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**Official Report of**  
**DEBATES OF THE LEGISLATIVE ASSEMBLY**  
**(Hansard)**

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**WEDNESDAY, NOVEMBER 13, 1974**

**Afternoon Sitting**

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The House met at 2 p.m.

Prayers.

**Hon. L.T. Nimsick (Minister Of Mines And Petroleum Resources):** Mr. Speaker, I'd like to introduce to the House today a couple of gentlemen from a very great riding, the Kootenay riding: Mr. Bruce Pepper and Mr. Denmark from Fernie.

**Mr. H.A. Curtis (Saanich and the Islands):** Mr. Speaker, if some of them are not already in the gallery, we will be joined later this afternoon by students from Mount Douglas Senior Secondary School. I'd like the House to welcome them.

**Ms. K. Sanford (Comox):** Mr. Speaker, at 3 o'clock this afternoon there will be a group of students here from George P. Vanier School at Courtenay, accompanied by their teacher, Mr. Doug McCrae, and I would like the House to welcome them now, please.

**Mr. D.A. Anderson (Victoria):** On a point of order. Yesterday, in opposing my suggestion of an urgent debate, the Minister of Transportation and Communications (Hon. Mr. Strachan) told the House: "A substantial number of agents of this province have this morning indicated that they are continuing to sell ICBC insurance."

You in your turn based a ruling in part upon your interpretation of the Minister's words when you went on to state that "the Minister further advised the House that a substantial number of agents are not ceasing their activities under ICBC; thus the Chair has no clear-cut case" — et cetera, et cetera.

I just thought you should know, Mr. Speaker, that aside from the B.C. Automobile Association, which handles 10 per cent of the business now, but which will not be participating in Autoplan after January 1, and the Motor Vehicle Branches, which have been doing 11 per cent of the business, agents who are responsible for 75 per cent of Autoplan business in the province are now on strike.

Since the agents the Minister spoke of are responsible for only 4 per cent of ICBC's Autoplan policies, perhaps you'd like to revise your decision of yesterday. Certainly I think the Minister should be asked to substantiate his assertion with hard facts and, in addition, enlighten the House as to the nature of the threats and blackmail being used by ICBC to try and force agents to accept the corporation's terms.

Interjections.

**Mr. Speaker:** Order, please! I think the Hon. Member must appreciate that his statement of the matter was that there was chaos. There's no evidence either in his own statement that he made yesterday or in the evidence submitted by the Minister of any state of chaos. There may have been a withdrawal of services by the agents, but there are statutory means available, as outlined in my reasons yesterday. I can see nothing that has happened in regard to that aspect of it that has changed, if the Hon. Member was basing his case upon chaos.

**Hon. R.M. Strachan (Minister Of Transport And Communications):** To satisfy the Member, as of yesterday afternoon there were 176 agents who had indicated that they would continue to sell automobile insurance. There were 269 who said they wouldn't and 183 who said that they were undecided.

**Introduction of bills.**

## WATER FACILITIES ASSISTANCE ACT

On a motion by Mr. D'Arcy, Bill 176, Water Facilities Assistance Act, introduced, read a first time and ordered to be placed on orders of the day for second reading at the next sitting of the House after today.

**Oral questions.**

## THREATS AGAINST AUTOPLAN AGENTS

**Mr. W.R. Bennett (Leader Of The Opposition):** Mr. Speaker, to the Minister of Transport and Communications. Because there have been alleged threats in the media by the insurance agents, could the Minister advise this House whether he has any knowledge of anybody from ICBC threatening agents either by telephone or telegram, insisting on capitulation to ICBC terms by noon Friday or face cut-off from participation in Autoplan, general insurance, and even possible cancellation of their licences?

**Hon. Mr. Strachan:** Mr. Speaker, I'd like to remind the Member of his question. He said: do I have any knowledge of "alleged threats in the media by the insurance agents?"

**Mr. Bennett:** No, I didn't say that.

**Hon. Mr. Strachan:** Yes, I wrote it down — "alleged threats in the media by the insurance agents." Yes, I'm aware that the insurance agents have been making threats.

**Mr. Bennett:** Well, supplemental, Mr. Speaker.

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Is the Minister aware of telegrams or telephone calls from ICBC to the agents threatening them with cut-off from Autoplan, and did the Minister authorize such phone calls or telegrams?

**Hon. D. Barrett (Premier):** Get your Dad to write out the questions for you.

**Some Hon. Members:** Go to China.

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

**Hon. Mr. Strachan:** There were no threats. There was communication with every agency in the province, because....

**Some Hon. Members:** Oh, oh!

**Hon. Mr. Strachan:** Now if you don't want the answer it's all right.

It's important that the insurance corporation know which agents are going to live up to their contract and which are going to break their contract. I'm still answering your question, my friend.

We have no contract with the agents' association. We have a contract with each individual agent, which has no termination date — none at all. We're meeting that agreement; we're going beyond that agreement. They're independent business with the right to abandon their businesses any time they please. I want to know how many of them, and ICBC must know how many of them, are going to abandon their business and leave the public without service. So we contacted them, and I'll tell you exactly the question that was asked.

Interjections.

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

**Hon. Mr. Strachan:** We have a contract with each individual agency. It's up to them if they want to throw the contract out the window and say: "We don't want to work for ICBC." We just want to know. The question that was asked of them was: are they going to continue to sell ICBC Autoplan? If the answer was no, they were then told: "We regret your decision" — and we do regret their decision — "but we must advise you that if we have not heard otherwise by telegram by Friday, November 15, the corporation will have to take action to suspend your appointment..."

**Some Hon. Members:** Oh, oh!

**Hon. Mr. Strachan:** ...or to recommend its cancellation by the Lieutenant-Governor-in-council, and this will be confirmed in a telegram."

They have a contract; we must know whether or not they're going to live with that contract or whether they're going to serve the people as they said they would do.

**Mr. Bennett:** A supplementary: is the manager of ICBC authorized to speak and anticipate the actions of the Lieutenant-Governor-in-council? Was he given this statement from the government to make on behalf of ICBC? Is the government, in fact, interfering with ICBC?

**Hon. Mr. Strachan:** I wish the Member would listen to what I said. He not only doesn't know the questions he asks, he doesn't know the answers he gets.

I said....

**An Hon. Member:** He doesn't listen.

**HON. MR. STRACHAN:** Maybe you don't understand business, my friend (laughter) — especially the insurance business, and especially ICBC. Let me tell you, because I've already informed you. I realize that perhaps your reputation was built on your dad's, in the matter of business, but that's all right.

**Mr. Speaker:** Order, please. Would the Hon. Minister carry on with the answer?

**Hon. Mr. Strachan:** There are two things: one, there is a contract between ICBC and the agent, a one-to-one contract which ICBC has the right to cancel of its own volition any time in the opinion of ICBC that the agent doesn't meet that contract. Fair enough, fair enough.

There is also a procedure where ICBC can recommend to the Lieutenant-Governor-in-council — and that's what they said — they would have to do one thing, or, to recommend its cancellation to Lieutenant-Governor-in-council. Then it's up to the Lieutenant-Governor-in-council whether or not they took that procedure. But there are two procedures open.

**Mr. Bennett:** A supplementary, Mr. Speaker. That copy of the telegram I have didn't give them that choice. It said, "arbitrarily;" it didn't say, "and/or". It said: "We shall be forced to recommend" — It didn't give them another choice.

I would like to further ask the Minister, in response to the meeting that the insurance agents and salesmen...in response to their offer to withdraw their pickets, if the Minister will meet with them to meet a commitment he made earlier to reopen negotiations in the contract. Will the Minister meet

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with them so that they may withdraw their pickets and restore their service to British Columbia or will you continue with your heavy hand forcing them to become second-class citizens?

**Hon. Mr. Strachan:** Mr. Speaker, now after all, I have had no communication from the agents saying that they will pull their picket lines — if they'll do this. You say I made a promise that there would be negotiations. I made that promise. There were negotiations; we enriched the contract to offer them more money than they were getting last year. They have rejected that. I want to know: are they in or out? That's all.

**Mr. R.H. McClelland (Langley):** A supplementary question to the Minister of Transport and Communications. I would like to ask the Minister if he did, in fact, write a letter to any individual agents or to the agent's association promising that he would renegotiate their present contract with them in June of 1974, and whether subsequently he either refused or neglected to maintain that commitment, and whether he told the British Columbia Automobile Association recently that there would be no compromise in the present contract. Just yes or no, that's all I ask.

**Hon. Mr. Strachan:** You may have a copy of the letter I wrote saying it would be in June. I have already told you on behalf of the directors that a committee composed of some of the directors met and fulfilled any obligation of any kind to negotiate. We did negotiate; we did increase the offer. So there it is!

**Mrs. P.J. Jordan (North Okanagan):** A further supplementary to the Minister, Mr. Speaker. Is the Minister aware that the agents in the north area of the Okanagan, from Revelstoke to Vernon, through their president have been endeavouring to reach the field representative from ICBC for the last few days? They have left their names, phone numbers, a request to have him return the call. This agent has completely ignored these overtures on the part of these agents.

**Hon. Mr. Strachan:** Do these agents go to the seminars?

**Mrs. Jordan:** What's a seminar got to do with the crisis situation? — that they want to meet with your designated representative, and your designated representative refuses to meet with them at a time of extreme crisis. Are you aware of it? Answer yes or no.

**Hon. Mr. Strachan:** Did they go to the seminar? If they went to the seminar they could meet him. He was at the seminar.

**Mrs. Jordan:** Are you paying him \$30,000 a year to attend a seminar or to be a representative that they can meet with? That's tomfoolery and a waste of money!

**Mr. P.L. McGeer (Vancouver–Point Grey):** Mr. Speaker, a supplementary. The Minister has said he has individual contracts between the ICBC and each individual insurance agent. Would the Minister be prepared to recognize the Association of Insurance Agents of British Columbia as a collective bargaining agent for a master contract with ICBC?

Interjections.

**Mr. Speaker:** Order! You're only wasting the time of the question period with these interjections.

**Hon. Mr. Strachan:** We recognize insurance association as an unofficial agency representing all the agents. We made an agreement with them. Within weeks they came and wanted an increase in that agreement. We gave them that increase during a busy period. This was last year.

Even though we had a signed agreement with each agent, which the association had negotiated, they came back later and said: "Will you meet with us in June?" I said: "Yes, we'll meet with you in June." We met with them, we negotiated with them. We offered them some more and then that association advised the individual agent to forget their contract. On that basis, with our experience with that association, I don't think they can be certified as a fit bargaining agent for the agents of this province.

## FILING OF THE ADAMS CONTRACT DOCUMENTS

**Mr. G.B. Gardom (Vancouver–Point Grey):** A supplementary on contracts. The Hon. Minister promised this House in the spring of this year that he would file in this House the Adams contract documents for the Insurance Corporation of British Columbia, and he has still not filed them. Does he intend to file them, or is he going to go back on his word?

**Mr. Speaker:** That is not supplementary.

**Hon. Mr. Strachan:** Just a minute, Mr. Speaker, I beg leave to answer this question.

This is the sort of nonsense, the contemptuous, incompetent procedure I've been faced with for the last 12 months. I challenge that Member. Has he been in this House? This is how little he knows about what goes on in this House.

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Interjections.

**Mr. Gardom:** Is the Minister going to fulfill his promise and file the documents, or is he not?

**Mr. Speaker:** Order please. the Hon. Member got tip on the statement that he was asking a supplementary. I asked him if he was asking a supplementary. He said he was dealing with a contract, and I presumed it was a contract that had to do with the main question the House has been addressing itself to.

**Hon. Mr. Strachan:** Mr. Speaker, I would like to answer the question.

**Mr. Speaker:** I would then call upon the Member for Shuswap who apparently had a question.

**Hon. Mr. Strachan:** Mr. Speaker, I haven't finished answering the question.

**Mr. Speaker:** I am sorry.

**Hon. Mr. Strachan:** I invite the Member to check the *Journals* of this House for June 20, and then apologize to me. These documents are on file in the Clerk's office because I tabled them in June.

**Mr. D.E. Lewis (Shuswap):** I would like to address my question to the Minister of Transport and Communication, as well, Mr. Speaker.

On Monday, November 18, the Canadian Railroad and Transport Committee is holding hearings in the Salmon Arm area related to the CPR diverting their railroad track through nine miles of farmland, affecting 27 pieces of farm property. I was wondering if the Minister could tell me what his department and what other departments of the government are doing in regard to this.

**Hon. Mr. Strachan:** There are various departments of government involved in this very serious problem. The Attorney-General's department, the Environment Land Use Committee, the Agricultural department, the Department of Highways and, of course, the Department of Transport.

This is first-class agricultural land, and a submission is being prepared on behalf of the government, a submission in order to try to.... It's a multi-faceted preparation. It will examine the alternatives and demand alternatives, and a socio-cost-benefit ratio and all the rest of it. I can assure the Member and the people of the Salmon Arm area who are very concerned that we're examining the whole picture, and there will be a presentation on behalf of the government.

