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LIEUTENANT-GOVERNOR
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5TH SESSION, 37TH PARLIAMENT

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Morning Sitting

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MONDAY, OCTOBER 18, 2004

The House met at 10:04 a.m.

[J. Weisbeck in the chair.]

Prayers.

[1005]

Private Members' Statements

CAPILANO COLLEGE AND FILM TRAINING

D. Jarvis: Good morning. Today I would like to talk about an industry that generates over \$1 billion annually for British Columbia. Actually, it's about \$1.4 billion. This is a new business that can be transient — moving from city to city, town to town — and that employs, directly or indirectly, in British Columbia approximately 35,000 people.

A dead giveaway that this business is in your neighbourhood is the signs associated with it — bright orange or pink arrows with cryptic names and acronyms on them. These arrows are what direct the workers to their jobsites, where they are in the business of making film. The jobs are as varied as the film sets — key grips, costume designers, set decorators, makeup artists, script supervisors, etc. The workers who wear these job titles usually learn their trade on the job. The backbone of this industry is the people and their skills, which will make it viable for the industry for the long run.

Capilano College, which is located in the heart of my riding of North Vancouver–Seymour, has come up with the solution to address the need for plentiful skilled labour, which in turn will support this industry in the long term. At present, Capilano College has a student population of approximately 5,000, and some 600 of these students are studying to work in one way or another for the film industry. These students are learning the ABCs of their chosen trade and will be a welcome addition to the sets they work on. Obviously, a film crew that can boast talented and well-trained employees is certainly going to have a leg up on anyone else in this business.

That is not the only reason to consider a centre of excellence for students where students can go and study or upgrade their skills in their chosen crafts. We need to stop pretending that the film industry is here on a temporary basis in British Columbia. We need to establish a core presence where the economic factors that currently dictate a positive or negative climate have more than a minimal impact on this industry as a whole. Currently, this business is at the mercy of a number of outside factors. Our dollar goes up, and boom, production moves to another locale. If we establish a made-in-B.C. industry that is not at the mercy of these outside forces, we can easily withstand the swings that are indigenous to the world economy.

Again, a business that is capable of generating over \$1 billion a year needs to be taken seriously. The pro-

duction-by-production decision-making process seems ill-suited to meet the challenge of international and interprovincial competition, not to mention how costly it is to have unskilled labour on a film set. Any delay in shooting costs big money. Providing production companies with access to a pool of skilled, talented labour would seem to be the more intelligent and cost-efficient option.

Think of a studio system where craftspeople are mentored and have continual access to training. Keeping up with the latest technology is difficult enough, and trying to compete on a global market where your training is learned from others who also do not have the same access to skilled upgrades seems archaic at best. Therefore, by having a public institution act as a centre for excellence, the industry can experience a myriad of pluses. The centre would act as a magnet for stakeholders, pulling in industry partners who can use the centre as an anchor in which to develop and plan to ensure that future needs and skill levels are not ignored for the sake of private profit.

Today right here in British Columbia there are 26 movie and television shows in production. There are other products that require the expertise of trained crews — broadcast news sets, all the various multicultural channels, commercial shoots, animation studios, not to mention the technical post-production work that Vancouver is very well known for.

As a note regarding animation, students no longer have to travel to L.A.'s Disney Studios to learn, as Vancouver has world-class training for animation artists. Mr. Speaker, if you are a fan of popular kids' shows, which I know you are, you will recall *Atomic Betty* and *X-Men: Evolution*. You should know that these shows are just two of the many created and produced right here in British Columbia.

[1010]

The market for trained talent is enormous, just in television alone. There are something like 200 channels or stations available in the lower mainland. Some of them specialize in only one thing. Even here at the Legislature, we have one of the most fascinating channels there is — the one which broadcasts our Hansard.

There is another major reason to establish such a centre. Capilano College, in my riding, hopes this facility will be made available to encourage and develop the domestic film industry by providing emerging Canadian film-makers with an opportunity to produce their own works with professional assistance. They have found that the new Canadian film-makers have difficulty in moving their projects from concept to screen and that finding financial support, as well, can be a very daunting task. The proposed production facility has a sound stage and other related features that would be made available for emerging producers and directors and would provide trained crews to work in these productions.

R. Sultan: The member for North Vancouver–Seymour has explained very well the fundamental importance of the film industry to British Columbia — the

35,000 jobs, the growth in this industry in only ten years from a \$285 million business to a \$1.4 billion business. It has a particular North Shore orientation.

Peter Leitch, the head of our Lions Gate Studios, a state-of-the-art facility located on the North Shore — in the riding of the member for North Vancouver-Lonsdale, if I'm not mistaken — is very prominent in our lives and affairs. Peter Leitch is the president of that facility — that company is very active in our local chamber — and is currently chair of the motion picture producers association of B.C.

I support the member for North Vancouver-Seymour's suggestion that Cap College be designated as a centre of excellence for the film industry. I think this would help materially enhance the supply of trained technicians and people for this business. But let us not underestimate the magnitude of the challenge. The volumes in this industry in British Columbia this year are off by about one-quarter. In a general state of exuberance and growth and resurging economic development, the film industry, unfortunately, is a soft spot. Why is this so? Well, we have become targets. We are, by some measures, the third-largest film production centre in North America after Los Angeles and New York. Our friends, our cousins south of the border, have noticed what's going on up here, and they don't particularly like it.

We have a report over the weekend which one might say sums up the long and the short of it — i.e., Schwarzenegger and Danny DeVito. This is Schwarzenegger's comment: "We want to make California again the entertainment capital of the world. There are so many people that are out of work in Hollywood. People want jobs." Then there's a long list of the tax incentives available in California. Schwarzenegger has appointed Danny DeVito to the state's film commission and has been lobbying Hollywood to keep production jobs in the state. They estimate that they've lost \$10 billion worth of film production to places ranging from Mexico to Canada and notably Vancouver.

Then we have action at the congressional level in the United States. This has reached the halls of Washington, and we have this headline: "U.S. Socks Hollywood North." It talks about the new tax bill that has been introduced into Congress which will give the American film industry eligibility for tax cuts if at least 50 percent of its salaries for actors, crew, directors and producers are for work performed in the U.S.A. It talks about business that has been "unfairly lured" north of the border.

[1015]

This industry is very sensitive to the microeconomics of location, and small changes in tax policy can cause it to shift vast distances. In addition to the member's sound recommendation for Cap College, I think this government should consider moving at last on the PST modifications to make us competitive with Ontario which have been proposed for over a year now. I think we have to put our heads together to learn what to do about the effective 10 percent increase in costs, which has been imposed on the industry through the appre-

ciation of the Canadian dollar. I think all of us MLAs have to talk to our municipal governments about the rather heavy burden they have imposed on production facilities under the once true, but no longer true, assumption that this is a cash cow.

Finally, perhaps British Columbia needs its own Danny DeVito. Given his deep interest in the subject, I think we couldn't really do much worse than to nominate the member for North Vancouver-Seymour.

D. Jarvis: My associate from West Vancouver-Capilano knows the value of this industry not only to the North Shore but how it deals with all of British Columbia.

Mr. Speaker, you should know that this is not a new approach to the movie business. This is the model approved by the government — in fact, the United Kingdom Film Council — that just last year set aside £10 million annually for five years to create four centres of excellence, billed as screen academies, in Great Britain.

What is Capilano College asking for? Firstly, they are the stakeholders presently who want to make us all very aware that the need for this kind of facility is paramount. That's not a pun, by the way. They are currently working in partnership with industry, industry unions, government agencies and film professionals to keep up with the demand by providing their current programs, but the need for expansion is accelerating.

In order not to stagnate and to achieve critical mass, they propose a 150,000-square-foot facility composed of studios, classrooms, offices and labs. This would include a 15,000-square-foot sound stage. Although costs are very rough at the moment, the thought is that it would come in around \$30 million. This amount amortized over 20 years is equal to one-quarter of 1 percent of this \$1 billion industry.

I'm not standing here cap in hand, but what this business industry has requested through Capilano College and the proposed western Canada film and development centre is a long-term commitment from industry and all levels of the government to help it with its development. The inclusion of a film development facility at a public institution ensures the long-term stability that is required for ongoing planning and developing. Let us keep this \$1 billion industry alive. Let us participate in the next level of growth to create a stable and productive educational and business climate right here in British Columbia.

As my friend from West Vancouver-Capilano said, let us tell Mr. Schwarzenegger that we are a free business enterprise here in British Columbia and that we intend to grow bigger and better by using our Canadian talent, which for the last 80-odd years has been going south to California. A centre for excellence can and should be built right here in B.C. We have the facilities and the talent to do so.

Deputy Speaker: Our second private member's statement is entitled "Mine Safety and Mine Rescue" by the member for North Island.

