ahead, we know there is much work yet to be done in Prince George and in the north. But I believe that through this bill, through this deal, through this partnership, we've given the north the tools, the opportunity and the hope that it absolutely deserves.

**D. Hayer:** Thank you, Mr. Speaker, for the opportunity to speak to Bill 89, to revitalize B.C. Rail. During the past two years or so that I have been in this House, I have travelled all across the central interior, throughout the Cariboo and up north as far as Dawson Creek. Everyone I spoke to up there told me their concerns about B.C. Rail, because that transportation system is the economic lifeline for the forest industry in all those communities that I visited.

What I find so encouraging about this bill that we are speaking about today and about this new partnership between B.C. Rail and CN Rail is that it has the support of the mayors and the councils in the central interior and in the north. Prince George's mayor, Colin Kinsley, says that this partnership is exciting. All the things we asked, the government was able to negotiate, and the MLAs worked hard to negotiate that on behalf of them. The Prince Rupert mayor, Herb Pond, called the announcement of this agreement an exciting day for the people of Prince Rupert and anyone else who lives along the transportation corridor. Fort St. John mayor, Steve Thorlakson, says: "I really believe this is progress."

Those comments give me the strength and conviction that this agreement is a good deal for all of British Columbia, and it gives me confidence in responding to the constituents who say they are not happy with this decision because they believe we are selling off assets to balance our budget. This simply is not true. The revenues government gains from this partnership will go to transportation improvements, to paying off B.C. Rail's enormous debt, to revitalizing the northern economy.

[1530]

B.C. Rail was not consistently a moneymaker. It was not earning enough to improve its services or to buy the necessary rolling stock. Its income was not sufficient to keep it going over the long term. However, this partnership will ensure that what is now B.C. Rail

continues as a viable, successful and efficient transportation system. In fact, without this partnership with CN Rail, which Premier Campbell has so vigorously pursued, the future of B.C. Rail was in great doubt. That means that the economy of the north, already so battered by the softwood lumber dispute and pine beetle epidemic, would be in jeopardy. While B.C. Rail has been making a modest profit sometimes over the past couple of years, half of the profit was going to interest payments on its enormous half-billion-dollar debt. B.C. Rail, without this partnership, is unsustainable over the long term. It is not making enough money to replace aging rolling stock. It is not making enough money to ensure its future.

The B.C. government, over the past 15 years, has written off almost \$900 million of debt of B.C. Rail. That is taxpayers' money. This partnership not only ensures B.C. Rail will become more efficient and effective, but it also eliminates a huge taxpayers' debt. It strengthens the economy of the north and the interior, and it will translate into tremendous economic spinoff that will create jobs, ensure security for families and ensure British Columbia's products will continue to flow to foreign customers.

As I mentioned, I have visited most of the areas along the B.C. Rail corridor. I have been to Prince Rupert, which will benefit greatly from this agreement through the development and expansion of its container port. I have been to Terrace, Kitimat, Smithers, Houston and Prince George. All of these communities will see their economies grow, their prosperity increase and their residents enjoy long-term security because of this agreement and this bill we have been debating today.

I have also toured the Houston sawmill, which is the most modern lumber mill in the world. I understand they also have plans to construct the largest and most efficient mill in the world in Houston. This bill will ensure that those sawmills will continue to create jobs and employ people in good-paying jobs, because now they will be able to — and they are assured they will be able to — get their products to the markets quickly. In fact, I'm told that by utilizing CN's network of tracks and system, B.C. lumber will now be able to get to the markets such as Chicago two days sooner. That speed and efficiency translate into saved costs, greater profits, more money in the pockets of those who work and live in the northern communities.

I travelled through the Cariboo, visiting Williams Lake, Quesnel and 100 Mile House. These communities are forest-dependent, and the forest industry is dependent on effective rail service. This agreement will ensure that the residents of those communities will have jobs and a future and their families will have a comfortable lifestyle.

There has been some talk of job loss within B.C. Rail, but my understanding is that the net impact of this will be minimal, if at all, because there will be other jobs created, other industries moving in those towns. Premier Campbell has assured us that all of that \$135 million resulting from this agreement will be di-

rected to the northern communities to invest there to create more opportunities.

CN will be building a state-of-the-art wheel plant in Prince George. It will establish a divisional headquarters in the northern city, and it will bring locomotive and freight car repair work to the city. This means jobs, and it means prosperity for all those towns. As well, as part of this agreement, the government will be providing Prince George with \$4 million to support airport improvements. Another \$17.2 million will be going into Prince Rupert for its container terminal, and the revenue the communities currently receive in property taxes from B.C. Rail will see the source go up more than four and a half times.

[1535]

Prince Rupert is 440 miles closer to the Asian markets than any other port in North America. That makes the travel time to Asia two days less than currently available from anywhere in North America, and that means more ships, more money going into our northern coastal communities and communities all along the B.C. Rail line.

The list of benefits goes on and on. That is why I am encouraged by the support this agreement has from interior mayors and councils and by the prosperity that this agreement ensures for the residents of the north. This partnership is good for the heartlands, and it is good for British Columbia. That's why I wholeheartedly support this bill.

**K. Krueger:** I also am delighted to rise and support this bill today in the Legislature.

What is a railway, Mr. Speaker? I saw that Michael Smyth wrote a bit of a humorous column the other day and referred to Gordon Lightfoot's *Canadian Railroad Trilogy*. It's a trilogy, a group of songs that are some of my wife's favourite music. It starts out: "There was a time in this fair land when the railway did not run, when the wild majestic mountains stood alone against the sun."

The railroad has always been part of Canadians' understanding of the character of Canada. Our trans-continental railways were symbols of the opening up of a new land — as Gordon Lightfoot said: "Bringing goods to a young, growing land." But when Canadians think about that, when they think about railroads, I suggest that they think about the right-of-way, the rail-bed and the tracks. Everything else is pretty much under attack by Mother Nature all the time. Whether it's the rolling stock, the offices, the buildings, the cars or the locomotives, it's subject to rust, rot, and wear and tear. But the railway is the track; the railway is the rail-bed; the railway is the real estate.

When I see people setting their hair on fire about privatizing B.C. Rail, I suggest that's absolute nonsense. Everything that was a part of this deal is replaceable. I'm thrilled that a private sector operator that knows how to run a railroad and has a tremendous reputation around this continent is going to assume that responsibility and, in the process, open a

whole new world of opportunities for northern British Columbians.

We had an old steam locomotive sitting in Riverside Park in Kamloops for decades. I used to climb on it when I was a kid, when we visited there. It was out of commission. It was one of those pieces of rolling stock that had reached the end of its useful life, so it was set there as a souvenir of the way things used to be in the steam days. A lot of railroaders felt pretty badly about how it was corroding and were worried about children getting hurt on it. Eventually it was fenced off. After a time, a group of them formed, and they took that locomotive out of the park. They put it in a big shed and worked for thousands of hours restoring it, and now it runs like a living piece of history, like a user-friendly museum on a track around the Kamloops area.

Well, we aren't interested in looking backwards with regard to BCR. We are looking forward. This is not the privatization of a railway but the entering into a new partnership, a new and exciting partnership that will be wonderful for all British Columbians but especially for northerners. It's a great deal when you can have your services provided by someone with the expertise of a CNR and you can have all of the benefits that my colleagues have been talking about in this House — including, fantastically, the paying off of \$500 million in debt. What a phenomenal thing that is.

Debt is something that most Canadians historically have been pretty leery of. We don't like having to pay interest; we don't like that debt looming over us and binding our hands as to what we can do in the future. It's an issue that the past government wasn't particularly worried about, and we saw that with their approaches to business, with \$300 million dumped into Skeena Cellulose, with nearly half a billion dollars dumped into the fast ferries — all sorts of failed efforts to be in competition with the private sector, in business as government.

[1540]

This government has said very clearly, before we were elected and since, that we don't really believe that government should be in the business of doing business. We believe in steering; we don't believe in rowing. We believe that the private sector does a better job of that. So everything that we have sold in this transaction is something that is corruptible by nature, something that will have to be replaced. We have a private sector partner with deep enough pockets to take on that responsibility and fully intend to make money at it, which I'm sure they will, with no risk to British Columbians of any further debt accumulating, with no responsibility to pay \$30 million a year in interest any longer and with all of these tremendous investments in the north country. What a fantastic thing that is.

If you lease your car, Mr. Speaker, do you privatize your driveway? Of course not. What a silly question. Some of the things we're hearing from our critics are just as silly as that. If all of this angst is just political stuff, of course, we can laugh that off. We can deal with it. The NDP can set their hair on fire all they like.