**Orders of the day.**

**Mr. G.S. Wallace (Oak Bay):** Point of order, Mr. Speaker.

**Mr. Speaker:** I'm sorry, yes.

**Mr. Wallace:** I paid particular attention, and the question period today began at 2:11 p.m. Twenty minutes have not passed, and we've wasted a great deal of the question period.

**Mr. Speaker:** I'm sorry, the Hon. Member must be mistaken. I think it's 15 minutes that the committee adopted and that the House adopted — 15 minutes.

**An Hon. Member:** How long have you been around?

**Hon. E.E. Dailly (Minister Of Education):** I move that we proceed to public bills and orders, Mr. Speaker.

Motion approved.

**Hon. Mrs. Dailly:** Second reading of Bill 174.

**MUNICIPAL AMENDMENT ACT, 1974 (No. 2)**

**Hon. J.G. Lorimer (Minister Of Municipal Affairs):** This is a simple little bill that is made necessary due to the changes in the legislation last spring, in which there were changes made in the voting procedures in the municipalities and the regional districts.

This bill allows those in rural areas to sign their names and declare themselves to be residents and qualified voters as of August 31, 1974, and be eligible to cast their ballots.

The reason this is being dealt with differently than the municipalities is because the municipalities carried out an enumeration throughout their municipalities, and they have built up their voters lists.

In the rural areas some of the regional districts in some parts did carry out enumeration — door-to-door enumeration — but by and large the rural sections of the province were not covered. This will now allow those people to declare that they are residents on voting day and be given a ballot.

I now move second reading.

**Mr. H.A. Curtis (Saanich And The Islands):** We will support this bill, because to do otherwise would run the risk of disenfranchising a number of people...

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**An Hon. Member:** Who's we?

**Mr. Curtis:** ...in the municipal regional district, and related elections which take place on Saturday.

Nonetheless, I think that the House should recognize, and I hope the people of British Columbia recognize, that the bill before us was not introduced until November 7, according to the Progress of Bills Reports in *Votes and Proceedings*. It should have been introduced during our first abbreviated sitting on November 1 at the very latest, when we could have, I think, with unanimous consent of the House moved it through various stages.

Surely the Minister of Municipal Affairs recognizes the fact that, as a result of the late dealing with this piece of legislation and another one which has to be processed as quickly as possible, we have the very strange situation where individuals may well be voting in advanced polls today, tomorrow and Friday throughout the province.

The returning officers in regional districts and municipalities are faced with an impossible dilemma as a result of the delay in getting this bill through the House, because a returning officer would have to anticipate the fact that the bill would carry through the several stages of reading and receive royal assent before Saturday. The Minister must recognize this fact. If the returning officer is anticipating passage of the legislation, then he or she is in fact breaking the law, because this is not yet law in British Columbia.

On the other hand, if an individual who is going to be out of the area in which he or she votes on Saturday, and therefore legitimately goes to the advance poll this morning, this afternoon, tomorrow or Friday, and is prohibited from voting under the little clause that is referred to in this piece of legislation, he or she is losing that vote unfairly.

I think that the Minister must be taken to task for an apparent laziness in not getting this to us much more quickly, several days in advance of the day that it actually appeared, and then urging that it be pushed through the House, in order to avoid this very real conflict with the advance polls which are now underway.

As I said earlier, the Social Credit Party will support the bill. To do otherwise would deprive legitimate voters of the right to exercise their vote on Saturday; but there is no excuse for the sloppiness which is evidenced in the handling of this bill.

**Mr. A.V. Fraser (Cariboo):** I'd just like to add a few comments and support the Member for Saanich and the Islands (Mr. Curtis).

There's certainly nothing wrong with this bill except that it's too late. As a matter of fact, Mr. Speaker, we've already had elections in the province that have resulted in a close vote. Now I understand that they're going to use this bill as a loophole to challenge the election results. That's most unfortunate, and it causes a lot of confusion.

If this bill had been discussed last week, we wouldn't have had any of this. It is retroactive to November 1, but the facts are that it isn't the law of the provinces today. I repeat that we've already had elections and we have elections in the form of an advance poll going on today, tomorrow, and Friday. In my opinion, that will be also illegal and open to challenge by all the losers of the polls this following Saturday.

Quite frankly, it should have been all wrapped up — it wasn't that controversial last week — and cleared the decks so there couldn't be these challenges. It's just another example of the bungling bureaucracy that's taking place by this government. This certainly confuses our citizens and voters, and I'm afraid they'll have to face the polls again because of it.

**Mr. L.A. Williams (West Vancouver–Howe Sound):** We too will support this legislation, but in doing so I think it is appropriate to record that this is another example of government half-measures.

I appreciate the explanation which the Minister has given for not extending this right to people who live within municipalities. Of course there was an enumeration carried on. There was also an enumeration carried on at about the same time for the federal election this year, and there are ever so many cases of people who were confused as to whether they had been enumerated for the federal election or for the municipal election. As a consequence, in many of the municipal areas in the province, the voters lists showed that there are significantly fewer voters on the lists this year than has been the case in previous years.

Since we have moved in this province to allowing residence to be the sole determining factor as to whether or not you are entitled to cast your ballot for a person seeking municipal office, I see no reason to distinguish between electoral areas outside of municipalities and municipalities themselves. If you are prepared to accept the declaration of an individual that as of a certain date he was qualified as a voter and was a resident in the area, then why isn't that available to every citizen of the province who, for any number of reasons, may not have been enumerated?

**Mr. G.S. Wallace (Oak Bay):** We support the bill also with the same reservations that have been expressed. It's regrettable that, for whatever reasons, the enumeration has led us to this situation today, but it would be irresponsible not to support this bill under the circumstances.

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**Mr. Speaker:** The Hon. Minister closes the debate.

**Hon. Mr. Lorimer:** Well, first of all, I'd like to thank the opposition for their support for the legislation even with their qualifications.

I would like to agree with the Hon. Member for West Vancouver–Howe Sound (Mr. L.A. Williams) that it was unfortunate that enumeration at the same time was taking place for the federal election. However, I do have the figures of the voters and there's only one municipality in which there are less voters listed this year than there were last year, as far as my information is concerned. There's a large increase in most of the municipalities.

Now some municipalities did a very good job on enumeration and others didn't. I've had calls from municipalities — well, personally anyway, about five or six — that do have a lot of people not on the voters list — or a substantial number. But I've also had calls from others that seem to be very satisfied that they have a very good list and that they have got most of their people on the list.

I want to assure the Members across the way that there will not be any hardship with people being refused the right to vote, whether they voted yesterday, today or tomorrow. If in fact anyone has been refused the right to vote because of delay in this particular bill, I hope that they will bring that to my attention.

But I can assure the people in the House that I am quite convinced that there will be no such case in the Province of British Columbia.

I now move second reading.

Motion approved.

**Hon. Mr. Lorimer:** Mr. Speaker, I ask leave to refer Bill 174 to a Committee of the Whole House for consideration forthwith.

Leave granted.

Bill 174, Municipal Amendment Act, 1974 (No. 2), read a second time and referred to Committee of the Whole House forthwith.

## MUNICIPAL AMENDMENT ACT, 1974 (No. 2)

The House in committee on Bill 174; Mr. Liden in the chair.

On section 1.

**Mr. D.A. Anderson (Victoria):** Mr. Chairman, we are proceeding very swiftly with this bill. I would like to suggest that some of the difficulties that were expressed during second reading debate might be satisfied if we added in after the words "regional district" the words "or municipality" so that the same provisions would extend to



everybody regardless of whether they lived in a municipality or in a regional district outside municipal boundaries.

The principle would be identical, of course, in both cases; it would not necessarily lead to any major procedural difficulties that I can see. I wonder, while I am writing out that amendment, if the Minister would like to comment as to whether it is acceptable.

**Hon. Mr. Lorimer:** In opposing the amendment I do so on the ground that the municipalities have enumerated and have a voters list. They are part of a regional district as well. What I am suggesting is that where there has been door-to-door enumeration in a municipality, they have their legitimate voters list and should carry on with that voters list.

The area that this amendment deals with is in the rural areas where there have not been enumerations.

**Mr. D.A. Anderson:** On the same point, the principle is identical in both cases. I can understand the distinction but I can't see the distinction in terms of practicality. I see that there is, of course, a permanent list in municipalities but there are, however, people who are left off due to a number of circumstances. It would seem to me only fair that we extend the same privilege to those who live within municipalities as to those who live without.

I think a principle that is most important in things of this nature is to extend the franchise as far as possible and not restrict it, as we are doing in this case. There are people who have got in contact with me within the last few days who suddenly realized that they are off the list and they would like to get on. They've heard of this piece of legislation; Bill 174 has been reported in the press. They think this bill is going to put them back on the voters list for the municipal elections, which, as was indicated earlier, are currently taking place — at least as far as the advance poll is concerned.

Now, I really don't think that the Minister's argument against this amendment is all that valid. I think we should be extending the franchise; we should be taking care of the difficulties which we all know have occurred. The amendment is a modest one and is very much in order. I would like to move the amendment.

**Mr. Chairman:** In considering this amendment there is the question of whether or not it involves the expenditure of public funds. I wonder if the Minister could indicate...?

**Mr. D.A. Anderson:** Oh, of course it doesn't.

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**Mr. Chairman:** If that's the case, then....

**Hon. Mr. Lorimer:** Well, I certainly don't want to defeat it or argue about it on technical grounds. The issue is there and, as I understand it, the question that he is posing is that someone in the municipality who may not be listed as registered in that municipality would then be allowed to vote for the regional district representative but not vote for the municipal candidates.

In the municipalities there are a lot of people whom other people cannot identify and so on. I suggest to you that if we are going to have a voters list at all, it has to be a valid voters list where people can look at it and check out whether the people are, in fact, correctly registered. There is no difference in this than there is in any provincial or federal election. There are certain people left off the list, unfortunately.

But this amendment deals with the areas that were not enumerated and those who didn't have a chance to get on. I suggest to you that everybody in the urban areas of this province had the opportunity to have his name on the list. I suggest to you that everyone received a card, and a person came to their door asking them to be enumerated. So I don't propose to extend this to the urban areas. This is only for the areas that didn't have that opportunity.

The urban areas now have their voters list. If people are not registered, it is unfortunate and they should now register so that they can be on the voters list for next year. But for this year I don't see any solution. The

municipalities and the province have spent a lot of money on these enumerations. To say that we are going to throw it out of the window — you know, I don't accept that.

**Mr. D.A. Anderson:** We're not throwing it out the window.

**Hon. Mr. Lorimer:** Well, it seems to me that we are if we're going to open it wide for anyone who wants to come in, sign their name and say they were a resident.

**Mr. D.A. Anderson:** It's more than signing your name.

**Hon. Mr. Lorimer:** It isn't; it's only a declaration. It's not a sworn declaration; it's merely a signature that you are a resident and qualified to vote as of August 31. The whole purpose of the bill is to alleviate the problems which exist for those people who didn't have as good an opportunity to be on the voters list as those in the urban areas.

**Mr. Chairman:** The amendment as proposed by the Second Member for Victoria (Mr. D.A. Anderson) is in section 1, line 7: after "regional district" add the words "or municipality."

Shall the amendment pass?

Amendment negatived.

Section 1 approved.

Title approved.

**Hon. Mr. Lorimer:** Mr. Chairman, I move the committee rise and report the bill complete without amendment.

Motion approved.

The House resumed; Mr. Speaker in the chair.

Bill 174, Municipal Amendment Act, 1974 (No. 2), reported complete without amendment, read a third time and passed.

**Hon. Mrs. Dailly:** Second reading of Bill 175, Mr. Speaker.

## PUBLIC SCHOOLS AMENDMENT ACT, 1974 (No. 2)

**Hon. Mrs. Dailly:** Mr. Speaker, I think the purpose of this amendment to the Public Schools Act is quite obvious. It simply follows along with the same points made by the Minister of Municipal Affairs (Hon. Mr. Lorimer). Anyone who was left off the voters list will have the same rights under the Public Schools Act as they have under the Municipal Act, as explained by the Minister. I move second reading.

**Mr. H.W. Schroeder (Chilliwack):** As with the previous bill there is no question in the opposition's mind but that this bill should and could have been introduced earlier in this session. Although we must commend the Minister on her attempt to pre-empt other business on the order paper today so that these bills could receive earlier consideration, nonetheless, it was in our opinion a very weak and futile attempt.

These bills, both of them — and I will address myself to Bill 175 particularly — come at a time when some elections are already complete. There are some elections in the interior of British Columbia where the results of completed elections are close, so close that recounts have already been asked for. If this bill, particularly in view of the fact that it has a retroactive clause, is effected now and made retroactive to November 1, it will essentially undo what has been done between November 1 and today, or whenever the bill is proclaimed.

these two dates is the election of certain officials. These officials, then, will be illegally elected because the voters list or the electoral lists which existed on the day of voting, either on advance polls or regular polls, will have to be declared incomplete. We will have to go the process of calling for a new election because the election which took place has been challenged and can be proven to be illegal.