MINE SAFETY AND MINE RESCUE

R. Visser: As each of us travels through our ridings, we come across events and people, even stories, that are fantastic, but they largely go unnoticed by the broader public and the bigger world. I wanted to take a minute today and talk about one of those events, one of those people and one of those stories.

North Island has a long history with the mining industry. There were limestone, granite and marble quarries, iron ore mines, copper and zinc mines and even a gold rush or two in a place like Zeballos. At the north end of Vancouver Island, at the Island Copper mine prior to its completion, was the lowest point you could stand on the Earth and look to the heavens — the hole that they had dug in the ground was so deep in extracting copper.

[1020]

Today we have companies like NVI resources and their Myra Falls copper and zinc mine outside Campbell River, and Quinsam Coal, Canada's only underground coalmine. They're great contributors to this great industry in this province, but there are also numerous gravel and industrial mineral operations that work quietly through the region. Every day, men and women from our community get up and go to work, and they travel underground to do a hard day's work. Every shift they go through a routine checklist, tagging in, testing their safety equipment, their lamps and the rest of their gear. Every shift the goal is to be productive but most of all to get home safely to their family.

Safety is paramount to this industry, because there are very few second chances. Whether you are 100 metres or 1,000 metres underground, you have to know that the team around you, your co-workers, is looking out for your safety. From the engineers and geologists to the mine captains who plan and develop the underground mining program to the safety committees and the workers themselves, everyone thinks about and acts on safety every day. This is why mining has the distinction of being the safest heavy industry in this province.

A critical component of this record, one that seldom receives much attention, is the mine rescue teams. These are teams of volunteers in every mine that train year-round in advanced first aid, in advanced rescue techniques — firefighting, confined space, self-contained breathing apparatus — and in general mining knowledge. They're there in case something happens. They're there to contend with the unplanned and the unknown in some of the most dangerous and unpredictable environments there are in the industrial world. These folks are there not just to serve the mines in their own facilities; they're there to travel to other mines should they be called upon. They're there to help in our communities as part of the provincial emergency program should we come upon an event like an earthquake or other natural disaster.

This dedication takes commitment and, above all, practice. To hone their skills, the Ministry of Energy and Mines sponsors the annual mine rescue competi-

tion in the first week of June. Mine rescue teams from across this province gather to compete in a number of events designed to simulate and prepare them for the actual rescue, should they be needed.

I want to come back to mine rescue in a moment, but first I want to turn to another related accomplishment, and that is the national mine safety awards and how individual operations compete. One of these awards is the John T. Ryan award. It is presented to the Canadian coalmine that has the lowest frequency of reportable injuries which comprise both lost time and modified-work injuries. It takes a great deal of commitment to win this award, and this year, for the second year in a row, Quinsam Coal has won.

What makes this even more important is that not only are they competing against all of the other coalmines in Canada, they are the only underground coalmine in this competition. Most significantly, though, they have earned this award with a reportable injury frequency of zero. This means that for the last year they've operated their mine efficiently and productively without a single accident that resulted in an employee missing work or being unable to do their regular duties.

In fact, Quinsam Coal is in its twenty-fifth consecutive month without a reportable injury. That is an amazing statistic for the 80 to 85 people that work there day in, day out, a couple of shifts a day, in an industry — the underground mining industry — that is, by its very nature, prone to some of the great tragedies this industry has seen in this nation. It is an accomplishment that mine and our community are and should be justifiably proud of. They have come a long way. They've seen tragedy, and they've come back from that.

In order to tie Quinsam Coal and the John T. Ryan award and mine safety and the mine rescue teams together.... I want to come back to that in my conclusion. Now I'd like to turn to my colleague from West Vancouver-Capilano to add to some of my comments.

[1025]

R. Sultan: It's a privilege to respond to the member for North Island on the subject of mine safety. He has pointed to the remarkable accomplishment of the Quinsam Coal mine in his constituency, the only underground coalmine operating in Canada today. As he has pointed out, Quinsam recently completed its twenty-fifth month without a reportable injury. Indeed, as the member points out, Quinsam illustrates that mining has become the safest heavy industry in this province. A food and beverage worker is more likely to suffer a work-related injury than a miner in this province.

Not all underground coalmines in Canada have been like Quinsam. I have personal knowledge of Westray in Nova Scotia. About 14 years ago and less than eight months after I toured it underground, Westray blew up, killing 26 men. One knowledgeable observer, a journalist, concluded after interviewing many people that the disaster was marked by shoddy planning, unrealistic production targets, poor safety practices, out-

dated mining laws and ineffective Nova Scotia government monitoring.

From disaster and tragedies heroes emerge. I know two of them who put on their draegermen gear and crawled in the dark through debris, collapsed roofs, methane gas and shifting ground half a kilometre below the surface looking for survivors. Graham Clow, a private sector mining engineer from Ontario, led the rescue teams underground and brought as many bodies as he could to the surface, before advising that further effort would probably lead to additional loss of life. Fred Hermann, a government civil servant from British Columbia, our chief mine inspector, also rushed to help. Fred told me that after experiencing the conditions below, he resigned himself to never seeing his family again.

What prompts such men to put their own lives on the line to help their fellow man? Most of us will never have the opportunity to know.

The outstanding mine safety record of British Columbia is a tribute to our skilled and trained workers, our prudent managers, our responsible owners, our careful engineering, our strict regulations and our close monitoring of operations. Nothing less will do. I'm all in favour of deregulation, but we must maintain zero tolerance for slackness in mine safety rules or casualness in mine safety practices. The stakes are too large.

Finally, the member for North Island has already told me of the accomplishments of one Mr. Keith Bracewell of Quinsam, who started underground mining when he was only 15. I think the member for North Island will expand on this further. Recently retired after 50 years of service to the industry, in his latter years he developed a fine reputation for mine safety and headed the mine safety and mine rescue team training at Quinsam. Let me add my voice to that of the member for North Island in thanking Mr. Bracewell for his service, his dedication and his example to us all.

Deputy Speaker: Concluding remarks, the member for North Island.

R. Visser: I want to close by bringing this together with the hard work that mine rescue teams do and talking a little bit about Keith Bracewell and why he has become so important to us all.

Fifty-two years ago, at the age of 15, Mr. Bracewell went underground in Burnley, Lancashire, England. He was a coalminer. He worked in the 14-to-36-inch seams of England, and he's had a long and honourable career underground, both in the U.K. and here in Canada. He's seen this industry change in those 52 years, from the time when they hauled the coal up with pit ponies to today's modern hydraulic equipment, GPS, computer-aided design and graphic modelling that have so much improved the productivity and safety in the underground.

[1030]

All through this career, he's been dedicated to mine safety, to his colleagues and to the industry. In 1986 we had the fortune of having him come to Campbell River.

He worked at Myra Falls as a safety supervisor and an underground maintenance supervisor. He left there in 1991. In 1992 he started at Quinsam Coal and in 1995 became their mine rescue instructor.

He's a remarkable man. He has a deep baritone voice and a gentle nature about him. He adores the sunshine. His daughter had a big party for him a while ago, upon his retirement. She said she never understood why he loved the sun so much. Then she realized he got up in the morning and went to work in the dark and came home at night in the dark. He worked all day in the dark.

To honour a man like this, it takes.... Oftentimes we don't think about it appropriately. We don't understand or don't....The life of the industrial worker often passes us by quietly. This time it didn't. Two weeks ago, in a great celebration of winning the John T. Ryan national safety award for the second time in a row, Quinsam Coal also held a retirement party for Keith Bracewell.

There, with the support of the Ministry of Energy and Mines, they announced the Keith Bracewell award. It will now be given at the mine rescue competition annually for the rescue team that shows the best performance in the underground mine simulation at that competition. It's a great tribute to a great man who went to work every day for 52 years in an industry that he loved and cared about. It's important, appropriate and meaningful that this industry, this ministry and all of us as British Columbians recognize somebody who has committed so much and brought so much to this industry.

HELP WANTED

M. Hunter: I want to talk this morning about "help wanted." If members and the public haven't noticed, in the last two years or so the amount of space dedicated in our local newspapers and our provincial newspapers to employment ads has skyrocketed. It's a great sign of what's happening in British Columbia, and it's an indicator that things are on the move.

I want to talk a little bit about what our response is to that great increase in employers' interest. My ears pricked up a couple of weeks ago at a social event where the B.C. Trucking Association members talked about how desperate their members were for qualified truck drivers. Everyone that I spoke to at that event talked about this concern, about the lack of qualified employees. It's not that this is a new subject at all — we've heard about skill shortages for a long time — but that drove home to me the urgency of this problem and how serious it is becoming for just about everybody who is looking to hire somebody in this province. It is something we need to address.