They've got their track record. They took a debt of \$16.5 billion accumulated over 125 years of B.C. government and transformed it into a debt of \$34 billion in ten years, where we're left paying almost \$3 billion a year in interest, even though interest rates are the lowest we've ever seen them in our lifetimes. They don't have too much in the way of credentials to speak from, but it never seems to give them pause from speaking anyway.

They demonstrated throughout their term in office that they know absolutely nothing about running businesses and that they didn't learn anything in those sad ten years they were in power. They also don't understand debt or the fact that it's always the same taxpayer who has to shoulder that debt — the same taxpayer we're talking about. I've listened in amazement to their response to second reading in this House and how they just do not believe it. I think they honestly do not believe that B.C. Rail's debt was public debt, never mind the fact that they absorbed \$840 million into the taxpayers' general debt as a result of the accumulated losses of BCR. We still have a \$500 million debt to pay off with this transaction. The NDP has always appeared to believe that if they can somehow assign the debt to some other public entity, they don't have to consider it public debt.

The day of us pouring billions of dollars into deficits created by government's failed attempts to run businesses — whether it's B.C. Ferries, B.C. Rail, Skeena Cellulose or anything else — are happily over. We don't want taxpayers to have to continue to absorb carrying charges, and now they won't — at least with regard to this venture.

My legislative assistant just sent a copy of an e-mail to me in the House, and it says:

"I just had a charming and ecstatic phone call from one of your constituents, who unfortunately refused to give me her name but wanted me to tell you how thrilled she was about the B.C. Rail deal. She thinks it is a tremendous 'psychological benefit' and holds true to Bennett's vision of 'keeping the north open.' She is grateful for everyone's hard work but wanted to call you especially, as you are her MLA. She also sends you a kiss."

I liked that part. Apparently it was an elderly lady. I don't think it was my mom, because she wouldn't have said I'm her MLA. She lives in Salmon Arm.

That's how people feel. I'm not getting any negative calls in my constituency office. People see very clearly what the government is doing in embracing this wonderful opportunity.

I'm old enough to remember W.A.C. Bennett really well, and I really respect him and his legacy. He had my parents' tremendous loyalty. They were Social Credit people. They didn't like being called Socreds; they were Social Credit people. They really respected W.A.C. Bennett.

I met him a number of times at conventions and so on, and I treasure his legacy and the things he left to British Columbians — the vision he had and the courage he had to march forward with that vision. I hate it when people call him Wacky Bennett, which of course

is a play on his initials, but it's wrong to use that adjective in relation to such a great man who did so much for British Columbia. My colleagues have talked about his vision and his ability to deliver, whether he was building dams or allowing Phil Gaglardi to build highways or building the railway. Things he created for us have served us well up until now, and it's time for renewal of them. That's what this government, to my considerable pride, is doing.

[1545]

I remember when the railway, the BCR, came through our farm. I grew up on a homestead north of Fort St. John. My dad was a war veteran. He got a war veteran's opportunity to homestead land. We had 1,600 acres. I spent my boyhood helping him knock down trees and pick roots and break land and carry rocks around and turn it into a farm.

I remember our joy when the BCR came through that land, because we felt like we were a long way from anywhere, and we were. We were 18 miles — well, actually, more than that — into the bush from mile 73 of the Alaska Highway. It was Peace River gumbo road, and when it rained, which it did a lot, it was like it turned into grease, and it was hard to haul your products out to market.

I remember one time my dad was heading out with a loaded grain truck. It was very valuable to us. Sometimes you didn't get your crop in that country because it rained right to winter, when it turned to snow. He had a big truckload of grain. It had started raining, so he tarped it up and carried on. The road was too greasy, and the truck ended up tumbling onto its side in the ditch and spilling all the grain — a real catastrophe, because we couldn't afford insurance.

When the railway came through, we knew there would be a lot better way to get the products to market for us, for our neighbours and for people all up the line. The people of British Columbia are tremendously fond of the BCR, and I am very happy to see that it has a bright, new future.

I was a teenager after the railway was completed through our farm and it was in use. I was grouse hunting one day and walking along with my .22 rifle when a Budd car came through with W.A.C. Bennett standing on the back. In those days a Premier didn't have to worry if he saw a kid with a rifle right by the railway track. He was going by, and he waved to me, and I waved to him. I feel this tremendous fondness for him, and I often think of that picture of him waving at me as the Budd car disappeared down the track. I know full well how the people feel about the railway up there and how they feel about living in the north.

We've heard the member for Peace River North, now the Minister of Energy and Mines, say for years in this House how the people of the heartlands.... We didn't call it that then, but it's a very good word for it that we use now, because they are the heartlands where the lifeblood of this province's economy comes from.

That member would say how the people from the heartlands always saw their resources, resources they

worked to put into the economy, disappearing down to Victoria and Vancouver, down to the big city, and you had to go cap in hand begging for anything to come back to your constituents. We've all been thoroughly tired, all our lives, of seeing that happen up there.

I remember one day when my mother met Phil Gaglardi when he was Highways minister and our roads were the gumbo I've described. He went to shake her hand. She shook his hand, but she wouldn't let go, which would be sort of a startling thing when you think about it. She just wouldn't let go and kept shaking his hand. He was getting a little wild-eyed, and she said: "I'm going to keep shaking your hand until you promise that you'll gravel our roads." He did promise in the end, and the next week the gravel trucks were out.

It didn't last in that country, because the base is Peace River gumbo, so they take constant work. This government has already poured a tremendous amount of money into the highway infrastructure and has done a really good job of improving the all-weather quality of the road so that the wealth of that area can continue to be brought out to the benefit of all British Columbians.

I worked for CNR when I was a newlywed, still a teenager. We used to chuckle at the BCR then, because the locomotives didn't have the pulling power of the CN locomotives. People would say that three of our locomotives would take a loaded train over to the switch yards, and it would take half a dozen BCR locomotives to snortingly haul them away. I never knew if that was an exaggeration or not. I do know that the railway has struggled to keep up with the times. I understand things have gone better in recent years.

Back then I had a friend who was a manager for B.C. Rail. He received very rough treatment. His name was Les Wilson. There's a judgment on the books because he had to sue for the way he was treated as a manager. It struck me then, as it often has since, that managers in businesses owned by government just do not have the same accountability as managers in the private sector, because a lot of them don't really worry about the bottom line. They do their jobs, they draw large salaries, and they just aren't accountable to their shareholders the way private sector people are accountable to theirs. You see them do things that are just clearly wrong, and they do them anyway because they don't tend to suffer the consequences. I think we will all be so much better off with this arrangement.

[1550]

I heard my colleague from Prince George–Mount Robson talk about how some people just do not seem to understand what a lease is. In Kamloops and region we have tremendously successful first nations people. They're very progressive. They think long term, and they're very smart. The Kamloops Indian band has a development of 2,000 homesites on their property along the flanks of Mount Paul, and together with a gentleman named Georg Schurian, they're developing the Sun Rivers project.

The people who are building there, and they're building all the time, have 100-year leases paid in ad-

vance. When I was talking to Chief Bonnie Leonard some months ago about the advantages of a lease such as this one has turned out to be, she said: "I don't know what all the excitement is against leases. They work so well for us. Look at all the infrastructure we've built because we enter into lease arrangements. The land never goes away; the land will always be ours. It works well for the people who are leasing from us, and it works very well for us." They are considered one of the leading aboriginal bands, first nations people, in this province. They've done tremendously well for themselves.

I want to congratulate the government, the Premier and the Minister of Transportation. She really worked on this deal, and we saw that. She had her nose to the grindstone, her ear to the ground and her shoulder to the wheel, but she only had eyes for the prize. She never gave up, and she brought the deal home. We were proud to attend the press conference the other day and to see the excitement in the room and, since then, to hear the excitement of our constituents and people from all over British Columbia, because something is finally happening here in British Columbia.

We knew it in our hearts that the approaches would work — that if you cut people's taxes to the lowest income tax in Canada for the first \$60,000 of income, if you cleared away unnecessary regulation, if you broke the barriers to success that had been built in and become hardened all around our economy in British Columbia, you could start to undo some of the damage.

I've lived in Smithers and been to Prince Rupert many times. When I lived there in the late seventies and early eighties, it was a bustling area. There was lots going on, and it's broken my heart to see people go through what they've gone through in the northwest with the demise of Skeena Cellulose and all the things that have dominoed since then.