The advance polls are a fact. The government knows that advance polls are taking place all over today. To assume that everyone who has the right to vote will have the chance to vote is a futile assumption. If even one is denied the right to vote, then the entire election can be challenged. As a result, it cannot be said emphatically enough that this bill should have been introduced and dealt with early. I am sure that the opposition Members are responsible enough that cooperation would have been granted to be sure that this bill saw early approval, and that these elections would have been real elections instead of sham elections as they have been now under this provision.

It's another indication to us in the opposition that the government really doesn't have a legislative programme; it doesn't have a list of priorities; it seems to act on impulse legislation.

I can cite a few examples without doing injury to the rules of the House. The assessment Act, the 10.6 rent stabilization Act, the arbitration Act — which we have yet to consider — are all examples of impulse legislation. It seems to me that at the best the government can be accused of poor follow-up on legislation passed in this House, and at the worst, it can be charged that the legislation priorly passed in the House was ill-conceived. Not only ill-conceived, but badly followed up, and that's why we find ourselves in the state that we're in today.

The municipal amendment Act — when it was passed in this House in an earlier session, I believe the records will show that the opposition clearly warned the government that when you nullify any procedure in this province, you must replace it with a clearly spelled-out, well followed-up procedure so we don't have frustration in the province.

I can cite other examples where this has happened: the removal of the straps from the schools. They removed one procedure but did not clearly spell out what procedure was to take its place, Mr. Speaker, and we have frustration in the land.

I believe that we should warn the government of two things: we don't like to see retroactivity in a bill; and we don't like to see legislation brought to this House on impulse.

We will support the bill — we would like to see the election process in the province streamlined and made so that it has widest possible range in voting. However, when the government changed the voters list in that municipal amendment act, and changed it from the existing rule in which land ownership was a criterion, they did not clearly spell out the process by which a new list was to be created and that's why we're in the mess we're in today.

We will support the bill with those two warnings for the Minister.

**Mr. L.A. Williams:** Mr. Speaker, we too will support this legislation, principally because it includes in the right to vote for school trustees — the very thing that the Minister of Municipal Affairs a few moments ago said was not acceptable under the Municipal Act.

This legislation is not the same as the previous bill. The previous bill gave the right to people to register if they'd been left off the enumeration only in those rural areas. However, this legislation extends the right to persons in a municipality or a regional district.

These people in a municipality had exactly the same opportunity to be enumerated, as the Minister mentioned a few moments ago, yet the Minister of Education (Hon. Mrs. Dailly) says that for elections for school trustees: "I wish to be certain that everyone has the right to cast his or her vote."

We certainly support that principle but this legislation coming forward rapidly, as it does on the heels of the Municipal Act, discloses that there is some difference of opinion between cabinet Ministers as to how the franchise should be handled in the Province of British Columbia, and, indeed, knocks into a cocked hat the arguments which were presented by the Minister of Municipal Affairs a few moments ago.

If I might just say one thing to the Minister of Education concerning this bill — I wonder if she could turn it over to some teacher of English so that section 1 could be read intelligently.

**Mr. P.L. McGeer (Vancouver–Point Grey):** Mr. Speaker, this bill doesn't deserve a great deal of time of the House, and I only rise to venture a general opinion with regard to this bill because it's a classic example, as the bill before it is a classic example, of the kind of thing that I've been complaining about for the dozen years I've sat in this House.

I think there's little excuse in the Legislative Assembly for badly draughted bills or for rescue bills of other badly draughted bills.

As the Member for West Vancouver–Howe Sound (Mr. L.A. Williams) has pointed out, this particular bill fits both those criteria. It's not only badly draughted in itself, as the language of section 1 demonstrates, but it's rescuing another piece of incomplete legislation.

I don't know how many hours of our House are taken up by this kind of thing, but I would judge that approximately two-thirds of the bills which appear in this House stem from previous mistakes in

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draughtsmanship and previous, obvious errors in thinking out the intent of legislation that's being presented.

There are two necessary cures for this disturbing malaise of the Legislative Assembly of British Columbia. One is to engage and train an adequate staff to draught the bills. These gentlemen who we have today are extremely capable. I don't want in any way to have my remarks interpreted as a reflection upon them — they're intended as a reflection upon this government and the government that held office before this government.

The Member for Chilliwack (Mr. Schroeder) may decry retroactive legislation, but I must say that the present government has resorted to that devious tactic far fewer times than the government of the party he represents.

**An Hon. Member:** Oh yes, two years to 20!

**Mr. McGeer:** Whether you do it on an absolute or a rate basis, it still comes out the same.

**An Hon. Member:** Bah!

**Mr. McGeer:** You were champions of retroactive legislation, and everyone of you who sat in the former parliament voted for retroactive legislation.

**An Hon. Member:** Rubbish.

**Mr. McGeer:** Rubbish? I'll produce the votes. It's not hard to do — you don't have to look very far to find them.

Mr. Speaker, the other point is that the same skeleton staff is engaged in writing the legislation now as before. The same procedures for handling legislation are in effect now as before. But mature and responsible Houses of Parliament do not go about their business in this fashion.

First of all, they make sure that there is an adequate or more than adequate staff of legislative draughtsmen available. When one considers the enormous expense of assembling this House, providing people to draught the bills that come before this House is surely not that much of an added expense.

We're not legislators here — we don't draught the legislation; we only offer opinions on the bills that are draughted by this skeleton staff. It's always been that way in the past.

Secondly, Mr. Speaker, bills that are introduced should be referred to committee so that people who have a keen interest in the content of the legislation can not only offer their opinion, but can help in pointing out the errors of the legislation.

Yes, Mr. Speaker, we will support this bill as we have supported many other bills, reluctantly, in the past — not because it is a good bill, but because it would be worse not to have this bill on the books.

**Mr. Wallace:** Mr. Speaker, we also will support the bill because it is the responsible thing to do.

**An Hon. Member:** Who are "we"? (Laughter.)

**Mr. Wallace:** We, the Conservative Party — the royal "we". It's obvious that teaching English is needed not only in the schools in this province but needed right here in the Legislature.

**An Hon. Member:** Hear, hear! Right on.

**Mr. Wallace:** The legislation is late in the day and I think it is a great pity that with advance polls today we've had this serious problem pointed out to us in the fact that some elections may well have been declared to have been held illegally. I agree with the Member for Vancouver–Point Grey, who talked about poor draughting. I can recall the tremendous confusion over Bill 31, regardless of the fact that it was also a bad bill to start with. The draughting compounded the problem in that it couldn't be understood by the people in the mining industry. This was the point that was raised in debate many times. So there is no question that a great deal of improvement could be made in the draughting of bills. I think it's also the firm opinion of educated legal minds that retroactive legislation in principle is a bad principle. I think that....

**An Hon. Member:** Bill 31 was draughted in the warehouse.

Interjections.

**Mr. Wallace:** Well, that's a matter of opinion. It didn't seem to be a good bill in the way it was written. Nobody could understand it. It should be the first ingredient of a bill that it is understandable. This bill that we have today is not well written, but at least it is understandable.

I'm at a loss to understand why the Minister of Municipal Affairs (Hon. Mr. Lorimer) should be so opposed to affording the same advantage to municipal electors to vote for their aldermen, and yet we find that a much more enlightened and reasonable approach is taken by the Minister of Education (Hon. Mrs. Dailly) who in this bill is allowing electors in a municipality as well as the regional district to have the advantage of being on the list even though their names were missed out, or they were not enumerated. This again seems to me, Mr. Speaker, to point out some of the amazing contradictions of this government.

We've had the same kind of example with the

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Minister of Consumer Services (Hon. Ms. Young) taking a very courageous and laudable stand on the egg marketing situation, and the Minister of Agriculture (Hon. Mr. Stupich) offering some other kind of sop, which showed that there was a very deep division in cabinet as to how a very serious public problem should be approached.

Now we have an equally serious problem in Municipal Affairs, particularly in light of the fact that nothing can be more important than the right of an individual to cast his vote. If he or she cannot cast a vote because of shortcomings or faults of some other administrator, then I think that is indeed a very serious problem. I applaud the Minister of Education for making this legislation available to the electors in municipalities, but I think it's a very sad reflection both on the....

**An Hon. Member:** It's the first thing she's done right all year.

**Mr. Wallace:** It's a sad reflection on the Minister of Municipal Affairs, and it would seem to me that the very least they might do is to have consistency in their approach to what is basically the same problem in two different departments.

There are many reasons why we are unhappy with this bill, but the fact is that at least it will enable certain individuals to cast their vote who otherwise, through no reason of their own, would be disenfranchised. So we certainly support the bill.

**Mr. A.V. Fraser (Cariboo):** Mr. Speaker, I'll certainly support this bill, but I would like to make a few observations here to the Minister. We're talking about the legalities here. I might say that if the Minister doesn't know it, there have already been elections in British Columbia, not advance polls, but there's been an election in School District 28 on November 9. Two fine ladies aspired for the one position, and one has won by seven votes. I would think now that this election is probably illegal.

There's another observation that hasn't been made here. I understand, Mr. Speaker, that the Department of Education instructed School District 28 to proceed as if this bill was law last Saturday. I don't know how they could do that when in fact it was not law.

Another complication has come in. In my riding I have three school districts. In School District 27, Cariboo-Chilcotin, again here if this had not been so late.... It's hard enough to get trustees to serve. In the case of School District 27, a citizen tendered his name at nomination time and was refused the seat — which would have been by acclamation of the people that agreed on it, the voters — because his name was not on the voters list. Now they have a vacancy in School District 27 for that part of the school district. So because of the lateness of this legislation, it has really complicated things.

Another observation I have on legalities or otherwise — maybe we should have said this under the municipal Minister's vote, but I would like to say it here — is that what about the amalgamation votes in Nanaimo and Prince George on November 2? They're probably illegal too.

I think we've got a real can of worms here, and I'm anxious to hear from the Minister how she's going to particularly validate the elections in School District 28 and what is going to happen about this citizen that, because his name was not on the voters list, can't serve as a trustee, and now the vacancy is there. What provision is going to be made because of the lateness of this legislation, Mr. Speaker?

**Mr. D.A. Anderson (Victoria):** Mr. Speaker, in speaking to the principle of this bill, I'm rather puzzled. We've had legislation brought in within the past few days which you might call "patch-up" legislation. The Assessment Act, Landlord and Tenants — that's patch-up legislation of previous mistakes. We now get into the back-up legislation, such as the previous bill and this one and, of course, the bill which has not yet been discussed with respect to teachers, which has a date of today as the date that it comes into force. This one's retroactive to November 1, the previous one retroactive to November 1.

We're in a back-up period. Not only are we trying to patch up, but we're trying to back-up and correct retroactively. As the Member for West Vancouver-Howe Sound (Mr. L.A. Williams) and the Member for Cariboo (Mr. Fraser) pointed out, we're trying to back up into an area where elections have already been held and people elected, where there is serious doubt in the minds of myself and the two Members I've mentioned as to whether some of these votes that took place earlier this year are actually valid or not. Probably they are not.

Mr. Speaker, I looked at section 66 of the Public Schools Act, which this particular bill is meant to amend. It doesn't seem to amend it, because section 66 talks about rural areas; this one talks about rural and municipalities. I think that it's just stuck in there. It doesn't really follow 66 very closely at all.

I'd like the Minister to speak on the principle which we discussed in the previous bill. I've heard of government flip-flops before; we've seen them in this House before. But when you have two bills brought in

consecutively and you have government Members voting unanimously for one type of approach, namely to restrict this only to the rural areas, or the regional district areas, and then in this one you go and bring in the municipalities as well, after voting out an amendment which would have put the municipalities into the previous bill, I think you've got a most amazing flip-flop in principle. It appears that bills 174

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and 175, which are both of them entitled Bill No. 2 — one is the Municipal Amendment Act, 1974 (No. 2) and one is Public Schools Amendment Act, 1974 (No. 2) — appear to have been not well thought out either, because they are contradictory in their provisions and the logic put forward by the Minister of Municipal Affairs. At least, I should say the arguments; his logic was somewhat thin in his discussion.

**Hon. D. Barrett (Premier):** Would you move adjournment?

**Mr. D.A. Anderson:** Well, that would be very kind of the Premier and the Minister of Education. Would you like me to adjourn at this stage?

Interjections.

**Mr. Speaker:** Well then, I would suggest that the Hon. Member continue with his speech in second reading if the debate is going to be adjourned and he sits down. I don't want the Hon. Member by any misunderstanding to lose his place in the debate.

**Mr. D.A. Anderson:** Well, if the point is that the government and the Minister of Education have been kind enough to see the logic of some of the comments of my friends over on this side, I would be delighted to have this bill withdrawn. I would move adjournment. However, if the bill is to be amended, I think that we should have another look at what it might turn out to be.

Mr. D.A. Anderson moves adjournment of the debate.

Motion approved.

**Hon. Mrs. Dailly:** Adjourned debate on Bill 170.

## ASSESSMENT AMENDMENT ACT, 1974

*(continued)*

**Mr. Speaker:** The Hon. Member for South Peace River adjourned the debate last night. He started at 10:29; I'll have to find out when he concluded.

