



5th Session, 37th Parliament

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(HANSARD)

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Afternoon Sitting
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LIEUTENANT-GOVERNOR
Honourable Iona Campagnolo

5TH SESSION, 37TH PARLIAMENT

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THURSDAY, MAY 20, 2004

The House met at 2:04 p.m.

Tributes

GULZAR CHEEMA

J. MacPhail: Today is the last day of the session, which I think we're all aware of. Before we adjourn and recess for the summer, I want to take a moment to wish the member for Surrey-Panorama Ridge well in the forthcoming federal election. I probably will be campaigning for a different party. In fact, I'm pretty sure of it — I'm pretty sure — and I suspect that some of the government caucus members may be campaigning for a different party too. But I do want to wish the member the best of luck and thank him for the contribution he has made to public life. I look forward to the by-election.

[1405]

Hon. G. Campbell: I want to echo the comments. I should say, in terms of the member for Surrey-Panorama Ridge, that I think what we all will miss in this House is his consistent commitment to a mental health strategy that actually delivers to the people of British Columbia. I can tell you, Mr. Speaker, I still hear in my right ear his answers to some of the questions that the opposition has been asking, and I know he will be missed.

It's important to note this. When the member is elected — should he be elected — we will finally have someone in Ottawa who understands health care, who understands fiscal prudence, who understands the west and who understands British Columbia. That's exactly what we need.

I wish him all the best.

G. Cheema: I just want to say thank you to my constituents, my Premier, my colleagues and the NDP, especially Ms. MacPhail and Ms. Kwan.

I think I have worked hard. I have done my best, and it's really an honour for me to be a part of this House. I have learned a lot from this House, and I will continue to abide by the principles of democratic process. I will work hard for this province. I'm very proud to be a member of this caucus and also very proud to be part of this country. It's an amazing country, where a person from another nation can come and be a member of the assembly, be a part of the cabinet, and run and be whatever they want to be. I think that's a tribute to this nation, and I have a lot of respect for the democratic process.

Mr. Speaker, I just want to again say thank you to my Premier. He gave me this opportunity to be the first minister of mental health in the whole Commonwealth. I did my best. I know that mental health is a lot better than before. I will continue to pursue those goals federally as well.

I am somewhat emotional today. It's very tough for me to stand and say goodbye, but I also want to say

thank you to you, to the staff and to everyone in my constituency who has been so good to me.

Introductions by Members

G. Cheema: I also wanted to make a couple of introductions. I have two guests in this House today, Muneesh Sharma and Sunny Sundher. Muneesh used to work with me. I think he worked very hard. He was an exceptional worker, and I want to say thank you to him.

Also, just a last thank-you again to my family and to all my friends, who have been great to me. Mr. Speaker, thanks and goodbye.

Hon. S. Hagen: It's my great pleasure to introduce to the House today members of the Minister's Council on Employment for Persons with Disabilities. In the House today are Alice Downing, Ron Drolet, Kevin Evans, Lynn Jackson, Mary Mahon Jones, Winston Leckie, Michele Mawhinney and Mike Touchie.

This council brings together public and private sector leaders to explore ways to improve employment opportunities for British Columbians with disabilities in our communities across this province. I am proud that British Columbia is leading the country in our commitment to people with disabilities with initiatives such as investing \$55 million in employment programs for people with disabilities, establishing a \$20 million Disability Supports for Employment Fund and creating the Minister's Council on Employment for Persons with Disabilities.

This morning I had the privilege of attending the council meeting for the first time as Minister of Human Resources. Thank you, Mr. Speaker, for hosting our lunch today for the council. To all council members, I want to say thank you for your dedication to helping people with disabilities achieve greater independence for themselves and their families. Would the House please join me in making them welcome.

[1410]

K. Krueger: Over the course of this session this House has had the privilege of the service of a group of very bright young people from the B.C. legislative internship program. Although they don't finish the program until June 30, this is our last formal day with them in this place. Their names are Lesley Clayton, Joanna Ellis, Chris Ferronato, Regan Garbutt, Amy Hinterberger, Sara Irvine, Nathan McDonald, Byron Plant, Paul Rushton and Tara Shirley. We want to say a fond farewell to the interns. We're sorry a few of you were assigned to the dark side, but we'll never think the less of you for it. You soldiered through well. It's been a real pleasure to work with you and get to know you. Thanks so much for working with us.

R. Stewart: It's my pleasure to welcome some students and their accompanying adults from Rochester Elementary, a total of 91 people from my riding. It includes 80 students from grades 4 and 5. These students are accompanied by ten adults including teacher Mr. John Kore, who my wife and I have known for many

years and who taught several of our own children. Would the House please make this group of children and the accompanying adults welcome.

As well, I wanted to acknowledge a group of students that has had a major achievement in my riding. They're heading off to the world competition for Odyssey of the Mind held in Maryland. This group is from Monty Middle School: Ben Hsu, Matthew Locke, Nick Lowther, Patrick Lundgren, Alex Franciosi and Paniz Pahlavanlu. Would the House please acknowledge their outstanding achievement.

B. Kerr: I don't make introductions to the House very often, so I think I'll do a little catching up right now. Unlike my colleague from Cowichan-Ladysmith, I don't have many friends, so I have to rely on relatives.

I'd like to introduce my wife's cousin, Paul Bertholet, and his wife, Elaine. They've come down from Yellowknife in the Northwest Territories. Elaine's CV with Canadian public health is too long to list, but as a result of her extensive commitment to health in the north of Canada and internationally, she was awarded the very prestigious Defries Award by the Canadian Public Health Association. Paul has been equally busy with developing countries, working for the federal government managing a number of projects in developing countries and taking them to fruition. They've been 27 years in the Northwest Territories. They're now seeking warmer climates in the south here, looking for a place on Vancouver Island. I'd ask the House to give them a very good southern welcome.

The next inductee is a person I've been trying to get down here for three years. Clearly, I haven't had any pull in this issue. It's taken her cousin to bring her down. I'd like the House to make my wife, my partner, my best friend feel really welcome. It's her first visit to the House — my wife, Elaine.

P. Nettleton: I'd like to introduce a young lady who is no stranger to this House, to politics. When her daddy was first elected, I think she was ten months old. I had her out in the rose garden today and reminisced about her crawling about in the rose garden. Next month she's nine years of age: Disa Nettleton.

During the course of our discussions in the rose garden she was quite insistent that she wanted to meet the Premier. I didn't really know where to go with that, so I said: "Later, later." But she was quite insistent, and I started getting a little ticked off. In any event, we....

Interjections.

P. Nettleton: That's it.

We came around a corner, and lo and behold, there was the Premier, who was kind enough to stop and chat with her briefly. She was thrilled. Later, back in my office, she made this comment to me. "Daddy," she said, "the Premier is very cute, he's very nice, and now I know why so many people like him." So there you have it. Please give Disa a big welcome.

[1415]

Hon. G. Campbell: I was just going to say to Disa: thank you, thank you. Thank you very much, Disa.

G. Trumper: Today we have students visiting us from Alberni District Secondary School. I suspect that because there are 90 people from another riding, they may not have made it into the House yet, but I would ask the House to please give them a very warm welcome as they visit the House.

K. Manhas: I'd like to join my colleague from Coquitlam-Maillardville in wishing an outstanding group of students who are travelling down to the world competition for Odyssey of the Mind in Maryland.... These kids are from Coquitlam River Elementary School in my riding. Grades 4 and 5 students are Cynthia McDowell, Ashley Chandler, Shelby Woita, Tamara Bobcock, Anna Boskovich, Kellen Roman Barnes and Taylor Trotter, who will be joining their coach Brian Babick. We wish them luck. Would the House please join me in wishing this group of students the best of luck for British Columbia as they compete.

Introduction and First Reading of Bills

PROTECTION OF PUBLIC ASSETS ACT

J. MacPhail presented a bill intituled Protection of Public Assets Act.

J. MacPhail: I move that the bill be introduced and read a first time now.

Motion approved.

J. MacPhail: Mr. Speaker, I am pleased to introduce the Protection of Public Assets Act. One of the fundamental principles of this bill is that British Columbia's Crown corporations and Crown agencies constitute invaluable public resources. These public resources belong to all people of British Columbia. However, public resources such as transportation systems, public utilities and our health care and education systems need to be protected. To that end, this bill limits the sale and incremental privatization of public assets.

Both present and future generations have the right to obtain full public disclosure regarding the financial and legal status of Crown corporations and agencies, and this bill solidifies that right. This bill is a critical step in ensuring that communities, local governments and citizens in British Columbia receive full value and a fair share of the benefits of our public assets.

What is unfortunate is that this bill is necessary at all. Of course, it wouldn't be if politicians didn't say one thing when running for election and then do another once in office. That we need legislation to protect our public assets is indicative of the lack of faith the electorate has in its elected representatives to keep their word and to act in the public interest.

Crown corporations enhance our quality of life by making the benefits of our public resources accessible to all British Columbians, regardless of where they live or how much they make. This legislation protects the right of British Columbians to have a real say in how their collective heritage is managed in the future.

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

Bill M206 introduced, read a first time and ordered to be placed on orders of the day for second reading at the next sitting of the House after today.

Statements (Standing Order 25B)

RAPID TRANSIT IN GREATER VANCOUVER

K. Manhas: With so much discussion going on about the future of the RAV line in Vancouver, I think it's important that we reflect on the significance of building or not building mass transit in the city. Just as forestry operations and resource roads in the heartlands are important to business and economic prospects in Vancouver, efficient operations and movement around the province's largest centre is important to commerce in the rest of the province.

To move goods and services means moving some of the traffic off the streets. Traffic congestion and horrendous travel times are perhaps the most unattractive and unappealing aspects of the city.

On a recent Saturday when I was travelling from Port Coquitlam to a meeting in Coquitlam city centre, along with what often feels like the rest of the world, I decided to time my trip. The under-five-kilometre journey took me a total of 44 minutes start to finish, for a speedy average of nine minutes per kilometre.

Coquitlam is a key part of the growth management strategy for the lower mainland, and the Coquitlam region has the ability to take significant increases in population and density. It cannot do that unless people can move in and out of the area and within the area without dedicating their entire day and their sanity. Building rapid transit to Coquitlam is not only critical to the growth management for the entire region, but it's important to the health and safety of those on the road.

[1420]

Building rapid transit to Richmond and the airport is important to free up capacity in the clogged routes leading from the south into downtown Vancouver and vice versa. SkyTrain has benefited and affected the lives of millions of people in its operation. It allowed Vancouver to be manageable during Expo and helped manage growth, movement and quality of life in the years that followed.

Transit directors now have the opportunity to create another legacy, this time for the Olympics. They can build two lines — one to link Richmond and the airport and another to Coquitlam — or build none. The benefits to millions for decades to come are now in the

hands of TransLink's ability to work together to a solution. Building rapid transit will be critical to Vancouver's ascension as a truly world-class city.

WORLD PARTNERSHIP WALK AND AGA KHAN FOUNDATION

J. Nuraney: The Ismaili community will hold its twentieth annual partnership walk on Sunday, May 30 at Stanley Park. This event was first held in Vancouver 20 years ago and has now taken a national appeal, with ten cities across Canada taking part. So far the organization has raised over \$23 million, which go towards "smart solutions" under the aegis of the Aga Khan Foundation. The projects are targeted towards alleviating poverty in developing countries by enhancing community-based organizations.

The Aga Khan Foundation's work is world-renowned and enjoys the reputation of delivering maximum direct benefit to those being helped. A very large component of volunteers throughout the world helps towards achieving these goals. Health, education and rural development are the main focus. These projects are located in East Africa and South and Central Asia. The foundation shares and disseminates lessons learned from its projects to other development practitioners and policy-makers and promotes greater understanding of global issues.

The Ismaili community around the world takes enormous pride in the work of the Aga Khan Foundation and the involvement of their spiritual leader, His Highness the Aga Khan. The United Nations and other world organizations have paid great tribute to this organization for its innovative and creative way of delivering help where it is most needed. Over 60,000 Canadians and 800 corporate citizens are expected to take part on Sunday and walk for a cause to improve the lives of those who are less fortunate. This is truly the Canadian way.

CANADIAN FORCES APPRECIATION DAY

B. Kerr: It gives me a great deal of pleasure to stand on the floor of this House to recognize Canadian Forces Appreciation Day. The Department of National Defence contributes approximately \$390 million annually to the capital region's local economy. It's the third-largest employer on Vancouver Island, with a payroll in excess of \$232 million.

In 2003, Department of National Defence personnel raised over \$400,000 for the United Way, which is approximately 10 percent of the entire total. Last year military personnel and their families contributed in excess of 300,000 volunteer hours in aid of various organizations. This substantial investment benefits virtually every municipality and business within the region, directly and indirectly.

The first Sunday of June is nationally designated as Canadian Forces Appreciation Day. The Canadian Forces Appreciation Day committee was formed as an initiative of the West Shore Chamber of Commerce. It

is a multi-jurisdictional working group of municipalities, businesses, and community and service organizations creating a regional event to honour members of the Canadian Forces. This special day will acknowledge the contribution that our military, civilian and reserve members, including their families, make to our region.

The event will be held on Sunday, June 6 at the Juan de Fuca Recreation Centre, with activities planned from 11 a.m. until 5 p.m. We have a barbecue, music and entertainment for all ages, and a regional celebration in honour of the approximately 15,000 DND reserve personnel and their families living in the capital region. It's also open to the general public. Our guest speaker will be Iona Campagnolo, Lieutenant-Governor of British Columbia. On behalf of my colleague from Esquimalt-Metchosin and myself, we invite everyone to come to the barbecue and show your support for our members of the Canadian Armed Forces.

Mr. Speaker: That concludes members' statements.

[1425]

Oral Questions

CANCELLATION OF COURT DECISION ON WHISTLER HOTEL DEVELOPMENT

J. Kwan: Today is the last day of the session — a session marked by scandal, failed privatization schemes and special deals for Liberal friends and insiders. We have already covered extensively the sweetheart deals for the Premier's cousin, Doug Walls. Today we have yet another example.

In March the Supreme Court ruled that the municipality of Whistler's approval of a \$120 million luxury hotel development at Nita Lake was illegal. The House is currently examining the legislation that would overturn that decision. My question is not about the legislation. My question is about the motivation of this government to overturn a decision by the supposedly independent courts.

The development proposal is headed by Mr. John Haibeck, who is the president of Nita Lake Lodge Corporation. In 2002, Mr. Haibeck's company donated more than \$3,000 to the B.C. Liberal election campaign war chest. Can the Attorney General confirm that he is overturning a decision of the Supreme Court solely to benefit a B.C. Liberal campaign donor?

Hon. G. Abbott: That's absolute nonsense, and the member knows it. MEVA is a well-used tool to work out issues, administrative failures at the municipal level, and this MEVA is entirely appropriate in doing that.

J. Kwan: I'm sure it's just a coincidence — uh-huh. Not only did Mr. Haibeck donate more than \$3,000 in 2002, but another company, Whistler Rail Tours, also made a substantial investment in the B.C. Liberals. Mr. Haibeck is a partner in Whistler Rail Tours, and this

company will also benefit thanks to this Attorney General riding to the rescue with legislation. In 2002, Whistler Rail Tours donated \$8,500 to the B.C. Liberal campaign fund — money that is apparently being put to use to pay for websites and other negative campaign tools.

Again to the Attorney General: why should British Columbians believe that overturning this court decision serves the public interest when, clearly, it serves the private interest of a big B.C. Liberal campaign donor?

Hon. G. Abbott: The question is entirely disrespectful of a whole community and the people in it. I think it is perhaps typical of the opposition to raise this sort of question. The member should know that the municipality of Whistler is very much supportive of this MEVA to assist them in the situation. There have been public hearings around this, which have brought very broad support from the community. There is extensive support in and around the community of Whistler in respect of this matter.

For the member to suggest there's something untoward here.... She should look back on her own record as a Municipal Affairs minister. She should look back on the record of her government over ten years, during which time they used the MEVA as an instrument to correct administrative oversights. There is nothing unusual here. There is nothing nefarious here. If the member wants to be entirely disrespectful of a community, she does it at her own risk.

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

J. Kwan: This is hardly an administrative oversight. The government is bringing in legislation to overturn a court decision. Now, I know that this government is used to doing that. I know that maybe they think it's just, well, another one of those little things they're doing. But you know what? British Columbians are tired of special deals....

Interjections.

Mr. Speaker: Order, please.

Interjection.

Mr. Speaker: Order, please. Attorney General, please come to order.