The member from the coast, from Prince Rupert, brought us — I was going to bring them in the House today, but I forgot, unfortunately; I was going to do it, even though we're not supposed to have props — canned salmon one time. It was called "big red" salmon or something like that — because of his hair, I think. It had a warning label on it that said: "Be careful about eating this, because it's liable to cause you to have all sorts of ideas, like a container facility in Prince Rupert, like an expanded port, like an improved railway service." I know the minister used to be a shellfish farmer. I suspect she's been eating some of that salmon, because she has delivered on all of those things that product warned us we might start thinking about if we ate it.

Prince George has been through boom times and bust. I've lived there twice. People on the Finance and Government Services Committee always tease me about all the places I've lived, because wherever we toured, it seemed like I had lived there before. I've lived there twice, and it was boom times on both of those occasions. Again, it's been so sad to hear of the economy shrinking and people's house values dropping. Most British Columbians can really grasp that if

that's happening to you, you really feel bad, because to a lot of people their home is their retirement package. They expect to be able to downsize one day and put the difference in their pockets and retire on it, along with what they've saved and what they have in pensions. But when your house value is dropping and you can't even sell it at the reduced price, it must feel really, really bad. I am so pleased for Prince George, so excited about the commitments the government has made that all of these revitalization initiatives are going to take place, that we are going to see Prince George thrive and boom again. That's a wonderful thing.

To put so much of the money in the hands of people who live in the north, again, is a tremendous thing. It's an annoyance and, worse than that, it's kind of a humiliation to always see that your provincial government doesn't trust that you, the people who live in an area, are smart enough to make decisions like that for yourselves. Clearly, this government does. This government is setting up local people with the opportunity to take this tremendous investment and do the things that make sense for the north and for the areas where they live.

[1555]

In closing, I want to just congratulate the Minister of Transportation and congratulate the Premier. I may have to congratulate a few more people than I thought, because one of my colleagues is on his way to the House, I gather.

It's been a long time coming, a long time that British Columbians have waited for the chance to truly be empowered, to really be involved in what government decides, what it does with the money that comes to it and that is entrusted to it. Here at last we see a government moving in those directions, a government that got the economy perking again with the tax cuts and the regulatory changes and that since then has won the Olympic bid and created an incredible amount of excitement — a huge number of opportunities in this province — and now is moving throughout the province, including some of the most neglected areas of the province over the last 20 years, to bring home what we promised in our new-era platform in the year 2001 — hope and prosperity, a whole new vision for British Columbia.

Hon. J. Reid moved adjournment of debate.

Motion approved.

**Hon. G. Plant:** I call second reading of Bill 90.

#### MISCELLANEOUS STATUTES AMENDMENT ACT (No. 3), 2003

**Hon. G. Plant:** I move second reading of Bill 90.

In addition to housekeeping, transitional and consequential amendments, Bill 90 makes a number of

substantive changes to various statutes of British Columbia. In some cases, it restores the original policy intent of the provisions in the statutes being amended. In some cases, it modernizes and updates legislation — for example, by accommodating electronic filing systems. It adds clarity where necessary to avoid potential negative impacts. Finally, it includes some amendments that are deregulatory in nature, reflecting our continuing review and upgrading of regulations in British Columbia.

At this time, let me review in a little bit more detail the provisions of this bill. Bill 90 contains amendments to the Assessment Act and the Assessment Authority Act. Currently, the Assessment Act requires assessment rolls and assessment notices to be prepared for all properties in the province that are liable to assessment. However, according to the judgment of the hon. Chief Justice Finch of the B.C. Court of Appeal, interpreting the language of the provisions that are now being amended — the existing language — in his view, meant that an assessor has no authority under the act to assess lands owned by the Crown or other tax-exempt entities because "assessment" is defined as a valuation for taxation purposes.

If this reasoning is used successfully to challenge assessment for tax-exempt properties, the potential financial implications of the court decision could be as much as \$125 million to the province and to municipalities, between the taxes paid by the occupiers of tax-exempt properties and the grants in lieu of the taxes paid by owners of many tax-exempt properties. Loss of transparency in the property taxation system is also possible, since there would be no record of tax-exempt properties on the assessment roll.

[1600]

This is not the intention of the provisions of the Assessment Act, and accordingly there are amendments to it in Bill 90. Any potential challenges or impacts can be addressed by amending the Assessment Act to parallel the wording of similar legislation in Ontario and New Brunswick, as was in fact suggested by Chief Justice Finch in his judgment in the decision, which has given rise to the need for this amendment.

Bill 90 also addresses legislative changes that the credit union sector has requested. They have sought changes to the Credit Union Incorporation Act and the Financial Institutions Act. These changes are intended to allow Credit Union Central of British Columbia to amalgamate financial services with other approved Canadian financial institutions. The ability to combine resources that would flow from any amalgamation that might occur here would mean a higher level of service at a lower cost to all B.C. credit unions and their members. The provisions are intended to be enabling, and any actual amalgamation would require the approval of both government and member credit unions.

There are amendments to the Election Act contained in this bill. These amendments are made at the request of the chief electoral officer, and what they do is remove the requirement that a general enumeration be conducted next year. The current provisions of the

Election Act contain a formula for requiring a general enumeration to be conducted on a regular basis. It is required in the third calendar year following a general election.

The very essence of this framework was designed for an era when elections were called, if I may say this, at the whim of the Premier, and that is no longer the law in British Columbia. As you know, we now have fixed election date legislation, and elections are to take place at regular intervals. We know that the next general election in British Columbia will be in May 2005. The question arises, then, whether it would be in the public interest — whether it would be cost-effective, whether it would be efficient — to conduct a general enumeration next year, which would be a whole year before the general election.

[Mr. Speaker in the chair.]

The chief electoral officer is of the view that it would not be cost-effective or efficient to conduct a general enumeration on that basis, and I agree. The last general enumeration in British Columbia was conducted in 1999. I believe it cost \$4 million, and for that \$4 million investment, there were some 28,000 names added to the electoral rolls. That is a lot of money for not much return. Admittedly, that was an enumeration conducted by mail.

It is possible still, of course, to conduct enumerations by other methods like door-to-door canvassing. The budget estimates for door-to-door canvassing enumeration of the entire province range up to \$15.4 million. Again, there is not much sense in conducting that kind of enumeration a whole year ahead of a general election in circumstances where, as is the case, we live in a province filled with people who move around a lot.

We are continually looking at ways to conduct a kind of continuous enumeration process to make sure there's always work being done to keep the election list up to date. We are going to continue to work with Elections B.C. in the months to come to look for the best possible way to ensure we have the most up-to-date election list in British Columbia come May 2005. In the meantime, it's necessary to repeal this existing statutory requirement to conduct a general enumeration.

If we don't repeal it now, then the chief electoral officer has to get to work, I believe, before the end of the year to prepare for an enumeration, an enumeration which — as I've already said, I think, and this is certainly the chief electoral officer's view — would be potentially an awful lot of money spent for not much return in terms of an improved voters list.

[1605]

We are continuing that work, and this legislation will allow us to do that work. It will maintain in place some existing provisions that have been there for some time to allow for local or targeted enumerations in cases where the chief electoral officer believes that is the best solution to addressing particular challenges with the voters list. Really, our work over the next few

months is, I think, to look for ways to ensure that we have an election list for general election purposes in May 2005 that is as up to date as possible. One of the things we've been looking at is the idea that we could use the voters list kept by Elections Canada, which we believe could be merged with our voters list at very little cost to British Columbia, to generate a much more up-to-date voters list.

There are amendments before the House to the Family Maintenance Enforcement Act. The intention of these amendments is to add the province to the list of payees to be paid out when payments are received from a support payer. This amendment will allow the province to be reimbursed for provincial assistance paid to a support recipient to cover missed support payments. The amendments don't have any impact on the payments made to recipients. What they do is ensure that the province can be reimbursed for any amounts it pays to a recipient when the payer defaults. There are consequential amendments made to the BC Benefits Statutes Amendment Act to allow for this change.

Bill 90 will reduce unnecessary government bureaucracy by amending the Health Care (Consent) and Care Facility (Admission) Act by dissolving the Health Care and Care Facility Review Board in recognition that the work of this board can be more effectively done through other existing dispute resolution processes. The Health Care and Care Facility Review Board reviews, upon request, consent-to-care decisions made by substitute decision-makers such as family members who act on behalf of adults who are not capable of making their own health care decisions. The amendment will dissolve this board, because among other things the board was created in the year 2000 and since then — in its entire life — has held a total of eight hearings. It is the case that other informal review processes exist within the health authorities to protect the rights of these vulnerable patients. This board, we believe, is no longer necessary to maintain in the public interest.