**Mr. D.M. Phillips (South Peace River):** Last night during debate on this bill I talked somewhat about the history of taxation in the province and how this government has bungled and messed up the situation where everybody today in the province is confused. The assessors are confused, civic governments are confused, the tax committee was confused...

**An Hon. Member:** You're confused.

**Mr. Phillips:** ...and the taxpayer is probably more confused than all of these other groups put together.

But the responsibility, Mr. Speaker, for this confusion must rest squarely on the shoulders of the Minister of Finance (Hon. Mr. Barrett). This Minister's concern and preoccupation with seeing the world has added to his incapacity to run the affairs of this House, and just a few moments ago we witnessed another bungle on the part of the government — another bungle on the part of the government. Now they'll put another little Band-Aid on Bill 175 and, you know, Mr. Speaker, it gets so you're almost afraid to speak on legislation on this House.



**Hon. Mr. Barrett:** Okay, sit down.

**Mr. Phillips:** Well, the Premier would sure like me to sit down, but I'll tell you, if he keeps on bungling the affairs of this province the way he's been bungling it in the last two years — and the bungling seems to get worse every day. It started out sort of gradually, but now that they've passed some legislation and it's not working, well, the bungling seems to be getting more prevalent with every piece of legislation. They don't seem to want to give any direct guidance to this Legislature.

**MR. R.H. McClelland (Langley):** Barrett in blunderland.

**Mr. Phillips:** Well, Mr. Speaker, I also spoke last night about the inability of the great economic think-tank out at Uvic under the direction of Dr. Gaffney to give any direction, but I'd like to give a few words of recommendation to the government at this time.

Real property taxation in this province, and in many other provinces in Canada, can no longer provide the finances to local governments to supply the multiplicity of services now required by the people who live in those communities. Many of these services are required by law — laws that have been passed in the Legislature. Many of the costs of running governments are the costs of operating buildings that this government has participated in with capital grants, and I refer specifically to recreational facilities. It's all very well and good to assist the communities to build these recreational facilities, but the cost of running them, the burden, goes back on the taxpayer.

The per capita grant as a method of funding municipalities and sharing the wealth, as it were, is outdated and obsolete as a form of revenue sharing. This might have been all right back in the days before inflation, but now this method is completely out of

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date. Municipal governments are slowly but steadily sinking into bankruptcy while both levels of senior government, both the federal and the provincial government, have broadened their tax base and their revenues are growing every year. How much longer can municipal governments try and cope with the situation that exists today? Had Dr. Gaffney done his job in appearing before the tax committee, he would have done some research into the Dominion Bureau of Statistics to find out in just what, and how bad, the finances of municipalities are in today.

I have before me tables from the Dominion Bureau of Statistics, and I'd like to quote from them for just a moment. It shows that in the year 1971 the federal government, excluding interprovincial transfers, had a surplus of collected taxes of \$4,172 million; provincial governments, \$1,442 million; while municipal governments had a deficit of \$4,218 million, Mr. Speaker. This is just a prime example, and that has increased since the year 1961. I'd like to quote from the report, which is very explicit on this matter, and it says:

"It can be seen over the period under review that the deterioration of the financial position of Canada's municipalities has continued, both exclusive and inclusive of senior government transfers, and the deficit position has constantly been worse than those of senior governments.

"The importance of these details clearly show that in 1971 local governments experienced a deficit of \$729 million, even after receiving transfer payments from the senior governments. At the same time, local governments in 1971 were responsible for slightly more than 25 per cent of the total of government expenditures but had access to only 13.5 per cent of total government revenues, not counting transfers from federal and provincial sources."

[Mr. Dent in the chair.]

We have to have a new look into real estate taxation in this province. I recommend, Mr. Speaker, that the provincial government get together with local governments and they have a conference on revenue-sharing and new areas of cooperation. This is how the federal government shares its revenues now with the provincial governments. They no longer hand out grants; they have a formula. What I'm suggesting is that the provincial government come up with a new formula of revenue-sharing with the provinces. They must also take a new look at the cost factors in relation to inflation and the cost of building services in the municipalities, which have been harder hit by inflation



than have either the services provided by the federal government or the provincial government.

There must be a new day — new cooperation. The old plans are outdated and outmoded. Municipal governments are no longer able to budget for the services that they must provide. This type of patch-up legislation which is before this Legislature today, Mr. Speaker, is just not good enough. It will not solve the financial problems of municipal governments. The pittance increase that we had passed in this Legislature on the per capita grant to municipalities would not even cover the cost of inflation this year.

Another thing, Mr. Speaker, with regard to taxation: I want to tell the government that their tax deferral for elderly people — their method of tax deferral on taxes — just is not working. People out there who have owned their property and not incurred any debts on that property all their lives, when they become 65 or older, do not want to go in debt on that property.

We suggested in this House that if you're going to help those people you should give them an outright grant, but not ask them at their late age in life to go into debt. The people aren't accepting it. Most of those people have worked hard to build up their own property all their life and maybe they want to leave it to somebody else when they die, maybe they want to leave it to their family, and they don't want that property indebted to the provincial government so that some day the provincial government can take it over in lieu of taxes. This legislation that this government has proposed here in Bill 71 seems to me to be that the Premier and Minister of Finance is looking some kind of a safe harbour that he can shelter himself in in hopes that the storms of the chaos that he has created in assessment and taxation in this province will blow over.

Well, Mr. Speaker, I want to warn today the Minister of Finance that the problems and that storm that he has created among the taxpayers — the chaos that he has created in the assessment department; the problems that he has created for municipal government — are not going to blow over. He can't continue to put patches on the problems that he has created in this very specific area of taxation and assessment. This Minister of Finance, Mr. Speaker, has got to stand up and bear the full responsibility for the problems that he has created, and he's got to be man enough, Mr. Speaker, and leader enough, to give direction.

He said — during the passing of assessment bills which set up an independent assessment authority — the Minister of Finance said, "This authority will be completely independent from the government or from municipal governments." Then he turns right around, the next day — and again in this legislation — and gives that independent authority direction. Now, Mr. Speaker, I ask you how the assessment authority can be independent of government when the

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government is first of all telling it to go forward, then it's telling it by this legislation to turn around and back up, and then asking it to do a sideways shuffle.

Mr. Speaker, the situations, the insecurity of landowners in British Columbia today, is the full responsibility of the Minister of Finance. Legislation was not co-ordinated with the staff in the various departments. It was ill-conceived, more patch-up legislation. Mr. Speaker, we're going to need more than foisting the responsibility onto any committee; we're going to need more direction than the Minister of Finance trying to solve the problem by appointing a royal commission which could tour the province for three or four years before any decisions are made, while the same people who have insecurity today still don't know where they are going.

The bill says that the assessor can hear a special problem. This will put political influence back to the assessors' department and we will have exactly the same chaos and mess that existed before the assessment commission was set up.

The problem is: how many people are going to go and appear before the assessor? There is nothing in this bill that gives the assessor any terms of reference as to whether he can lower assessment on a piece of property or not. There are no terms of reference as to whether the assessment on excessively highly assessed property is going to be lowered according to the ability to pay. Is it going to be lowered on specific pieces of property? Is it going to be

lowered on small businesses? Is it going to be lowered on people who own small tracts of land for recreational purposes? Is it going to be lowered on pieces of land which people have bought and are saving for their retirement home and now are in danger of losing?

There are no terms of reference to the assessment commissioner in this bill. And the Minister of Finance makes light of this problem. I wish that that same Minister of Finance had travelled with that municipal matters committee and seen the tears in the eyes of people who appeared before that committee because they were going to lose their business, because people were going to lose land which had maybe been in the family for 50 or 60 years... had seen the look on the faces of people who had bought a piece of property, developed it by the sweat of their brow and long hours of work, and now are threatened by this great, socialist government to lose it by taxation.

I wish that the Minister of Finance was as concerned about these people as he is about taking his trip to China. It almost boggles the imagination, Mr. Speaker.

**Deputy Speaker:** I would point out to the Hon. Member that he has approximately two minutes left.

**Mr. Phillips:** Thank you very much, Mr. Speaker.

I just want to say one other thing in closing — I do hope that the Minister of Finance will give some serious consideration to the recommendations that I have made here today.

There has to be a new deal of revenue sharing between the province and the municipalities, or we are going to find bankrupt municipalities in this province. Maybe that's what the Premier wants and then he can move in, the same as he is going to do on bankrupt landowners, and take over running the affairs of the municipalities.

This legislation is another patch up job. The Minister of Finance is not standing up to his responsibilities. Once again, Mr. Speaker, it makes me doubt his ability to act in the capacity of Minister of Finance and Premier of this province.

**Mr. McGeer:** Mr. Speaker, again I'm not going to take up a great deal of time going over the merits of this particular legislation, because I don't think it has a great deal of merit to it. I'm afraid I can't associate myself completely with the remarks of the previous speaker when he said the Premier wasn't man enough and leader enough to take charge of this situation, because the Premier he served, when he sat as a backbencher, was the man who took us down the road that is causing us so much trouble today.

I was here when that infamous Act was passed. It was outrageous meddling on the part of Premier Bennett and Minister of Finance Bennett with regard to assessment in the Province of British Columbia.

**An Hon. Member:** You always lie in opposition.

**Mr. McGeer:** We opposed that Act. We predicted what would happen if it became the law. What we predicted has happened. There are thousands and thousands of British Columbians who are overpaying on their land taxes as a result of that Act because it removed non-partisanship from the matter of assessment in British Columbia.

That Act that Premier Bennett brought in for political purposes, and not for fairness and justice, limited the amount of assessment increases to 5 per cent, meaning that those who had land that increased in value more than 5 per cent would be paying less than their fair share of the taxes at the expense of everyone else in the community.

It was done to preserve popularity by pulling the wool over the eyes of all of those who suffered unjustly by this Act. It has continued for some eight years now, and in that period of time the inevitable has happened: the inequities have continued to grow; logic and reason in the assessors' office has been impossible to establish. This has been the

consequence of political meddling on the part of government in the matter of fair assessment in the Province of

British Columbia.

It is going to take something to straighten it out, because when justice is finally done in this matter there will be painful readjustments. It will take a government with more backbone than this government has yet been prepared to demonstrate to straighten that out.

But the man who wasn't a man and wasn't a leader was the former Premier of British Columbia (Hon. W.A.C. Bennett) who introduced the unfairness for political reasons. It's his mess that has to be cleaned up.

It will be an unpopular move by government, no question of that, because the adjustments, when they come, will be painful for some. But there will be, Mr. Speaker, when those adjustments do come, nothing retroactive to compensate the people who have been overpaying in their taxes for these many years. They are just out-of-pocket at the expense of the others. There is going to be no way to compensate them. All that we can say is that the longer the matter is delayed, the greater the cumulative injustice will be.

The Premier, when he introduced the original legislation this spring, was obviously unenthusiastic about it. It is one of the few occasions I can ever recall when the Premier has passed by the opportunity to make a speech. Yes, he did, Mr. Speaker, he passed by the opportunity to make a speech. I don't even think he read the full statement; he just introduced the bill, hoping that it wouldn't create the waves that it did.

There aren't many votes in it. All there is in it is justice. It is pretty obvious that when justice competes for votes, justice loses out. We started that in 1966 under then Premier Bennett. We made a half-hearted gesture this spring to correct that, but when the prospect of losing votes began to loom its head, and you had to enter the scale of votes against justice, votes once again seemed to have triumphed.

It's hard, Mr. Speaker, to admire a government with such values. I can understand, and perhaps even excuse, because it wasn't this government that created the problem; but one can't forgive, nor can one forget the values the government is prepared to accept when votes are at stake.

This bill is not one of the finest hours of this government. I continue to hope that in politics in British Columbia, sooner or later we can enter some values that really count. Unfortunately, we're not finding them with this bill.

**Mr. G.S. Wallace (Oak Bay):** The Conservative member on the municipal affairs committee has already spoken in this debate, but I want it understood by the House that he's not the designated speaker any longer. In fairness let me say that the former Conservative member of the municipal affairs committee did leave me detailed notes on the hearings from the municipal affairs committee, and I want to recognize the assistance he gave me in that regard.

In this bill we are debating the lesser of two evils. I think every speaker acknowledges that the assessment situation in British Columbia is far from satisfactory. Whatever the history, as outlined by the Member for Point Grey (Mr. McGeer), or whatever efforts this House has made in the last year or so to improve it, what I think we must all acknowledge is that the assessment situation is a real mess in British Columbia.

We are now in the process of trying to mitigate within certain very rigid limitations the degree of that mess. Really, what it boils down to is one of two choices. Do we move ahead with 100 per cent assessment, imperfect as it now is in relation to the work which has been done in preparing the rolls by assessors, and which would impose some real hardship, or do we revert, albeit for one year, to former assessment rolls, acknowledging that they also would have imperfections and that the system as a whole will have to be finalized by the commission suggested by the Premier?

When you look at the two alternatives, Mr. Speaker, neither of them is very attractive because, as I well know from when I served as an alderman on Oak Bay Council, if there is one subject above all others that causes distress and misunderstanding and arguments and confusion, it is the whole matter of assessments.