Just this past week on Vancouver Island, the oil and gas industry was conducting job fairs up and down the island from, I believe, the north right down to Duncan. This industry in northeast British Columbia needs qualified employees, and it is spending money to find them. The fact is that the Leader of the Opposition

didn't think that this job fair was a particularly good idea, because I guess she thinks we shouldn't be providing good jobs to British Columbia youth. That's an aside which we'll take up another time.

There is an urban myth, you know.... Maybe it's not such a myth. The myth is that anyone with a first-aid ticket and an airplane ticket can go to Fort Nelson, arrive there at 3 o'clock in the afternoon and have a job by four. That's how keen the oil and gas industry is to hire people, so perhaps that event last week on Vancouver Island was the story of things to come.

[1035]

It reminded me of when I graduated from university. I had six job offers. I think we've gone through a period of years where new graduates have actually had to scramble and the job market has been quite different. I think there are signs that we are starting to return to that place where people with some education and qualifications are starting to be courted by a number of employers, and I think that's good for our young people.

It doesn't matter who you talk to or which source you read, whether it's the banks, the economic prognosticators around the country, other provinces or people from outside of British Columbia. All are saying that our province is showing significant and encouraging signs of growth, and it's not all in the traditional resource industries either. Our economy is becoming more varied.

The need for qualified employees in British Columbia is, without question, a real one. Not only do we need truck drivers and oil-patch workers in this province, but we need crane operators, heavy equipment operators of other kinds, mechanics, computer programmers, industrial designers, architects — to say nothing of the well-documented need for medical professionals and support staff in the health care industry.

Why am I talking about this now? Why has this become an issue all of a sudden? The answer is that this is a situation that hasn't happened suddenly. If you talk to demographers — and it doesn't matter where they're from — and if you read some of the literature, they have known for years about the post-baby-boomer age gap. The fact that for many years people were not.... We haven't been replacing our families. The birth rate is too low. It's showing up in the workplace, and that's one of the major reasons why we've got this problem we have today.

We can gnash our teeth, and we can ask why the problem wasn't addressed before by governments and, indeed, by private sector employers, but that doesn't solve the problem. It simply talks about it more, like I am doing today. The fact is that most workplaces, whether they're public service or whether they are heavy industrial equipment — it doesn't matter which area you choose — are exhibiting this similar pattern. Once the 55-plus workers are retired, and there are many of us — I'm the leading edge of the baby boom, and we all know about that — there is this age and experience gap which needs filling.

What we have is a situation where just about every industry will tell you it is short of qualified workers.

There is no one in the younger age groups coming through the ranks. Now, I'm proud to say this government is doing its very best to address the skill shortage here in British Columbia. The significant investments we are making in post-secondary education, increasing the number of seats by 25,000 by 2010.... It's a very significant investment — the largest single investment in post-secondary education in a generation. That is a very significant attempt by this government to start to address this issue.

You know, the Malaspina University College president pointed out to me a couple of weeks ago that while 65 percent of the jobs out there these days require post-secondary education, only 35 percent of graduates actually proceed to a post-secondary education. I guess I would say the investments we're making as a government are certainly overdue and, I think, very, very welcome.

You know, the legislative committee on education recommended some time ago that we need to talk to our kids about going into trades and technical training rather than academic careers. That's something I can perhaps talk about a little later.

We have a shortage. We have an education system that is beginning to respond. We have employers that are starting to respond. What about sources of skilled labour elsewhere? Can the skill shortages we are facing in B.C. be resolved through immigration? You know, immigration domestically in Canada has happened for a long time. We all know of Newfoundlanders, I'm sure, who moved to Alberta to work in the oil sands or oil patch, went back to Newfoundland after it was all over and made a life for themselves back home — or many of them have stayed in the west.

Immigration is more than just across Canada. I know that immigration is a federal domain, but our province and other provinces have an interest in how the federal government develops and implements immigration policy because it affects us, it affects our employers, and it directly affects our economic well-being.

Canadian immigration, as you know, has focused in the last 20 years or more on family reunions, on refugees and on other more minor parts of immigration policy. I submit that Canada now needs younger skilled immigrants, and I believe it is appropriate to ask the question of whether or not B.C.'s problems in the labour force, skill shortages, can be addressed in this way. I look forward to the comments from the Minister of State for Immigration.

[1040]

Hon. P. Wong: Mr. Speaker, I thank my colleague from Nanaimo for bringing this important issue to the House. Today there are about 850,000 people between the ages of 47 and 61 in this province. Many of those people will retire in the next ten years. At the same time there are about 800,000 people between the ages of 17 and 26 who will be entering the labour force over the same period. In the next ten years we can expect our economic success to continue. This means that our labour demands will continue to grow.

B.C. does not have a general labour shortage at the present time, but there is a persistent labour market imbalance. Shortages are found in specific sectors or in particular regions. We need immigrants. Over the past four years an average of 49 percent of immigrants arriving in British Columbia have been skilled workers. In fact, 60 percent of immigrants come here to participate in our economy. This is a tremendous resource. My colleague is absolutely right to identify immigration as a way to help resolve our future skills shortage. Clearly, immigration can provide many of the solutions.

Mr. Speaker, I would like to tell you about some of the things happening in my ministry regarding the international qualifications program. There are steps in the right direction. Foreign credential recognition is very important. Steps must be taken to make it faster and easier for immigrants to get recognition of foreign credentials and work experience. We are working with a wide range of groups, including employers, regulatory bodies, professional trade associations, unions, and public and private post-secondary institutions as well as community service agencies. We are also working with various sectors to help them recognize the skills that immigrants have. It is important to raise awareness of the business case for diversity. We are working with employers to ensure that the qualifications immigrants have are comparable to those required in B.C.

In respect to our provincial nominee program, my colleagues the Minister of Community, Aboriginal and Women's Services, the member for Victoria-Hillside and the Minister of Small Business and Economic Development recently met with representatives from the trucking industry. They were exploring ways of addressing the labour shortage in that industry. The B.C. provincial nominee program is one way we can help to address these kinds of labour demands in specific industries. The provincial nominee program allows B.C. to select skilled immigrants to fill critical labour shortages in the province. It could certainly help with the trucking and other industries. We are anticipating that the trucking industry will make a case to the federal government so that we can increase the provincial nominee program to accept nominations from foreign-trained truckers.

The provincial nominee program started in March 2001. It was originally set up to attract registered nurses, but we have expanded to many other sectors, such as biotech, film industry, aero industry, IT, financial services and many others. Now the program includes skilled workers, international students and business immigrants. In all categories, we have received altogether 622 nominations to date. This number is just the applicants and does not include spouses and children.

[1045]

Also, we have made really close contacts with some of B.C.'s largest and most innovative companies. Through our business immigration category we have attracted more than \$62 million in new investments to British Columbia.

Immigration is a shared jurisdiction between the federal and provincial governments. We recently signed an agreement with our federal partners. That agreement shows how we can work together to maximize the benefits of immigration. The agreement also considers B.C.'s demographic, social and economic objectives and needs. We can influence the development of federal policies related to immigration based on our unique regional needs.

Deputy Speaker: Minister, your time has expired, please.

Hon. P. Wong: Okay. I'll speed up pretty quickly.

To conclude, our government believes that immigration is very important in shaping the future of our province. It's a key element in building stronger and more vibrant communities. We know that immigrants bring innovative ideas. They also attract industries and workers and create economic growth. We are working towards a vision where all communities in the province have the opportunity to share in the benefits of immigration. Thank you.

Deputy Speaker: Concluding remarks, the member for Nanaimo.

M. Hunter: Thank you, Mr. Speaker, and my thanks to the minister for an encouraging discussion of where this province is going with respect to immigration. I appreciate his remarks about the state of the labour market. I think he described the labour market skills shortage better than I did perhaps. He talked about a persistent labour market imbalance in some trades and some areas. I would agree with that, but I think the imbalance is clearly becoming more and more problematic in British Columbia.

As I was saying earlier, we have some responsibilities as parents and grandparents to encourage our youth to get into trades and technical training. It is certainly an area of endeavour that the labour market is responding to in terms of price. If you want a house built or somebody to come and do some plumbing, you know what it costs these days. That's a reflection of shortages.

I am pleased about what the minister has said. I am pleased about making foreign credentials faster and easier to recognize. I had a case in Nanaimo not many weeks ago of an individual from Scotland who has a particular set of skills in a particular industry that were not replicable by any candidate in Canada. It took a large amount of effort to get Ottawa to decide that this person could come into Canada for a year. I have a nephew who's here on a work permit with a degree in technical engineering from one of the best, most-recognized schools in the U.K. Can he get into Canada to work? Only with a great deal of difficulty.

I think these kinds of people are the kinds of people that are going to help move British Columbia forward. I know there are many people in Europe who still view Canada as a country of huge opportunity. We all know

that British Columbia is leading Canada in making that opportunity. I look forward to a progressive involvement of this government in the immigration policy of Canada and look forward to welcoming many more trained immigrants who are going to make this place even better.