J. Kwan: British Columbians are tired of special deals for friends of this government. Will the Minister of Sustainable Resource Management table today all correspondence between his office and the B.C. Liberal campaign donor who's benefiting from this arbitrary cancellation of a Supreme Court decision?

[1430]

Hon. G. Abbott: I know that the members of the opposition love to climb that grassy knoll of conspiracy

on a pretty much constant basis during this session. Frankly, here again what we are doing is serving good public policy through the use of an instrument which I think the member used on at least three occasions when she was Municipal Affairs minister. She is saying to the community of Whistler that Whistler is wrong, that Whistler doesn't know where they want to go as a community, that Whistler doesn't know what's right for a community.

It is entirely typical of an NDP government that, I think — was it in 1996? — cut municipal grants by \$113 million without even the courtesy of discussing it with those municipalities. Again, we have today the opposition telling us that they know better than the communities themselves about what they want.

PRIVATIZATION OF AUTOMOBILE INSURANCE

J. MacPhail: In the past year, we've seen what happens to auto insurance rates in provinces with private auto insurance schemes. They go through the roof. Given this government's absolute faith in privatization — even though they've been spectacularly unsuccessful in implementing their privatization scheme — the public is concerned that by the time we return here in the fall, the B.C. Liberals will have privatized a big portion of auto insurance in B.C.

Interjections.

Mr. Speaker: Order, please. Let's hear the question.

J. MacPhail: Just to reassure ourselves, can the minister responsible for ICBC assure all British Columbians that Nick Geer's dismissal as head of ICBC is not the prelude to auto insurance privatization?

Hon. R. Coleman: I'm more than happy to give that assurance.

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

J. MacPhail: That's very interesting, because it contradicts Colin Brown, the chief operating officer of Canada's biggest private insurance outfit, Canadian Direct Insurance. I'm sure the Liberals are well aware of them. Now, according to Mr. Brown, just yesterday he was quoted in *Thompson's Insurance News*, and we all know that's the bible of insurance news. Here's what he had to say.

Interjections.

Mr. Speaker: Order, please.

Interjections.

Mr. Speaker: Order, please.

J. MacPhail: Here's what Mr. Brown said in *Thompson's Insurance News*: "Nick Geer is gone because he was not keen for ICBC to give over its optional insurance business to the private sector." Brown said that the government wants more private insurance, but that wasn't where Mr. Geer was going.

Again, to the minister. It's not me; it's Colin Brown — that great conspirator, Colin Brown. Here's what he said: "So if Nick Geer left on good terms and the B.C. Liberals have no plans to privatize auto insurance, why are private outfits delighted that he's gone and frothing at the mouth, waiting for this government to hand them ICBC's business?"

Mr. Speaker: Order, please.

Interjections.

An Hon. Member: Are you allowed to say "frothing" in here?

Mr. Speaker: Frothing is permitted.

Hon. R. Coleman: First of all, I find it quite humorous, because there has been competition and optional insurance long before this government came to power on the optional side of insurance with ICBC and other people in the business. We have said from the very beginning that basic insurance will be protected in public hands and that the ICBC optional marketplace will not change other than what it is already today.

But for you to sit there and even think about telling me how to deal with auto insurance when you gave away \$200 million just before the last election to policy holders in B.C. and put this company in a financial problem because you wanted to buy an election.... For you to talk to me about the fact that you went into the development business from insurance and lost tens of millions of dollars for ICBC shareholders.... We put this thing back on the financial footing it belongs on. We protected insurance rates for people in British Columbia. We are the market that people look at, because we're doing the job right in B.C.

Interjections.

Mr. Speaker: Order, please. You can only froth when you have the floor. Order, please.

ECONOMIC GROWTH IN B.C.

K. Krueger: That wasn't frothing, but it was close.

[1435]

We got an e-mail from the RBC Financial Group — Canada got this e-mail this morning. It talks about British Columbia's economy improving with solid growth of 3 percent this year and 3½ percent in 2005. Mr. Derek Holt, the assistant chief economist at RBC, said that the fiscal climate has improved so much that B.C. now has the second-lowest provincial debt-to-GDP

ratio behind Alberta. Additionally, net migration inflows are on the rise. He goes on to talk about fiscal prudence over the past three years, exemplified by keeping average spending growth to 2½ percent and increasing tax revenues.

I'd like to have the Premier's comments on this and on where we're going from here.

Interjections.

Mr. Speaker: Order, please.

Hon. G. Campbell: Let me just say that when you get a report like this — a *Provincial Outlook* from RBC Financial Group — it's obviously encouraging. There have been a lot of difficult decisions that have had to be made. It's interesting to look back. When this government came into office, B.C. had the last-place economy in the country. RBC suggested that by 2005 we will have the number one economy in the country, with number one growth.

Most importantly, it's going to have the number one job growth figures in the country. Jobs mean better times for families, so it's always encouraging. There is a new optimism in British Columbia, and it's reflected in independent analyses in every institution across this nation.

AGREEMENTS BETWEEN GOVERNMENT AND FIRST NATIONS

G. Trumper: My question is to the Minister Responsible for Treaty Negotiations. Today there has been a large number of people at the legislative buildings who are concerned about first nations issues. In my riding of Alberni-Qualicum we have signed one agreement-in-principle and feel very fortunate to be finally bringing resolution to some long-outstanding issues.

Can the Minister Responsible for Treaty Negotiations explain what this government is doing to create opportunities for first nations within the context of treaty negotiations?

Hon. G. Plant: We are at an unprecedented stage of progress in the treaty process in British Columbia. For the first time we are in final agreement negotiations at four tables across the province, including a table representing five first nations in the member's riding.

I think that progress holds out hope for the treaty process, but we haven't waited for the treaty process to make a real difference in the lives of aboriginal British Columbians. The Forests minister has been delivering agreement after agreement — as many as 50 and more agreements to put as much as \$95 million in the hands of first nations across the province. Millions of cubic metres of fibre, 145 economic development agreements, interim measures agreements, land protection measures, the first government in the history of the province to have annual cabinet meetings with the First Nations Summit, a first citizens forum.... We doubled the

amount for the First Citizens Fund — initiative after initiative.

Is everybody happy? It's very difficult in this exciting province to make everybody happy. We are making progress, and we will continue to do what it takes to make progress for all British Columbians.

B.C. RAIL–CN RAIL AGREEMENT AND FIRST NATIONS BENEFITS TRUST

P. Nettleton: I, too, have a question for the Attorney General. There's a growing concern among first nations leaders along the B.C. Rail corridor that this government is trying to manipulate them regarding the CNR–B.C. Rail deal and their signing on to the trust fund benefit. Government had indicated that the trust fund legislation would be introduced this past March. They also indicated that bands to benefit from the trust fund must allow their names to be included in the legislation, to which most of them are opposed.

First nations are now concerned that any agreement reached outside of their involvement in participation will infringe on aboriginal title and rights. Is the government today prepared to back off from closure on the sale of B.C. Rail and first deal with the outstanding issues impacting first nations?

Hon. G. Plant: We canvassed this subject extensively in estimates. The first nations benefits trust represents a one-time, \$15 million opportunity for 25 first nations to do some work to advance culture, to renew and advance education, and to provide economic development in their communities. It comes with no strings attached. There is no connection between acceptance of those funds and any aspect of whatever obligations may arise by virtue of the aboriginal rights and title of the aboriginal people of British Columbia.

[1440]

We believe that the B.C. Rail Partnership initiative does not, in fact, infringe aboriginal rights or title, but of course, first nations are free to pursue that issue as they wish.

I am looking forward to a decision from the competition bureau that will allow government to move forward, to bring in the enabling legislation when it's appropriate, to make this important opportunity a reality for all British Columbians — a billion dollars in private sector investment for the benefit of communities all across this province, \$5 billion in private sector investment over the life of this agreement. More good news for the people of British Columbia. It's a great day to be a legislator and a member of the B.C. Liberal government in British Columbia.

Interjections.

Mr. Speaker: Order, please.

Interjections.

Mr. Speaker: Order, please. The bell terminates question period.

[End of question period.]

Reports from Committees

J. Bray: I have the honour to present the report of the Special Committee to Appoint a Merit Commissioner for the fifth session of the thirty-seventh parliament.

I move that the report be taken as read and received.

Motion approved.

J. Bray: I ask leave of the House to permit the moving of a motion to adopt the report.

Leave granted.

J. Bray: I move that the report be adopted.

The special committee conducted a provincewide and national search for applicants for the position of merit commissioner and deputy minister for the public service. We received 19 applications from across Canada, and four individuals were interviewed.

I am pleased to advise that Diane Rabbani is the unanimous choice of the special committee and is today being recommended to the Legislative Assembly for the position of merit commissioner, deputy minister of the Public Service Agency and the public service employee relations commissioner.

The appointment of the merit commissioner is an important component of the revitalization of the public service. I would like to thank all applicants who expressed interest in B.C.'s public service, all the members of the committee who worked so hard, and the staff of the Clerk of the Committee's office, particularly Craig James and our researcher, Jonathan Fershau.

Motion approved.

Mr. Speaker: By leave, I move that this House recommend to the Lieutenant-Governor-in-Council, pursuant to section 5 of the Public Service Act, RSBC 1996, C. 385, the appointment of Ms. Diane Rabbani as the public service employee relations commissioner, deputy minister responsible for the Public Service Employee Relations Commission and to hold the office as the merit commissioner for the province of British Columbia.

Leave granted.

Motion approved.

E. Brenzinger: I would like to ask leave to make an introduction.

Leave granted.

Introductions by Members

E. Brenzinger: It gives me great pleasure to introduce to you someone who has done much to promote and bridge parental involvement and initiative to our Surrey school district board. She has worked tirelessly in our district to uphold parent representation in our children's education. She is the Surrey district parent advisory president, Patricia Landsley, and her children are Justin and Tara. Would the House please help me make them welcome.

Reports from Committees

B. Locke: I have the honour to present the first report of the Select Standing Committee on Finance and Government Services for the fifth session of the thirty-seventh parliament respecting the supplementary funding for the office of the information and privacy commissioner.

I move now that the report be taken and read as received.

Motion approved.

B. Locke: I ask leave of the House to permit the moving of a motion to adopt the report.

Leave granted.

B. Locke: Mr. Speaker, I move that the report be adopted.

Motion approved.

[1445]

Mr. Speaker: Hon. members, the previous motion, the motion to recommend the appointment of Ms. Rabbani, was a motion by the Chair of the committee.

Orders of the Day

Hon. G. Collins: I call Committee of the Whole House for consideration of Bill 54.

Committee of the Whole House

MISCELLANEOUS STATUTES
AMENDMENT ACT (No. 2), 2004
(continued)

The House in Committee of the Whole (Section B) on Bill 54; J. Weisbeck in the chair.

The committee met at 2:47 p.m.

On section 35 (continued).

Hon. G. Collins: Mr. Chair, I note that this morning when we concluded, the Attorney General was just

making some statements on this section, and his time had expired. I would ask that perhaps he could resume his comments, and we'll hear the rest of those comments.

Hon. G. Plant: I was in the process of describing how, in fact, the proposal here to create section 14 of the Municipalities Enabling and Validating Act (No. 3) was not that revolutionary a matter. In fact, governments routinely come into the chamber to enact legislation that helps municipalities deal with administrative errors.

I think it would be interesting — given the extent to which the issue excited the attention of the opposition during question period and, really, has excited the interest of the opposition over the last day or so — to remind members of the House that this is a tool that was routinely used by the opposition when they were in government. In fact, they used it while they were in government to overturn court decisions.

In 1998, for example, at the initiative of the Ministry of Health, there was an amendment introduced by the former government to validate local government anti-smoking bylaws, and it made that validation despite any court decision to the contrary. That validation came in direct response to a court decision, which had found that a bylaw was invalid. That's one example, and there are other examples.

Earlier this session.... It may not have been earlier this session. It may have been last year when the opposition was happy to support government in essentially overturning a court decision under the Strata Property Act which, had it been allowed to stay in effect, would have made it extraordinarily difficult for the victims of leaky condos to maintain lawsuits against those they claim caused the damage they had experienced. We had to make a change to the Strata Property Act with respect to the rules that applied to how you decide when a strata council had the authority of its members to proceed with litigation.

Now, that's not to say that the court had made an error in its interpretation of the section as it was worded in the Strata Property Act that the former government had introduced and passed, but rather, the court decision would have had the effect of denying justice to many, many British Columbians. In those circumstances, it was argued that the public interest required that the Legislature step in and enact a provision that undid the court decision.

[1450]

This is not that unusual. It's certainly not done lightly. It's not done in a way that is in any way cavalier or does not take into account the whole of the public interest, but it is done from time to time. It's neither stunning nor revolutionary.

I know that the opposition leader in particular, who has expressed herself on this point in the last day or so, must have had a hard time choking back her indignation as routinely during the course of the years in which she was in government her colleagues brought in legislation which overturned court decisions. She

must have had a particularly difficult challenge doing that on the occasions when she herself tabled legislation that had exactly the same result — as she did, for example, when it was necessary for the government of British Columbia to save all of the money it had collected through probate fees under a probate fee collection regime that was determined to be unconstitutional.

Each of these issues has to be taken on its own merits. In this case we acted, as government, because the resort municipality of Whistler asked us to act. That was where the initiative came from. We acted only because we were satisfied that that community as a whole, both through formal and informal means, strongly supports this \$120 million development that is clearly going to make a great difference in the lives of the people of Whistler, create a great opportunity for that community to add to its already powerful appeal to visitors and help as we all — as a province — move towards the 2010 Olympics.

I do think it's important that we take a step back from the rhetoric that often pervades these things and look at the facts. In this particular case the facts are that while there was, without a doubt, an error identified by a court in the course of the zoning process that led to the improvement of this development, the public interest requires that we intervene now and ensure that that error does not hold back this development. That is what we're going to do. I thought it was important that we at least spend a minute or two putting this amendment into its context for the benefit of members of the Legislature and other citizens who may be following the debate.

J. Kwan: I'll just make a short comment to reply to the Attorney General with section 35. The issue, of course, is about the motivation, which the opposition questioned in question period today, whereby the Nita Lake project is getting a green light through the miscellaneous bill that's before us. It is just coincidence, I know. The government likes coincidences, and it is just coincidence that Mr. Haibeck happened to donate \$3,000 in 2002 to the Liberal campaign coffers and then another \$8,500 through the Whistler Rail Tours company which Mr. Haibeck happens to be a partner in. It just so happens — and I know it's all coincidence — that we have this bill before us.

Having said that, I want to be very clear that the opposition actually takes no position on whether or not Nita Lake should proceed. The issue we do take, of course, is the overriding of court decisions through legislation. Anyway, it's not an attempt to prolong debate on this matter because we do have the Premier's estimates that we want to wrap up today — that we have to wrap up today — but I just wanted to make those comments on the record.

Hon. G. Plant: Just to remind the member that in this case, as I'm sure she knows, the bylaws related to the development were passed in the fall by Whistler following public hearings and other opportuni-

ties for public input. Whistler council made the decision that this project was in the best interests of the community. Their view was that the project had the support of the community and would provide numerous benefits to the community. There were significant financial and legal commitments made when the bylaws were approved, including land transfers. By the time the court decision was made on March 15, work was well underway on the construction of the hotel.

The project actually will allow for the preservation of ten hectares of wetlands. It will allow for the enhancement of trails and parks, residential housing, employee housing and enhancements to public transit, including connection with the new passenger rail station. It's a \$120 million investment creating 100 construction jobs and 150 permanent jobs. Those construction jobs have been in limbo along with the development as a whole. According to Whistler, without this amendment Whistler is very concerned that the development might not proceed, as any delay obviously always is a risk for financial viability of a project. That is also part of the factual context of the decision to accept the request by Whistler that we act in this way.

[1455-1500]

Section 35 approved on the following division:

YEAS — 40

Chong	Hansen	Bruce
van Dongen	Bray	Roddick
Masi	Lee	Cheema
Hagen	Murray	Plant
Campbell	Collins	de Jong
Harris	Christensen	Abbott
Coleman	Cobb	Jarvis
Anderson	Nuraney	Nebbeling
Hunter	Long	Trumper
Johnston	Krueger	J. Reid
Stephens	Nijjar	Wong
Visser	MacKay	Halsey-Brandt
Suffredine	Sultan	Sahota
	Manhas	

NAYS — 2

MacPhail	Kwan
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Sections 36 and 37 approved.

On section 38.

J. Kwan: Sections 38 through 47 repeal significant portions of the Railway Act. What is the general reason for these repeals?