I don't want to go over points raised by the Member for Vancouver–Point Grey, but it should be mentioned that the real root of the trouble began when an artificial ceiling was placed on top of assessments in an attempt to relieve property taxation. Assessment and taxation, while related, are certainly two different quantities.

The mistake was made at that time by confusing the formula which is used to calculate the property taxation with the actual taxation to be paid. It's just that simple in explaining why we have got into this mess we're in. The actual formula of assessment with an applied mill rate leading to a tax to be paid is one thing, but to interfere with a specific entity — namely assessment, which is related in some way to market value — to confuse that with the tax to be paid was a great disaster. Although the UBCM has made it plain that property tax reform must be accompanied by assessment changes, the efforts by placing a 10 per cent ceiling certainly was a misguided attempt to ease the property taxation on certain property owners, particularly residential homeowners. So that, I think, is at the root of many of our problems.

I think it can never be repeated too often that if this government, or any other government, believes

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that the property taxation falling on certain individuals or groups in society is unfair, then it would make a great deal of sense to alleviate the tax to be paid rather than to fiddle around with assessment in the unrealistic way in which the original 10 per cent ceiling did, because this only distorts the property taxation picture — as I say, artificially manipulating assessments.

An assessment, if we look at the word in its true meaning, means an evaluation in relation to a certain standard. Whether it's 50 per cent or 75 per cent or 100 per cent of market value, it is a valuation placed upon a piece of property in regard to a certain standard, namely the market value. It seems ridiculous to confuse that and introduce distorting factors in assessment when your real aim is to alleviate the amount of tax that certain people are going to pay on their property.

One of the main points raised in debate last night was the tremendous hardship which the removal of the 10 per cent ceiling has brought to various people, particularly small businesses, and particularly owners of undeveloped land who have every intention some time in the future of building a retirement home. I think that in passing one should make it clear that the bill we brought in to enable such homeowners or landowners to defer taxes in the course of time has produced some fairly strenuous criticism, and as the years go by this will produce another nightmare in trying to administer accurately the provisions of that tax deferral piece of legislation.

Mr. Speaker, although it has been said many times, I think it should be repeated that with the other factors of inflation and rising costs, the small businessman is certainly.... I'm thinking particularly of the motel owner and the gas station operator. I have a document, for example, dated September 20, 1974, announcing by Imperial Oil a service station equipment sale. It's entitled: "Equipment from three closed service stations will be offered for sale at Canada Way and Edmonds Esso Station, 8:30 a.m., Thursday, September 26." There's this kind of notice of the closure of gas stations.

I could quote from letters from the motel industry where motel operators are in the same financial difficulties, that the effect of removing the 10 per cent ceiling has certainly precipitated the closure of small businesses, simply because the sudden increase in property taxation has put them in a deficit position.

The Minister of Finance, in introducing the bill, placed great stress on the fact that the large corporations and large businesses would, in fact, be paying a fairer share of the total tax burden in relation to their income and in relation to what they should be paying in their particular communities. If that has happened, and I think to a degree it has, then this is a worthy objective which has been realized.

But if, on the other hand, Mr. Speaker, we have achieved that objective in relation to a small number of large corporations, just think what we've done to a large number of small businesses, and how....

**Mr. R.T. Cummings (Vancouver–Little Mountain):** Name names.

**Mr. Wallace:** Well, I've just named names. If you'd wake up, Roy, I've just named three gas stations that have closed and I've given you the location. Weren't you listening?

**Deputy Speaker:** Order, please! Would the Hon. Member address the chair?

**Mr. Wallace:** Yes, Mr. Speaker, I'm glad to. If the somnolent Member for Vancouver—Little Mountain (Mr. Cummings) would stay awake, I wouldn't have to be interrupted in this fashion.

I would be glad to dig out many of the letters which I've received, particularly from motel operators. But, Mr. Speaker, you were rather critical of letters being read last night and I would hate to run the risk of your wrath this afternoon.

The Minister (Hon. Mr. Barrett) made very plain that this bill was introduced to bring about larger tax contributions by a relatively small number of large corporations. And apparently to achieve that end this government is prepared to be most punitive and inconsiderate towards a large number of small taxpayers and small businesses.

I quoted the two main areas that I've had correspondence on: the gas station operator and the motel operator. The other third segment is the person owning a few acres of undeveloped land which is destined or intended to provide residential accommodation at a later date. When we're debating the two alternatives that I spelled out when I began my remarks, we have to weigh the hardship of a large number of small business operators with the possible temporary advantage to a small number of large businesses.

Another factor in this debate which has not, in my view, been mentioned enough is that we have so concentrated on assessment that very little has been said about the effect of mill rates when assessment does become 100 per cent. I am not aware of any control or any intended control by this government to ensure that municipalities will not be under some obligation to respect the fact that they have complete and total freedom to set the mill rate. If, of course, assessment does perhaps go to 100 per cent next year, there could still be very substantial tax increases if there were not corresponding reductions in the mill rate.

Another point which the UBCM (Union of British Columbia Municipalities) has made is to the effect

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that if there have to be different levels of taxation on different types of property, the methods should be by mill-rate adjustments and not by assessment changes or manipulations.

I think these comments show the complexity of the whole problem. I notice the Minister of Municipal Affairs (Hon. Mr. Lorimer) is nodding when one talks about the complexity of the problem, and I don't think anyone can dispute that. Therefore, whatever we're doing through the mechanism of this bill is not going to solve the problem. But we have two alternatives, neither of which is particularly attractive.

To sum it up, we have to look at the possibility of giving a temporary tax break, which may not be merited, to the large companies for a year in order to give some thoroughly justified break to all the multitude of small business operators and owners and the people who have written in the hundreds to each MLA, and which is so important to them, while recognizing at the same time that perhaps the large corporations for one more year, one more year only, would be receiving a measure of taxation relief which perhaps they do not merit.

In effect, I am saying that I think we should revert to the 1973 roll for one year. This would relieve the crushing and punitive taxation on the small people whom I've talked about. After all, this is the government that was elected to represent the small people. "The little man" is another phrase that we heard repeatedly from this government when it was the official opposition. The Premier has certainly made statements subsequently that he believes his government is sensitive to the needs of the little man and will respond to these needs.

There is a whole lot of little men and little women in this province screaming for help in the face of the present confusion in the field of assessment and real property. While to revert to the 1973 roll as a basis would, I

admit, bring considerable taxation relief to a relatively small number of large businesses, I think from a humanitarian point of view the break which this would give to a very large number of small people would be more than justified.

It is generally admitted that we should aim at having a 100 per cent assessment of all land and improvements. This is what this committee agreed upon, and the commission that will find the mechanics to bring this about requires a considerable amount of time to get to the point of putting it down in black and white in the form of regulations. I think that's a sensible approach. What we're really debating in this bill is how much relief we give to people in hardship until such time as the 100 per cent assessment and the various regulations and adjustments can be written in the form of new legislation.

In passing, Mr. Speaker, another element in this argument is the feeling of distrust which has been generated in the course of the whole public consideration of assessment. I'm referring to the former use of section 9(2) in the Assessment Equalization Act when a residential property owner felt that he was covered by the provisions of the 10 per cent ceiling. I've had numerous owners of residential property write to me who have found that the 10 per cent ceiling protection which they thought they had was somewhat of a mirage, simply because section 9(2) allowed the assessor to take a specific look at any specific piece of property and, regardless of the 10 per cent ceiling, reassess the property at any figure he wished. I had numerous letters by residential property owners who were bitterly disappointed when they found that the property assessment had increased by considerably more than 10 per cent because of the provisions of that section.

I know we repealed that Act and passed the assessment Act in the spring. But that kind of provision created distrust among many people. I think we've duplicated the potential for that same kind of distrust in the bill that's before us today. I'm talking about subsection 7 where it appears to give false hope to the property owner. The commissioner can intervene and give some form of relief.

If that kind of false hope is similar to the section I quoted a moment ago in the Assessment Equalization Act, then I think it can only add to the dissension and dissatisfaction in the community at large over this whole assessment mess. It contains a large measure of contradiction. There has been this rather step-by-step change, attempting to correct errors that have been made in the past without really solving anything in the long run.

While I realize that we're all aiming towards 100 per cent assessment for everyone with the appropriate changes to make it work, what we're faced with here and now is the willingness to look at the people who are in real hardship and to consider whether or not it is just to perpetuate the hardship which was created when we removed the 10 per cent ceiling.

Another section of this bill, section 1(c), perpetuates another flaw. It really means that factoring will take place, and that in turn really takes no cognizance of differences from one area to another within a region.

I know also from practical experience in the municipal field that the whole spotty nature by which assessments are often made relate to a variety of factors such as lack of sales in any one particular type of property or area, lack of staff, and a variety of other factors. I think for these reasons that we're dealing with situation which should not be compounded by this kind of bill.

I feel that I've tried to consider all the disadvantages of the various alternatives that are open to the Minister at this time, and I just don't feel that

it is right or just to perpetuate for one more year some of the real hardship on the classes of people that I've talked about. And while it would be very difficult for the Minister of Finance, after his repeated swings at oil companies and large corporations, to backtrack even for one year and give these companies advantages tax-wise, I do feel that it should be a basic concept in governments that the majority of people, or if there is a majority of people suffering as a result of legislation, that majority should be given primary consideration. In my view, that majority, in this instance, is the small property owner, the small businessman and the owner of small lots destined for residential development.



Therefore, my suggestion would be that as an interim, one-year measure, we take the 1973 rolls as the basis on which assessment should be considered, and not perpetuate the errors that result from the 1974 roll.

**Hon. Mr. Lorimer:** Mr. Speaker, I would like to say a few words about this bill that we're debating at the present time.

The municipal matters committee did have a heavy task this summer in trying to bring in a solution for problems in taxation and assessments which have been with us for a great number of years. I don't intend to go over the history of the problems — I think we're all familiar with the problems that we've had in this province for a number of years — the lack of quality in our assessments and the inequities which occur in our total taxation picture.

I think the committee was a good committee. They were certainly serious and they tried to do a job, it seemed to me. It was a case of getting a complete education and trying to come up with a decision from people who are not experts in any matter dealing with this type of problem.

I was somewhat surprised at the Hon. Member for South Peace River (Mr. Phillips) who objected to the abilities of Mason Gaffney, whom I considered — and I believe the committee as a whole considered — to have stimulated a very interesting discussion on a variety of methods that could be used in the taxation field. If you're listening to experts, I appreciate the fact that the whole question is complicated and it's difficult to understand, but I think the majority of the committee understood the things that he was presenting and the issues that he was raising.

There are a number of problems in this province in going to the 100 per cent valuation. One of the first problems is that the assessments throughout the province have not been completed, and would not be completed in time for the roll. The assessments were out-of-date, and even if you doubled an out-of-date assessment, you've got a worse situation than leaving it the way it was. So it's very difficult to go into a new 100 per cent assessment in the Province of British Columbia.

Now, at the time when the 10 per cent limitation was placed on assessments, there were some areas that were bouncing in values but were held down; other values remained somewhat quiescent and, as a result, there was not too much difficulty in those areas. Bill 71, by and large, was a good bill. What, in fact, it did was take the 10 per cent limitations away from vacant land, industrial and commercial areas, and so benefit the residential taxpayer. Now there are some problems with Bill 71 — there's no question about that — but those problems are now known and action can be taken to resolve most of those problems.

**An Hon. Member:** That's the understatement of the year.

**Hon. Mr. Lorimer:** The 100 per cent assessments...we don't know what the problems are. We know there will be many. We know one: we know that the burden of taxation on 100 per cent will be shifted to the residential property owner; and we also know that the lower values of residence, this shift will become greater. And so, by bringing in 100 per cent valuation and taxation based on that without other activities dealing with taxation, we would then put the burden of taxation squarely on the shoulders of the homeowners.

In Ontario, they had a study on the real property taxation. This is the report of that study — three volumes.

**Mrs. P.J. Jordan (North Okanagan):** You should have read it before you brought in Bill 71.

**Hon. Mr. Lorimer:** We were faced with an impossible task of bringing in a report in a period of a very short time.

Now there was some criticism that the committee didn't meet until July or August. I might advise the House that the reason for not meeting until that time was that a number of the members of the committee were not available to meet. I'm suggesting that those who were unavailable to meet represented people from all sides of the House and all parties. A number of our meetings were not attended by some of the members, so I refuse to accept this criticism as a criticism of my party in this particular committee.

Interjection.

**Hon. Mr. Lorimer:** I don't know what the Member for North Okanagan (Mrs. Jordan) is talking about and I'm sure it's worthwhile listening to, but I haven't the time now. I want to carry on with my notes, Mr. Speaker.

**Mr. McClelland:** Two minutes.

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**Hon. Mr. Lorimer:** Two minutes.

But the Ontario study took — I don't know — two years, three years to complete — three volumes of a report — and now we're told by the opposition that we should go into 100 per cent assessment. Well, I'll tell you what would happen. We don't know exactly what would happen by that, and neither does the opposition, but we do know that a number of problems will be created. We don't know what they are — we know some of them; we know where the burden of taxation will go — but there'll be a number of other problems that we don't know about.