Deputy Speaker: Our final private member's statement today is on the topic of rural health. The member for East Kootenay.

RURAL HEALTH: WHERE WE'VE BEEN,
WHERE WE'RE GOING

B. Bennett: Thank you very much, Mr. Speaker. Before I start my statement, I want to thank the member for Kelowna-Mission for her blood donor drive and for bringing it here to the Legislature today. Many of us will be rolling up our sleeves at the Legislature.

As our population ages and we perform more medical procedures, demand for blood is growing. In B.C. we did 38,000 more surgeries last year alone. The demand for blood rises about 8 percent a year. We're already importing blood to meet that need. Only 55,000 of a possible two million British Columbians are regular blood donors. That makes us the worst in Canada. On the other hand, more than one of every two of us will need blood at some point in our lives.

I want to thank the inspirational member for Kelowna-Mission and the Health minister for their leadership for the blood donor clinic here today at the Legislature. I personally look forward to the experience. I only hope that it is not too draining.

My topic this morning is rural health care: where we've been, where we're going. I think it's important to understand that in 2001 in British Columbia major changes to health care were needed, particularly in rural B.C. and more particularly in the East Kootenay. It's also important that British Columbians get to know the vision of this government and of the health authorities for a revitalized health care system.

[1050]

The public unions in this province have talked incessantly since 2001 about cuts to health care. The irony, of course, for members of this government is that we've actually pumped every loose dollar we could find into health care, to the tune of \$2.2 billion of new annual money.

Let's consider carefully the condition of health services prior to the last election. Before May 2001 there was no provincial plan for delivering integrated, comprehensive health services in rural British Columbia. When the Premier asked the member for Kelowna-Mission, then the Minister of Health Planning, to go to the old Ministry of Health and find everyone who worked on planning, the minister reported back that there was no one in the ministry whose specific job was planning for the future of the health care system.

Frankly, to use the word "system" in describing what British Columbians had is a misnomer, especially in rural B.C. In reality we had a disconnected cornucopia

of health councils, government offices and health entities all earnestly trying to meet their own respective mandates, but very often with no coordination, minimal cooperation and no shared vision. The most fundamental improvement to health care in British Columbia today, especially in rural B.C., is that a coordinated, integrated, functional system is actually being developed. This is a system that integrates and coordinates a network of care, including prevention, public health, mental health, acute care, residential care, the new assisted-living care and home care.

Our government created six independent health councils in B.C. out of 52 separate independent community health entities, not because we thought the 600-plus volunteers didn't care enough about what they were doing — of course they cared, and they did the best they could in the circumstances — but because health councils were not working together as a coordinated system with shared goals and a vision. Volunteers lacked the time, resources and knowledge. Councils competed with each other for resources, specialists and equipment. This led to fragmentation and very often meant that equipment wasn't matched to staff.

I know of a story in my region where there was an arthroscopy, I think it's called — it's a scope used for knee operations — that was basically locked away in the closet of one of the small community hospitals for two years. It never saw a drop of blood, because that particular health council just couldn't see their way clear to send it to the regional hospital where, in fact, it would have been used and was much in demand.

Councils in those days had relatively small budgets and were not funded to do capital improvements. This has left a huge capital and equipment need in rural B.C. The IHA just spent \$8 million on the regional hospital in Cranbrook. It was all spent, basically, in the basement on replacement generators, heating, ventilation, air conditioning and that sort of thing. You can't even see where the money was spent, but it was necessary to spend it because the hospital went years without that kind of investment. This year alone the IHA is spending, along with their P3s, about \$330 million on capital and equipment.

These small budgets that the health councils had also meant that investments in new technologies weren't feasible. A good example is the electronic health record, which is touted nationwide as one of the most significant steps in improving patient outcomes. Medical records will soon be available electronically across the entire region, so the need to duplicate expensive tests is eliminated, and doctors and nurses will have a person's whole medical history at their fingertips. That leads to better diagnoses, better treatments, telehealth and other benefits.

These kinds of improvements would have been impossible with the six East Kootenay health councils. At the time of their dissolution — no disrespect intended — they had not been able to agree even on a system of standardization for medical records in our region.

Finally, the creation of the health authorities has taken the politics out of health care management. I

think that's a very important benefit. The distinctive and loquacious former member for Nelson-Creston told a fascinating story at the rural summit in Rossland this past June. My apologies to the former member if I don't repeat his story verbatim, but I'm confident I have the gist of it.

When he was Health minister — and he indicated he was Health minister for, I think, about the average of 11 months that the NDP had their Health ministers in place — people had said to him that they needed MRIs. The cost of putting those MRIs into hospitals around the province was roughly \$250 million, and he was convinced that was the thing to do. He went to his cabinet of the day and convinced them that they should put forward the \$250 million for the MRIs. Then his professional staff told him that the money could actually be spent in a different way that would bring better patient outcomes; in other words, it would have a more positive impact on patient outcomes.

[1055]

Of course, politics being what it was in those days, that \$250 million was spent on MRIs, even though that minister and that government knew patient outcomes could have benefited a lot more by doing something different with the money. The interests of the patient and better patient outcomes must drive change — not politics.

Moving to larger health regions is acknowledged right across North America as the only sustainable way to deliver health services to dispersed rural populations. A single large region has the ability to put its resources to use in the best way for the largest number of people. Parochialism and protectionism, for the most part, can be kept at bay.

The rural health authority in my region, the IHA, has a budget of over \$1 billion and employs over 17,000 people. Because of that size, it can take advantage of economies of scale that were impossible under the old system. You take, for example, the PACS, a system that allows doctors to e-mail X-rays to radiologists anywhere in the region for interpretation. That's a \$12 million project that would have been about 50 percent of the old Elk Valley health council's budget. Those are just a few examples of how having a regional authority has moved health care forward in rural B.C.

Hon. C. Hansen: The whole redesign of health care that has taken place in British Columbia over the last three years is a tremendous good-news story. I just came from spending the weekend with my counterpart Health ministers from across Canada at our annual conference, which was held in Vancouver this year. It's interesting how many other provinces are recognizing the success that we are having in this province to make sure that we build centres of care in each region so that fewer patients actually have to leave their region to get access to care.

I want to share with the member some of the good-news statistics that are coming from his part of British Columbia. For example, in the hospital in Cranbrook there has always been a chronic shortage of specialists.

You would wind up with patients not being able to get the certainty of 24-hour-a-day, seven-day-a-week coverage for emergency care by specialists in the East Kootenays because of the inability to recruit the specialists that were needed.

That story is quite different today, because today in the East Kootenay Regional Hospital we have a total of 28 specialists. Never before in the history of this province have there been that many specialists there to serve the residents of that part of the province. There are four anaesthetists now. There are three general surgeons, three orthopedic surgeons, three obstetrician-gynecologists, three internal medicine specialists, three radiologists, two psychiatrists, two hospitalists — those are specialists that work full-time in the hospital to care for patients even when the physician may be at his own clinic or offices — two pathologists, a pediatrician, an otolaryngologist and an ophthalmologist now available to serve the residents of the East Kootenay.

As a direct result of the strengthening of care that can be provided at the East Kootenay Regional Hospital, and as a direct result of our recruitment of these new specialists that have come to work in that environment, we are seeing today the concrete evidence that it is making a difference for individual patients. What we see today is that in every single region of the province there are fewer patients who are hospitalized outside of the region in which they live in order to get access to care.

In fact, if you break it down not just as the interior health region but as what we refer to as the health service delivery area, when there are 18 of them around the province.... In the health service delivery area for the East Kootenays, in that region alone, there are fewer patients today who have to travel outside of the region to get care than was the case three years ago. In the past, patients that would have had to have come to Vancouver, or perhaps to Calgary or Lethbridge — which are obviously close centres for individuals living in the East Kootenays.... We see today that the care they are seeking can now be provided in the hospital right in their own region. Instead of that very long drive or the airplane flight, they can now get it closer to home.

I think that's what health care is all about. I'm certainly proud of the accomplishments that we've been able to make in this regard in health care throughout the province, but I know that thanks to the good work that the member has done in the East Kootenays, we are seeing a real strengthening of the kind of services that can be provided to his constituency and his constituents as a result of these changes.

[1100]

B. Bennett: I want to thank the Health minister for responding this morning and also for his continuing, sustained and consistent help for us in the East Kootenay. We have come a long way.

I don't want to suggest this morning that the evolution of modern health care in rural B.C. or in my region is complete, and I know the minister doesn't suggest

that either. We're making important changes. I think the toughest changes are behind us. We've got some excellent news. We've got a new 51-bed long-term residential care home already up and operating in Fernie. There are 23 assisted-living units up and operating in Fernie, 25 assisted-living units up and operating in Cranbrook and a new long-term residential care home going into Cranbrook with at least 65 beds, and hopefully 75. Wait-lists for complex care — that's long-term residential care — have been reduced from sometimes over a year to 90 days. We're definitely making progress.