Hon. G. Plant: My understanding is that most of the provisions that are being repealed relate to incorporation requirements, and the intention is that the incorporation requirements of the Business Corporations Act take the place of the Railway Act incorporation requirements. We are simply removing a whole set of rules that have traditionally applied to railways and actually may not have been used for a very long time because they're no longer needed. Railway businesses that wish to incorporate in British Columbia will do so under the Business Corporations Act.

J. Kwan: As far as I understand from the Business Corporations Act, "Foreign entities required to be registered," specifies that a foreign entity does not carry on business in British Columbia if its only business in British Columbia is constructing and operating a railway. That's the relevant section that applies under the Business Corporations Act.

[1505]

On that basis, is it the case that we only have rail within British Columbia that is a foreign entity operated by a foreign business? I actually know of other smaller rails in British Columbia that are not operated by foreign entities. Of course, I might add — and this certainly applies to B.C. Rail and to CN with the transfer and so on — that the competition bureau has yet to finish its review of that matter, so the deal is not yet done. But we are already repealing this piece of legislation?

Hon. G. Plant: I'm not sure if this will answer all of the member's question, and if it doesn't, the member should ask again. The B.C. Railway Company has its own statute and is unaffected by these amendments.

J. Kwan: Let me go to section 40 for a question to the minister, then.

Sections 38 and 39 approved.

On section 40.

J. Kwan: Section 40 repeals parts 2 and 4 of the Railway Act. Section 29(1) of part 4 relates to special matters requiring permission. This repeal removes provisions on special matters requiring permission. Section 29(1) states:

"A company may apply to the minister for any of the following: (a) permission to construct branch lines, or to extend the railway of the company; (b) permission to extend or add to the undertaking of the company and not falling within the scope of any statutory prohibition; (c) permission to invest the money of the company in the purchase of the bonds, stocks, shares or securities of any other company; (d) permission to acquire the undertaking or any part of the railway of any other company, or to sell the undertaking or any part of the railway of the company; (e) permission to amalgamate and consolidate the undertaking of the company with the undertaking of any other company."

Sub (4) then goes on to say: "A company must not do, or commence or attempt to do, any of the things referred to in this section without first applying to the minister and obtaining the minister's permission." Sub (10) states: "A spur or branch line constructed under this section must not be removed without the consent of the minister."

Let me ask this question, then, pertaining to section 40, which is section 29. Why are these provisions being repealed?

Hon. G. Plant: The main purpose here of removing these two parts of the old Railway Act is that, as I said earlier, new incorporations will occur under the Business Corporations Act. The fact that you incorporate, under the Business Corporations Act, means that you become a person in the eyes of the law with all the powers that a person has. Therefore, you would have all the powers that are contemplated under section 29 of the old act. So there is no longer any need to create a process whereby companies could acquire those rights or opportunities.

J. Kwan: Section 40 repeals parts 2 and 4 of the Railway Act. Is the minister saying those are duplications and are therefore not needed because the provisions contained in parts 2 and 4 are already contained within another bill under section 29 of the Railway Act?

[1510]

Hon. G. Plant: I'm advised that there are other provisions in other legislation, such as the Railway Safety Act, which would come into play and have some application if, for example, an existing railway wanted to construct a spur line. They may not cover exactly the same territory as is currently covered by part 4 of the act, but the view is that the requirement in part 4 of the act that you get the approval of the Minister of Transportation before any of those things can take place is regarded as unnecessary red tape.

Obviously, anything that a railway wants to do on land is going to have to involve acquisition of land, and it'll be subject to whatever rules apply to the land in question that they're buying or acquiring. There's a whole host of other rules and laws around things like environmental protection, and so on, that would come into play, but the additional requirement that rests here in part 4 — that you need to get approval of the Minister of Transportation before you set out to try to do any of those things — is, in the view of government, simply unnecessary red tape.

J. Kwan: Does the repealing of this section of the Railway Act — and, really, sections 38 to 47 — have anything to do with the B.C. Rail deal? Is it necessary? In other words, are any of these sections of this act required to facilitate the B.C. Rail deal?

Hon. G. Plant: None of these proposed amendments are required as a result of the B.C. Rail deal. They are unconnected to that deal.

J. Kwan: Does it have any impact, with respect to the operators, on the B.C. Rail line, soon to be CN?

Hon. G. Plant: It has no impact.

Sections 40 to 46 inclusive approved.

On section 47.

J. Kwan: Section 47 repeals parts 40 and 41 of the Railway Act. Part 40 deals with amalgamation agreements. Could the Attorney General please advise why it was necessary to remove the sections on the agreement for sale, lease or amalgamation of a railway?

Hon. G. Plant: I'm advised that there are similar powers and rules about amalgamations and those sorts of things in the Business Corporations Act. The view of government is that there is no need for a separate set of rules for railways.

J. Kwan: Sorry. I didn't quite catch the Attorney General's answer. For some reason, part of it...

Hon. G. Plant: I understand that part 40 sets out provisions regarding corporate amalgamations, and I know there are provisions in the Business Corporations Act that deal with the rules around when and how corporate amalgamations can take place. The view of government is that those rules, which apply to business corporations generally, should also apply to railways and that there's no need for a separate set of rules around issues like amalgamation for railways. That's why this set of rules is being repealed.

Sections 47 to 49 inclusive approved.

On section 50.

[1515]

J. Kwan: We debated section 50 earlier under, I think, section 31. Section 50 repeals the Video Games Act. I don't want to go into talking about the Video Games Act other than just to put on record that the opposition is against repealing the Video Games Act. I do think it does add to providing some regulation towards video games. Particularly in light of the changing medium that is out there around this and the exposure to video games of young people today — and children more particularly — we need to be ever more vigilant to come up with tools to deal with that, and I thought that the Video Games Act was a good tool.

Section 50 approved on division.

Sections 51 to 54 inclusive approved.

On section 55.

Hon. G. Plant: I move the amendment to section 55 standing in my name.

[SECTION 55, by deleting items 11 and 12 in the commencement table.]

Amendment approved.

Section 55 as amended approved.

Title approved.

Hon. G. Plant: I move that the committee rise and report the bill complete with amendment.

Motion approved.

The committee rose at 3:17 p.m.

The House resumed; Mr. Speaker in the chair.

Reporting of Bills

Bill 54, Miscellaneous Statutes Amendment Act (No. 2), 2004, reported complete with amendment.

Third Reading of Bills

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

Hon. G. Plant: By leave, now, Mr. Speaker.

Leave granted.

Bill 54, Miscellaneous Statutes Amendment Act (No. 2), 2004, read a third time and passed.

Hon. G. Plant: I seek leave to table a report.

Leave granted.

Tabling Documents

Hon. G. Plant: I table the annual report of the B.C. Human Rights Tribunal for the year 2003-04.

I call Committee of Supply.

Committee of Supply

The House in Committee of Supply B; J. Weisbeck in the chair.

The committee met at 3:20 p.m.

ESTIMATES: OFFICE OF THE PREMIER
(continued)

On vote 8: office of the Premier, \$44,129,000 (continued).

Hon. G. Campbell: Before we commence today, I would just like to table two things in the House in re-

sponse to some of the questions I received yesterday from some of the members.

The first is in the matter of the Society Act and the matter of the CareNet Technology Society. There was concern raised by the member from Mount Pleasant that we had not had access to the society's records. In fact, we did have that access. It was requested by Mr. Parks for the PricewaterhouseCoopers investigation that took place. I'd like to submit the order from the minister for the House.

I would also like to point out that in terms of the chronology that took place, there were significant concerns raised about CareNet Technology Society and the relationship with Mr. Walls, as was pointed out, as we established that. CareNet had declared bankruptcy in 2003. All of CareNet's records were in the custody of the bankruptcy trustee, MacKay and Company.

When PricewaterhouseCoopers initially contacted MacKay and Company to arrange access to CareNet's records, they were refused and were informed that they would need a court order before they could access the records. The trustee was not convinced that PwC had the appropriate standing to access the records. The office of the comptroller general met with the society registrar to determine if there were sufficient grounds to appoint PwC as an investigator under the Society Act to allow them access to the CareNet records. The registrar determined that it would be in the public interest to appoint PricewaterhouseCoopers under section 84 of the Society Act to investigate the affairs and conduct of CareNet. The Minister of Finance approved that appointment on February 4, 2004.

When presented with the appointment under the Society Act, MacKay and Company still refused PwC access to the CareNet records and continued to require a court order. In discussion with the registrar, it was determined that a ministerial order under the Society Act would be quicker than going through the courts. As there was some urgency for PricewaterhouseCoopers to complete the work, it was agreed to obtain the ministerial order. The Minister of Finance approved that order on February 12, 2004, and when presented with that order, MacKay and Company provided PricewaterhouseCoopers with full access to the CareNet records. PricewaterhouseCoopers reviewed the records of CareNet, completed their work and issued their final report on May 6.

In the opinion of PricewaterhouseCoopers, Mr. Ron Parks, they had received what they believed was required, and they felt no further work needed to be done. I would like to table that in the House for members' information.

J. MacPhail: Just for the information of the Premier and his staff, I am going to do public-private partnerships, intergovernmental relations and then the 2010 Olympics. After we get through that, Mr. Chair, I'll have to give you another list, because I think we will be running down. I have several topics, and I'll have to choose amongst them, but those will be my next three.

I told the Premier yesterday that we would talk about the public-private partnership that is left on the agenda, which is the Abbotsford hospital and cancer centre. Now, I did canvass this with the Minister of Finance under the Partnerships B.C. auspices. We have a body in this province called Partnerships B.C., and they report to the Minister of Finance. We did talk about this.

[1525]

What we do know from that — and I reviewed the estimates discussion via *Hansard* last night — is that there is only one bidder on the Abbotsford hospital and cancer centre. The original request for proposal was for about \$220 million. It is now up to \$300 million. The Minister of Finance explained that as because of a larger scope. The scope in no way matches the increase in the price. Of course, there is only one bidder left. Perhaps the Premier could tell me what the status is of that request for proposal.

Hon. G. Campbell: I appreciated the heads-up yesterday from the member that she would be talking about the MSA Hospital and the P3. I think it's important to go back and look at why this project was initiated. Going back a number of years, the people of Abbotsford were told they would be having a new hospital. It was clearly something that was required for that community, which is one of the fastest-growing communities in British Columbia.

In fact, the facility was first approved in 1992, when the member was previously in government. In 1993 the Health minister said that the MSA Hospital would come on stream in 1997. In April of 1995 the government announced that the facility would not be built until 2002. In 1999 a former Minister of Health pointed out: "It is not approved this year in the capital budget. It's \$150 million, so it would be the only capital project approved in any year. We will look at that again next year."

The people of Abbotsford and the Fraser Valley were promised consistently by the previous government that they would be getting a new hospital because a new hospital was so required. In fact, over 13 years there was \$10 million invested to deliver virtually nothing.

We did decide to move ahead with a new hospital for Abbotsford. There are 150,000 people that currently live in Abbotsford. There are some 330,000 people that live in the Fraser Valley. It is important that their health care facilities be upgraded in terms of providing care for people in the communities where they live. That was clearly a critical component of any future-oriented health plan, and it was a component we felt we had to commit to.

As we moved forward, it was necessary for us to define the scope of the project, and in doing so, I think there was a substantial scope increase. There are some 240 health care professionals that have been involved — doctors, nurses and administrators in the Fraser Valley — to be sure that we do have a program in place that will meet the needs not just of today but of tomorrow.

I think it is also important to note that P3s have been part of the health care service and delivery system for over a decade in British Columbia. There are a significant number of long-term care facilities that are built, owned and operated by private partners and have been since the 1970s. A number of private partners for minor surgical services, like cataract surgery and diagnostic work, were begun under the previous government. This is really a continuation of that thrust to look at how we can secure the best possible value for British Columbians.

As the minister noted and as the member opposite noted, there was a significant expansion in the scope of the project. One of the real advantages of P3s is that they require you to determine and define specifically the scope of a project before you come to completion. That does in fact remove some of the uncertainty and, frankly, a lot of the risk for the taxpayers as they look at creating new public infrastructure to meet their needs.

Let me give an example of some of the scope expansions. There are far more stringent infection control measures to deal with outbreaks such as SARS. We know how critical that is. That was reinforced to us all last year.

There is an expansion of the emergency area. There are two separate and distinct comprehensive cardiology care and intensive care units to allow more effective care for patients that is specific to their needs. There are two cancer programs, for breast health and for hereditary cancer problems. There is more chemotherapy and treatment space, as well as enhanced brachytherapy services.

There is more focus on providing specialized child and youth care. There are special spaces designed to meet the needs of younger people for such things as rehab and physio space that are specifically there for children.

[1530]

There are teleconferencing and videoconferencing facilities in two of the eight operating rooms now, which will allow us and will allow all British Columbians to benefit from the expertise locally and, indeed, throughout the province. There are equipment and medical services. There are more stretcher beds. There are six more hemodialysis stations. There is a second CT procedure room. There is academic space expansion to create a centre for learning in cooperation with the universities to train health care professionals of the future. There are environmental and facility enhancements to ensure that we're creating an excellent working environment for a green building.

It is, I think, significant that as we move forward with the bidder that is in place, we are moving towards the completion of that bid. It is not complete as yet, but as Mr. Parks even pointed out, the time to get the value-for-money audit done is following completion of a bid that looks acceptable. The time for the public sector comparator to be finalized would be at that time.

We are confident that the people of British Columbia will not just have a health facility delivered that is

long overdue — it's a decade overdue — but they will also have a health facility that meets their needs not just when it's complete but for years to come, both for those who need cancer support and for those who need the regular support we'd expect from an acute care facility. We would expect that will move forward in a way that is done thoroughly and completely and that benefits all taxpayers.

J. MacPhail: My question was: what is the status of the bid? I'll get into the details of the expansion of the scope. When is the one bidder going to be told whether they've got it or not?

Hon. G. Campbell: As the member knows from the Partnerships B.C. website, the construction will, hopefully, begin in the winter of 2004. We're obviously past that, but we expect it to be completed by late 2007-08. We're still in negotiations, and when those negotiations are complete, we will be in a position that we can move forward.

J. MacPhail: Well, let me put on the record my version of this. My version of the record is going to be assisted by Ron Parks, that wonderful auditor that the Premier lauded and said that his words should stand independently of government when the Premier was referring to the Doug Walls audit done by Ron Parks.

I'm not going to overstate the case by Mr. Parks. That doesn't do anybody a service here. But here's what I know about the status of the MSA Hospital in Abbotsford. It's behind schedule for even completion of the bidding process. There is one bidder left, out of what was originally four bidders. Three bidders are no longer in the process. There has been no value-for-money audit done and no public sector comparator done yet.

Ron Parks did an audit, a review, of the Abbotsford hospital and cancer centre request for proposal back in 2002. He did the initial evaluation in May 2002. Then the government, as the Premier has just listed, changed the scope, so Mr. Parks did another assessment of how the project had changed, and he did another review of the proposal.

Let me just read into the record his findings as of February 25, 2004. This is based on the changed scope that the Premier just read. He found project costs have skyrocketed since his initial evaluation in May 2002 due to significant changes in facility scope and financing. Construction costs have risen from \$210 million to \$286 million, and annual lease payments to the winning private consortium have skyrocketed from \$20 million a year to at least \$39.7 million a year in each of the 30-year deals.

[1535]

"No further assessment of value for money has been performed to re-evaluate the decision to proceed as a P3 project...." Of course, he said that that contradicted the requirement that P3 projects demonstrate value for money to the taxpayer. Government payments to project co, the name that the government has

identified for the successful bidder, are \$393 million above the expenses and debt servicing costs of the private consortium, with no explanation as to why.

"How much risk the successful bidder will assume from the public sector and what value can be placed on the transferred risks are unknown. Financing risk and ownership risk are likely to remain within the public sector because (a) the initial contribution of \$71 million of public money from the Fraser Valley regional hospital district, and (b) the private consortium will have nothing other than the government guarantees to provide as collateral because government will own the asset.

"There is little assurance that the public interest will be protected or that all stakeholders, including health care unions, will be involved in the process, a requirement for public-private partnership projects. Lastly, the 30-year term of the project's alternate service delivery contracts for the private partner could result in reduced competitiveness in the long run."

So there's Ron Parks updating his original 2002 review of the Abbotsford hospital and cancer centre request for proposal — updating it in February — taking into account the changed scope.