The suggestion is that we go into the 100 per cent this year, we have a full-time committee looking into taxation, bring in recommendations, and change the statutes again. So what they're suggesting is that we cause a shockwave throughout the province this year, and another one next year, and maybe another one the year after.

Now, as has been mentioned by a number of people, the whole field of taxation and assessment is very, very complicated and needs full study by a full committee before we go into the 100 per cent assessments and the taxation. The whole question of differential mill rates; the whole question of exemptions; the whole question of differences between classes of properties; the whole question of inequitable assessments throughout the province — these are matters which must be looked into before we go forward with our heads down bringing in new legislation that we don't know what the results will be. This will require a full-time committee, and it'll be a committee of experts as well as lay people, I would suggest. It's a complicated field, and not a field which our committee, in my opinion, was able to handle satisfactorily. I think we all did what we could for it, and I think we learned a lot, but I don't think any one of us would class ourselves as experts in the taxation field.

So, unlike the opposition, we do not have the luxury of playing Russian roulette with taxation in this province.

**Mr. McClelland:** Oh, what did you do with Bill 71?

**Hon. Mr. Lorimer:** We have to act responsibly, and I'm pleased to recommend for the House the bill presently under debate.

**Mr. A.V. Fraser (Cariboo):** Mr. Speaker....

Interjection.

**Mr. Fraser:** Right. You're first on the list — the Minister of Finance.

Interjections.

**Mr. Fraser:** Right.

I was quite interested in the remarks this afternoon from the Members for Oak Bay and the Minister of Municipal Affairs. But I would like, first of all, to draw attention to the remarks made by the Minister of Finance yesterday when he introduced this Bill 170.

To me it proved something: he really doesn't know the difference between assessment and taxation or he wouldn't have said what he said on introduction of this bill yesterday. He really said yesterday, as I gather, that Bill 71 corrected inequities in taxation or tax havens. This is not the case at all. The Premier and Minister of Finance



should know that that was actually done by order-in-council in January, 1974. We dealt with Bill 71 in the Legislature in 1973. There is a great difference here and there was no connection with these two at all.

I'd like to make this other observation regarding these tax havens that the Minister of Finance keeps referring to. For a lot of Members who weren't in this House at the time these things happened, all these havens were given by the different municipalities of the province. They were not given by the prior government. They were given by the government, all right, and validated in this Legislature at the request of the various municipalities, but it was never legislation initiated by this government — only at the request of the municipalities involved. The City of Prince George is a good example where they asked for this legislation.

I want to tell you something else on the validating legislation. All the validating legislation that set these deals up was passed unanimously by this House of which the present Minister of Finance, the Premier, was a Member. Eleven other Cabinet Ministers at that time were MLAs and at no time did they ever oppose any of this validating legislation. So let's set the record straight about who did what. I repeat that this was done by validating legislation, voted unanimously in all cases by every MLA in the Legislature, including the then Leader of the Opposition and the other cabinet Ministers. Pardon me, I've forgotten one — 10 cabinet Ministers and one real good MLA front bencher, the Hon. Member for Atlin (Mr. Calder).

But don't make any mistake or muddy the waters up, Mr. Speaker, about where this came from. I know that you one-time Members who are here now and won't be back will be interested to know the background on that.

Mr. Speaker, I would like to tell this House that I was a member of the assessment committee. I was also a member of the municipal committee on taxation. But before I get into that I would like to dwell a bit on Bill 71. As I said earlier, as a member of the committee on taxation, about half our submissions of 300-odd were based on Bill 71 and the dire effect it has had on the small business people in

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British Columbia and also the vacant land holders.

I was quite amazed today to hear the comments from the First Member for Vancouver–Point Grey (Mr. McGeer) and the Member for Oak Bay (Mr. Wallace), who talked about all the terrible problems we had in assessments. Now they know that the problem was Bill 71 and that it caused financial stress on the people. I refer to hotels, resorts, service stations and so on.

But, Mr. Speaker, they didn't tell you that they voted for Bill 71 when it passed this House in 1973.

Interjection.

**Mr. Fraser:** Oh, no, we didn't. We voted absolutely against that bill in the official opposition in 1973, and we're on the record. So don't try and give us a snow job now that you're sympathetic about the people whom Bill 71 affects.

Interjections.

**Mr. Fraser:** We know what the record of the *Journals* is. I suggest that you better look at it.

Interjections.

**Deputy Speaker:** Order, please! Would the Hon. Member please address the Chair and the principle of the bill?

**Mr. Fraser:** I thought I was. We have Bill 71 with all its problems, so then we move on to assessments and the Assessment Act that was passed in the last spring session of the Legislature.

As I said earlier, I was on the assessment committee and we made the recommendation to this Legislature just

last spring that we go to actual-value assessment in the Province of British Columbia. I want to say here today that I was one of 12 on that committee and that was a unanimous report to this House. The other 43 MLAs accepted it and passed it unanimously into law, and it became the law of the Province of British Columbia.

I just want to say now that we're dealing with amendments to this and going into reverse. I, as one member of that committee, want to apologize to the other 43 MLAs here by disillusioning them with the fact that we were actually going to 100 per cent assessment. We went for exactly three months and now we're backtracking again. I don't think that's the way the business of British Columbia should be operated.

From that committee we'll move on to the next committee that I had the honour to serve on: the municipal committee for taxation. A lot of things have been said here today about the difficult job. Sure, all jobs are difficult, but these things have to be resolved. We heard from a lot of people, the experts, Dr. Gaffney. The Minister got up last night when the Member for South Peace River (Mr. Phillips) discussed Dr. Gaffney. He must have hit a little nerve when the Member for South Peace River referred to him.

I'll give you my impression, Mr. Speaker. I thought I had some experience on assessments and taxation, but after I got through with Dr. Gaffney I was certainly confused. Really, he tried to sell the committee on one thing, and that was site taxation. As one member of the committee, I don't see why the Province of British Columbia had to even consider site taxation when I believe there is only one place in the free world that is operating on it now. Why does British Columbia have to be second? For that reason I didn't pay any attention to Dr. Gaffney at all.

Interjection.

**Mr. Fraser:** Oh, some place in New Zealand.

**Mr. Wallace:** Are you against New Zealand?

**Mr. Fraser:** No, I'm not against New Zealand. Certainly I'm not against New Zealand, but I don't see why we have to be guinea pigs in the free world just because they decided to be. But anyway, it was a lost three days there at the start of the committee as far as I was concerned.

I also resent the fact that it was Dr. Gaffney, a non-citizen, telling us as British Columbians and Canadians how we should tax our citizens. I don't think we need to take advice from people who don't even pay taxes in the Province of British Columbia. I certainly am not going to, that's for sure.

**Mr. Wallace:** Anti-American.

**Mr. Fraser:** I didn't say that at all. I said that I am certainly pro-Canadian.

Interjection.

**Mr. Fraser:** I didn't say that at all, but I want to hear from Canadians. We have just as good experts in taxation and assessments that are Canadians, and we don't have to import them from other parts of the world to impart their knowledge to us.

[Mr. Speaker in the chair.]

Other people appeared before us were certainly of some substance, Mr. Speaker. I believe his title is still assessment commissioner or chairman of the assessment authority: Mr. Percy Wright. It was very interesting to hear from him. I believe Mr. Wright has been in this field for 20-odd years and is still there.

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He has served this province well and faithfully.

Mr. Wright had a lot of observations to make to this committee, but the one that came out very clear to me

was the fact that the 1974 assessment roll is the worst roll we've ever had, in his opinion, in 20-odd years. That's why we have the inequalities showing up in taxation that hit so many people this year. We are now with this bill amending the Assessment Act, Bill 151, to give our people the worst assessment to be repeated in 1975. That is why I am definitely against it. This will only repeat these errors in 1975.

I can't understand why the government wants to repeat and inflict the errors that were in there, caused by Bill 71 and, in the words of the assessment commissioner, "the worst assessment roll we've ever had."

Now, on the subject of actual value assessments, Mr. Wright, speaking for the assessors said that they would come up with a roll of much more equality than they would in any other way. It's been said here — I think the Minister of Municipal Affairs said that this roll could not be ready.

Well, I maybe misunderstood, but I not only talked to Mr. Wright, but also I made it my business while we were on committee at Prince George, Cranbrook, Kelowna, New Westminster, and so on, to inquire of assessors out in the field, Mr. Speaker. These men are the professionals on the job and they say that the best roll would be the actual-value roll, and they would be ready to go on that. So, we have one opinion here that certainly differs from opinions where they say that the roll we have is really a better roll.

The other thing that's been mentioned is that in going to actual value this roll would reverse the load on property taxation from commercial/industrial to farm and residential. For the House's information, the ratio now is about 40 per cent residential, and farm at 60 per cent — I'm talking province-wide. The revenue is derived from taxation, and inference has been made that if the actual-value roll goes ahead, this balance would change. That is quite correct, but they didn't tell all the story.

We had another senior civil servant before the committee, the surveyor of taxes. He devised the formula that could actually, by legislation, build it in so that the ratio from one segment of the taxpayers could be held. In other words, we could have held that the 40 per cent for residential and farm .... If that was the decision of the government, and I assume that the committee had made that recommendation.... So what I'm saying is that we have these experts telling us these things and not all the speakers have pointed this out in this debate on Bill 170, but the answer was there.

Sure it's difficult and there could have been problems, but if we had gone ahead on what this House agreed to do in May or June of this year, that is go to actual value, it certainly could have been carried on. It was not an impossible task and that's why I think we are making a mistake.

Now, Mr. Speaker, the UBCM and B.C. Federation of Agriculture and a lot more responsible groups made pitches to the tax committee, and it was correctly reported that they stand still.

I really don't know whether in the case of municipalities they intend to get their increased revenue for 1975, which they'll need because of inflation, because, in effect, by using the same roll as '74 for '75, we put a ceiling on the largest base of their income. Surely, they'll be coming screaming, hat-in-hand, to the government to make up for this shortfall.

I noticed even the mayor of Vancouver finally woke up and has already appealed to the Minister of Finance or the government because of the zoning change on some property in that city, which, by the way, was done too late for assessors to get on the rolls. The City of Vancouver now finds out that because we're standing still in this legislation just on one parcel they're going to lose \$500,000 bills there are lying around the province. That's the first one that's revealed itself, but this is exactly what I was afraid of happening. I don't see anything in this legislation that will allow it to be actually picked up. Furthermore, again, in my opinion and from the administrative side of assessments, there is just no time left. We're fresh out of time to start reassessing in view of zoning changes which, in turn, we all know affects values. So, what I'm really saying....

**Hon. Mr. Barrett:** If you promise to do that, I'll support you. (Laughter.)

**Mr. Fraser:** The municipalities of the province have put their own ceiling on their revenues and they're going

to stand still. The reason they gave, quite frankly, was the fact that they know what they had in the old roll and they didn't know what was going to be in the new roll of 100 per cent, so they were more prepared — and they did state this — to go along with the inequities and errors that were in the '74 rolls rather than take a chance of going to something new.

[Mr. G.H. Anderson in the chair.]

I say to you, Mr. Speaker, that this is going to cause them no end of grief in their financing for 1975.

I was under the understanding, and I don't think it's in there, that there would be a special section in here to deal with hardship cases that were occasioned in the '74 roll and which will be repeated in the '75 roll. I can't see where anything is provided for here,

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and if it was, I question the fact that anything would ever come of it.

The thing about hardship cases — the people who got socked on the ear on Bills 71 and 74 — I would ask the Minister of Finance if he is going to provide some place for these people to appeal. Is he also going to refund on the '74 overtaxes that they paid? — never mind the '75 taxes that they are again going to pay.

The Minister of Municipal Affairs (Hon. Mr. Lorimer), when he spoke, mentioned that they want a special commission set up. Well, since 1972 we must have had 200 task forces and commissions and committees and so on, looking into things. I haven't very much faith in them. I know it was discussed in the committee, and one thing the committee was against was royal commissions; I agree with that. But I still can't see why the elected people can't come up with an answer without sweeping this under the rug.

I feel we're a long way away before there will be any solutions to assessment and taxation in the Province of British Columbia, because if a committee is set up by the government, the committee will disappear for a year or so at great expense to the government. And it's my experience with committees of this government that when they do get a committee report they don't accept it anyway. I refer to the report of the professor who reported to the Attorney-General on the Landlord and Tenant Act. They got a report from a person there who should have known what he was reporting, and they paid no attention to the report anyway.

In this report is mentioned a committee that entered jurisdictional sharing of tax revenue, a classification of real property and a definition, property tax exemptions.

I might say, Mr. Speaker, speaking on property tax exemption, that there are millions of dollars worth of property in this province that is tax-exempt. I refer to churches, B.C. Hydro, British Columbia Railroads, and so on. Millions and millions of dollars. I'm not necessarily saying they should be taxed, but I think that this is something that should be looked at because they are exempt in a lot of cases to the point that they're not even on the assessment rolls. That is one thing that the Minister of Finance should look into and at least get them all on the assessment roll.