What I did want to close with this morning is to ask the question — and this is not a rhetorical question; this is a real question that needs an answer — what would the NDP do if they were elected? What would they do with health care? What is their plan for health care? I guess, given the opportunity, they would probably throw more borrowed money at the wall and see if some of it sticks, and then let our children worry about how to pay off the debt, because that's what they did in the past.

I wonder what they would do with the six health authorities. Would they do away with the six health authorities? Would they resume their past practice of underfunding the regional hospital in Cranbrook and recommence making health care decisions on the basis of politics? Would they do away with the new level of seniors care — assisted living — that this government created and that seniors are so delighted with?

Would they terminate the special funding we put in place to recruit and retain specialists to rural hospitals? Would the NDP repeat their mistake of the nineties by limiting the number of doctors trained in B.C.? Perhaps they would stop the training of physicians at the University of Northern B.C. that this government just started. Perhaps they would cancel our nurse recruitment programs. It will be very interesting over the next six months to see the NDP plan for rural health care and to see what important changes we have made that they would undo given the opportunity.

Deputy Speaker: Thank you, hon. members. That concludes private members' statements.

B. Penner: Mr. Speaker, I call a motion on the order paper under my name, Motion 116, which states as follows:

[Be it resolved that this House supports initiatives to encourage development of small hydroelectric and other renewable energy projects, as part of a plan to help make British Columbia self-sufficient again in the production of electricity.]

Deputy Speaker: Hon. members, pursuant to standing orders, unanimous consent of the House is required to proceed with Motion 116 without disturbing the priorities of motions preceding it on the order paper. Shall leave be granted?

Leave granted.

Motions on Notice

RENEWABLE ENERGY PROJECTS

B. Penner: It comes as a shock — pun intended — to most British Columbians when they hear that our province has been a net importer of electricity for the past few years. Yes, B.C. Hydro has managed to keep the lights on for us and to earn a profit most years, even when being a net importer.

How could B.C. Hydro still turn a profit while importing electricity, you may ask? Well, due to the large hydroelectric reservoirs built during the 1960s, 1970s and to a certain extent in the early 1980s, B.C. Hydro has the ability to purchase electricity at off-peak hours from our neighbours to the east and south of us to supply British Columbia. This power is moved on transmission lines which have connected us to the western North American grid for several decades. When B.C. Hydro supplies domestic customers with power from outside the province, they can reduce the amount of water being used by our hydroelectric dams, saving the water for later, when the price of electricity imports is higher. Then the flow of electrons can be reversed, hopefully fulfilling the old business maxim of buy low, sell high.

All of this is fine as long as you can predict when the prices will be lower and as long as adequate supplies of imported power are available to make up for domestic shortfalls. What happens when the spread between peak and off-peak prices starts to close? What happens when our neighbours no longer have a surplus to sell us?

[1105]

It's one of the sad legacies of the NDP's lost decade of the 1990s that B.C. Hydro is now a net importer of electricity, making us dependent on that imported power. In the year that the NDP left office, in 2001, B.C. Hydro imported about 1,700 gigawatt-hours more than they exported. By the way, gigawatt-hours is the usual Canadian measurement for annual electricity production. In fiscal 2003-04, B.C. Hydro reports importing about 10 percent of the company's total domestic requirements.

It can take many years to plan, permit, finance and construct a new power facility. This means it takes time to bring new supplies on line. Recognizing the dangerous trend established by the previous government where not enough was done to meet growing demands for electricity, the B.C. government introduced a new energy plan in November 2002. It calls for more supplies of electricity.

B.C. Hydro remains publicly owned and has the responsibility of providing B.C. consumers with power. B.C. Hydro is looking at resource-smart upgrades to existing facilities to squeeze even more power out of our mostly hydroelectric system and is also contracting with independent investors who are developing new, clean and green sources of electricity.

I've had the privilege of visiting quite a few B.C. Hydro dams as well as numerous new small hydro facilities that are coming on line due to B.C.'s new en-

ergy plan. This is good news, and it's quite different than the message you may hear from the Citizens for Public Power. This NDP front group, which never complained when B.C. Hydro lost millions of dollars after investing in a power plant in Pakistan, is now playing politics with the Surrey by-election. These so-called Citizens for Public Power also didn't complain about the lack of investment under the NDP in new power generation in B.C., which left us more dependent on imports from the United States and elsewhere.

[H. Long in the chair.]

This morning they announced that they will insert themselves into the by-election campaign — which isn't surprising, given their NDP affiliations. What is surprising is their desire to play politics with B.C. Hydro rates rather than leaving it to the independent B.C. Utilities Commission to determine appropriate rates. We all know that the NDP government in the past played games with electricity rates in British Columbia, and we're paying the price for that today by being so dependent on imports.

As I said, Mr. Speaker, there is good news, and that is that since we came to office, more than 40 power purchase agreements have been signed between B.C. Hydro and the private sector. These new green, clean, renewable projects are popping up around the province, delivering good-paying jobs. In many cases, the average wages can range from \$20 to \$40 an hour, especially where you have hard-rock miners involved drilling the tunnels that are required to draw the water down to the power plants.

We've also seen garbage being put to use to generate electricity for the first time in British Columbia. This is one of the really exciting things which, frankly, hasn't got enough notice, in my view, from the mainstream media. In Vancouver, in the greater Vancouver regional district landfill, as well as here on the south end of Vancouver Island, escaping methane gas from the landfills is being captured and burned, through generators, to generate more electricity for British Columbia. This is a steady source of electricity, and it's harnessing a resource that would otherwise be wasted.

I am reminded, just looking across the floor at my colleague, the caucus chair for the government as well as the member for Columbia River-Revelstoke, that a couple of weeks ago she and I had the opportunity to attend the grand opening of another wonderful facility, the Pingston Creek hydroelectric project. This project, which is located in the member for Columbia River-Revelstoke's riding, generates up to 45 megawatts of clean, renewable electricity.

Many people will know about my opposition to the proposed Sumas 2 energy project, which would be located in the Fraser Valley just south of Abbotsford. My concern stems from the emissions — the three tonnes of pollutants per day that would be emitted into the Fraser Valley airshed. In the case of the Pingston Creek small hydro project, you can literally drink the emissions and it would be good for you, because the

emissions are clean, cold, sparkling bright British Columbia water. It's incredible the kinds of resources we have in this province, and we're moving forward with a plan to take advantage of those natural resources in a responsible and sustainable way.

There are many other projects that have also come on line around the province. Recently at Rutherford Creek, just south of Pemberton, a new project was also officially commissioned, and it's there the government made an announcement about further steps to try and encourage this developing energy sector in the province. We are proposing, when the Legislature sits in the spring, that as part of the spring budget the government may initiate a proposal for consideration by the Legislature to further reduce the provincial share of property taxes payable by these types of projects.

[1110]

They do pay a significant amount of revenue to the province. In fact, just the Rutherford Creek project and the Pingston Creek project combined will pay about \$1.5 million per year in various forms of taxes and fees to the provincial government. This is obviously a good thing, because when the government gets those kinds of resources, we can redirect that money into important services, whether it's education or infrastructure or health care. The money has to come from somewhere for services in British Columbia, and it's projects like these we're talking about today that help provide the necessary funds.

Just as important, or perhaps more important, is what these projects do in terms of delivering electricity to British Columbia. As I've already noted, we have become a net importer over the last few years. Electricity is so fundamental to our society that most of us never give it a second thought. To me that's a clear sign that we've become completely dependent upon something — when we don't even think about it anymore.

Clearly, with electricity, we can't imagine even being in this chamber today having a debate if it were not for electricity. You would not hear my wonderful speaking voice amplified by way of the sound system in here. You wouldn't have the lights. You wouldn't have the television, and Hansard wouldn't function.

Interjection.

B. Penner: I know that for the member from Maple Ridge it's hard to imagine life without Hansard, which provides him with all of his reading material.

Let's talk about health care, for example. Imagine a health care system where you don't have reliable sources of electricity. It's unfathomable. When you walk into a modern hospital, everything is dependent upon electricity, from the cardiac monitors to the blood pressure monitors to the cleaning equipment — all of the equipment in the hospitals. All of it is dependent upon electricity. You start to think, well, I guess that's the way things are. In fact, it isn't the way things are in some places of the world, including a few places I have been to.

I recall with some regret a small facility I visited in Cambodia a few years ago which was billed as the regional health centre. That place had not a kilowatt of electricity. There wasn't a light bulb in the place. There weren't any fans to help keep the patients cool or comfortable, and the clinic itself was, by any definition, woefully inadequate. It was pretty depressing.