There are also amendments to the Medicare Protection Act that will dissolve the Medical and Health Care Services Appeal Board. This board hears disputes related to applications by beneficiaries for enrolment in the Medical Services Plan that have been denied or cancelled. This board, which I believe may have come into existence in 1997, has at least since that time — in the six years since 1997 — held only seven hearings. Again, there are other review processes that exist that will provide an alternative mechanism for people who wish to dispute an MSP decision regarding their enrolment.

[1610]

Consequential amendments will be made to repeal references to both of these boards in other legislation. The decision to repeal these two boards is consistent with the findings and recommendations of the administrative justice project, which has been hard at work for two and a half years to make sure that we have in place in British Columbia the best administrative justice system in Canada. As you know, certainly for the first part of the work of that project, a significant part

of their activity consisted of reviewing the entire spectrum of administrative justice agencies — I believe some 60 or so agencies — and identifying those which, for one reason or another, no longer served a compelling public purpose. The two changes that are being proposed in this miscellaneous bill give effect to decisions and recommendations that came out of that analysis.

In 1999 there were amendments made to the Land Title Act. They were passed. They were not brought into force. Those previous amendments, which I remember debating in this House, relate to the electronic filing of land title documents. After a great deal of work, those amendments will at last be brought into force early in 2004 in support of the electronic filing system project.

In order to ensure that this work can be done and completed — or gotten underway, I guess, at long last — Bill 90 contains some complementary amendments to the Land Title Amendment Act that will complete the framework. These amendments will support the electronic filing system, and they'll allow that project to be rolled out and, hopefully, significantly reduce the reliance on regulations.

What the amendments do is accommodate the electronic receipt of a form that accompanies every transfer of strata property. With this amendment, strata property transfers can be received electronically and the electronic filing system can be implemented as scheduled. The amendments further authorize the director of land titles to specify requirements for electronic forms rather than relying on regulations. The point of this is to make the filing system more responsive, more flexible, by ensuring that the director has the ability to act more immediately to impose or direct requirements for the content of forms. It's really the director that should be doing this work rather than cabinet. That will be what happens if these amendments pass.

Mr. Speaker, there are amendments to the Miscellaneous Registrations Act, 1992, and I leave it to you to consider the appropriateness of introducing a bill called the Miscellaneous Statutes Amendment Act to amend the Miscellaneous Registrations Act. No doubt you will have a series of miscellaneous thoughts about that subject.

At any rate, the purpose of these amendments is to provide a mechanism for government claims to be registered in the personal property registry. These amendments will clarify the regulation-making powers in the Miscellaneous Registrations Act and redefine the definition of "financing statement," which is a technical term in the act and in the Personal Property Security Act, to reflect mandatory electronic filing. Furthermore, the amendments will provide the authority to apply regulations under the Personal Property Security Act to filings being made under the Miscellaneous Registrations Act, thereby simplifying the legislative scheme. No doubt the users of the scheme can hardly wait for that simplification.

With Bill 90, regulation-making powers will be added to the Mortgage Brokers Act and the Real Estate

Act to allow for the introduction of proposed new fee structures. The new fee structures are designed to update fees by bringing them more into line with those of other jurisdictions — that is, more closely matching the fees to the actual administrative costs and coordinating them with broader changes to regulatory requirements. The new fee structures are part of a larger initiative to modernize and streamline regulation of the mortgage broker and real estate sectors.

Finally, an amendment is also proposed to the Strata Property Act in Bill 90. This amendment will correct an error and restore the original intent of the legislation. The new section will clarify that the requirement for strata corporations to obtain owner approval before commencing a lawsuit is an internal procedural rule for the benefit of the owners and that failure to obtain this approval does not invalidate the lawsuit.

[1615]

Let me put that into practical terms. There is an important requirement in the Strata Property Act to obtain owner approval before commencing a lawsuit. The point of that requirement is to ensure that as a matter of internal management of the strata corporation, the members are brought into a consideration of the question of whether or not they want to commence the lawsuit. There are requirements around a vote that must be held and the outcome of the vote as part of the framework of the act.

When the Strata Property Act was reformed some years ago, it was intended to put these provisions in place as a tool for, if you will, internal accountability within the strata corporation. It was never intended that those amendments could be used by a prospective defendant in a lawsuit as a tool for getting rid of the lawsuit. That is, it was never intended that compliance or non-compliance with this internal rule of owner approval could be raised as a defence to a claim by someone who had broken a contract with the strata corporation or had committed negligence to cause harm to the strata corporation. This issue, however, was raised and became part of an argument made in defence to a leaky-condo action. A defendant in a leaky-condo action raised a defence that because the strata corporation had not complied with this rule, the lawsuit was fatally flawed and should be struck out.

The problem is sort of twofold. Not only is there this issue about whether or not this internal procedural requirement was ever intended to be used as a complete answer to a lawsuit by someone who has nothing to do with the internal affairs of the strata council, but there's also the fact that in a number of cases limitation periods may expire or may have expired between the commencement of the lawsuit and the decision by a court, relying on an unintended interpretation of this provision, to strike down the lawsuit. By the time the court decision comes along to strike down the lawsuit, it may be too late for the strata council members to go back and hold the meeting and dot the i's and cross the t's and make sure the requisite approval standard has been complied with. That was not intended, either, by the legislation when it was originally drafted.

Unfortunately, however, it was an issue that was raised in court. It appeared to the judge hearing the case that what I have described as the intention behind these provisions was not given adequate expression in the language of the provision of the act, and so a decision was made to strike down the lawsuit. There are now a number of people out there who are victims, perhaps of contractor negligence or architect or engineer negligence or perhaps of local government or other negligence, who may have their right to pursue those claims denied them by virtue of what can only fairly be described as an unintended technicality.

We've had this brought to our attention, and we are correcting the problem by amending the provision in the act to state more clearly the original intention, which is that this is an issue of the internal management of the corporation. In order to ensure that the people who might have had a cause of action but might have lost it as a result of this court decision are not, in fact, prejudiced by something that was never the intention of the Legislature when they reformed the Strata Property Act, the provisions in Bill 90 will operate retroactively. The intention here is to demonstrate government's commitment to the owners of leaky condos by ensuring that lawsuits cannot be defeated simply because of an internal procedural error of the strata corporation.

These are the highlights and the key amendments addressed in Bill 90, and I look forward to an opportunity, if called upon, to provide further elaboration on the details of these provisions during committee stage debate.

Motion approved.

**Hon. G. Plant:** I move that the bill be referred to a Committee of the Whole House for consideration at the next sitting after today.

[1620]

Bill 90, Miscellaneous Statutes Amendment Act (No. 3), 2003, read a second time and referred to a Committee of the Whole House for consideration at the next sitting of the House after today.

**Hon. G. Plant:** I call committee stage debate on Bill 95.

#### Committee of the Whole House

##### RAILWAY AND FERRIES BARGAINING ASSISTANCE AMENDMENT ACT, 2003

The House in Committee of the Whole (Section B) on Bill 95; H. Long in the chair.

The committee met at 4:21 p.m.

Sections 1 to 3 inclusive approved.

Title approved.

**Hon. G. Bruce:** Mr. Chairman, I move that we rise and report the bill complete without amendment.

Motion approved.

The committee rose at 4:22 p.m.

The House resumed; Mr. Speaker in the chair.

### Report and Third Reading of Bills

Bill 95, Railway and Ferries Bargaining Assistance Amendment Act, 2003, reported complete without amendment, read a third time and passed.

**Hon. G. Plant:** I call committee stage debate of Bill 94.

### Committee of the Whole House

#### HEALTH SECTOR PARTNERSHIPS AGREEMENT ACT (continued)

The House in Committee of the Whole (Section B) on Bill 94; H. Long in the chair.

The committee met at 4:24 p.m.

On section 4.

**J. MacPhail:** I'm just delighted to be debating Bill 94. Here we are. We're going to be here for three days next week, and I don't know why. There are all sorts of Liberal MLAs to debate the B.C. Rail legislation, but it turns out they're not going to do that. They must be ragging the puck so that they can justify coming back next week. In fact, we all know that's what they're doing.

[1625]

Anyway, here we are on Bill 94, section 4. This one is about preventing workers' collective agreements from containing any "provision that in any manner restricts, limits or regulates the right of the designated private sector partner to contract outside of the collective agreement...." How does this language compare to the language used in Bill 29?