It's another jump whether they should be taxed or not. But definitely, and I'm sure the committee all agreed on that point, that everybody's real property, land and real properties, should be on the assessment toll. It certainly is not today — well, in the hundreds of millions of dollars not on the rolls.

I was one member of the committee who would certainly have liked to have heard more about the differential mill rates at the present time.

Municipalities have a problem as far as that is concerned; they have only one mill rate. In the case of municipalities I think this binds them down too tightly; their options are just not there. In other words, if they want industry to pay a greater load of the local taxation than it presently does, there is no way they can have this happen because the mill rate is the same for them as it is for residents, and so on.

But a differential type of mill rate, probably four or five categories, would give them the leeway. Then the municipal councils would have the political decision to make on what class of property would pay what. I think differential mill rates should certainly be looked at.

When we are dealing with this bill we are dealing with the financial structure of all the municipalities in this province. Believe me, while the Minister can say they are in good financial condition, in fact they are all struggling. For each year that goes by, particularly under inflation, the strings get tighter for them. No doubt this legislation will pass by the majority of the government.

I pointed out earlier how this restricts their financing. Some other means or formulas have to come up to help municipalities not only in B.C. but, I think, right across Canada.

The benefactors of inflation have been the national government, the Government of Canada, and the various provinces, including the Province of British Columbia. The escalation of their revenues is really almost unbelievable. I refer you to the escalation of the different types of taxes and, most specifically, income tax and the sales tax. With inflation, they are the benefactors. Their revenues are soaring and the municipalities still only have the real property base for taxation. That is pretty well at a standstill in relation to their costs. I don't think we can go on much longer under this type of formula. Otherwise, we are going to have real trouble.

I make one observation if I haven't already, Mr. Speaker. Under Bill 71, as far as I know, there wasn't one municipality in this province which reduced their mill rate to accommodate the increased assessed values that they received from the effects of Bill 71.

Interjection.

**Mr. Fraser:** Well, I don't know. I said I don't know any that reduced their rate. In other words, they had an increased assessed base and they applied the mill rate they had or increased it. Consequently, the people affected by Bill 71 had a doubling in their actual dollars in taxation.

The reason the municipalities did this, in my opinion is that they had to have this revenue to keep up with the present day costs caused by inflation and so on.

Interjections.

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**Mr. Fraser:** No, no, Mr. Speaker, keep this man on the subject. He's away off into hiring research assistants now.

Interjection.

**Mr. Fraser:** I don't think I mentioned mill rates; I mentioned taxes.

Interjection.

**Deputy Speaker:** Why don't we have a little order? Will the Hon. Member continue, please?

**Mr. Fraser:** In summing up, Mr. Speaker, I think we should have moved ahead as this House recommended that we do in May when we passed Bill 171 and gone to actual-value in assessments. I'm sure these amendments are a backward step. In a lot of ways they carry on the inequities that affected people in 1974. It certainly puts a ceiling on the municipalities' revenues.

As far as the individual property owners are concerned in British Columbia, all I can recommend to them is that they cannot get relief after they receive their tax bill. I don't believe that most of our citizens understand this. They must appeal their assessments. They will all get their assessment notices, whether they are in a municipality or outside it, on or before December 31 of each year.

I would say to all the property owners in this province, because of the admitted mess in the assessment toll we are going to use in 1975 — we did use it in 1974 — that all property owners had better examine their assessed values on December 31 this year that will be used for taxation purposes next year. If they find them mixed up — and I'm sure they will because of these amendments — I recommend that they appeal their assessment.

**Ms. K. Sanford (Comox):** As a member of the committee which heard the various representations into this matter of property taxation, I would like to speak for a few moments in support of this bill which puts us back to the assessment rolls used in 1974.

All of the members who were on that committee recognize the complexities of this whole question. Yet, in spite of the fact that there are many unknowns, the representatives on the opposite side of the House are saying, "Let's go with 1975 rolls." I disagree.

**Mr. J.R. Chabot (Columbia River):** Let's go to Alaska!

**Ms. Sanford:** Alaska has higher taxes than we do.

The Member for Cariboo (Mr. Fraser) has just outlined his concern about the fact that the 1975 rolls are not going to be used this coming year. He apologized to Members of the House, saying that this was passed last year, that it was endorsed by everybody, and now he's apologizing because the committee has decided not to go that route.

Surely he doesn't want us to go into that unknown territory. All the factoring of T and K and everything else that was presented to us is not going to resolve the problem or make us aware of what kind of effect a 1975 roll will have at this time. We need that time; we need a commission to look into it. The complexities are just too great.

There are several things that the Minister of Municipal Affairs (Hon. Mr. Lorimer) mentioned. He mentioned, for instance, some concerns he had under Bill 71, as did the Member for Cariboo. And I support them. There are some inequities under Bill 71 which I, too, would urge the Minister of Finance to look at specifically in terms of hardships for this coming year.

I'm speaking here particularly of some of the people who came down from the Campbell River area where there are many people who own resorts. Some of them are old resorts; some of them occupy a lot of land. They are hard-hit by Bill 71. So I would certainly ask you to do that, Mr. Minister.

But let's look at the reason for Bill 71. Why did we have to introduce this Bill 71 last year? I tell you it was because of the 10 per cent limitation that was put on by the previous government. That's where the inequities started and that's what we were trying to correct last year with Bill 71. It was their changes, their fiddling around with that Assessment Equalization Act that resulted in this.

Interjection.

**Ms. Sanford:** The Member for Cariboo (Mr. Fraser) who also mentioned that he was unhappy with the presentation made by Dr. Gaffney in terms of consideration of site-value taxation. He mentioned that he did not like to have non-Canadians present ideas to him.

I would like to remind that member of the committee that we had many people present to us the concept of site-value taxation, including Dr. Knetsch from Simon Fraser University and Mr. Jeffrey, who was a real estate man from the lower mainland. He himself spent 200 hours in preparation trying to convince the members of that committee that we should go to site-value taxation, as did Dr. Hamilton of UBC, an economist.

On the other hand it was Jonathan Rowe, one of the Americans, who spoke very strongly against site-value taxation. So I don't buy his argument.

Besides which, I do feel that when a committee has been struck to look into the question of taxation,

all possibilities should be considered. I feel that we should have everything presented to us. Like the Member for Cariboo (Mr. Fraser) I did not buy the idea of site-value taxation, but I am pleased that there are people who feel strongly enough that they would come before the committee and present their viewpoint on it.

Last evening, during the speech given by the Member for Saanich and the Islands (Mr. Curtis), he made reference to the fact that the chairman of the committee and myself, as secretary of the committee, met with the assessment authority when the assessment authority was expecting all of the committee to meet with them. I would just like to set that record straight.

The assessment authority requested the meeting with the full committee on Friday evening following the hearings we had held in Parksville. The committee had commitments for the weekend in various parts of the province and agreed that they were unable to do so at that time. We contacted the assessment authority and said that some of the committee members would meet with them at the earliest opportunity, which was the following week.

At that time, the chairman of the committee and myself met with that assessment authority and spoke with them for about an hour. Following that meeting, once we got back and met with the full committee again, we said we were quite prepared to contact the assessment authority at this time and have them appear before the committee so that they could present to us whatever their concerns were.

The assessment authority replied by saying: "No, thank you, we have no more questions; they were all answered by the chairman and the secretary of the committee when we met last week." So we'll put that on the record.

**Mr. Curtis:** What did you tell them?

**Ms. Sanford:** The assessment authority at that time wanted to know the reason for the motion which was made by the Member for South Peace River (Mr. Phillips) concerning the possibility of going to 1974 rolls. We indicated to the assessment authority at that time that the committee wanted to leave all options open because they were not at this time decided as to what route they would take. They recognized that there would be a danger of losing the possibility of going to full-value assessment, 100 per cent assessment, unless we proceeded with some caution. They, like the committee, want to have 100 per cent assessment in this province eventually, and were not about to throw it down the drain based on any hasty action.

**Mr. McClelland:** Did you try to contact any opposition member to go to that meeting?

**Ms. Sanford:** I couldn't speak for the chairman on that; you would have to ask him. It was indicated at that time on Friday in Parksville that we were planning to meet — at least some of the members were planning to meet — with the assessment authority the following week. We all had an opportunity to meet with him on Friday, but none of the committee members were prepared to do that.

Finally, I would just like to say again that this in my view is the only route we can take at this time. There are too many unknowns until we are able to look at that 1975 roll. I wish the committee that's going to look into the problem of taxation in this province success, because it's a very, very complex issue. Thank you.

**Mr. McClelland:** I'm rapidly coming to the conclusion that many of the committees set up by this government are turning into complete farces. Certainly this past committee is no exception. The statements by the Member for Comox only reinforce that opinion. When two government Members of a committee can take it upon themselves to meet with an authority as important as the newly set up assessment authority without even attempting to get in touch with any opposition members to....

**Ms. Sanford:** I never said that.

**Mr. McClelland:** Well, I'm telling you what you did, because it's common knowledge. Not one attempt was made to get in touch with even the member who lived close by on the island and could have come at a moment's notice. Not one attempt was made to include the opposition in that meeting with the newly set up authority. The



chairman and the secretary should be ashamed of themselves. It's a shocking procedure and it renders the use of all parliamentary committees absolutely ineffective and useless.

I'm glad that the Member for Comox and the Minister of Municipal Affairs (Hon. Mr. Lorimer) recognize that there were some inequities in the application of Bill 71. I just happen to have a few letters here, Mr. Speaker. I brought about half the letters that we received in our office regarding Bill 71. Since I am not the designated speaker, I won't attempt to read them all. In fact, I won't bore you with any of them. But I just want to point out that there were a lot more than a few inequities with regard to Bill 71.

Was the figure 20,000 to 30,000 complaints regarding Bill 71? Courts of revision were sitting full-time and overtime. The B.C. assessment appeal boards were sitting full-time — split into two boards — all because of the reaction to a stupid piece of legislation known as Bill 71.

I'm happy too that the Member for Cariboo (Mr.

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Fraser) referred to the Premier's performance in introduction of this bill last night to which we're referring at the moment. The Minister of Finance has once again demonstrated his ignorance with regard to the whole area of assessment and taxation. While his cheap theatrics last evening were very impressive and good show business, they certainly didn't have anything to do with the facts with regard to assessment, either as it relates to Bill 71 or any other bill before this Legislature.

It's a fact that Bill 71 had absolutely nothing whatsoever to do with the change in taxation procedure to which the Minister referred last night. It once again shows that he really isn't sure of what's happening in this whole area of assessment and should relinquish his post as Minister of Finance for that reason.

Probably the reason that we're here at all talking about this bill has to do with Bill 71 and these letters which we have, and all of the other complaints which were made before the committee. I think that because of all those complaints, the NDP members on that committee finally got the message about the chaos that resulted throughout this province for property owners because of Bill 71.

They didn't believe any of these letters that we read in the House during debate of Bill 71. They didn't believe the people who were coming to Victoria, the apartment owners, the small motel owners, the resort owners, people with grocery stores on the corner, people with vacant pieces of land who hoped to retire on that property some time in the future, all of those people who were hit with assessment increases of 100 or 200 and 300 and 400 and 500 per cent increases. They didn't believe them — all those service industries who operate on a margin anyway and were knocked out of business in many instances because of those increases in assessment caused by Bill 71.

The Members on the opposite side of the House didn't believe it when we brought them all of these letters, when we brought them all of these examples. Finally, when they were confronted with them themselves, while they were sitting on this committee, they finally got the message that Bill 71 caused a chaotic situation all over British Columbia. They either didn't believe or they chose to ignore the fact, because of their blind political allegiance, of the massive display of protest by people all over this province.

That's really where it all began and why we're in a mess right now. That's because of Bill 71, which should never have been implemented without recognizing that every move you make in this complex and complicated area of taxation and assessment will trigger a reaction somewhere along the line. Every action brings reaction and there's no way to get around that.

What should have happened before Bill 71 was the kind of complete study into the need for restructuring of the whole system and not the knee-jerk reaction that we saw once again from this government. We should have seen the kind of approach way back in 1973 that would have showed concern for the shock waves. The Minister of Municipal Affairs (Hon. Mr. Lorimer) talks about shock waves. My God, you never saw anything like the shock waves that emanated around this province because of the introduction of Bill 71, with no concern on the part of this



government for the consequences caused. The government stormed ahead, and the taxpayer was the loser again.

So I think what we hope to have as quickly as possible is some semblance of equality in this whole area. Nothing in this Act will achieve that goal. Instead we go back to what speaker after speaker has referred to as the worse assessment roll in the history of this province. That's what we want to perpetuate - the worse assessment roll in the history of this province?

We're going to go back to that for another year, and maybe more than another year, because in the Minister of Finance's explanation which he read to the House last night, he pointed out that the assessment authority Act is being delayed indefinitely — not just for a year or six months, or two years, but indefinitely. So how long are the taxpayers of British Columbia going to have to put up with the worse assessment roll in 20 years in this province?