That's because Cambodia is a country that has been racked by internal strife, by civil war, by various forms of domestic and international terrorism. As a result, they don't have an infrastructure that's capable of providing electricity on a reliable basis for vast parts of that country. The results are very low living standards and very poor health outcomes. I was told that the life expectancy for the average male was perhaps 40 years. That's certainly quite different than what we have come to expect and enjoy in our country.

I guess my message to people is: let's not take things for granted. Let's make sure we work diligently and do not rest on our laurels. W.A.C. Bennett was a true visionary and took tremendous steps to make sure British Columbia had large resources of electricity to help foster economic development which provides our standard of living. As we've become complacent in the past decade, we've now become a net importer of electricity.

The question is: what to do? What are the options? When you look at the range of options, I think the solutions become relatively clear, at least in terms of what we're doing to date. That is, you look for low cost — because British Columbia has the third-lowest electricity rates on the entire continent of North America, that provides us with a competitive edge — and you want to do things in a way that does not mess up the environment.

How do you do that? How do you meet those goals of keeping your costs low and of having a low impact on the land base? If you take a look at the kinds of projects that have been developed over the last three years under our government, you'll see that we're meeting that test. The electricity is relatively low-cost. Yes, it's higher than we paid in the 1960s and 1970s. But like everything else, the price for new projects has gone up, just like the price of a house or an automobile in 1960 was less than it is today. The cost of building a new electricity project today is more than it was 30 or 40 years ago. That's to be expected.

The good news is that compared to the alternatives, the projects that are going ahead in British Columbia are very cost-competitive, receiving on average a price of about \$53 per megawatt hour from B.C. Hydro. That is certainly less than, I think, their avoided cost of building additional generation in-house, whether through gas-fired projects or something else like the proposed Site C dam in the Peace River.

Incidentally — and I ask rhetorically — I wonder what the Citizens for Public Power would say if B.C. Hydro were to seriously propose building a new Site C dam. I rather suspect that that group, too, would find reason to fault that, despite their purported claim to support government ownership and government gen-

eration of electricity. However, I just ask that parenthetically and rhetorically, because I think I know the answer.

[1115]

What are the projects that are going ahead currently? In addition to B.C. Hydro upgrading their existing facilities and trying to squeeze a bit more power out.... Certainly from my visits to some of their facilities to date, I can attest to the fact that they do need some upgrading. The capital has been run down over the last couple of decades, in my view.

We have these new independently owned power projects coming on line, and they are green by any definition. They're green in the sense that they're renewable — in most cases, zero emissions, as I've already mentioned — and they're sustainable. Yet with all of that, Mr. Speaker — you might think that people would be rushing out to support these things, and certainly some people are — but there are still opponents to these types of projects. I suppose after you've been in elected office as long as you have, you get familiar with the syndrome that certain people will say: "There's nothing you can do to make us happy." Alternatively, there will always be some people who will be opposed to something you are trying to do for the greater good. Certainly, that's a challenge that's been encountered by the proponents of some of these small hydroelectric projects known as run-of-river projects. A run-of-river hydroelectric project is where a small portion of water is diverted from a creek or a river and put into a penstock, also known as a pipe, run down a steep hill and then into a powerhouse, where the water is used to turn a turbine. It's this turbine action that generates the electric current that's put on a wire and brought to your home and mine.

In the Squamish-Lillooet regional district the topic of small hydroelectric projects has become rather controversial — no more so than the proposed Ashlu River project, which has received some notoriety in that area and also the odd article in the daily newspapers in Vancouver. Well, Mr. Speaker, let me just review with you some of the types of approvals that the Ashlu River project has had to go through, and this will let you know that in fact there is considerable scrutiny that takes place involving these projects. It's hardly a method of developing power without any oversight at all from regulatory authorities. Here are some of the approvals that the Ashlu River project has had to go through over the last three years.

Fisheries and Oceans Canada has looked at the habitat. The Canadian Coast Guard and Transport Canada have looked at navigation issues, because the creek is used by 40 or 50 kayakers at different times of the year. The Agricultural Land Commission had to sign off on the land use plan. Environment Canada studied potential impacts to wildlife. The Canadian Wildlife Service was also involved. The Ministry of Water, Land and Air Protection also looked at wildlife and fish issues.

The Ministry of Forests was involved, because the project would require using an existing logging road to

access the site. I also note parenthetically that this whole area was extensively logged in years previous, and that's why the current Ministry of Forests logging road is in existence.

The Ministry of Energy and Mines was consulted, as was the Squamish first nation. I think it's truly worth underscoring that the Squamish first nation has reached an agreement with the proponent and supports the project going ahead, subject to the proponent living up to the terms of its agreement.

This leaves final approval from Land and Water B.C. Inc., involving water rights and land tenure, and rezoning from the Squamish-Lillooet regional district, which they are purporting to have jurisdiction over. There's an extensive array of approvals and regulatory processes that are required for these projects to go ahead. There is scrutiny; there is oversight. For example, with the Ashlu project, the Canadian environmental assessment process has been completed as of last week, and they found no major barriers to this project going ahead from an environmental perspective.

For example, one concern had been raised around harlequin ducks, and a comprehensive three-year study determined that one duck had been found 16 kilometres upstream of where the project would be located. Other harlequin ducks had been noted downstream in the estuary. It's worth noting that at the bottom end of these projects, the water is returned into the creek. At the bottom end of these projects, you don't notice any difference in water flow over the course of the project.

I submit that these types of projects are exactly the type of thing we want to see in British Columbia. Low environmental impact — yes, it has some. Everything we do in life has some impact. Getting out of bed in the morning has some kind of environmental impact on what we do and what happens around us. The question we have to ask ourselves is: compared to what? And what are the alternatives? Do we want to be continually dependent upon imports of electricity? I think that's a risky strategy. With no disrespect meant to our neighbours either to the south or to the east of us, when a pinch comes, especially to the south of us, I think their tendency is to look out for themselves first. We want to be in a position where we can be self-sufficient in electricity. That's why I support these types of projects.

[1120]

I'll just quickly mention a couple of other initiatives. To the west and north of Pemberton there are some serious efforts being made to develop what could be the first geothermal electricity production in British Columbia. There's a group of private investors taking a big risk, spending significant amounts of money doing exploration work to see if there is a viable and renewable source of electricity for us as a result of the geothermal energy source that's just below the surface of the land there.

Also, there are numerous proposals for wind power in British Columbia. Stothert Engineering of Vancouver has completed a contract already, a power purchase

agreement with B.C. Hydro to supply wind-generated electricity over a 20-year period from a project near Holberg, I believe, on northern Vancouver Island. That's a project that I know the member for North Island has been working diligently on to create some jobs and economic activity in his riding.

There are other projects — Sea Breeze and also the Nai Kun wind project, to name but two others — that are looking to go ahead. We have a range of opportunities, including tidal power, which is perhaps a bit more distant in terms of perfecting the technology. Certainly, wind power is a technology that is coming of age and has matured greatly over the last 20 years, and the price has dropped, so it's becoming more and more competitive.

With all of those great options, I think the Legislature should support this motion and should send a clear signal to British Columbians and to people who would like to invest in British Columbia that we're open for business, that we want to be self-sufficient in electricity and that certainly, these types of renewable projects are exactly what we'd like to see in terms of keeping our lights on for the future.

J. Bray: I'm very pleased to rise and support the member for Chilliwack-Kent's motion. I know that he's been a tireless advocate for the needs of British Columbia's power generation and, in particular, the generation of alternative sources and green sources of power. I am very pleased to be able to follow him on this issue.

It's important to note that the member talked about some of the opponents of this government and their antiquated ideas with respect to power generation. I guess some of the folks from Citizens for Public Power just assume that when you turn on the light switch, the power just comes from somewhere — or the David Suzuki Foundation, with the jets they fly back and forth on to spread their doom-and-gloom theories — without even giving any consideration to the fact that we generate and use power in this province every day. The lights in this building and the ways in which we communicate with each other all take a great deal of power.

One of the things I was very proud to run on in 2001 was our new-era commitment to promote clean and renewable alternative energy sources, like wind, thermal, solar, tidal, biomass and fuel cell technologies. Now, the NDP always talk about these types of ideas. They certainly promote themselves as the great champions of those. Yet as you know, Mr. Speaker, the only new generation that came out of the NDP, other than the hot air from their front benches, was a dam built in Pakistan. When it actually came down to creating the environment by which these types of technologies were going to be developed, implemented and used here in this province, the NDP's track record, like many other things, is a big fat zilch.

In fact, this government has created the environment for private sector investment to come into this province to look at moving forward on these issues — but not just investment. We've created the environ-

ment, through leading endowment funds and through various additional research chairs, the brains and the talent behind these emerging technologies.... In fact, we can have made-in-B.C. solutions that not only help our own energy needs, which are growing; we will actually have skills and technologies to export to the rest of the world. We can be leaders. Ballard fuel cells are a prime example of a private sector company with B.C.-made talent working on providing alternative energies to the rest of the world. Of course, when that starts to be successful, the NDP get a bit nervous, so they have to downplay it somehow.