Now, here's what Mr. Parks said publicly after he released his review. He said that "the cost of the project has nearly doubled, but there is no new evaluation on whether taxpayers would benefit from the public-private partnership. As well, with only one bidder left on the project, there is no competition. I think there are serious questions that arise when we analyze what we've seen so far in this project. Who was hired to do the audit by Hospital Employees Union?"

The government dismissed Mr. Parks's audit because it was done by the Hospital Employees Union. Well, they can no longer dismiss it, based on their absolutely embracing of Ron Parks as being the final word in the Doug Walls audit.

Perhaps the Premier could answer some of the concerns raised by Ron Parks.

Hon. G. Campbell: Perhaps the member can tell me the pages from the report that she is quoting from there. I don't recall those sections from the report. If those are quotes directly from the report, it is easier for me to respond to them.

Let me say that in the report I have, it is very clear — and this is from Mr. Parks directly: "At this time, it is unknown what portion of this difference is likely to profit project co and what other costs project co will have to incur to build the hospital and provided the services indicated."

Mr. Parks is unquestionably an excellent auditor, but as I tried to point out earlier, he was relying on old information in terms of developing his report. The report that he built was based on a much smaller scope. I mentioned earlier, I think, the expansion of some of the areas of scope. PwC did a study that the MSA Hospital project has expanded to become a regional referral centre with far more health services. In other words, the increased costs that were found by Mr. Parks are directly attributable to the increased scope and services of the project, not to the P3 model.

In addition, there is a different set of facilities management services expected from the partner than indicated in the original PwC report. There is a larger bundle of facilities management services to be included in services — such as food, materials management, portering and supplies, laundry and linen services, utilities management and parking services. Mr. Parks himself acknowledged — at the HEU press conference, in fact — that the appropriate time to prove value for money for taxpayers is after the final proposals are in and the agreement is finalized. I think we recognize that, and we are clearly moving forward with that.

The Parks report vis-à-vis the competitive process that the member opposite has referred to.... As the member opposite pointed out, we issued a request for proposal. There were four proponent teams in September of last year. In November two teams officially entered the competition. In other words, there were two teams that felt, with the stringent criteria we had established with the requirements for the consortia that may bid on this.... There were two left. For months the two proponent teams worked on preparing preliminary designs and on negotiating terms of the project, and in February of this year the Healthcare Infrastructure Co. of Canada indicated that they could not continue and submit what they felt would be a winning proposal in the time lines that were available.

[1540]

At this point, as far as I know, we are actually ahead of schedule in terms of the request for proposal. There is a complete financial model, including an updated public sector comparator, which will be used in analyzing the proposal that comes forward. It is also important, I think, to note that the single proponent is still required to meet all the specifications of the request for proposal. They are still required to clearly demonstrate the value for money prior to the awarding of any contract.

Again, to go back to Mr. Parks, he was interviewed on the CBC on February 25, the date the member opposite just referred to, and he said it would be a very good opportunity to negotiate with the remaining bidder and still come up with a project. We concur with that. We believe the project is in the best interests of the public. We believe that if you look at the cost-effective use of these dollars, it is important to note that as we look at this.... The PwC audit, as well, doesn't recognize some of the impacts, and not just of the scope expansion that we've got. It also did not take into consideration some of the substantial savings that were recognized through operating costs and alternative service delivery models — at least, the Parks report.

So we've got to be careful, because there was another PricewaterhouseCoopers report that was done. It did report that, conservatively speaking, they were expecting a 1 percent to 4 percent savings with regard to the building. That results in significant dollars. But they also identified up to \$67 million of potential savings through operating costs and alternative service deliveries, so looking at the P3 and looking at the alternative service delivery, we are looking at a potential for

a \$70 million savings. That \$70 million can go into providing care for patients, and that's also critical as we look to the future in the province.

J. MacPhail: I'm not clear. Is the Premier saying neither of Mr. Parks's two reports, May 2002 and February 2004, is accurate? Is that what he is saying?

Hon. G. Campbell: I have a report dated.... Sorry, the member can pass me the reports she is referring to. I have a report dated December 24, 2003.

J. MacPhail: Yes — and was commented on in February 2004. So is the Premier saying, just to be clear, that the Parks report is inaccurate in not having all the up-to-date information? Is that what the Premier is saying?

Hon. G. Campbell: Yes, I am saying, in fact, that the expansion of the scope and the expansion of the opportunities for both operating opportunities and alternative service deliveries are significantly different from the report I'm aware of, of December 24.

J. MacPhail: That is simply wrong, but isn't it interesting how the Premier will embrace Mr. Parks when it suits his purpose? Then at other times when it puts him at risk, he says Mr. Parks is wrong. The second report in December '03 took into account the publicized changed scope and the publicized reportings on what would be the cost of operating expenses from the Fraser Valley health authority to project co.

Nothing different has occurred since that time, December '03 — nothing that's not public, anyway. Maybe there is something hidden about it. But I find it unbelievable.... Actually, Mr. Chair, it works both ways for us. It absolutely works both ways. If he is going to discredit Mr. Parks in this area, then he discredits Mr. Parks in the Doug Walls audit. That's exactly what he does, and it's ridiculous to suggest anything otherwise.

I at no time in any way indicated that Mr. Parks said the project shouldn't proceed. Mr. Parks doesn't reach that conclusion, but he does outline what his view is of the costs of this project. So when is the public sector comparator going to be done? Perhaps the Premier could just put on record now how this bid is going to move forward. What will be the legal obligations to the one bidder left? Regardless of the circumstances of why the other bidders withdrew, there is only one bidder left. So how do negotiations proceed with one bidder?

[1545]

Hon. G. Campbell: Let me start by saying that at no time have I suggested that Mr. Parks is not an able auditor, whether it is with regard to this report or other reports. One of the things we know from the Walls report was that all information that Mr. Parks required was made available, and he had it. One of the things we know from this report was....

J. MacPhail: That's not true.

Hon. G. Campbell: Just so we're clear, Mr. Chair: that is true. Mr. Parks could access any information that he required.

J. MacPhail: Could he access your hard drive?

Hon. G. Campbell: He could access any information he required.

Interjection.

The Chair: Leader of the Opposition, let's hear the answer, please.

Hon. G. Campbell: Mr. Parks had access to any information that he required and requested with regard to the investigation into CareNet Society. In this particular case, the information that he had was not correct. The scope of the project had expanded significantly. Mr. Parks himself said that the time for value-for-money audits was after the request for proposal and the process was complete.

As I mentioned earlier, the proponent will have to meet the requirements and the standards established in the request for proposal — number one. There is a public sector comparator which has already been completed. It is part of the negotiations. Obviously, I'm not going to make that public sector comparator public here today or to the bidder. That's something we use as part of our negotiations. When that is complete, there will be an evaluation done to ensure that the public is getting full value for their investment.

In fact, there are full benefits to the public. I identified earlier to the member opposite that it looks at this point like we could achieve up to \$70 million-plus in terms of benefits from going through the public-private partnership route. That's number one.

Number two. Unlike the previous government, this government intends to have a hospital built by 2007 or early 2008 to meet the needs of the 150,000 people that live in Abbotsford and the 330,000 people that live in the Fraser Valley.

J. MacPhail: I wouldn't hold my breath. This government has been spectacularly unsuccessful in delivering on any infrastructure that they promised in this province — spectacularly unsuccessful. Well, when did the scope of the project change?

Hon. G. Campbell: When the member opposite says that we have been spectacularly unsuccessful in building infrastructure, I think it's important to look back at her government's success in building infrastructure. Virtually none of the projects that the government initiated were brought in on budget.

That's one of the reasons that establishing a full scope for a project through public-private partnership is actually an excellent financial discipline. It is an excellent design discipline. It allows you, with the end of

the process, to look completely at the scope to see what the costs are, what the benefits are and whether the taxpayer in fact is getting the kinds of benefits they need.

Currently, as the member opposite knows, we are proceeding with the MSA Hospital, one that was promised by her government for over a decade and was never delivered. We are also in the midst of a public-private partnership for the academic ambulatory care centre at the Vancouver Hospital at 12th and Oak. We have a public-private partnership that is currently going forward with Britannia Mining as we move to the cleanup of that. If the member has visited the Peace, she will know the Sierra Yoyo Desan Road is underway as a public-private partnership that is being built even now.

[1550]

There are opportunities there, but every project is not a public-private partnership. I think every project has to be looked at on its own merits, and that's exactly what we are doing.

The initial scope of the project was expanded significantly in the fall of 2003. In fact, it will be continuing on as we move through and make sure that we deliver a hospital that is cost-effective, meets the needs of the people of Abbotsford and the Fraser Valley, and is delivering fair value to the taxpayers of British Columbia.

J. MacPhail: Yes, exactly. When the scope of the project was expanded in the fall of 2003, Ron Parks did his second review — on the expanded scope of the project. That's when he reached the conclusions that I read into the record. How is it that Mr. Parks didn't have the extra information? Of course he did. That was the basis for his second review.

Let's be clear. This government has very little, if any, factual basis on which to claim \$70 million of savings. It's over a 30-year period, as I understand it, that the \$70 million of savings may occur. It's like a rounding error in the life of this project.

No matter how much the government tries to discredit Mr. Parks's second review by saying he didn't have all the facts, he did have all the facts. The facts came from the government.

Who does the public sector comparator? Will the public sector comparator be made public in relation to the final bid before the final bid is accepted?

Hon. G. Campbell: Let me answer the member's question quickly. The public sector comparator will not be made public until after the analysis and the decision is made. That's number one.

Number two, I would like the member to give me the explicit page references to the report of Mr. Parks that she is referring to, because the quotes I've heard today are not quotes I can find in the report that I have available. If she can give me the explicit page references, that would be very helpful.

[H. Long in the chair.]

J. MacPhail: Yes, I will give the Premier a highlighted copy of the report with all of that information. I'd be happy to.

Is the final bid not proceeding until the public sector comparator is made public?

Hon. G. Campbell: The request for proposal is underway, as I mentioned. The public sector comparator is being developed, as I mentioned. The public sector comparator is a critical part of the negotiations that we have with the private sector with regard to this. When the decision is made, the decision will be made. At the time the decision is made, the public sector comparator will be made available to the public.

J. MacPhail: What happens if the public sector comparator comes out as a better value for money for the taxpayer?

Hon. G. Campbell: Obviously, if the public sector comparator looks like it's going to be a better value for the taxpayer, we would proceed with that, just as we did for the Vancouver Trade and Convention Centre. We looked at that to see whether or not there were public sector benefits. We looked to see what the risk allocation would be. We felt it was better to keep that project in the public than to go to a public-private partnership.

This is an important point. There is no one who is saying that public-private partnerships are the only way to go with regard to these things. They are an important opportunity. They're an alternative way to the traditional public building of the facilities. We've seen what happens, and we've seen the disappointments that so often have taken place when we don't in fact develop proper scope, when we don't develop the standards and when we don't require the same disciplines of ourselves in public life as they might in private life.

[1555]

One just has to walk to 12th and Oak in Vancouver to see an example of a public sector project that was not complete in its scope, which did not have any operating opportunities and sat there as a shell for ten years while we waited to figure out how the taxpayers' investment was going to reflect itself and care for patients. It is almost 20 years from when the Vancouver General Hospital facility was started. It finally is being completed so that there are patients in that hospital for the whole hospital. That's probably cost taxpayers an additional \$100 million.

If you look back across the government's record in a whole series of activities that only the public was involved in, there were no comparators of any sort. What we find are substantial overruns, substantial additional cost to taxpayers.

One of the benefits of looking at a public-private partnership in this way is not just whether the people of Abbotsford and the Fraser Valley will get a regional hospital and cancer care facility and centre, but they will get one built on the basis of the best possible value.

The public sector comparator will be there. If in fact it offers better value, obviously we're not going to be going to the public-private partnership. If the public-private partnership, on the other hand, offers better value, that frees up additional resources to provide care for patients.

I want to be very clear with the member opposite. This is a legitimate negotiation that's going on. We will not make the comparator available until we have had a chance to review it and complete it in terms of the overall negotiation. If there is a decision made to go to public-private partnership, then I can guarantee the member opposite that the public sector comparator will be available to the public for their scrutiny.

J. MacPhail: I'm reassured by that. I think it's excellent that it's not a given that the hospital will be built by a public-private partnership and that the public sector comparator will be made public.

When the Premier makes the public sector comparator public, will he also make the full contract with the project co public?

Hon. G. Campbell: The expectation is that the overall agreement would be released, subject to what are considered commercial limitations. For example, part of the request for proposal gives the government the opportunity to renegotiate parts of the agreement every five years. There may be information that the proponent doesn't want available to their competitors in the outside market. Those are things that would be subject, effectively, to holdback, but our general intent is to make the contract available to the public, subject to those commercial limitations.

J. MacPhail: I've had a chance, while awaiting an answer, to read the documents the Premier tabled related to the chronology of events relating to Doug Walls and also to the matters of the Society Act and the CareNet Technology Society. I thank the Premier for that.

Just a question arising from that, and it's a separate topic. I'm going to move to RAV in a moment, in between that. Is the office of the comptroller general doing a separate audit into any aspects of the dealings between Doug Walls, any of his companies and the government?

Hon. G. Campbell: The office of the comptroller general did an initial audit, which led to the recommendation for the independent, external investigatory audit that Mr. Parks carried out. At this point I believe they would consider that matter at an end.

[1600]

J. MacPhail: I want to discuss the Richmond-Airport-Vancouver rapid transit line. Can the Premier give his view of what the status is of that project?

Hon. G. Campbell: My understanding is that the requests for proposals have been completed. The

RAVCO board has suggested that they move forward to best and final offer. The TransLink board has not, at this point, decided to do that. When the TransLink board decided not to move forward, although perplexed by the decision, we were asked if we could give them more time. We extended our commitment by 30 days. We requested the federal government to extend their commitment by 30 days. My understanding is that the TransLink board met yesterday, and they are meeting again on June 2 or 3, or some time like that.

J. MacPhail: The provincial money contribution to the RAV rapid transit project remains on the table for 30 days. Does it expire, or is it that it's revisited at that point? Could the Premier give me a specific date of when that 30 days is, please?

Hon. G. Campbell: I don't recall the date of the letter. We were asked to send the letter last week. We did do that. I think it was Wednesday or Thursday of last week, so it would be 30 days from then.

The status of the dollars, as I'm sure the member opposite is aware, is that the province has had an agreement with the TransLink board — I think that agreement was in July of last year — on how we would move forward with the RAV project, which was a project they agreed was something they wanted to do.

The member may not know this, but I can tell the member that I met — I think, actually, we might have talked about this last year — with the chair of TransLink, the chair of the greater Vancouver regional district, the mayor of Vancouver and the mayor of Richmond to be sure that they wanted the province to go and advocate on their behalf for the resources for this project with the federal government. There was an initial commitment, I can recall. I think it was July 2002. I met with the Prime Minister and told him that our first priority indeed was the Kicking Horse line and that the RAV line was going to be something that was very important as we move forward. In July 2003, I met with the Prime Minister again. I reiterated the commitment and the concern that was raised by the local government representatives I mentioned earlier.

The federal government was willing to come with their funding through the strategic infrastructure program. We have \$300 million from that program that's there. The federal government has \$300 million from that program that's there. They topped that up by \$150 million.

The infrastructure resources are going to be there for the province, and what we were trying to say to the TransLink board is: "As you go through, have a look at what you're doing. Decide whether you want to go ahead with this. You should know that we will advocate on your behalf to the federal government to maintain those resources, and our resources are on the table. But if there is no plan, then obviously there are an awful lot of transportation requests that are being made all over the province, and we would consider those."

J. MacPhail: Has anything changed from the province's commitment since the failure of the vote? I can't remember the dates myself. The failure of the TransLink board to pass, proceeding to BAFO — has anything changed from that time to now in terms of how the province's financial contribution is committed?

G. Trumper: Mr. Chair, I ask leave to make an introduction.

Leave granted.

[1605]

Introductions by Members

G. Trumper: In the House now are a group of 40 grade 11 students from Alberni District Secondary School. About 16 of them are from the French immersion class. They are with Mr. Contant and Mr. Carl Poole. They are here for the next few minutes to listen to the estimates of the Premier, so I would ask you to please give them a very warm welcome.

Debate Continued

Hon. G. Campbell: No. Nothing's changed.

J. MacPhail: Just to be clear, I think public transit is extremely important to proceed on. I think rapid transit makes perfect sense. I think the Richmond-Airport-Vancouver rapid transit line makes perfect sense. It would be my second priority. My first priority would be rapid transit to the northeast corner, but I'm on record that... Actually, I was on record as funding that opportunity when I was responsible for rapid transit.