**Hon. G. Bruce:** The language in this is virtually the same as that in Bill 29 — does virtually the same thing.

**J. MacPhail:** So why is it here?

**Hon. G. Bruce:** It extends the same rights to the public-private partnership as those that are utilized by the health authority under Bill 29.

**J. MacPhail:** So in section 4(1), if there is a collective agreement with a designated private sector partner that, let's say, restricts contracting out, and that private

partner has a workforce where employees are put to work in a number of different jobs or sites, and one of those sites is the construction of a P3 hospital, it seems that Bill 94 — this clause in particular — voids that provision of an agreement. A private sector, freely negotiated contract that contains language around contracting out is now void.

It seems to me that would mean the employees of a contractor, working at a completely different site altogether — for instance, the contractor is building a hospital and building apartment blocks — would lose their protection from contracting out. Is that the intention or not? Can the minister clarify and explain in the context of this language how that is not possible?

**Hon. G. Bruce:** This is specific to the provisions of non-clinical services. It does not apply to the construction of facilities and, in the words that are there, "outside of the collective agreement for the provision of non-clinical services at or for a designated health care facility." I want to be very clear we are not talking about a construction contractor being able to utilize the rights of this provision in their work.

**J. MacPhail:** Okay. I'm sure people will have to go for that interpretation, but it's good to have it on the record. People will have to look to the *Hansard* debate to understand that.

Bill 94 does also say that for health care facilities, Labour Code protections are removed for non-clinical services workers. The successor rights and the restrictions on contracting out that are laid out in the Labour Code, specifically section 35, are being nullified in section 4(4) of this bill.

On top of that, this bill also says that common employer protection against what is known as double-breasting does not apply. I want to explain, for the benefit of those who may be listening, that double-breasting is the practice of a unionized company establishing a non-union spinoff company and operating as both union and non-union at the same time. That's a practice that has been outlawed virtually all across this country and, of course, is restricted under section 38 of the Labour Code.

[1630]

The reason why it's restricted in virtually every other jurisdiction in Canada, as well as here, is that companies would be created so that the parent company's existing collective agreement could be ignored. However, Bill 94 removes that restriction against the creation of double-breasting companies. In fact, it announces basically open season for double-breasting. It basically says: "Go ahead, companies. Double-breathe to your heart's content, if you want to get rid of a collective agreement." Therefore, it opens it up to be a race to the bottom in terms of wages and working conditions.

What it also means is that any of the players along the chain of private partners in this two-tiered private health care system we're now creating can eliminate union certifications and collective agreements by contracting out, even if they're now contracting out to their

own dummy corporations and double-breasting. Where am I wrong on that?

**Hon. G. Bruce:** This language here is virtually, again, the same application of that which is in Bill 29. As we had mentioned earlier on in this discussion several days ago, what we're attempting to do is.... Where we have the health authority being able to build and run facilities for the care of patients, now we're allowing that under the P3 model of the public-private partnership, of which very clearly there has to be a public component to be able to extend or take advantage of the Bill 94 rights. That which is in Bill 94 virtually mirrors that which is in Bill 29.

**J. MacPhail:** I assume, by the minister not answering my question about where my analysis is wrong, that I must be right in my analysis. Not only does such legal permission of double-breasting of companies to avoid having to enforce a collective agreement exist in the health care sector now, it exists in the private sector in this government's creation of a new private sector delivery model of health care. I assume I'm right, and of course the minister knows I'm right.

Section 4(3) removes the requirement of consultation with the affected union prior to contracting out. In what manner in this new world of employee rights — and I use that term pejoratively now — will affected workers learn if their jobs are about to be contracted out, given section 4(3)?

**Hon. G. Bruce:** Nothing stops the employer in this from consulting with the employees about what is transpiring and what is on the table to take place. What it does do, though, is stop that there can be the written word within the legislation that can stop the process from moving ahead.

[1635-1640]

Section 4 approved on the following division:

YEAS — 31

Hogg	Halsey-Brandt	J. Reid
Bruce	Hagen	Plant
Clark	Bond	Neufeld
Penner	Anderson	Belsey
Bell	Mayencourt	Johnston
R. Stewart	Christensen	McMahon
Bray	Locke	Nijjar
Wong	Bloy	Suffredine
MacKay	Cobb	Sultan
Sahota	Hawes	Manhas
	Hunter	

NAYS — 2

MacPhail	Kwan
----------	------

On section 5.

**J. MacPhail:** Section 5 is "Contracting outside of contractor's collective agreement." That's the title of it. What this means is that if there's a collective agreement with a subcontractor that, let's say, restricts contracting out — in other words, the subcontractor has negotiated with his or her employees against contracting out — and the subcontractor has a workforce where employees are put to work on a number of different jobs and one of those is the construction of a P3 hospital, it appears, again, that Bill 94 voids that provision of the collective agreement.

It seems to me — and I want it on the record if I'm wrong — that the employees of a subcontractor working at a completely different site would lose their protection from contracting out. Am I wrong? If so, can the minister clarify where I'm wrong?

**Hon. G. Bruce:** For the record and with due respect, you are wrong, and I know you're just asking for me to put that on the record. The language is "for the provision of non-clinical services at or for a designated health care facility." As I mentioned and I'll state again, this does not pertain to the construction industry. It does not pertain to any work done off-site that does not pertain specifically to the facility this work is being done at.

**J. MacPhail:** Has the minister canvassed all collective agreements that could be affected by that, and does he fully understand there are no multi-employer collective agreements that would be affected by this?

[1645]

**Hon. G. Bruce:** Yes, we've made it very clear. This does not pertain to any of the work that's done by construction contractors, regardless of where in the chain. This only pertains to the work which is specific to the designated health facility that is being constructed under a P3 model.

**J. MacPhail:** Well, I'm asking about non-clinical services.

Let's look at the case of laundry services. What happens if there's a multi-employer collective agreement of which one is the contractor providing to the new private hospital?

**Hon. G. Bruce:** Maybe you could context it in this way. Say you had a laundry that was going to provide the laundry work for the P3. Say it's the Abbotsford Hospital as another example. So you have the new Abbotsford Hospital, which we're constructing. The laundry that is there and this company that is perhaps part of the consortium — or not — is going to provide, then, the laundry services for the Abbotsford Hospital but may then, within the community, have.... Maybe they do laundry for a number of hotels in and around the area. Say 5 percent of their work is going to be done at the new Abbotsford Hospital and the other 95 percent

is at the hotels. None of the work that does not pertain to the actual hospital has any effect by Bill 94.

**J. MacPhail:** These are real examples. Such multi-employer collective agreements exist. Now the government is interfering with the freely negotiated collective agreement and creating two levels of employees — and an inferior employee with lesser rights under the same collective agreement. What made the minister decide to do that?

**Hon. G. Bruce:** This would be a brand-new facility. This is the work there that would be specific to the new facility, the Abbotsford Hospital. The feeling is that more than likely, in the delivery of non-clinical services, one of the members of the consortium would probably be that which delivers non-clinical services. This, again, reflects what took place under Bill 29, in that we're trying to make sure the public-private partnership that creates this new hospital is run in the same manner that the public hospital is run. We've made it clear that any work that is beyond that new facility that's being constructed does not enjoy any of what pertains to Bill 94.

**J. MacPhail:** This bill applies to more than just the construction of the MSA Hospital. Is that not right?

**Hon. G. Bruce:** Yes, it can by designation. Again, we come back to the construction or substantive renovation — all those definitions that we dealt with earlier on in this bill. It must have a public health sector partner in all of this to give it credence, so that it's applicable to Bill 94. It must be designated. It must have substantive capital investment in this, either the renovation or the construction. And it must be in the health sector.

Section 5 approved on the following division:

[1650-1655]

YEAS — 27

Halsey-Brandt	J. Reid	Bruce
Hagen	Plant	Bond
Neufeld	Anderson	Belsey
Bell	Johnston	R. Stewart
Krueger	Bray	Locke
Nijjar	Wong	Suffredine
MacKay	Cobb	K. Stewart
Sultan	Sahota	Hawes
Manhas	Bloy	Hunter

NAYS — 2

MacPhail	Kwan
----------	------

On section 6.

**J. MacPhail:** Section 6 is called "Act prevails over collective agreements." Can the minister tell the House what effect this bill will have on existing collective agreements and how many existing collective agreements will be voided as a result of this clause?

**Hon. G. Bruce:** First of all, let's be clear that you would have to be designated first. You would have to fit all of that criteria under the P3 legislation. It would be that if you had within your contract a prohibition on contracting out, that section would be void as it pertains to the work you do for that designated facility.