[1125]

When our forestry sector realizes that by the creation of a Crown corporation, the B.C. Transmission Corporation, they will actually have access to the grid and can invest in their own biomass generation and other types of hog fuel generation, knowing if they have excess capacity, they can actually sell it to recoup some of their capital costs....They are actually doing that now.

We know that of B.C. Hydro's consumers, which we all are.... Seventy percent of B.C. Hydro's generation is used by 200 large commercial consumers. If they have the ability to generate their own power and the ability to sell any excess they generate, that preserves power for the rest of us to turn on our fridge, our second fridge in the basement, our flat-screen TVs, our digital plasma screens in the kitchen and our laptop computers, all of which use energy.

I am so pleased that we are talking about this today. One of our other commitments, when the Minister of Energy and Mines came up with the new energy plan, was that 50 percent of B.C. Hydro's new generation purchases over the next ten years would be from alternative sources — from green power. The NDP, when they were in charge of B.C. Hydro, simply used it to try to balance their budget — drained off capital, drained off expertise, gave them conflicting signals. They never once even set a target that talked about green energy. We've set 50 percent of all new generation over the next ten years to come from green energy.

When we talk about wind power up off the north coast of Vancouver Island or off the Queen Charlottes, we're talking about green energy. I know Jim Abram, who's all about B.C. Hydro, doesn't want to have wind turbines up there. He doesn't actually want alternative power. He just wants to play a political game.

We're supporting the ingenuity, the investment, to actually hit that target. It's a target that I know my constituents in Victoria-Beacon Hill heartily support. As we look to conserve power and to generate power, we want that power to be green and sustainable.

I am very pleased that the member for Chilliwack-Kent has raised this issue, and I hope that all members of this House — on both sides of the House — stand up today to support this. I want to hear Carole James support wind turbines. I want to hear Carole James support biomass. I want to hear Carole James support fuel cell technology. I hope that we hear from the opposition on this.

R. Stewart: I join the member for Victoria-Beacon Hill and other members before him in supporting this motion, but there's one I wanted to single out. The member for Chilliwack-Kent has shown tremendous leadership on the issue of B.C. Hydro and our electricity needs — on a number of issues in government but certainly on this issue. The member for Chilliwack-Kent has, of course, kept us all informed of the workings of B.C. Hydro and the need for B.C. Hydro to continue to evolve to serve our needs as a province better.

He was tireless in his opposition to the Sumas 2 power plant. He, in his role as not only, at one point, president but as a member of the Pacific NorthWest Economic Region, or PNWER.... I've been at many conferences where he has been one of the key people to discuss the issue of power generation and the power grid development in the Pacific Northwest and in British Columbia in particular. I applaud the member for Chilliwack-Kent for his tireless work in that regard.

On this particular motion, we're looking at, essentially, trying to counter some misinformation. I always try to think that someone.... I always try to give them the excuse that perhaps they just don't know better. In the case of Citizens for Public Power and other opponents, I have to come to the conclusion that they know it's misinformation they're spreading and that they know the fact of the matter is that we are protecting B.C. Hydro and protecting public power in British Columbia.

As is implied by this motion, we are going to continue to have a very secure power base, and at the same time, we're going to look at alternative means of developing electricity in British Columbia. I think that's vitally important. I think it's vitally important, not only for this generation but for future generations, that we put in place as many alternative forms of energy and as broad a spectrum of technologies as we possibly can to ensure that the tremendous resources we have in British Columbia — not only of falling water but of tides and of wind — and all of those technologies are brought to bear on making certain that we, first of all, become self-sufficient again as a province. I think most of our citizens believe we are self-sufficient in electricity needs, when in fact that's not the case.

[1130]

Secondly, we must find the green alternatives to burning fossil fuels wherever we possibly can. I think that's one of the things we're looking at very strongly. I know that B.C. Hydro has been developing some of those technologies with small, independent power producers.

Thirdly, I was watching a program on television last night in which David Suzuki was talking about the future of this planet. He has done some tremendous work in past years. In this particular discussion he was raising, of course, the challenges of continuing to burn fossil fuels and suggesting that we have to find alternatives.

One of the things that he was pointing out, which I think gets ignored in the discussion all too often, is that one of the futures we talk about is the hydrogen fuel

cell. Well, hydrogen fuel cells are powered by hydrogen, among other things. They're powered by hydrogen, but in order to produce hydrogen.... The best way to produce hydrogen is with electricity, to separate hydrogen and oxygen and to allow us to gather up the hydrogen, but it takes an awful lot of electricity. It's one of the things that, on top of the personal computers, the home appliances and the lighting and heating needs that our province has.... We sometimes ignore that while we're a leader in hydrogen fuel cell technology, it also comes with the need to make sure that we have enough electricity as a province to be self-sufficient for our current needs and self-sufficient for the needs of the future.

I know there are many members that want to speak to this motion as well. I am simply going to end with the note that at the end of the day, this is about making certain that the people of this province are proud that we are planning for the future in every way but also for the needs that we have for electricity.

B. Suffredine: I think many people that are part of the general public don't realize that over the last decade, British Columbia basically became a net importer of power. For three out of the past ten years we've been importing power more than we export. In fact, the maintenance of our power system, the maintenance of our ability to have power, is managed by, in some cases, buying power at night and selling it during the daytime when the prices are higher.

The Kootenays, where I'm from, have undergone some major power projects over the years. There's what's called the Kootenay Canal project right near Nelson, where the dams there have changed the migration flows of salmon forever. We used to have salmon migrating right from the Pacific Ocean up into Kootenay Lake. Now the kokanee there, our land-locked sockeye that never leave the system, are much smaller fish, an environmental consequence that people regret to some degree.

I had the good fortune a couple of summers ago to tour the IPPs at Miller Creek and Soo River near Pemberton, and I was impressed by them in that they're very small projects with dams that probably aren't more than, in most cases, 10 to 15 feet in height. They have a small holding-pond building behind them that makes it practical, if fish are concerned.... Building fish ladders for those ponds would be minuscule. It would be no problem at all for the fish to get up and spawn if spawning was an issue.

Now, in those small projects, the other thing that was impressive was that only a little bit of the water is actually taken from the stream. The stream is left more or less intact for the wildlife that depends on it. There are some cases, and there are many instances around the Kootenays, where there are possible locations where people could put in a dam similar to that, and below it, there's a steep drop in the creek that naturally means fish just don't migrate up a 50-foot waterfall. In those cases, there are great opportunities for develop-

ing small power-generating projects that have no impact that would be detrimental to the wildlife.

[1135]

The other thing that these small projects offer to us that doesn't exist in the larger projects or that is a problem in larger projects.... All across the U.S. these days they're realizing that some of these major dams that have now reached 50 years old are a potential hazard. As they age and get a little weaker in the concrete, there's concern about what will happen if one day those dams break. Using the small IPPs and the small run-of-the-river projects eliminates that possible risk. I looked at the list, and there are dozens of IPPs approved around the province and obviously many more to come.

In my region they haven't yet reached the stage where there are large numbers of them. There is, of course, the Brilliant Dam, but that's the redevelopment of an older one. There are some smaller ones, like on Enterprise Creek, where I've seen the project work being done by one of our local people. He's done a great job in bringing that one forward.

It actually made me think that there are possibilities for some of these smaller IPPs to serve two functions. They can be a small dam creating a small holding pond. They might also serve as a transportation project and be the foundation for a bridge that would serve to cross some of the steeper gullies. The Kootenays are just full of opportunities where we could do not only environmentally friendly projects but ones that would certainly relieve local needs.

Earlier on, the member for Coquitlam-Maillardville mentioned the ability to convert electricity to hydro. One of the major problems historically has been: how do you convert wind power or tidal flows into electricity that can be managed? Trying to store that power for long periods of time is difficult, because it's not easy to store large volumes of power. The very fact that you can convert it, potentially, to hydrogen might offer one of the potential solutions for the use of variable flow powers like tidal flows — where there's a slack tide, there's no power, and you might not need to store it if you could store it as hydrogen.

The other historical problem that has been a problem for these small IPPs is the inability to connect to the grid. When this concept first came up, which I believe was in the early eighties, the government of the day promoted the idea of small generation plants putting power into the grid, but they didn't recognize that there still would be the natural tendency of B.C. Hydro to restrict the number of companies that would participate. The new British Columbia transportation company is now separating the transportation grid and making it possible for more companies to access the grid so that they can potentially export power. If they don't have sales within British Columbia, they can sell their surplus power by just paying a wheeling charge to get it out of the province. Those are opportunities that now make it so that more IPPs are willing and can find the financing necessary in order to put their project together.