This is about me trying to understand from the provincial government what role they're playing to try to bring about a successful RAV line and, at the same time, deliver or assist TransLink and the GVRD in delivering on their priorities. That's the basis for all of these questions.

I may have misinterpreted the Minister of Transportation right after the failed vote of TransLink, but I heard him speak. He spoke in the "I," not the "we," so maybe it was just him speaking. He said: "It's dead. Our money's gone." I paraphrase, but I listened to it about five times over the course of that weekend. I would rather take the Premier's word right now that the money is still there than the Minister of Transportation's, because I want rapid transit to occur.

What is it that's going on in terms of discussions now? I don't want to know the content of the discussions, but what's going on to try to bring conciliation and resolution amongst the competing interests?

Hon. G. Campbell: First of all, as I mentioned, the dollars are there for RAV over the next 30 days. In terms of our commitment to this, I think it's important to note that we said all along that we were going to allow the region to make their decisions and set their

priorities. They did that. We have an agreement that was signed with the GVTA. I think it was in July of 2003.

It's pretty clear that in doing this, the question is not what the province is doing; the question actually is: what is the GVTA doing? What is TransLink doing? What do they want? The agreement was very clear that the dollars that were left over from the SkyTrain agreement on the direction of the GVTA....

I want to go back and stress this. This was a decision of the Greater Vancouver Transportation Authority, not the province. We were trying to work with the GVTA. I have letters from Mayor Campbell in Vancouver saying: "Thank you for the extraordinary effort you made to secure an additional \$150 million from the federal government for the RAV line. I am writing to thank you for your tremendous efforts to support the development of the Richmond-Airport-Vancouver transit line. Without your commitment and your willingness to advocate for the project in Ottawa, we could never have come as far as we did."

[1610]

What I was doing, and what the province was doing, with regard to the RAV line was trying to act as a supporter of the regional decision that was made and regional priorities that were made. The agreement was pretty clear that up to \$400 million could go to RAV and that \$140 million would be left for additional projects, whether it was expansion to the northeast sector or elsewhere in the Greater Vancouver Transportation Authority area. Any savings within the \$400 million would be there for the GVTA and TransLink to invest how they wanted in the project.

TransLink drove the project. They created their own subsidiary, RAVCO, with independent directors. They carried out full public sector comparators of the Richmond-to-Vancouver line under the auspices of the former auditor general. They had international peer reviews. They agreed with me discussing with the Prime Minister and the federal government the need for an additional \$150 million from the federal government, which was announced prior to their decision on the Friday — whatever the Friday was. I don't remember the date.

My response to the initial decision on the Friday was that I was baffled by it. I, candidly, remain baffled by it. It's hard to understand it, because they have done the public sector comparator, and we know that the RAV line meets the objectives they set for it. We know that the risks some of the directors said they were concerned about were going to be assumed by a private sector proponent. I understand, believe me — I was formerly a chair of the greater Vancouver regional district — the need for transportation improvements in the northeast sector.

I also believed that the appropriate decision-making body was at the regional level. The appropriate decision-making body said: "Our first priority would be to go the Vancouver-Richmond line." The appropriate decision-making body said: "Let's look at a public-private partnership." They went through a design

process with the public-private partnership. They went through a planning process with the public-private partnership. They made decisions that they wanted to proceed with that on the basis of estimates, the cost would be between \$1.5 billion and \$1.7 billion for that line.

In making that decision, they recognized — and this was recognized some time ago and, candidly, was recognized by the previous government, not the public-private partnership — the value of the line for the Olympics. It was not part of our bid, but it was certainly part of the presentations that were made by the previous government. They knew that one of the key components of that was to get additional revenues, or capital investment, from the Vancouver Airport Authority, and there is \$300 million that's been committed by the airport authority to match the \$300 million from the province and the \$450 million from the federal government.

It's pretty clear that in terms of the project that was established last year, the project was meeting the criteria. If the decisions have been changed by TransLink, that's their choice. One of the reasons we provided for the extension was for them to have a good, hard look at that. We know that the RAVCO directors believed this was a process that was not just thorough but complete. There was investigation of costs. There was investigation of comparatives. There were peer reviews done. None of that has been done, I should mention, for the northeast sector.

RAV has been at least a two- or three-year project, that I'm aware of. Part of looking at a regional transportation plan, if indeed it is shifting the way it is.... Clearly, there are resources that are available for transportation improvements. They will be available for the region, but in the short term, if there is no plan, it's hard to allocate resources to what doesn't exist when there are so many transportation demands not just throughout the region but across the province.

J. MacPhail: Mr. Chair, the Premier started off.... Thank you for that information. It's what has been in the public domain. The Premier did start off by saying it's not what he's about to do but what GVTA should be doing. He didn't use the word "should," but it's about what they're going to do.

Let me just give my historical perspective on this. If I could work with George Puil, this Premier should be able to work with Derek Corrigan and David Cadman. That's my view.

Interjection.

J. MacPhail: It was a joke — hello. George....

Interjection.

[1615]

J. MacPhail: Well, here's what it has to do.... Then I'll give that answer in a serious context. When I was minister responsible for public transit and the birth of

TransLink, George Puil, who worked every day to ensure that the New Democrats were vilified as government, rose above that. He and I — I, who had no love for the NPA, and George Puil — worked to ensure that Transit moved forward in a way that everybody could buy into.

Now, the provincial government of the day also did say that infrastructure projects that went across municipal lines would be under the auspices of the provincial government. They would be publicly built under the auspices of the provincial government, and the Millennium Line, under that model, was built under budget and in record time. Let's be clear again — under budget and in record time.

Over and above that, the differences around the operation of transit beyond the Millennium Line were worked through by George Puil and the provincial government and other municipal leaders as well. A lot of that was done through conciliation, negotiation, cajoling and strong leadership at the staff level.

All I'm asking here is: what is going on? I don't even want to know the details. Believe you me, I don't need to know the details. Is there anything going on where the provincial government is working to encourage a resolution that delivers public transit?

Hon. G. Campbell: I'm not even sure of the direction the member is taking here. I don't know whether the member agrees with Mayor Larry Campbell in Vancouver, who I have been working with; or Mayor Malcolm Brodie in Richmond, who I have been working with; or the chair of TransLink, who replaces Mr. Puil, who I have been working with; or the chair of greater Vancouver regional district, who has replaced Mr. Puil, who I've been working with. We have been working with TransLink, so let's not get cute about it. We've worked all the way through on this.

We now have people like some of the member opposite's supporters who are fighting this. Well, they can fight it. It's an open decision-making process they have in the region. We have motion after motion where we have worked with TransLink. If you want to talk about what we've tried to do, read the mayor of Vancouver's letter: "Thank you for your tremendous efforts. Without your commitment and your willingness to advocate for this project in Ottawa, we could never have come as far as we did. Knowing, as I do" — this is Mayor Larry Campbell — "how hard you worked on this project, I have some sense of the frustration you must feel with TransLink's decision on Friday."

Of course you're frustrated with it when you're trying to work with a board. I've never had trouble working with Mr. Cadman or with Mr. Corrigan, but our job is not to say that there won't be disagreements at the regional level. On May 23, 2003, we had a recommendation from the TransLink board, who we were working with. The board approved in principle the preparation issuance of a request for proposal.

We have a resolution saying that the board approved the special-purpose corporation to manage procurement and construction and testing of the RAV

line. This is the TransLink board. We've worked all the way through with the TransLink board. We've said to them: "What are your decisions? How can we help? What is it you need from us?" TransLink says to us: "What we need is for you to go to Ottawa and make sure we get some financial support."

We got \$150 million more than they initially expected — \$450 million in total. That's pretty significant help, I'd suggest. It's \$450 million more that went into the Millennium Line. We worked with the airport to make sure that they contributed — \$300 million. That's 300 million more dollars from another source than the provincial government or the region than went into the Millennium Line. So we've been working throughout this project.

[1620]

Then we have CUPE come up and say they don't like it. That's their choice. TransLink board will make their decisions, and that will obviously have impacts. What we've said to the TransLink board now — and, frankly, I'd say it to Mr. Sinclair as well — is: "Why aren't you working to try and get this project through?" It's \$1.7 million of investment. There's a substantial chunk of that investment coming from the private sector, which is not coming from the region. Here we have a regional transit authority that's deciding to turn their back, evidently, on \$450 million from the federal government — \$300 million that will be there for sure.

There's no guarantee that the \$150 million will stay. One of the ways we convinced the federal government to put that in place was because we have an Olympics coming. It was the Canada line, we told them. It would connect Canada's gateway to the world through Vancouver's international airport to Canada's convention centre on the Pacific in Vancouver. It would provide for huge opportunities in terms of improving the environment. It would take thousands of cars off the street to meet some of the concerns they've had with regard to the environment.

We worked together. You know, it's not one voice. It was the voice of the Premier of British Columbia. It was the voice of the former Minister of Transportation and the current Minister of Transportation. It was the voice of Doug McCallum. It was the voice of Malcolm Brodie. It was the voice of Larry Campbell. It was the voice of Marvin Hunt. Indeed, until a couple of weeks ago it was the voice of the TransLink board. That's how we work with people. So when they decided they weren't going to go ahead, frankly, what we said was: "Yes, I'm surprised by the decision." Of course I'm surprised by the decision. I can't imagine if I had been in a similar position locally — as they are with those dollars coming in — not saying: "Great news. Let's get on with it." But they've made that decision.

Then there was a flurry of activity around the decision. I got letters from mayors. I got calls from chairs. They said: "We understand what's going on here. We need to have some time. Let us think this through. Let us think of how we can do it." And that's exactly what we've done. It was the TransLink board that drove this project. It was around before we started, before we

were brought into government. When we came into government, we continued. We continued to try and walk down the street together. We tried to provide financial support. We tried to provide advocacy support with the federal government and the airport.

Again, my goal is for the region to make excellent transportation decisions. Their regional members will be held to account for that. I was not involved with the Millennium Line. I did not think it was the best decision, but you know what? When they made that decision, I said that was their choice. If they decided to do the Millennium Line and get themselves two-thirds of where they wanted to get to with 20 percent more than they thought was going to be required the other way, that was up to them. They made that choice.

When we sat down and they said they wanted RAV, we said: "Fine. What can we do to help?" They made that choice. When they decided not to do RAV, we said: "That's a shame. I don't understand it. What can we do?" When they said they'd like to have more time, we said: "Fine. Here's more time." We're working with them. We're ready to work with them. We'll continue working with them. Obviously, everyone will benefit from an excellent transit system.

Frankly, I'm disappointed in CUPE's actions. I'm disappointed to see Mr. Sinclair saying he doesn't want all those jobs for British Columbia. But it was TransLink's decision, not the province's.

J. MacPhail: Well, I am very disappointed in what the Premier has just outlined in what was supposed to be a cooperative discussion. The Premier again attacks the part of the participants in his very partisan way. I have no idea why he decided to attack CUPE and Mr. Sinclair. I have no idea whatsoever.

When he says that somehow it was my friends.... I don't even know the mayor of Pitt Meadows. I don't know the mayor of New Westminster. I know the mayor of North Vancouver is not a member of my political party. So I'm not quite sure why the Premier thought that he had to do that — what he did just now.

I'm offering my experience. It may be completely rebuffed. Clearly, it was completely rebuffed by the Premier — my experience in these matters. Once again he stands up and chooses his friends — those who he says are his friends and those who are his enemies. I didn't do that, and I made it quite clear that I was a supporter of RAV as my second choice. Whatever.

All I was asking was: as the senior level of government to TransLink, was he doing anything to cajole or conciliate, to move the project along?

[1625]

What I do know is that a couple of hours or days after the TransLink board turned this down, his Transportation minister was saying: "We're not going to pass the parking tax that they've required." He did say that and poked a stick in the eye of TransLink. And the Minister of Transportation did say: "The money is gone. The project is dead." I'm not quite sure why the Premier, as the leader of this province, has to somehow say that all of the pettiness is on one side.

I am once again disappointed. We have about an hour and a half left. I don't have time to.... I didn't even want to fight over this. I wanted to get some reassurances and ended up not.

I'm moving to Intergovernmental Relations now, Mr. Chair. I want to deal with a matter out of Montana, the cross-border agreement with Montana on environmental cooperation. This Liberal government has plans to develop a coalmine on Cabin Creek, six miles north of Glacier, and is interested in offering coalbed methane leases just north of Fernie. Both projects could possibly have environmental ramifications on the water supply flowing into Montana.

The Premier signed an environmental cooperation agreement with the state of Montana last summer. I have that here. It's not signed. Can the Premier confirm with me that he did sign this environmental cooperation agreement last year with the state of Montana?

Hon. G. Campbell: Yes.

J. MacPhail: The Governor of Montana, a woman named Judy Martz, has expressed concerns. I understand she has written to the government and expressed concerns over the long-term effects of a possible coalmine and the extraction of coalbed methane in southern British Columbia. Her concerns revolve around the quality of water flowing into Montana. She also sent the Premier a letter last week — I think it was last week — asking him to hold off on any plans until the International Joint Commission could review the projects.

An investigation by the International Joint Commission would allow us to move ahead on these projects with the confidence that we upheld our commitments to our partners in the south and that the projects are environmentally sound. However, as I understand it, the International Joint Commission can only take action if both Canada and the United States make a formal request. Has the Premier responded yet to Governor Martz's letter?

Hon. G. Campbell: No.

J. MacPhail: What is he planning on doing? What is the investigation around this request, and what are his plans?

Hon. G. Campbell: I have asked the Minister of Energy and Mines and the Minister of Sustainable Resource Management, as well, to give me a report on the mine that is referred to by the Governor — I am not aware of the mine — so that I will be in a position where I can respond to the Governor.

I should say to the member opposite that the environmental agreement that was signed is one that I think is important. We will take fully into consideration the concerns of the state of Montana, and I'm looking forward to getting the report from my ministers so that I can respond to her.

Obviously, we're concerned about water quality. We are concerned about cooperation between British

Columbia and Montana, and we will be as open as we can as we move forward.

J. MacPhail: The environmental cooperation arrangement — it is called — between British Columbia and the state of Montana states this: "Now therefore the province of British Columbia and the state of Montana undertake to establish the British Columbia-Montana Environmental Cooperation Initiative to identify, coordinate and promote mutual efforts to ensure the protection, conservation and enhancement of our shared environment for the benefit of current and future generations." It was on the basis of that, that Governor Martz wrote to the Premier.

[1630]

Does the Premier have a time line on which he is going to respond to Governor Martz?

Hon. G. Campbell: I don't have a specific time line, but I can tell the member opposite that we will respond as expeditiously as possible. I do think it's important that we listen to the concerns of Montana, just like I thought it was important that Washington State listened to the concerns of British Columbia when we dealt with Sumas 2.

The benefits of these agreements are to say that we will work with one another, we'll share information with one another, we'll listen to the concerns of one another, and hopefully we'll be able to find resolution that will allow us to move forward. Unfortunately, that was not possible between the province of British Columbia and the state of Washington, but I do think we had open access and discussions, so at least the Governor of Washington understood that.

That's the same thing that will take place here. I think the important component of this is that Governor Martz feels comfortable letting us know the concerns that her constituents have in her state. I will get the information as quickly as I can and will respond as quickly as I can. I will be glad to let the member opposite have a copy of the letter when I do that.

J. MacPhail: The Environmental Cooperation Arrangement also says, after the paragraph I just read into the record: "Accordingly, the parties will develop an action plan within one year of signing this arrangement which will form part of these efforts, reflecting mutual priorities. The parties may also enter into specific arrangements necessary to effectively address shared environmental goals." What is the progress on that?

Hon. G. Campbell: Very slow. Unfortunately, we have not been able to complete those framework agreements for a couple of reasons, but one of the most important is that there have been significant challenges in Montana in terms of bringing them to the table. It's something that we'll continue to work with them on.

But let me say that I think the Governor of Montana, again, recognized the spirit of the agreement that was made. The spirit of the agreement is for us to rec-

ognize that when you're looking at an airshed, an airshed doesn't respect borders; that when you're looking at a watershed, it doesn't respect borders. We have to work cooperatively. This is an area where, clearly, Montana has some concerns.

There is a potential for the development of a coal-mine. What is the zone? I don't know what the land use zoning is, just so the member opposite knows. I don't know right today what the land use zoning currently is for that. The Governor of Montana has raised some concerns with regard to coalbed methane. She may have those concerns based on what they did previously in some of the states in the United States, which she would be aware of, and she doesn't know what our regime is.