**J. MacPhail:** When will the minister be advising those workers that their collective agreement, part of a freely negotiated collective agreement, is voided? What's the communication strategy of the government?

**Hon. G. Bruce:** As the facility that's been designated by the health authority to be a bona fide public-private sector facility or a P3 initiative, those who would be bidding on the work or who would be part of the consortium who had contracts, if it had a section in there that prohibited the application of contracting out.... Those employers would have to notify their employees of that prohibition. At this point, we're not there. It's a question of moving this piece of legislation through and then the work that's being done towards the development of the Abbotsford Hospital.

[1700]

**The Chair:** Division is called. Does the committee agree to waive the time?

Leave granted.

Section 6 approved on the following division:

YEAS — 29

Halsey-Brandt	J. Reid	Bruce
Hagen	Plant	Bond
Anderson	Nuraney	Belsey
Bell	Mayencourt	Johnston
R. Stewart	Krueger	Bray
Les	Locke	Nijjar
Wong	Bloy	Suffredine
MacKay	Cobb	K. Stewart
Sultan	Sahota	Hawes
Manhas		Hunter

NAYS — 2

MacPhail	Kwan
----------	------

On section 7.

Interjection.

**J. MacPhail:** No. Mr. Chair, we won't be calling any more divisions, for the information of the members.

Section 7 is application of the act. Section 7(2) gives the Labour Relations Board exclusive jurisdiction to determine a question arising from the act, but then section 7(3) removes the ability of the Labour Relations Board to place any restrictions on the private company in the lead-up to a decision, designation or order. Why did the minister feel compelled to put this in legislation rather than leaving it to the judgment of the LRB, which is responsible for not only interpreting collective agreements but legislation?

**Hon. G. Bruce:** This is the same as in Bill 29. What we're saying in this instance is that we don't want to have a situation to be stopped and to have to unwind the situation and then find that the decision is in fact in favour of the health authority or of the public-private partnership. What we do is carry on. We then live by whatever the ruling is, once it's given by the Labour Relations Board.

**J. MacPhail:** Has the similar section in Bill 29 been tested?

**Hon. G. Bruce:** No.

**J. MacPhail:** What problem is the minister trying to correct or prevent here?

**Hon. G. Bruce:** Again I stress the fact that it's a reflection of what was in Bill 29. The reason behind that was that we're wanting to make sure there's no disruption of health care services.

Sections 7 to 10 inclusive approved.

On section 11.

[R. Stewart in the chair.]

**J. MacPhail:** Section 11 is a consequential amendment to the infamous Bill 29, the Health and Social Services Delivery Improvement Act. It seems to me that the government has opened up Bill 29 in order to change the meaning of true employer in Bill 29. In so doing in this consequential amendment, what it has admitted is that Bill 29 did not change the definition of true employer. So the government is not only going much beyond Bill 29 in this legislation, Bill 94, but it's now going back and really eliminating any aspect of workers being able to pierce the corporate veil at all in finding out who their true employer is.

Why was it that the minister...? He didn't get it right in Bill 29, but there's been no consequence of him not having that draconian definition of true employer — lack of that definition — in Bill 29. Why is he pursuing this with such vigour?

[1705]

**Hon. G. Bruce:** What this does is add clarity to Bill 29, and we wanted to make sure it was reflected from

Bill 94 that there wasn't any misunderstanding about what or who was classed as an employee and who their true employer was. There still is the ability for test of true employer. The standards, the tests, are higher in this instance, granted. I understand that, but this was to add clarity.

**J. MacPhail:** When we were discussing the government's sort of removing any aspect of an employee being able, using what is a huge amount of jurisprudence — both labour jurisprudence and common law — to pierce the corporate veil and find out who their true employer is, I referred to an arbitration decision on this matter. I actually looked it up. I haven't done this for a long time — having to look up arbitration decisions. The arbitrator was Allan Hope, and the employer against whom the grievance was filed was the Nanaimo Regional General Hospital. The decision came down in the summer of 2001, but the law arising out of this has not yet been challenged or reversed. But this government now is going to legislate the right of employees through arbitration out of existence.

Here's what the arbitrator found. It was about the security officers working for Westguard that provided the Nanaimo Regional General Hospital with a turnkey service. In other words, they were the full employees of Westguard, but they worked at the Nanaimo Regional General Hospital. Mr. Hope, the arbitrator, went through all of the evidence, and here's his conclusion: "I find, on an application of the relevant criteria, that the true employer of the security department employees is Nanaimo Regional General Hospital."

He then goes on to say:

"A distinction must be made in every case between apparent control and real control.... In any event, I repeat that the determinative question involves an application of the fundamental control test...the security function is integrated into the hospital's operation to such an extent that Nanaimo Regional General Hospital control of the function and the employees is necessary.

"In the result, the union is entitled to a declaration that for the purposes of the collective agreement, the true employer of the regular cadre of security staff employed at the Nanaimo Regional General Hospital is the hospital itself. Nanaimo Regional General Hospital is required to recognize the employees in the security department as members of the bargaining unit and to determine how the terms and conditions of the master collective agreement are to have application to them."

The employers — the health authorities — have been unable to exercise any aspect of Bill 29 to legislate this arbitration decision out of existence, so now the government's trying once again, through their heavy hand of legislation, to forever disallow employees to find out who their true employer is. Why is the government going to such an extent? Have they not already got enough control over employees? Have they not already done enough damages to employee rights in this province?

**Hon. G. Bruce:** Again, admittedly, the bar is higher, but there still is a true employer test. We are trying to

make very clear in this how that is to be interpreted. We don't want a disruption of the health care process. We want to make sure that the protections are provided. What we're doing here is offering that clarity to this situation.

**J. MacPhail:** No. The minister knows full well he's not offering any clarity — none whatsoever. He is, by legislation, forever taking away the right from workers, not only from health authorities through this amendment, but now for the private contractors, subcontractors, sub-subcontractors who will be providing health care services to patients in the hospital — even though the government likes to say those are non-clinical services — to have declared who their true employer is. That's what this amendment does not only for private sector employees but also for the health authority employees.

[1710]

Government couldn't get it right in their draconian, heavy-handed legislation back when they broke contracts in January 2002, so they're doing it right now. It's a sledgehammer to employee rights. The opposition, the member for Vancouver-Mount Pleasant and I, will vote against this clause on division.

Section 11 approved on division.

Section 12 approved.

Title approved.

**Hon. G. Bruce:** I move that we rise and report the bill complete without amendment.

Motion approved.

The committee rose at 5:11 p.m.

The House resumed; H. Long in the chair.

### Report and Third Reading of Bills

Bill 94, Health Sector Partnerships Agreement Act, reported complete without amendment, read a third time and passed.

**Hon. G. Plant:** I call adjourned second reading debate of Bill 89.

### Second Reading of Bills

#### BRITISH COLUMBIA RAILWAY (REVITALIZATION) AMENDMENT ACT, 2003 (continued)

**Hon. R. Neufeld:** It's with pleasure that I rise to speak in support of Bill 89, the British Columbia Railway (Revitalization) Amendment Act, 2003. I represent the constituency of Peace River North. I lived in the community of Fort Nelson for 19 years. I actually spent

a good part of my life in Fort Nelson. I have always said that the railway actually begins in Fort Nelson and ends in Vancouver, not the other way around. That's the way it's been for a long time.

In fact, I've lived in the north — Fort St. John and Fort Nelson — for probably 45 years since I moved from Alberta. I was such a young man when I moved from Alberta that I don't remember it.

I did live in the northeast for a good part of my life. I've spent a good part of my life in the northeast in public life, whether as an MLA in this House since 1991 or as mayor of Fort Nelson and a councillor in Fort Nelson in the early seventies.

I've watched B.C. Rail with interest. I can remember the latter eighties, when I lived in Fort Nelson. There was a movement to close the Fort Nelson subdivision at that time. I actually hadn't been there very long. The community was very upset, and the reason was because B.C. Rail could no longer afford to maintain the railroad. They were short of funds. The railroad only arrived in Fort Nelson in 1972. Actually, the railroad only reached Fort St. John in 1958. It's really not that long ago.

[1715]

I can remember a community that was pretty upset and rightfully so. I can remember that community actually chartering a 737 from Canadian Pacific at the time and filling it immediately with people who flew to Victoria and spent one day lobbying the Premier and the cabinet of that day to keep that railroad open. Let me tell you, Mr. Speaker, it was the best dollar we spent. We went away from here in one day with a commitment that that rail would stay in place.