All in all, I speak in favour of the motion. I think it's a great opportunity for British Columbia. When we figure out the challenges of storing and managing these flows of tidal and wind power, I look forward to some really interesting projects coming on, on the green power side. In the interim, I also am encouraging people around my region to take advantage of all the small water flows that exist in the country of the Kootenays. I think it's going to be a great opportunity economically for us in the Kootenays and for the province to build energy self-sufficiency.

W. McMahon: I appreciate the opportunity today to rise and speak in support of my colleague's motion, my colleague from Chilliwack-Kent, and I also encourage the development of small hydroelectric and other renewable energy projects throughout the province. I come from an area of the province where I have the mighty Mica Dam and the Revelstoke Dam, but also some run-of-the-river projects now.

[1140]

The member for Chilliwack-Kent has shown tremendous leadership throughout the province — we talked about it earlier this morning — regarding hydroelectric and different projects. He was with me when we cut the ribbon at the Pingston Creek power project last month near Revelstoke. Pingston Creek is a tributary of the Columbia River and is located maybe 60 or 70 kilometres south of Revelstoke in a very scenic part of the province. They have quite a story to tell in their challenges as they were building that run-of-the-river project. They started in 1994. A consultant actually located the site for the potential development in the Monashee Mountains. The water source was the glacially fed Pingston Creek.

The project is one of the highest head, run-of-the-river plants in all of Canada. It is along the shoreline of Arrow Lakes and, as I said, about 50 or 60 kilometres south of Revelstoke. They started earlier than 1995, but in January of 1995 they began the environmental studies required under the Canadian Environmental Assessment Act, so federally and provincially. They took over a year, and there were really no issues addressed at that time.

They started to work through the process. What they've done is tunnelled right down through the mountain and run a line through the rock. When you visit the site, the footprint on the environment is incredibly small. You have the building where the turbines are. You have another facility just south of that. Then the actual penstock and everything is away from that site. My sense when we drove up there is that you had no idea of what you were at. When I think of what the Revelstoke Dam looks like or the Mica and then go to a small run-of-the-river project like that, it's very impressive. While they were tunnelling, it was interesting, too, that they took the time to look for gold as they tunnelled down through that rock, although they weren't successful.

In 1995 they submitted a bid to B.C. Hydro for the project and were short-listed, but in December 1996

they lost out to a natural gas cogeneration project. They were a few years into the project. They were telling me, when I was meeting with them, that they had half their project built, actually, before they ever got approval from B.C. Hydro to sell into their grid. I think it takes an incredible amount of tenacity to put that much money into something and not know whether you were going to successfully be able to meet your objective.

Their biggest challenge was actually the four kilometres of drilling through rock. They employed about 60 people during the process. They had their final opening. They were producing some power and then added more on just recently, so that's what I was there for.

They also did a lot to improve fish habitat in my area. The member for Chilliwack-Kent was talking about environmental impact — and there always is; there's one when you get out of bed in the morning, I think he said. We have to recognize that they tried to mitigate some of the environmental challenges there with their work for fish enhancement upstream of the head pond. Downstream of the site they constructed a trout spawning channel with suitable flow, grade and gravel. I think it's important for everybody to recognize that they have offered something extra to it.

They hired local contractors. They supported the local economy in both Revelstoke and Nakusp. Although there are very few people working there now, there were, as I said, up to 80 at times. It was a lengthy process for them, for identifying the site, obtaining the necessary government approvals, securing land and water rights, construction, commissioning the project and selling the electricity. It took a paramount amount of commitment, persistence and patience, I think, to get them through it.

[1145]

My colleagues have talked a little bit about Citizens for Public Power, and I agree with them in their comments. In my constituency office the paper comes through the door, something that they've put out in the mail. They have a very different agenda, and it's not an agenda that would support these independent power producers and what they're doing for our province. I want people to be very, very aware of that and listen to the comments that are being made.

I sit on the Select Standing Committee on Finance and Government Services, and last week we had a presentation in Langley by the Plutonic Power Corporation, a green energy hydroelectric development company. They have 18 run-of-the-river projects located in southwest British Columbia. I think that it's worth noting that their projects are consistent with the province's energy plan. My colleague from Chilliwack-Kent talked about that, as have my other colleagues. They are desirable as a source of electrical generation and sizable enough to be able to impact B.C.'s energy needs. We heard that we're a net importer, so we need these small projects. They had a very interesting presentation and talked a bit about the challenges they face.

Our energy plan highlights are: low electricity rates and public ownership of B.C. Hydro; a secure, reliable

supply of power; a new capacity developed by the private sector, which is what these river-of-the-river projects are; and environmental responsibility and commitment towards meeting emissions and reduction targets.

The projects we have in the province right now — we have seven in the Kootenays — are all providing us with electricity. We heard a lot of talk about electricity today and where we would be if.... You know, people don't think about it when they turn on the lights in the morning and when they get up to their alarm clocks. All of these smaller projects are supplying, throughout all of the regions in the province, electricity for 897,697 houses in the province. It's significant.

I encourage my colleagues, if they have the opportunity to go out and look at a run-of-the-river project — and they should — to pay attention to what's happening with these independent power producers. There's wind energy and different types of energy that they're working on for us — well worth seeing. Again, I support my colleague with his motion today.

With that, I move adjournment of debate.

W. McMahon moved adjournment of debate.

Motion approved.

W. McMahon: I call Motion 4 standing in my name on the order paper, which reads:

[Be it resolved that this House recognize the importance of a sound transportation infrastructure to the economy of British Columbia.]

Deputy Speaker: Hon. members, pursuant to standing orders, unanimous consent of the House is required to proceed with Motion 4 without disturbing the priorities and motions preceding it on the order paper.

Leave granted.

TRANSPORTATION INFRASTRUCTURE

W. McMahon: I have spoken on numerous occasions in this House on the importance of safe infrastructure and the long-overdue upgrading of the transportation network throughout British Columbia. My comments have been focused on the Trans-Canada Highway as it relates to my riding.

It is a highway that is heavily used by the travelling public, and every day transport trucks travel this highway along a dangerous stretch of road, bringing goods and services into British Columbia and exporting some of our goods and services to the rest of the country. It's a road that is slowly improving, and I'm very proud of that. We are a nation that still relies heavily on its road infrastructure, and it is because of our roads that we do remain connected. Now it's time to broaden the scope of my comments and to address the very important growth of our economy through various forms of infrastructure such as airports, railways, roads, ports, border crossings and ferries, which

all play such an important part in economic development.

[1150]

New jobs and investment depend on revitalized transportation. British Columbia's transportation network sustains 44 percent of the province's gross domestic product and supports almost one million jobs directly and indirectly. Maintaining and expanding this network is crucial to increasing investment and jobs in B.C.

Transportation is strong to resource and tourism industries, and it also makes B.C. a gateway to world markets. To be successful, our goal needs to be an integrated transportation system that moves goods, services and people safely, quickly and economically.

For new economic opportunities on the coast, we need revitalized and improved ferry service and investment in B.C. ports. In the interior we need improved and expanded regional airports to improve access for local and international tourists. We need to continue to grow as a gateway to the U.S. and Asia as well as the rest of Canada. We have challenges with border delays, and at one time the trucking industry estimated a loss of \$60 million a year because of delays. It is lost opportunity for producers, higher costs for consumers and fewer job opportunities.

While our demand on the transportation network is growing, we continue to hear about traffic congestion and gridlock. There is the continued need for a new bridge in the Okanagan. The traffic congestion in the lower mainland lengthens, and commutes increase. Along with that comes energy consumption and increases in air quality.

We know that throughout the 1990s, investment in our infrastructure was negligible. We know that it costs \$65,000 to resurface one kilometre of highway after 12 years of use, but the cost rises to \$400,000 if the same stretch is left for eight years more. Costs can be substantially higher in my area because of weather and mountainous conditions. Changes and improvements were long overdue, and we have made significant progress in a short period of time. We need to continue our commitment. We know we've committed to a highway. We know we've committed to bridges. I'm incredibly proud of the work that's being done on Kicking Horse Canyon in my area, as well as other improvements along that stretch of the road.

B.C. exports more than \$30 billion in goods each year and depends on the infrastructure I've been talking about to achieve this figure. Through investment and revitalization we can continue to support B.C.'s communities and their resource industries, tourism and business. We can free up movement of goods in B.C., and we can improve safety and reliability for travellers and businesses and, most importantly, for each and every one of us, the travelling public.

Mr. Speaker, noting the time, I adjourn debate on Motion 4.

W. McMahon moved adjournment of debate.

Motion approved.

Hon. R. Coleman moved adjournment of the House.

Motion approved.

Deputy Speaker: The House stands adjourned until 2 p.m. today.

The House adjourned at 11:53 a.m.