We are going to make sure that they get all of this information with regard to this specific item. Let me say that it may well be that through this specific item we get some urgency behind the creation of the framework, and we'll be able to present that to the member next year.

J. MacPhail: I want to move now, under intergovernmental relations, to health care. What is the Premier's role in the summit that will occur around health care later this summer? I'm not quite sure who's participating. Is it the federal government and the provinces? Perhaps the minister could update me on his role in that and what's on the agenda.

Hon. G. Campbell: Let me go back for the member just so that you know what the flow is. When we had the Premiers' conference in British Columbia in 2001, all of the Premiers agreed that we had to take some ownership for health care and start moving that agenda forward. If we waited for the federal government, we weren't going to start to get the kind of response that patients needed in the country.

We've undertaken a number of things since that time. One of them is the Premiers' Council on Canadian Health Awareness. The other is a more comprehensive look at how we deal with pharmaceuticals and Pharmacare and drug approvals across the country. Another is the beginning of development of a human resource strategy across the country which will include the training of doctors, nurses, health care professionals, physiotherapists, etc.

As the member opposite will know, there have been some challenges with federal funding with regard to health care. We have spent a significant amount of time not getting a very significant amount of return, to be quite candid, in terms of trying to establish a new federal-provincial financial partnership that meets the needs of Canadians in terms of health care.

[1635]

We met as Premiers and formed the Council of the Federation. We had a meeting here in, I think, February of this year, and we agreed that Premier McGuinty and I will be having a meeting at the end of this month with Health ministers and Finance ministers on two fundamental topics. The first one is: generally, what are the

reforms that are required to meet the needs of patients across the province? How do we deal with issues like aging? How do we deal with issues like home care? How do we deal with issues like pharmaceutical costs? How do we deal with issues like human resources, like the training needs that we have? We often think of the financial commitments that the federal government makes, but we forget that there was a real pullback on training that the federal government provided for nurses and doctors, etc., in the 1990s as well.

One of the things the Premiers felt at the February meeting was that we have to try and outline an agenda for improvement in care as well as an agenda for improvement of the finances. This is a rough translation, but if we just keep talking about money, we're never going to get to the place we need to be, which is where people across the country get the care they need.

At the end of this month there will be a meeting with Health ministers which Premier McGuinty and I will chair. We will also be meeting with aboriginal leaders, because too often aboriginal health care has been forgotten by the federal government. Indeed, if you look at the federal jurisdiction — we sometimes forget this — the federal jurisdiction is probably the fourth- or fifth-largest provider of health services in the country in terms of responsibilities. We want to be sure that aboriginal health care is there, both on reserve and off reserve.

We will look at issues like home care, palliative care, etc. As we develop that, we will also look at what we have defined as the fiscal imbalance. I think people are starting to understand this. While the federal government has substantial resources and substantial room for change, it's clear that in every province, not just in British Columbia, the commitment that's been made to health care has been enormous.

And the additional resources.... As you know, we've added almost \$2 billion to the health budget in the last three years, and that obviously helps to drive out the available resources for other public services at the provincial level. We want to make sure that we are focused on that issue of what is, frankly, fiscal imbalance and make sure that we bring that into force. We'll do that at the end of this month with all of the provinces and the territorial Health ministers and Finance ministers. That will then go from that meeting to, in my case, the Western Premiers' Conferences.

An agenda will go to the Atlantic Premiers. Premier Charest and Premier McGuinty will each have the same agendas. That will then be brought to a Council of the Federation meeting at the end of July, which will be in Niagara on the Lake, in Ontario. At least Prime Minister Martin has committed that he will meet with Premiers this summer for a number of days to examine health care and how we can in fact create a long-term, sustainable health system. Prime Minister Martin made that commitment in February, I think it was. We will be requesting the leader of the Conservative Party, the leader of the New Democratic Party, the leader of the Bloc.... If they are willing to meet on the same basis, we will continue to move forward with the agenda.

The agenda is not established. It's a broad-based agenda right now. One of our goals will be to bring it down and bring it into focus so that we can provide for the financial support for Canada's health system. Our public health care system in Canada is a true competitive advantage. It clearly is under a substantial amount of stress. There are clearly issues with regard to accessibility that must be addressed. We have to look at and listen to all the ideas on how we may be able to do that. That's a general outline for the member opposite about the direction we intend to take.

J. MacPhail: What role is the newly established Health Council of Canada playing in all of this?

Hon. G. Campbell: The Health Council of Canada is independent of the exercise that will be taking place between the Premiers and, hopefully, eventually with the Prime Minister. The Health Council is there to provide a common look at the results of various initiatives that are taking place in different parts of the country, to provide Canadians with a sense of whether we're succeeding or not succeeding in our initiatives.

You know, I don't think there's any question.... Regardless of political party, I believe all the Premiers are committed to the Canada Health Act. All the Premiers are committed to providing better care for the patients in their provinces and territories. The Canada Health Council was something that we agreed to as Premiers in February of 2003 as a way of looking at what's taking place and providing independent information to the public.

[1640]

J. MacPhail: Does B.C. bring forward its own position, or is B.C. merely leading what will be a consensus position to present the provinces and territories to the federal government?

Hon. G. Campbell: B.C. will go forward to the meeting. Our Health minister and our Finance minister will be there, as will others. In terms of the meeting that's leading up to the Council of the Federation — and I don't want this to get into a list of meetings — what we felt as Premiers was that it was important to bring the Premiers table, if you want, into the meetings of Health ministers so we could get some focus on the basis of what the Premiers had asked for.

Premier McGuinty and I will be doing that. When that agenda is brought forward to.... And I don't know what all the other provinces will do. With the agenda, for example, we've suggested that the provinces come with what they believe their best practices have been, areas where they've made improvements. Many of us have made substantial improvements, for example, in the number of training positions we had for nursing. That was a commitment we made in 2001 — to expand the number of nursing spaces available. We know there's going to be a shortage of nurses. We know there's a challenge with physicians.

So we're going to hear from each of the provinces about what it is that they believe are best practices, and Premier McGuinty's and my task is to bring that information to the Premiers table at the Council of the Federation. When it's at the Council of the Federation, you know — I'll be candid — there are some things we might support that others wouldn't support. I can tell you we've been strong advocates for aboriginal health care being included in the agenda on a regular basis, and others are less enthusiastic about that, so we try and push those things forward.

When it's at the Council of the Federation, though, British Columbia will have a role similar to any other province's. The head of the Council of the Federation for the next year.... Right now it's Premier Bins of Prince Edward Island, and next year it will be Premier McGuinty of Ontario. I don't think British Columbia is scheduled to be the head of that again until 2011 when, I'm sure, I'll be there and have the opportunity to lead it — but 2011.

J. MacPhail: What I do know is that I won't be there, Mr. Chair.

I want to discuss in the context of this, fully understanding that the Premier has not solidified a position on some of these matters from a B.C. perspective, the for-profit health care versus not-for-profit health care. I've been studying this like crazy since the events over the last few weeks. The reason why I'm using the term for-profit versus not-for-profit is because the Premier will stand up and say, I'm sure, that there is a lot of privately delivered health care. Fair enough, but there is a distinction — always — between for-profit and not-for-profit health care.

It's my understanding, as I read the laws that were brought into this province in 1995 and the laws that were brought into the country in 1984 — the Canada Health Act federally and then B.C.'s Medicare Protection Act that was brought in during the 1990s in this province — that a person isn't allowed to charge someone for a benefit or for materials or consultations or procedures or use of an office, clinic or other place or for any other matters that relate to the rendering of a benefit.

You know, we have seen recent examples — I've listed two here in the Legislature — where people have had to pay facility fees in the thousands of dollars, and the doctor at the same time gets to bill the Medical Services Plan. The reason why I'm asking these questions now is because this is the first time a light has actually been shone into what the practices are of those private clinics that are outside of our publicly funded health care system.

In the 1990s we put in laws to say you couldn't charge facility fees if you billed at the same time for MSP. You couldn't charge facility fees — period. But we never had an example of a light being shone into what those activities actually were. Later on — I think it was in 2001 or late 2001; no, it was 2002 — the federal government, Health Canada, investigated a practice that had occurred in the year 2000, and there was a penalty issued.

[1645]

We now have very specific examples, freely admitted — and I admire people who have admitted to this — that there is a for-profit element that coincides with publicly funded health care delivery, specifically surgeries. Is this on the agenda?

Hon. G. Campbell: It's not on our agenda, Mr. Chair. The member opposite should know that as we develop this agenda, I have been working with all the Premiers. We had a call from the Premiers either the day before yesterday or yesterday. There are a number of issues that are on the agenda, as I mentioned.

We are committed to a publicly funded health care system in Canada. We are committed to the Canada Health Act — its portability, its accessibility, its comprehensiveness, its universality. I think one of the challenges that we all recognize — and it is faced across the country — is the changing demographics, the changing costs of technologies, the changing costs of pharmaceuticals and the additional pressures that are being put on providing health care. Frankly, we're looking at individuals who are telling us they're not getting care in a timely way. There are a number of issues that clearly we have to have resolved as we move ahead. I think everyone has identified wait-lists as a major and critical concern.

The issue for us is if you look at the Canada Health Act, I think we all understand the importance of universality. We don't ever want someone not to be able to afford to get the care they need. We want to be sure that we are providing that quality of care for everyone regardless of their paycheque, regardless of their pocketbook.

We also, though, have to recognize that the principle of accessibility, in the eyes of many Canadians, has not been secured. They don't feel that health care is accessible. They are told, for example, that they were scheduled for a procedure in 65 days. Most Canadians are pretty good; most British Columbians are pretty good. They say they understand that. Their doctor talks to them, and they say yes, they understand that, and they wait. What happens, though, is sometimes those are cancelled, and then it's another bunch of days. Then it's cancelled again, and it's another bunch of days. There are some pretty sad and heartrending stories about people sitting on wait-lists. That's one of the primary things we intend to try and confront and look for answers to as we gather as provincial leaders with our Health ministers and also as we gather with the federal government.

You know, I think the federal government is very good at, frankly, mouthing platitudes about what they're going to do to help and not providing very much in the way of help. In fact, what they say and what they do, it seems to me, are often at opposite ends of the spectrum.

I and I think my colleagues, Premiers across the provinces, have taken the federal government at its word. They want to engage in a constructive dialogue, but that constructive dialogue is based on us looking at

the Canada Health Act, making sure the Canada Health Act is meeting the needs of the people of the country. It's the publicly funded, publicly administered delivery of health care services that is at the centre of our agenda.

The question we're asking ourselves is: as we create and provide for that publicly funded, publicly administered health care system, how do we make sure it's meeting the needs of patients? That's critical.

The member opposite also has mentioned that there is now an opportunity for review, if there is a complaint. My understanding is that any complaint about the Canada Health Act being infringed upon or breached is investigated. It's investigated by Health Canada; it's also investigated by ourselves. I think it's important for us to know that we are maintaining not just the integrity of the Canada Health Act but that we are looking at assuring that Canadians get the care they need.

It's easy to talk about, as the federal government often does, for example, first-dollar home care. Well, you know, home care is different in British Columbia than it might be in Alberta, than it might be in New Brunswick or Newfoundland. I can tell you that all of us are looking for common definitions, common purpose to reach our common objective, which is a universal, publicly administered, accessible, comprehensive and portable health care system for Canadians.

[1650]

J. MacPhail: I think this kind of dialogue around these matters is extremely important. I was listening to Roy Romanow, either yesterday morning or this morning, who is the author of the report on the renewal of health care. He did that for the federal government under the previous Prime Minister, Jean Chrétien. It was a widely embraced report, and I think many of the aspects of that report were embraced by this government as well.

Roy Romanow this morning reminded me that the overwhelming majority of Canadians want a publicly funded and publicly administered system that provides equality of access and timely access; that for those who would say Canadians would support some other type of system — a two-tier system that allows for queue-jumping — there is just simply no evidence that that is embraced by Canadians. He certainly reflects my point of view and my party's point of view.

I would just urge this to the Premier. As he moves forward on what I think will be extremely important discussions this summer, it will be with a Prime Minister who has a new mandate, and it will be after a federal election where I predict health care will be at the top of the agenda. What I would urge British Columbia to do is really urge the federal government and provinces to join together to, first and foremost, apply the principles of the Canada Health Act, but to really ensure that it's equality of access and not on the basis of whether you can afford special access.

There are all sorts of reasons why people's surgeries get cancelled — all sorts of reasons. Some of those have

to do with not being able to get transportation from Prince George down to the Children's Hospital and where an urgent or emergent case takes precedence in those circumstances. That's just one of many examples.

It is important to ensure that if you're a poor kid or a rich kid or a 70-year-old or a 50-year-old, your care is delivered on the basis of what's medically necessary and when you're next in line. I would urge that that be the premise of the discussions with the Premier under the auspices of the five principles of medicare.

Mr. Chair, my colleague from Vancouver–Mount Pleasant has a few questions for the Premier.

Hon. G. Campbell: First, I want the member to know this. We are committed to a publicly administered, universal, comprehensive, portable and accessible health care system in Canada. We believe that our health care system in Canada is a huge competitive advantage. That does not mean it can't be improved. It does not mean we can't do better. But I certainly agree with the member opposite that we do not at any time want people to be able to think for one minute — whether they're 50 or 70 or young or old — that, in fact, medically necessary services won't be provided in a timely way.

I do want to say this to the member opposite, though. I do think we have to recognize that right now, if you ask patients, they'll tell us we're not being successful in doing that. We should be willing to listen to ideas on how we can meet those principles in a way that meets the needs of patients. Mr. Romanow has one approach. I am, frankly, not nearly as enamoured with Mr. Romanow's report as many people are.

There's something that most people associate with health care — hospitals. Hospitals are virtually never mentioned in Mr. Romanow's report. Well, I know we need hospitals. I know we need hospitals that provide for acute care when we need it. I know there are a number, as I mentioned, of heartrending stories about people who feel that their quality of life has been reduced because we keep saying we can't take care of them the way they want to be taken care of.

I think we have to remember that this is a system that's actually owned by the public. They should be able to say to us: "These are the things we want to have happen. This is what we expect in terms of the delivery of service to us." We've got to put our smart hats on and figure out how to do that.

[1655]

We've got the Clair report from Quebec. We've got Mazankowski from Alberta. We've got our own legislative committee's report. We've got the Romanow report. We've got the CMA report. I know this is a fascinating answer, and I'm glad to share it with you. I'm just joking. I just think it is important for us to know that there are times when we have common goals.

I believe there are common goals shared by Premiers across the country. I think one of the things we should start doing is recognizing that health care in Canada is not just a critical public service, but it is an enormous competitive advantage for us in this country.

It provides people with a quality of life. If we can provide them with a sense of security about their health care and their health care being there for them when they need it and in communities where they need it.... I think we have to start saying honestly to ourselves that we recognize what the needs are going to be.

Sorry to take a moment here, Mr. Chair, but does anyone know of anyone that's saying to themselves: "Boy, I can hardly wait to have a hip replacement"? The only reason someone asks for a hip replacement is because they need one. We can recognize that those needs are coming. You can see that tsunami coming at us right now. It's called aging, and we're all getting older. There are going to be a bunch of us who are going to need a knee replacement or a hip replacement. We know that with the new technologies, we can keep people with a top-notch quality of life and feeling independent, but we have to find ways that we are delivering those services to meet people's needs. That's what we're trying to accomplish.

We do have a framework that should be able to work and should be able to provide for the kind of services to patients that they need. Candidly, I think too often we talk about the system instead of the people that are in the system and the people that need the system. That's why we've tried to focus our resources on health care professionals — like doctors, nurses, physiotherapists and technicians — because it's that interpersonal thing that really makes a difference.

I can tell the member opposite that our objective is to get some new ideas, to think of how we can meet the needs of Canadians within that critical framework — a publicly administered, fully accessible, portable, comprehensive and universal health care system.

J. Kwan: Let me just add this comment to the health care debate here with the Premier. Of course, as more and more information is being provided and, I think, as people look at the question around public versus private health care options, all we need to do is look across the border for an example.

In the United States a study is now coming out. In fact, there have been studies for some time that show that not only does a private health care system cost more from the point of view that less people are able to access it.... The people that don't have the resources are not able to access health care.

Also, just a case in point. The Premier talked about needing to look at the health care issue from the point of view of the patients, if you will, or the communities that need the health care services. In the United States, across the border, for example, some 30 million people don't have access to health care because they can't afford it under their system.