Since that time we've seen Fort Nelson grow tremendously. Fort Nelson is now a community of about 7,000 people within its borders. It would be almost double what it was back then, and that's because of the forest industry that's been able to operate out of Fort Nelson. One of the few good plywood plants left in the province is in Fort Nelson. One of the very large OSB plants in British Columbia is in Fort Nelson, and it has provided tremendous employment.

Also in Fort Nelson, which many people tend to forget, is a large gas plant. It processes natural gas. It probably runs about 850 million cubic feet a day — huge. By North American standards, it's right out there. It's not the largest, but it is almost the largest. That gas is delivered to British Columbians all over the province to use in heating their homes, heating their water or whatever they use their natural gas for. It benefits us tremendously.

Why do you need a railroad when you have natural gas? Because when you send the gas in a pipeline, you take the sulphur out first. There's a lot of sulphur. It's a by-product that is shipped overseas. In fact, those members who live in Vancouver, when they take their Sunday walk around the seawall, can just look across the water there and see a pile of sulphur. That will be from Fort Nelson, Fort St. John and Pine River, with a bit from Alberta.

The railroad is important to us. Let me tell you, it is tremendously important to us. There was a time under

the last administration when they were going to close the Fort Nelson extension for some of the same reasons. When we came into government, we looked at how we could actually short-line that part of the railroad to gain some efficiencies, remembering how crucial it is for a railroad.

I'm happy to stand here today and support Bill 89, which will see a major player, Canadian National, take over the operation of that railroad and move forward in British Columbia to build on what we already have. It's crucial for those sawmills up there — the OSB plant and the sawmill and the plywood mill — to receive the cars they need to send their products worldwide. As you come down the line, there are logs moved partway down the line to Fort St. John to be milled in Canfor's mill in Fort St. John. That lumber carries on, on that rail line. In Fort St. John there is also sulphur loaded.

It's hugely important to those communities — Fort St. John, Fort Nelson, Dawson Creek and all the communities south of there — to keep the economy going in northeastern British Columbia. We have a great economy and contribute huge dollars to the bottom line in British Columbia.

We should not forget, when I talked about natural gas plants and how important they are in the province, regardless of where they're located... The large ones are — I'll say it again — Fort Nelson, Fort St. John and Pine River. That industry nets for this government about \$2.3 billion this year alone in royalties and lease sales. Take the railroad away, and you've got some problems.

[1720]

I was happy and pleased that the Premier moved forward with saying we're going to revitalize British Columbia, not just the north, and get a rail partner, get someone into the business that actually knows how to run the business, get someone there that has run a business like a railroad.

To my knowledge, governments aren't good at running railroads. We've been actually pretty lousy. It doesn't matter which government it was, whether it was Socred, NDP or us. We're not railroaders. A regional railroad doesn't work. You need that integrated railroad that CN brings across the country and through North America to move those products fast to wherever they have to go, because every minute they sit on a train, they're costing someone money.

This is a great day. Actually, Tuesday was a great day in British Columbia, when the Minister of Transportation stood up, over at the conference centre, and announced this revitalization plan for B.C. Rail and the partnership between B.C. Rail and CN that will see us move into the future in transportation.

When you think we can write off \$500 million in debt... It's gone — \$500 million in debt. There is \$30 million a year, if the debt only stayed at \$500 million, that no longer has to be paid. Six hundred new centre-beam railcars. You know, B.C. Rail could hardly afford to fix the railcars we had. In fact, I'm going to tell you that if you went out on the rail line, you'll find numbers of them parked because they've been short-

ordered because they're in bad shape. That's simply because they didn't have the cash flow to maintain them and keep them up.

We now have a major company that will actually be able to keep that railroad running. I'm reminded of last Tuesday, when the CEO of CN was asked: "So when are you going to shut down portions of the railroad?" The gentleman looked in amazement at the questioner and said: "My goodness, we didn't just spend a billion dollars to buy a railroad to close it down."

That gives me pretty good confidence that this company is interested in maintaining this railroad, in building this railroad and, in so doing, building British Columbia. Whether it's the port of Prince Rupert, Prince George, Fort St. John, Fort Nelson, Dawson Creek.... Think about Dawson Creek. That community in the northeast has lobbied governments for a long time to open up the Dawson Creek to Hythe connection. Guess what. Dawson Creek got its wish. It's open. I can tell you that the mayor is ecstatic. He's happy about it.

Guess what about the Tumbler Ridge line. That will stay. Do you know what? I met yesterday with the Coal Association. Some members in the House were there. There are people actively working in the Tumbler Ridge area to open mines again. They needed some time. They needed a bit of time to be able to get their plans in place to have their mines operating and again shipping coal. It's good news, because what was going to happen under the old plan was that track was going to come up to replace other track on the rail system. That's good news for Tumbler Ridge.

It's good news for the port of Prince Rupert when we look at containerization, when we look at moving goods from the Peace country to the port of Prince Rupert, when you look at what can happen. You know, the grain folks from the northeast — and there's an awful lot of grain grown in northeastern British Columbia — would ship their grain via B.C. Rail to Prince George. They'd have to interline with CN, and that takes some time. I'm not sure of the length of time, but it does take some time, and it was a huge irritant. There are also interline costs associated with that. Now it will be all the same company moving the cars from Fort St. John or Dawson Creek either right to Vancouver or straight into Prince Rupert. I'm sure the member for North Coast hopes all of it comes into Prince Rupert, and actually, for him, I hope it does also.

[1725]

There are some huge opportunities yet in northeastern British Columbia in the forest industry. It's planned for the largest OSB plant in North America to be built in Fort St. John at some period in time. The last government announced it, but they announced it a bit early. That was typical of them. But it won't be that long, and the plant will be up and running. That plant needs a railroad to move the product — whether it's to Chicago, to Prince Rupert or to Vancouver — in the quickest and most economical fashion we can do that.

CN will be able to do that for the people in the province. There's some really good news for some of

the communities in northeastern British Columbia. This is good news for northeastern British Columbia. We've kept the railbed. We've kept the tracks. We've kept the right-of-way and actually have a partnership with a great company that will help open up the north and continue to ship.

The regional district of Northern Rockies — that's the Fort Nelson area — will get \$450,000 in taxes that they didn't expect. That's six times more than what they got before. Tumbler Ridge will receive about \$234,000 in revenue, more than double what it received under B.C. Rail. The Peace River regional district will get approximately \$1.2 million, more than 20 times what it received before under B.C. Rail.

Fort St. John will receive an estimated \$112,000, an increase of about 50 percent over what they received before. Taylor could receive an estimated \$43,000 in revenue based on current assessment levels, more than double what it received from B.C. Rail. Dawson Creek could receive an estimated \$41,000 in revenue based on current assessment levels, tripling the revenue it received from B.C. Rail in 2003.

I know each and every one of those communities and regional districts will be able to put that money to good use, but along with that, there will be a northern development initiative with headquarters in Prince George and with \$50 million set aside for cross-jurisdictional programs — \$50 million. There will be \$25 million set aside to fund that northern initiatives office. There will be \$60 million divvied up in the north — \$15 million to the northeast, \$15 million to the northwest, \$15 million to Prince George and region, and \$15 million to the Cariboo-Chilcotin — to do with as they wish.

Mr. Speaker, I can tell you that the people of the north are astounded. They're happy. They're glad. They see their future continuing on now that we're able to maintain the railroad, now that we're able to maintain the businesses they have worked so hard to get. That's good news for the folks where I come from. I have had not one negative call. The only negative folks are the two that occupy those seats, the NDP, and I'm not sure about the member for Prince George—Omineca yet.

Those are the only two that don't want to see job creation. Those are the only two that don't want to see the north actually grow. Those are the two that don't want to see rural British Columbia actually reach its potential. Those are the two that never did like anything to happen in the north. I find it rather ironic that they even talk about it, because I don't think either one of them has ever visited the town of Fort Nelson where B.C. Rail actually starts. I could be wrong, but I doubt it. They didn't know about railroads until we started talking about it. It was not in their lexicon.

[1730]

Mr. Speaker, the time is short tonight, and there are other speakers that want to speak. I'm here to tell you that I'm here to fully support and endorse Bill 89, the British Columbia Railway (Revitalization) Amendment Act, 2003, for the benefit of northerners and all British Columbians.

**K. Johnston:** I, too, rise in support of Bill 89. I wanted to speak to this. I'm not from the north. I represent a riding in the city of Vancouver. I wanted to speak to this because I share the enthusiasm of all of the members who represent ridings up and down this line and certainly my seatmate over here from North Coast. I think what this bill is doing is something absolutely amazing for the future of British Columbia. It is opening up British Columbia. I just can't even imagine the benefits this will bring in the years to come.