The other thing I just want to point out, as well, is that administratively the cost for a private health care system is actually very expensive and very onerous. Again, reports have shown that it's more expensive than that of a publicly administered health care system.

[J. Weisbeck in the chair.]

I just want to put those points out for consideration as we engage in the debate over health care issues and try to find the best solutions in addressing health care. I'm sure that the Premier would want to get those answers in terms of being able to deliver — for he's not been able to deliver to date — his new-era commitment: health care when and where you need it.

I want to move on to the 2010 Olympic Games, if I might. Cost overruns for the games have been predicted by a number of experts and observers from the president of the Architectural Institute of B.C. to Turin games organizers to security experts. The list is rather lengthy.

[1700]

At times, as well, before even being chastised by political politicians, even the 2010 games organizers admit this danger. On March 29, 2004.... Let me quote: "The games czar, John Furlong, admits the Olympic capital budget will be hit by escalation and inflation by 2010 and would need a supplementary budget. 'One thing we know for sure is that we're not going to be able to complete those venues between now and 2010 for the dollars that were estimated in 2002,' organizing committee chairman Jack Poole said on March 29." It was reported in the *Province* newspaper.

Lo and behold, all of a sudden on April 1 — after getting, really, a very aggressive sort of a response, let me say, from the province — Mr. Poole and Mr. Furlong were backing away from their request for more money and feigning complete contentment with the budget. The taxpayers, of course, would have to hope that it wasn't meant to be an April Fool's joke in all of this with respect to the budget issue.

Could the Premier please advise this House: what did the Premier tell the Olympic organizing committee that convinced them to recant their stated need for more money for the 2010 Olympic Games?

Hon. G. Campbell: I think I saw Mr. Poole and Mr. Furlong when I was meeting with the International Olympic Committee. As I pointed out to the International Olympic Committee, the bid we had was a comprehensive bid. There were full estimates. You know, it's always interesting for people to cry doom before we've even got one project that's properly designed or one project that's properly been out to tender.

The VANOC, the Vancouver Olympic organizing committee, is very clear. There is a budget. There's a significant contingency in the budget, and they'll work very hard to design the venues and bring them in on budget. I can tell you that the last thing you want to do when you start a project like this is say that the budget doesn't matter.

I said nothing beyond the fact that we had a budget, we had a contingency in the budget, and we would meet that budget and bring the games in on budget. I'm confident that we can do that. I'm sure others are confident that we can do that, and the Olympic organizing committee is confident that we can do that.

We've heard a number of initiatives already that will be undertaken as the organizing committee re-

views their proposals and reviews how they can provide facilities that meet the needs of the games and, indeed, enhance the needs of the games within the budget.

J. Kwan: No doubt the Premier reminded the Olympic organizing committee that the government had no more money and that they had to live within the budget that's been given to them. I'm sure the Premier said that. I'm sure the Premier talked about the contingency within the budgets that would cover any potential cost overruns and so on.

Was there anything specific that the Premier gave to the organizing committee about the costs? Was there anything that caused them to change their minds? Prior to making the statement they made about running into difficulties in terms of trying to build the venues, and so on, and trying to meet the budget targets, I'm sure that conversation had already taken place and that they were already aware of the budget and of the contingency funds within that budget. They were aware of all of that, but was there any new information the Premier gave them to cause them to rethink their concerns around budget constraints?

Hon. G. Campbell: No, not that I'm aware of. The province has been very clear from the outset that this is the Olympics. These are the venues, these are the plans, these are the resources, and there it is. Deliver on time and on budget. That's always been our position. That's not new, and that will remain our position.

[1705]

J. Kwan: The Olympic committee had required that the budget be done in 2002 dollars. To offset inflation, increased costs and unforeseen costs, Vancouver did include a \$139 million contingency fund — an amount that 15 months ago and just before Vancouver's referendum, Mr. Poole had said was sufficient. In fact, Mr. Poole said that he was more confident in the venue cost estimates than any other forecasts. Those estimates were done by Concert Properties, of which he is chairman.

Now, the auditor general, Wayne Strelieff, also concluded last year that the overall Olympic budget projections were "plausible" — and I use the word plausible in quotes because that's a direct word that he used — but only as long as the games had exemplary management and everything went perfectly. He also said that the \$139 million contingency fund was "insufficient" — that was his word for cost overruns and shortfalls — and he warned against flawed and overly optimistic revenue projections.

Let me put a direct quote from Mr. Strelieff, the auditor general, on the record: "Even at the present time it appears much of the contingency allowance could be used up by inflation and unplanned costs." The auditor general also noted no "reasoned methodology to support the amount, and we are concerned that it may be insufficient" and that "assumptions about inflation are not plausible," that construction

costs were based on depressed prices and that inflation had not been factored into the costs of medical services and security. Strelieff also warned of "scope creep," the adding-on of improvements as projects are refined, noting that improvements to SkyTrain's Millennium Line that were "needed to maintain good relations with municipalities" added 3 percent to those construction costs.

The organizers of the 2006 Winter Games in Turin warn that British Columbians should expect building costs to jump by as much as 20 percent. For B.C. taxpayers that means \$124 million more than the \$620 million estimated for the construction costs. People are out there talking about this as a real concern.

In spite of, I suppose, what the government might say, the budget is the budget, and it is the way it is. But we have to recognize, as well, that the government also signed an indemnity. The provincial government is on the hook, in other words, if things go not as planned. So the certainty that there won't be cost overruns, I think, remains still very questionable, given the changing landscape of what is out there.

On the question around the indemnity for which the province is on the hook, if there should be increased costs from whatever source, whatever problems we run into.... On that basis, how can the Premier be so certain that British Columbians wouldn't be on the hook for additional dollars required for the Olympic Games?

Hon. G. Campbell: Let me start.... In terms of certainty, I think the critical thing we all have to remember is that the Olympic organizing committee is a body which does have excellent leadership. In fact, many of the issues that have been raised by others have been raised by, I'm sure, their board as they've gone through their exercise. I don't sit on the board, but I'm sure they have.

If I had a major construction project to do — and that's really what the member opposite is looking at right now.... I can tell you in other jurisdictions.... For example, in Sydney one of the things they felt they maybe needed to do was take the construction of their Olympic venues and put it outside the organizing committee. That's not what we've done. We are not facing scope creep. In fact, with this bid, what the committee is doing right now is looking at more cost-effective ways of delivering the facilities. The member opposite may have heard about some of the discussions they're already having with Simon Fraser University with regard to the speed skating oval. There are discussions taking place with regard to the curling activities.

[1710]

First of all, you will never bring a project on budget if you don't start with the budget. Second of all, it's very difficult to bring a project on budget if you don't have a significant contingency. There is a significant contingency here. The member opposite mentions that you have to be careful about revenue projections, etc. I agree with that. But so far I can tell the member oppo-

site that the revenue projections have already been exceeded. In fact, the television rights are greater than was initially anticipated, and that's just with one of the television rights let.

I can tell the member opposite that the head of NBC, whose name has just slipped my mind for a moment, was here, and he was saying that he felt this was an exceptional opportunity for NBC and an exceptional opportunity for broadcasters around the world. It created enormous market potential for them. We expect that the European bid, the Canadian bid and other bids are going to be substantially higher than was initially projected.

So far, we've had good news. The truly good news is that there is no one that has said: "Forget about the cost." What we have said is: "You must maintain financial discipline." We have three members on the board of VANOC, and they are saying we must maintain financial discipline. We are watching that carefully. The board itself is watching it carefully. We're still confident that we can bring the games in on budget and bring them in in a way that will provide the best Winter Olympic and Paralympic Games that the world has seen.

The member opposite mentions what we were told by the Olympic representatives from Turin — the Torino Olympics. With all due respect, they're going to have a great Olympics there as well, but we are doing it completely differently than the Torino Olympics did. We're starting with a comprehensive plan. We are moving as we go through to build towards a design of that comprehensive plan.

For example, we've said that one of the things we want everyone to remember about our Olympics is wood. Wood is a building product. Wood is a major opportunity for us to export our products around the world and create value-added opportunities here in British Columbia. That's going to be part of our bid. That's going to be part of the construction. That's going to be part of the design criteria. We haven't even got to the first design yet.

One of the great things is that these discussions are taking place — these discussions about how we keep the scope down, how we make sure we deliver these games on budget, how we make sure we deliver a top-quality environmental product. That's what this exercise is about.

I will tell the member opposite that we are actually planning, as she will note from this year's budget, to give the Olympic committee the opportunity to build early so they can have, from 2004 through to 2010, a scheduled development of venues so that we don't in fact exacerbate the challenges that we're seeing right now — to be candid — in Athens. You're seeing them a little bit in Turin.

We think we can do better than that. As we do better, we will get better value. As we do better, we reduce uncertainty. As we do better, we meet the concerns that were identified by the auditor general, and most importantly, we meet the concerns that people rightly have as they look at the creation of an international event of this calibre.

British Columbians have shown they can do this; they've shown they can do it well. I have no doubt that under the leadership of the excellent people at the organizing committee, we will be successful once again.

J. Kwan: The Premier is right. I certainly would agree with the Premier from this point of view. To work on a project, to do any project or initiative, you have to have a budget. The question, of course, becomes whether or not the budget that's been set out is one that is realistic and really projects and anticipates many factors at the end of the day, when you try to deliver that project — especially a project of the magnitude of the 2010 Olympics. It is, I would say, probably one of the largest real megaprojects, if you will, in terms of government initiative. It's a very large project.

The Premier says — and I don't dispute — that the people there will work their darnedest in every way, shape or form to deliver the 2010 Olympics project and try to do that on time and on budget. I don't dispute for one second, either, that people will try to showcase British Columbia to the rest of the world, using that opportunity.

[1715]

The Premier also said on July 3: "At the end of the day, it's not going to cost. At the end of the day, it's going to generate revenues into the province." Is that still the Premier's opinion? Does he still stand by that statement today?

The Chair: Member, please repeat that.

J. Kwan: On July 3, the Premier said about the 2010 Olympic Games: "At the end of the day, it's not going to cost. At the end of the day, it's going to generate revenues into the province." My question to the Premier is: does he still stand by that statement today?

Hon. G. Campbell: Absolutely.

J. Kwan: Now, I think this is quite critical as well, in terms of transparency and accountability, in ensuring that the games, especially on issues around addressing concerns that are still there amongst British Columbians around it coming on budget, and so on and so forth.... Has the OCOG chosen its auditor yet?

Hon. G. Campbell: No.

J. Kwan: Does the Premier support the concept of having the auditor general, Mr. Strelloff, be involved in the auditing process and perhaps, I would venture to say, actually lead the auditing process? I fully understand that in doing that, he would require private auditors to be involved, as well, and private firms and so on and so forth. Does the Premier agree with that concept?

Hon. G. Campbell: My understanding is that the auditor general has been asked to make a proposal to

the organizing committee, along with others. If he is successful, that's great. At any rate, the auditor general can follow the provincial money through the auspices of his office.

J. Kwan: Well, it's a little bit different, though, in terms of the auditor general carrying out his work through the auspices of his office, because the Olympic Games have actually been closed through an avenue of freedom of information, for example — avenues that would allow for, I think, public information and public confidence that things are on the right track.

I think there is value to be added in terms of involving the auditor general as the lead auditor for the 2010 Olympic Games as we're proceeding and moving towards 2010. Why I say that is that you have an independent officer of the Legislature who will go in and do this work and report out on it. I can't emphasize the value of that in terms of building public confidence for the government — especially, I should say, for the government — because he is an independent officer of the Legislature. I would venture to say that it's very important for the purposes of accountability and transparency and the public confidence point of view.

I was hoping the Premier would actually rise up and make a comment in relation to that. It's true that I didn't ask the Premier a question with that statement. I was just floating my point of view out for the Premier's consideration and to see whether or not he actually has a response to that. It appears that he doesn't. Maybe he doesn't agree with me in terms of what I said about the auditor general and the value he could bring to this table. Nonetheless, I would still advocate for that, and I certainly would ask the Premier to consider that as well.

[1720]

I should also say that it is different, as well, for the auditor general to be looking at the project from his current position. There are many things that are different. The most notable thing, of course, is that for the auditor general, his budget has also been cut. There are many areas which he is responsible for that he needs to review and audit and also pass judgment on the government's ability to manage various items. It wouldn't be easy. If he was to undertake that job of overseeing the Olympic Games, I would venture to say that he may not have any more resources to do virtually anything else, and that would not serve the public's interest.

Labour accord. Now, despite considerable risk of cost overruns.... I think that risk is still there. I think British Columbians could still be on the hook for it and would be on the hook for it. By law they are. In the 2010 games the government has rejected outright the idea for an agreement between government, business and labour — even though when this was done in Atlanta, the costs rose fourfold and even though the most successful Olympics in recent history, Sydney, credit their success in good part to labour peace and the labour peace deal. As an Australian expert on the Sydney

Olympics told a British Columbia audience recently.... What was said was: "If you go to the competition route, you run the risk of repeating the debacle that we saw in Atlanta and the one we're about to see in Athens."

Why would the Premier decide to run this risk? Why not engage in the six-year wage deal proposed by labour, for example? Why would we not take this into serious consideration? Why would the Premier decide not to run the risk of actually having some potential positive outcomes as were yielded in Sydney, Australia?

Hon. G. Campbell: I wanted to mention a couple of things. First, I think it's important to recognize that the VANOC — the Vancouver organizing committee — is actually independent of the province. We do have representation on the organizing committee; there's no question about that. But in spite of some of Mr. Pound's comments, actually, I don't control that committee. I don't tell them what to do.

What we have said, obviously, as a government is that we believe in open tendering. I would hope that the committee is working consistently to build a harmonious relationship.

You know, there are going to be significant construction opportunities throughout the economy over the next six years. That's clear. Obviously, we think the best way to do this is to try and create an open, straightforward process. This is a government that's committed to open tendering because we think it gets the best value for people. That doesn't mean it's not a harmonious relationship. It probably means a more harmonious relationship as we move to the long term.

J. Kwan: It's reported that the government has rejected outright the idea for an agreement between government, business and labour. Mr. Furlong is keeping an open mind, and that's on the public record as well. Why wouldn't this government keep an open mind on that?

It's a curious thing that the government would reject it outright when it has been proven to be successful in another jurisdiction and, in fact, in terms of success from recent memory, from that point of view. The Premier was just on record talking about how he wants and expects to see the games be delivered on time and on budget. Here's an opportunity to actually make that happen, but the government already rejected outright the labour accord. Why?

Hon. G. Campbell: The government has always been in favour of open tendering. The government is in favour of long-term harmonious relationships with all people in the construction industry, regardless of whether they're in the trade union movement or not, and that remains our position. I don't think that's a rejection of harmonious relationships. I think it's an encouragement of it. I have talked to people in the construction industry both on the labour side of the industry and on the non-union side of the industry. They're

frankly excited about the potential for jobs in the long term.

[1725]

I think, again, our government has been very clear throughout. We believe open tendering is the best way to get the best value. We've just spent time talking about some of the challenges that could be there in terms of budgets. I think the way to assure that you get the best possible value for taxpayers is through a tendering process.

J. Kwan: With the combination of skills shortages and a surplus of work that would lead to a rise in labour costs in the construction industry — we know there are huge demands out there, and there is a huge labour shortage in terms of skills in this sector — one might argue that it would be wise to enter into a six-year wage deal to lock in the costs so that you know what your costs are as you engage in this big exercise with major construction to meet the needs of the Olympic Games. One would think that would be a useful thing to do as we work towards meeting budget targets and having some certainty in terms of what the costs are on the construction side of things.

Why not utilize this opportunity to lock in costs, knowing that there's going to be a labour shortage and that with increased demand the labour costs are going to go up?

Hon. G. Campbell: I think the way that you assure you meet budgets is to have open competition to allow for innovation, to allow for people to bid and to look at practices. I don't think fixed prices are the way to do it. I think the way to do it is open, competitive bidding processes. We've seen that in countless projects not just across this government but in other governments. I recognize what they've done in Australia. I think in Australia they will be able to give us many good lessons. One of the lessons we know in B.C. is that open tendering is the best way to get best value.

J. MacPhail: Mr. Chair, we're slowly.... Well, not slowly. We're rapidly coming to a close here. The House rises in half an hour. I want to spend my last moments talking about an issue similar to the one my colleague from Vancouver–Mount Pleasant raised, and that's the issue of labour negotiations.