I want to talk a little bit first about the issue of promises and election promises. The *New Era* document states that the B.C. Liberal government will not sell or privatize B.C. Rail. Well, I don't know how many times we can say it. We are not selling B.C. Rail. We are entering into an agreement with an operating partner to operate B.C. Rail, a fixed-term operating agreement with an option. The railbeds and the right-of-way remain the property of the people of British Columbia in a corporation called the British Columbia Railway Company. This bill guarantees that the British Columbia Railway Company's right-of-way, railbed and track remain publicly owned. The Crown corporation will continue to be government-owned, with all shares held by government and protected in legislation. That's what this bill is doing.

Even if some people loosely interpret this transaction as some sort of divesting action, what in fact is wrong with that? What is wrong with reconsidering public policy decisions? What is wrong with doing what is best for the people of British Columbia and the future of British Columbians, and what is wrong with taking actions that will benefit our children and our grandchildren?

I'm always amazed in this job — I guess I haven't been at it all that long — by how you can never seem to do right in the eyes of many. This government completes, in 30 months, about 180 of 220 or so election promises and is called inflexible. It reverses course on a couple of issues after listening to people, listening to feedback, and it's blamed for flip-flopping. It looks at a major issue and decision such as B.C. Rail and decides to do what's best for British Columbia, and all the pundits can do is slam, make announcements and ask inane and negative questions.

I had an opportunity to attend the announcement by the minister and the Premier on B.C. Rail. I have to admit I've seen a lot of questions from the galleries and from the pundits, but my favourite over there was somebody asked, when they were talking about the term of the deal: "Isn't 60 years a long time?" I was absolutely astounded. I don't even know how the minister answered that. Yeah, I guess 60 years for a deal is a long time, but in relation to what? To me it's not a long time. I was just taken by the question. It didn't make any sense at all — brilliant stuff. I also know that you can't win a battle with headline writers, so I'll just get away from that for a minute.

I will outline the facts that led me to support this deal with CN, but firstly, I'd like to comment on some of the remarks made by the member for Vancouver-

Hastings. Over the past 31 months here it's been extremely interesting watching the debate and being part of the debate and watching the vigour that she comes forward with on most issues — a fighting spirit. I've seldom agreed with her on anything, but I've certainly admired and respected the way she puts forward her point of view. On this issue, I really have the sense that they're having a hard time debating an opposition opinion on this deal. I believe that deep down, if she was on the other side of the benches, she would in fact be supporting this deal.

[1735]

The other day, in second reading debate from those members, they were talking about traffic fines and municipal traffic fines, and it led me to believe that there wasn't a lot of substance and a lot of concern about the actual issue of B.C. Rail. I cannot believe that there's a politician that's ever graced this House who would not be looking to the best interests of the future of British Columbia when considering this deal.

I support this deal because government should not be in the railway business. Over the past 15 years over \$860 million has been written off out of B.C. Rail — \$860 million of failure in government operating an enterprise. The NDP continues to say that we should operate this railway in the best interests of British Columbia, losing this kind of money. How many British Columbians out there are proud of the fact that this railway is still \$500 million in debt? What could we have done with \$500 million? How many British Columbians are proud of the fact that prior governments have let B.C. Rail waste \$860 million of their money?

What is most important is that the current president of B.C. Rail stated the day before yesterday that the status quo was unsustainable. He said that any current earnings from B.C. Rail would not be enough to maintain infrastructure or buy any new assets. I guess my analogy to this is: if you owned a house worth \$200,000 and you had a mortgage of \$150,000 on it and not enough monthly income to make the payments on anything more than the property taxes, you would soon be in very dire straits. You'd have to borrow more money on the money you'd already borrowed just to keep running, and that would eventually have you lose your asset.

As I said, the current president of B.C. Rail said the status quo was not sustainable, and as it stands today, without this partnership, this railway wouldn't survive. I'd just like to read quickly from the 2002 annual report of B.C. Rail. What it says is this:

"B.C. Rail still faces many challenges. The effects of a deregulated Canadian transportation industry, which encourages competition among transportation modes, combined with the ongoing trend of mergers and consolidations amongst North American railways have caused downward pressure on B.C. Rail's freight rates. The resulting challenge for the company is providing competitive freight rates to its customers while still attaining its profitability goals."

More importantly, it also says: "Another significant challenge is the restructuring and reduction of the company's debt. Due to its Crown ownership, the

company is not able to source any new equity capital, nor will it be able to access new debt." Therefore, the president is saying that they couldn't possibly borrow to improve infrastructure or to buy further assets in B.C. Rail. So his hand was sort of forced anyway.

Also, I love to quote from the *Victoria Times Colonist* editorial that said: "B.C. Rail is an odd duck in the industry — too small to compete with the big guys, too big to operate a profitable short-term line. For all of our attachment to B.C. Rail, we cannot afford to maintain and upgrade it or keep it competitive."

CN has the money, the network and the expertise to do what the taxpayers can't. The status quo would not provide for expansion and development in British Columbia. The status quo does mean we'd have to borrow more money at public expense to continue the losing operations of B.C. Rail. But of course, isn't that the NDP way? Borrow money on the backs of the taxpayers, and add debt to your children and grandchildren — good old socialist dogma.

The benefits of the deal are outstanding: no more public debt of \$500 million, CN assuming responsibility for maintenance of the infrastructure, 600 new cars to the mix, increased municipal taxes along the line, improved access to markets, long-term protection of the rail network, \$135 million for northern communities and major expansion to the port of Prince Rupert — a port that will become, I'm sure, in many years down the road our number one port, probably just because of location. My friend the member for North Coast makes me say that, but I really believe it.

I was quite excited when the CEO of CN said that they'd found a bunch of new business from some mines in the central United States that we're going to be sending through to the port of Prince Rupert. I see it as an "if you build it, they will come" sort of situation, and that's going to be very great for the future.

[1740]

Mr. Speaker, I could go on about the benefits of this investment, but most are on the record, and other members have pointed them out. I would like to talk about one thing, though, and that's the proposed new tourism passenger rail train services. CN will provide access to the rail lines to accommodate these services. Some say there are hundreds of jobs; I believe there will be thousands of jobs in this.

I attended a meeting of the B.C. Tourism Association last week, and they identified some strategies to attract more tourists to British Columbia. They said that the nature and profile of the actual tourists are changing. The tourists of 2003 are looking for a couple of things: quick getaways that don't have a long duration and an outdoor experience. I believe that the B.C. Rail passenger experience that is being proposed and somebody will be filling, in terms of service, will give that outdoor experience. As we move towards the Olympics, I believe new passenger rail will take off immensely. I know there are already two proponents for the passenger rail request for proposal — Rocky Mountain Railtours and Whistler Rail Tours. The other day I saw some pictures of the proposed railcars they

might use on that line, and they were absolutely breathtaking.

Mr. Speaker, if you click on any railroad website, you can read and learn about railroads in North America — a little bit, anyway — and you can learn that CN has done a great job of customer service. Customer service has fuelled their growth and profitability. You also learn of the difficulties that underfunded, undercapitalized railroads, such as the current B.C. Rail, have in providing that customer service. Regional railroads that are not part of the total continental system do not serve customers well. The CN system expands from Vancouver to Halifax and as far south as New Orleans. Now B.C. will be fully connected as a partner.

I have read and listened to so much rhetoric about who has won on this deal — should we have paid more, did we get enough, and did the government do a good enough job of negotiating? According to the opposition, there is apparently somebody out there who didn't participate in the competitive process but wanted to pay more than market value for the right to operate the B.C. Rail line but hasn't stepped forward.

In my mind the essence of a good deal, the essence of a good partnership, is that there's a win for both parties. That's when a deal works, and that's when a deal is successful — when both parties feel they've

been successful, when both parties benefit. I agree with the headline in the editorial section of the *Vancouver Sun* on November 27, which says that the sale of B.C. Rail to CN puts B.C. on the right track, with qualifications, to economic benefits for all parties.

This deal is going to change the economic face of British Columbia. It's going to open up British Columbia. We are getting \$1 billion upfront. I believe that at the end of the day the benefits will probably be closer to \$5 billion.

Mr. Speaker, this is a good deal for British Columbia, and I support it fully.

B. Belsey moved adjournment of debate.

Motion approved.

Hon. G. Plant moved adjournment of the House.

Motion approved.

**Deputy Speaker:** The House stands adjourned until 10 a.m. Monday, December 1.

The House adjourned at 5:44 p.m.