In the coming months we have labour negotiations with teachers and with health care workers — nurses, doctors and Health Sciences Association professionals — and there are a couple of Crown corporations that have not yet had a collective agreement. The one I know for sure is ICBC. I did talk about this in the Finance minister's estimates, briefly. Of course, the mandate from the Finance minister is to ensure there are no increased wage costs, that the wage bill should be frozen — zero, zero.... I can't even remember whether there is a third zero in there or not.

What is the Premier's view? What is the Premier's plan to ensure there is as little disruption as possible over the coming months? We are at a fragile time in the

economy. The Premier today purported to bring forward good news — I'm not going to challenge that at all — about the upswing in the economy. But it is fragile.

We saw this afternoon that the first nations were on the front lawns of the Legislature, worried about their aboriginal rights and title. The reason why I bring that up is because I know there are two impediments to business investment in this province. One is the lack of settlement around land claims and aboriginal title and rights. Second is the lack of labour peace or the potential for lack of labour peace. This is historical.

What is the Premier's plan to ensure that as we move forward, we do so in a way that isn't filled with confrontation and conflict?

[1730]

Hon. G. Campbell: There are two issues that are raised there. Let me start by saying that our goal throughout this exercise has been to bring British Columbians a sense of stability and to bring first nations in British Columbia, particularly, a sense of hope about their future. I think as we look at our first nations.... I can tell the member opposite that I certainly recognize the frustration that a first nations citizen must feel for how long it has taken for them to make progress. I should also tell the member opposite that I think the progress we've made over the last three years has been significant. When you have over 300 treaty- and non-treaty-related measures that have been completed, that affects literally dozens and dozens and dozens of first nations and, more importantly, hundreds of first nations citizens across this province.

We are working not just in terms of providing for revenue-sharing for the first time in the history of the province; we're providing for access to forest tenures for the first time in the history of the province. Literally millions of cubic metres of forest tenureship are available, and 124 projects and \$26 million in economic measures funds.

Mr. Chair, one of the things everyone should recognize is that first nations are very similar to the rest of us. There is a diversity of opinion. There is a diversity of politics. There is a diversity of goals and objectives. I can say that I certainly understand their frustration, but I can tell you that I'm proud of the fact there are four first nations in British Columbia that for the first time in the history of our province, under the Treaty Commission, have actually got to the point where they have signed agreements-in-principle in the final negotiation stage for treaties. That's significant. It's always difficult to be first; it is always difficult to be first out of the door. We've watched as we have provided an unprecedented offer to the Haida nation.

Yes, there are still challenges in terms of dealing with first nations, but I can tell you that I think the first nations leadership has been exceptional in the last three years. They have worked with us. They have, in many cases, been very direct in what their demands are, what their goals are. I'm proud of the work that our Attorney General and our government have done

as we've reached out to create that new era of recognition and reconciliation that we thought was so important.

I think it was important, even, to be the first government in the history of the province that said to first nations: "You know, we apologize for what took place. We recognize the hurt that it's created in your communities. We recognize that our governments over decades have failed young first nations people. We recognize that we have to improve your educational environment and opportunities. We recognize that we have to improve your health care."

Today I'm talking with the leader of the Assembly of First Nations, who is saying to me: "We want to tell you how much we appreciate the fact that British Columbia is trying to help us get the health care we need. We want to say thank you, because British Columbia has finally said, 'This should be on the national agenda; stop turning your back on first nations.'" We're not. We're opening the door to first nations, and we're saying to first nations: "Join with us as we build a future for this province that has great opportunities." I think that does create stability.

As we look at the second issue that the member raised in terms of labour relations, I recognize again that there have been many difficult decisions we've had to make as a government, as we strove to create a prudent financial framework for moving forward. I recognize that the public doesn't hear much about the 37 agreements we managed to reach through negotiation. I will tell you, Mr. Chair, why we managed to reach them: because we were looking for agreement. We were looking to sit down at the table and negotiate with leaders who were willing to find agreement because they recognized where we stood as a province and how they could benefit, how the people of British Columbia could benefit if we could make our way through it. So 37 agreements have been signed within the mandate that we have established of zero-zero-and-zero.

There have been some agreements that have provided for concessions which clearly were required in terms of what taxpayers in British Columbia should be expected to pay, what other people are expected to pay. Again, our objective is to remember this is not our money. This isn't money that the Premier or the cabinet has. These are taxpayers' resources. What we're trying to do is make sure we maximize the benefits.

What's happened? I can say that in 2001, unfortunately, we had 41 work stoppages in this province. It's a significant number. I can say it is down significantly from the year 2000, when there were 80. I can say that throughout the term of this government, the three years of this government, we've watched.... Because of the work we've done in government to build understanding with the people that we're working with, we have built an environment where by 2003 there were eight work stoppages. There have been areas where we've had difficult negotiations, and we looked for a negotiated opportunity. Even with the most recent HEU strike we looked for a negotiated opportunity.

We told them we could negotiate the issues, if they wanted to. They felt that they weren't in a position where they wanted to negotiate.

[1735]

We are working right now. We are talking with the teachers. There is a third-party independent report that's being prepared right now by former Deputy Minister Don Wright. Not just the government but school boards and the BCTF itself recognize that the bargaining structure we have in place doesn't work. There hasn't been a negotiated settlement between governments and teachers for over a decade. I think we have to recognize that as a problem and as a challenge.

Currently, we're in the middle of a conciliation process with the doctors, as we agreed we would be. As we work with nurses in the HSA, we have been clear with them that there is a zero-zero-and-zero mandate. We're at the table with them. We are negotiating with them. I see no reason why we can't find a negotiated solution.

I believe the way you build long-term stability in the economic climate in the province is by creating opportunity. It is by creating value and by working with our workers. We're going to continue to strive to do that. We believe we can accomplish our goal of a zero-zero-and-zero mandate. We believe we can do it, because we've seen our ability to do it in 37 separate agreements across government where we were working in good faith through tough negotiations to do what was in the public interest.

J. MacPhail: Let me conclude with these remarks. Both these matters — how we resolve the obligations of the province for aboriginal title and rights and how we ensure that labour peace is brought about — come from the same solutions, if you ask me. In both cases there are legal obligations.

In no way do I want to say that the settlement of aboriginal title and rights and bringing about reconciliation is the same as settling labour contracts. I don't in any way mean to indicate that. I think from a government perspective, the principles underlying both are the same.

There are legal obligations, and those legal obligations must result in either contractual obligations or legislated obligations. One cannot avoid the law. One cannot legislate those obligations out of existence. To do so is to bring about war either amongst first nations people or amongst people in the labour movement.

This government has failed the test of acknowledging that there are contractual obligations and legal obligations in their role as governing for everybody. I would urge this Premier, as he moves forward in the next year — a year that will face many serious challenges — to bring stability and peace to our province, whether that be through reconciliation, through recognition of aboriginal right and title or through bringing about contracts for working people. I urge this Premier to move along on his agenda on the basis of the acknowledgment that there are contractual obligations and legal obligations. That makes for good business. It

makes for a good social contract. It makes for a good legal contract. It is the just and right thing to do.

There is a very interesting documentary now. It is a documentary about Robert S. McNamara called *The Fog of War*. It's about him playing a leading role in the Vietnam War. I refer to it only for this purpose. In that documentary he outlines ten lessons that he has learned. He is in his eighties now. Those of us who are baby-boomers remember Robert S. McNamara. He admits that he made many mistakes and, in some ways, acknowledges the wrongheadedness of the Vietnam War. The first principle he learned is to empathize with your enemy. That's a lesson we can all learn.

[1740]

This province is very polarized. Certainly, under the leadership of the B.C. Liberal government, it has not become less polarized. By virtue of that, I acknowledge that it was a polarized province before the election of this government. It is simply wrong for us as elected legislators to continue that polarization. If that can be captured in the principle of "Empathize with your enemy," then so be it — whether it be from this side of the House or that side of the House. The next year is going to be crucial, and I urge the Premier to embrace that principle.

Hon. G. Campbell: I appreciate the comments from the member opposite. Let me say this. I believe that in public life we are all charged with serving all people that we serve. I think we are charged with looking for the common good, I think we're charged with looking for common purpose, and I think we're charged with thinking about the concerns and the needs of individual citizens.

To be candid, I wouldn't normally have done this, but I can tell you that one of the individual citizens I always recall when I deal with the issues that I deal with is my mother, who was a single parent with four kids working on a school secretary's salary. I do know this, Mr. Chair. There were few times when my mother looked at her paycheque and said to herself: "I've got too much money here." There were few times when she said to herself: "There's so much here that I can do whatever I need for my kids." There were many times when she received her paycheque and said to herself: "I've done all this work, and this is all I've got left."

The question I ask myself as someone in government is: when we're taking money out of people's paycheques, out of people's pockets, would the Peg Campbells of the world say, "Thank you very much. You're using those dollars in a way that benefits me and my children and my family"? I recognize that in people's eyes across the province.

I know how people feel in the forest industry when they are going through this time of grave uncertainty as we try and reform the industry so they have long-term stability in the jobs. I can remember sitting down with a woman and her family in Sparwood when they had lost their job, and she talked to me about what had happened to her husband and what had happened to

their family life in that community as a result of what was taking place in our mining industry.

I recognize first that the member opposite is articulating something that is important to her, and it's important to me too. I do believe that we have to think of all British Columbians. I do think we have to think of how our actions are impacting the families of the entire province. I do think we should remember how much work and time and effort and energy people from across this province put into trying to create a better life for their families. We have tried to do that as a government in spite of the fact that we have to make difficult decisions.

I do think, also, that making decisions in government is part of making some critical choices. We have chosen to take on the challenge of improving the health care system so patients are at the centre of the agenda. We have chosen to recognize changes in the education system so that parents can be involved and we can focus resources on students. We know those institutional changes always create some conflict.

I think one of the things we should recognize, Mr. Chair, is that if you can say anything about this government, it's that we have chosen to deal with first nations, to invite them into the public process, to invite them into our economy, to invite them into our health care system, to invite them into our education system and to invite them into a future that they define and that they can work to build for themselves and their communities. We know that's how you build a healthier British Columbia. We know that's how you build a brighter future for British Columbia.

Those are our objectives. We recognize that the great gift we have as a democracy is that people will disagree. I hope they will disagree civilly. That's what we all hope to do and hope to accomplish. I think that if we can have civil debate, civil disagreement, we're in a position where we can strengthen this province and take the leadership role that British Columbia rightfully should hold in a country like Canada.

We do embrace the world within our borders. We embrace the world in terms of the diversity of people we have. We embrace the world in terms of the exceptional assets we have inherited. More importantly than all that, we embrace the world in terms of the history of British Columbia and the contributions that those who went before us have contributed. That's the kind of province I think we want to continue to build as together we work to create an even better British Columbia for future generations.

Vote 8 approved.

Hon. G. Collins: I move that the committee rise, report resolution and, I guess, ask leave to sit again, although I don't think we'll need to.

Motion approved.

The committee rose at 5:45 p.m.

The House resumed; Mr. Speaker in the chair.

Committee of Supply B, having reported resolution, was granted leave to sit again.

Mr. Speaker: When shall the report be considered?

Hon. G. Collins: Forthwith.

Mr. Speaker: Please proceed.

Hon. G. Collins: I move that the report of the resolution from the Committee of Supply dealing with the Supplementary Estimates on May 12, together with the reports of resolutions from the Committee of Supply on March 3, 4, 11, 23, 24, 25 and 31; as well as April 1, 19, 21 and 26; as well as May 3, 10 and 20 be now received, taken as read and agreed to.

Motion approved.

Hon. G. Collins: I move that there be granted from and out of the consolidated revenue fund the sum of \$24,597,023,000. This sum includes that authorized to be paid under section 1 of the Supply Act (No. 1), 2004, and the Supplementary Estimates presented on May 12 and as granted to Her Majesty towards defraying the charges and expenses of the public service of the province of British Columbia for the fiscal year ending March 31, 2005.

Motion approved.

Hon. G. Collins: I also move that there be granted from and out of the consolidated revenue fund the sum of \$1,385,125,000. This sum includes that authorized to be paid under section 2 of the Supply Act (No. 1), 2004, and as granted to Her Majesty towards defraying the capital, loans, investments and other financing requirements of the province for the fiscal year ending March 31, 2005.

Motion approved.

Introduction and First Reading of Bills

SUPPLY ACT, 2004-2005

Hon. G. Collins presented a message from Her Honour the Lieutenant-Governor: a bill intituled Supply Act, 2004-2005.

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

Motion approved.

Hon. G. Collins: This supply bill is introduced to provide supply for the operation of government programs for the 2004-05 fiscal year. The amount requested is that resolved by the Committee of Supply after consideration of the main estimates and supplementary estimates.

The House has already agreed, received, taken as read and agreed to the report of resolutions from the Committee of Supply and, in addition, has resolved that there be granted from and out of the consolidated revenue fund the necessary funds towards defraying the charges and expenses of the public service of the province of British Columbia for the fiscal year ending March 31, 2005.

Mr. Speaker, it is the intention of government to proceed with all stages of the supply bill this day.

Mr. Speaker: Hon. members, I would ask you to remain in your seats for a few minutes while the bill is being circulated. In keeping with the practice of this House, the final supply bill will be permitted to advance through all stages in one sitting.

[1750]

Bill 48 introduced, read a first time and ordered to proceed to second reading forthwith.

Second Reading of Bills

SUPPLY ACT, 2004-2005

Hon. G. Collins: I move that the bill be now read a second time.

Motion approved.

Hon. G. Collins: I move that the bill be now referred to a Committee of the Whole for consideration forthwith.

Bill 48, Supply Act, 2004-2005, read a second time and referred to a Committee of the Whole House for consideration forthwith.

Committee of the Whole House

SUPPLY ACT, 2004-2005

The House in Committee of the Whole (Section B) on Bill 48; J. Weisbeck in the chair.

The committee met at 5:53 p.m.

Sections 1 and 2 approved.

Schedules 1 and 2 approved.

Preamble approved.

Title approved.

Hon. G. Collins: Mr. Chairman, I move that the committee rise and report the bill complete without amendment.

Motion approved.

The committee rose at 5:53 p.m.

The House resumed; Mr. Speaker in the chair.

**Report and
Third Reading of Bills**

SUPPLY ACT, 2004-2005

Bill 48, Supply Act, 2004-2005, reported complete without amendment, read a third time and passed.

Mr. Speaker: Hon. members, it appears that the Lieutenant-Governor will be here very shortly, so I would ask members to please remain in their seats.

[1755]

Hon. members, it appears that the Lieutenant-Governor will be here in about ten to 15 minutes. We'll ring the bells to call the members back. Thank you.

[1800]

Royal Assent to Bills

Her Honour the Lieutenant-Governor entered the chamber and took her place in the chair.

Clerk of the House:

Financial Institutions Statutes Amendment Act, 2004
Vital Statistics Amendment Act, 2004
Correction Act
Ministerial Accountability Bases Act, 2004-2005
Parks and Protected Areas Statutes Amendment Act, 2004

Wildlife Amendment Act, 2004

Electoral Reform Referendum Act

International Financial Activity Act

Miscellaneous Statutes Amendment Act (No. 2), 2004

Teaching Profession Amendment Act, 2004

Administrative Tribunals Act

In Her Majesty's name, Her Honour the Lieutenant-Governor doth assent to these acts.

Supply Act, 2004-2005

In Her Majesty's name, Her Honour the Lieutenant-Governor doth thank Her Majesty's loyal subjects, accept their benevolence and assent to this act.

Her Honour the Lieutenant-Governor retired from the chamber.

[1805]

[Mr. Speaker in the chair.]

Hon. G. Collins: I move that the House at its rising do stand adjourned until it appears to the satisfaction of the Speaker, after consultation with the government, that the public interest requires that the House shall meet or until the Speaker may be advised by the government that it is desired to prorogue the fifth session of the thirty-seventh parliament of the province of British Columbia.

The Speaker may give notice that he is so satisfied or has been so advised, and thereupon the House shall meet at the time stated in such notice and, as the case may be, may transact its business as if it had been duly adjourned to that time and date. In the event of the Speaker being unable to act owing to illness or other cause, the Deputy Speaker shall act in his stead for the purpose of this order.

Motion approved.

Hon. G. Collins: I wish all members a safe and happy summer holiday. I hope we don't need to be back here before October. I wish you a pleasant vacation. I won't be having one. I hope some of you have one.

Hon. G. Collins moved adjournment of the House.

Motion approved.

Mr. Speaker: The House stands adjourned until the call of the Chair.

Hon. members, I wish you a pleasant summer as you pursue your duties in your constituencies and have a little time off, and we'll see you all this coming fall. Thank you.

The House adjourned at 6:07 p.m.