I think that one of the reasons we're in the dilemma we're in is that the government, which has been getting all kinds of good advice, has chosen to ignore that advice. It has instead, Mr. Speaker, relied on people whose expertise, in my opinion, is suspect. I only have to refer again to the head of the Economic Policy Analysis Institute, Dr. Mason Gaffney. Do you know, Mr. Speaker, that in Vernon, during the convention of the Union of British Columbia Municipalities, the committee studying this whole system of taxation met with the Union of B.C. Municipalities for about half a day, give or take an hour or so — half a day? Then the day after that up in Vernon the committee met with the British Columbia School Trustees' Association for an hour and a half.

In Victoria they met with Dr. Mason Gaffney and his cohorts, who were flown in at great expense from all over North America, for three days — three days, Mr. Speaker. Yet they give the Union of British Columbia Municipalities less than half a day and the British Columbia School Trustees' Association less than two hours. Does that show you where this government's priorities are, Mr. Speaker? I think it does.

They are taking the advice from people whose expertise is suspect but whose political ideology is in the right place. That's where this government is

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failing, because they're placing too much emphasis on political ideology and not enough emphasis on expertise or common sense. And the government's going downhill because of it.

Do you know that one of the things we're doing this year, Mr. Speaker, is paying cash subsidies? We're paying cash subsidies to people who are paying no taxes — except that they were paying \$1 a year. Those are people that because of the homeowner grant find that their taxes are reduced to nothing. Previously they used to have to pay the token \$1. Not any more, because now this government comes along and pays them \$29. It's some kind of a resource grant, or something, they call it. We're paying cash subsidies to people who are contributing absolutely nothing to their communities in the way of taxes — not one nickel, Mr. Speaker.

One person who appeared before that taxation committee on municipal matters put it very well when he said: "The people can't believe that we're paying cash subsidies to people who pay no taxes." But it's happening, and it isn't even Christmas. Nobody asked for that kind of pork barrel political bribery. That's all it is. That kind of political bribery with taxpayers' money stinks — just like the phony subsidy for ICBC from the gasoline taxes. This subsidy too, Mr. Speaker, is offending the people of British Columbia. They're smart enough to recognize a bribe as a bribe, as a bribe. It's as simple as that.

One thing this government is making a complete success of is its job-creation programme for bureaucrats. They're doing a good job there.

I think we have before us in this session nine pieces of business so far. Three or four of them are simple little housekeeping pieces of business that really don't amount to very much and won't take up much debate. The other things are fairly major pieces of legislation.

Out of those nine pieces of legislation, Mr. Speaker, we have at least three of the nine which call for the

creation of some kind of a new commission or a board or a secretariat or something like that. It's certainly another good opportunity for job creation among the friends of the NDP and the bureaucrats.

**Hon. A.B. MacDonald (Attorney-General):** You sure know how to speak to the principle of the bill.

**Mr. McClelland:** I'm speaking to the principle of the bill, Mr. Speaker.

We now have the assessment authority which is taking up two floors of a new building, whenever they move in, I guess. We now have two assessment appeal boards. Once again, Mr. Speaker, because of Bill 71 we have two assessment appeal boards where we used to have one; and where it used to be a part-time job, now they're both full-time jobs.

They're doing all right, as a matter of fact.

The chairman of the assessment appeal boards, of which we now have two instead of one, both get \$200 a day for what is now essentially a full-time job. And the members — six of them — all get \$150 a day. That's not bad. I'm sure that the senior citizens and the fellow who's getting the \$29 phony subsidy, and the senior citizen who's getting his \$250 a month renter's grant — or a little better for the senior citizens — all like that idea of \$200 a day for the chairman of the assessment appeal board and \$150 a day for the members — plus all their expenses.

We now have the rentalsman. We're going to have, I guess, because of another piece of business that is before us at this session, the "allowables man" who will be the person, I guess, who's in charge of the rental review board which the Attorney-General told us would be just a little bureaucracy. A little bureaucracy. We're going to have the "assessments man" now — the "assessments person," pardon me.

Eight pieces of business and we've already got three new boards. We're going to have a board which is going to review taxation inequities according to this Act. It's another bureaucracy which will do nothing for the taxpayer of British Columbia except fuzz up the whole process again.

**Hon. D.G. Cocke (Minister Of Health):** Where were you the last 20 years?

**Mr. McClelland:** Mr. Speaker, I'd like to refer too to the Minister of Finance's comments about rolling back.

Section 7 of the Assessment Amendment Act says: "Notwithstanding subsection (6) the commissioner may for the purpose of correcting disparities in assessment that may exist within a class of land and improvements reduce the assessment of any land and improvements."

Not only are we going to have some kind of authority, which is apparently going to look at some kind of anomalies, but we also see the commissioner, who I guess will be the assessments person, taking on an incredible role as judge, jury, king, God and Crown prosecutor. He's going to be all things to all persons. He'll be an assessor. He'll be able to overrule the municipal council. He'll be an evaluator; he'll be an administrator, he'll be a superman. And he'll have to be a Solomon to do the kind of job that's outlined in this bill. I submit, Mr. Speaker, that there is nobody, nobody, that can fulfill that role.

The Minister of Finance (Hon. Mr. Barrett), in his opening statement which he read to the House the other night, said that this would not be a general rollback; this would not give the assessment commissioner the authority for a general rollback of assessments, because it would result in an increased

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financial burden.

I'd like to bring up another point with regard to this whole situation of rollbacks, because I believe, and I've pointed it out to the Minister on another occasion, that many of the taxes which are already being collected following Bill 71, and following other changes before this House since this government took office, are being collected illegally. This government is going to find itself in serious trouble if anyone tries to take it to court at some time,

because I think the government has taken a completely illegal position.

I think that there are taxpayers all over British Columbia paying taxes from whom the government had no right to collect.

I believe that the provincial assessment commissioner should have ordered widescale rollbacks before this current taxation year, because the assessment appeal board recently upheld a decision by the court of revision in the Surrey School District, in which it was ruled that neither the commissioner, Percy Wright, nor the local assessors had the statutory authority to order a five-acre limit on property used for residential purposes under the terms of the earlier amendments to the Assessment Equalization Act.

Do you know what that ruling meant, Mr. Member, through you, Mr. Speaker? First of all it meant that an assessment rollback was ordered on 654 properties in Surrey, taking \$3.5 million of assessments off the local roll, and effectively costing the Surrey municipality some \$300,000 in lost tax income this year.

Because of the Surrey experience, Mr. Speaker, I'd like to ask the Minister of Finance.... I hope someone is taking notes for him because he didn't answer my letter.

Interjection.

**Mr. McClelland:** Well, that's the question.

Because of that Surrey experience and because of the ruling by the court of appeal, where did any assessor in British Columbia find the authority to set acreage limits, which they did in many parts of this province? In fact, how can the assessment commissioner's memo of earlier this year, in which he stated that five acres would be deemed to be the limit, be considered to carry any legal weight?

I submit that it had no legal weight and that it was a completely illegal directive, and that anyone acting under it had no statutory authority.

As well, when the assessment commissioner, and the Finance Minister's office particularly, became aware of that ruling by the Assessment Appeal Board on May 7, why wasn't an immediate order issued to every municipal and provincial assessor to change the rolls on all similarly affected properties instead of collecting illegal taxes for the balance of this year, which is exactly what this government has done? This government has condoned ever since May 7 the collection of illegal taxes and is making King John look like Robin Hood.

Mr. Speaker, the Minister of Finance should answer that question because a lot of people in British Columbia are paying for that mistake, as well as many others made by this government.

Just a couple of brief notes about a couple of other anomalies in the system of financing taxes in British Columbia. It has to do with the distribution of the homeowner grant.

I've found, since I've been elected for a couple of years to this Legislature, many complaints from new Canadians particularly who have missed out for one reason or another on taking advantage of their homeowner grant. For one reason or another they've been late in paying their taxes, usually because they can't afford to pay their taxes on time. And because no one tells them the procedure for applying for their homeowner grant, because they don't understand English very well and because they're not able to read legal documents as well as some of us may be able to, they completely lose out on the application of that homeowner grant.

And when they come, regardless of how belated it might be — it may be even the next year — to pay their taxes, knowing that they've lived and resided on their property for four years or five years or two years or 10 years, to ask for their \$200 or \$220 or \$240, they can't have it. The municipal office says: "I'm sorry, but you don't qualify for that." And that new Canadian doesn't understand why everybody else in that municipality except him qualifies for that homeowner grant.

He doesn't understand that and I don't understand it either, Mr. Speaker. And when you write to Victoria and say, "Look, can someone vary this order and give this person the opportunity to take advantage of a homeowner grant the same as every other British Columbian?" you're told by the Finance Minister's office: "I'm sorry, but we have no way of doing that."

Well, Mr. Speaker, that's a very simple little operation, it would seem to me. Somebody with a little heart and a little compassion could see that those people who through no fault of their own get gypped out of their homeowner grant would have the opportunity of getting the same tax benefits that each of us gets as other Canadians.

I would ask — in fact, I would appeal to the Minister of Finance and the other Members on that side of the House — to make a little change in their strict and rigid legislation so that people caught in this kind of bind can be looked after and be treated with some kind of compassion.

And finally, Mr. Speaker, I just want to say one word about the so-called independent assessment

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authority which this government has set up. That's the one thing we were told over and over again by this government. There would be no interference with the independence of this new assessment authority. And, as a matter of fact, in the recommendations given to the House by the committee itself, it even mentions in here that the B.C. Assessment Authority continues to function as an independent authority.

Then it goes on to say: "...and be instructed to complete as soon as possible an assessment roll based on actual value of land, improvements and machinery."

Now, what kind of double-talk is that, Mr. Speaker? Here we say out of one side of our mouth that this authority will continue to function as an independent authority and then we turn around in the same sentence and say that we're going to instruct it to carry out the kind of political action that this government insists that it do.

And, Mr. Speaker, once again, it's this government's political involvement in areas where it should be super-clean and stay right out of what's going to be the downfall of this government in the long run.

Mr. Speaker, in many instances — and particularly in this kind of interference — I'm ashamed of this government. I can only say that I'm sorry for your performance.

**Mr. D.A. Anderson:** Mr. Speaker....

Interjection.

**Mr. D.A. Anderson:** Would the Minister of Health (Hon. Mr. Cocke) like to speak?

Interjection.

**Mr. D.A. Anderson:** Well, I'm sorry about the bill, Mr. Speaker, because we discussed a similar piece of legislation this spring — Bill 71, an Act to amend the Assessment Equalization Act. At time the Hon. Minister of Finance and Premier spoke briefly, saying that it was the first step. He talked about the need to have a more orderly and more up-to-date assessment roll. He talked of the problems that occur when you have assessments fiddled with, as they have been fiddled with by the previous administration. He talked about the inequalities which existed and which had indeed been encouraged by the previous administration. He talked of the need to make changes.

Boy, he certainly didn't speak for long but that's essentially what he said. He spoke very briefly.

The official opposition didn't speak to the bill. A question was asked by one Member....

Interjection.

**Mr. D.A. Anderson:** That's right. A question about retroactivity on apartment blocks and rental accommodation.

Interjection.

**Mr. D.A. Anderson:** Shortly before, a Member suggested adjournment, which was negated. Indeed, the only people who really discussed this were the Premier, the Member for West Vancouver–Howe Sound (Mr. L.A. Williams), the Member for Oak Bay (Mr. Wallace) and, once again, the Premier, who closed the debate.

Now, having reread the debate, I really am distressed, as are others who have spoken earlier, that we have this legislation before us today.

I might add that that was the second reading of the debate that I was referring to. In the third reading debate, apparently the only discussion was between the Premier and myself with respect to section 8.

Interjection.

**Mr. D.A. Anderson:** Yes, as the Premier has interjected, it was true that on third reading the official opposition voted against it....

Interjection.

**Mr. D.A. Anderson:** Curtis.... Yes, the name Curtis appears here under "Yeas."

Paired. In those days we had pairs. How the place has degenerated.

**Some Hon. Members:** Oh, oh!

**Mr. D.A. Anderson:** And McGeer and Stupich were paired.

In any event, it's quite true what the Premier said: we in this party, with the exception of the paired Member, voted in favour of the legislation. This is why we speak with regret in this debate today on this particular bill — because what we're doing with this legislation is backing up.

It was said by the Member for West Vancouver–Howe Sound....

Interjection.

**Mr. D.A. Anderson:** I would read the whole speech piece out if you wish, Mr. Premier.

**Hon. Mr. Barrett:** Read it out loud; it was an excellent speech.

**Mr. D.A. Anderson:** You like the sound, eh?

**Hon. Mr. Barrett:** Yes.

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**Mr. D.A. Anderson:** Certainly it would be better if I read it than if you did. But, nevertheless, the fact is that what we are doing with this legislation is recycling the mistakes of the previous administration.

There was an attempt, an honest attempt by the government — and that is why we in this party supported them in the vote — to deal with the very knotty and difficult problem of assessment. If you have a system of assessment which is unfair, you'll ultimately have a tax system and a tax burden which is unfair.

The first step, we thought, in improving the taxation system for municipal taxation in the province of British Columbia was to get an honest, fair, even, equal, equitable taxation assessment of all properties in the province.

We thought that Bill 71 in the spring was a step forward. Our reservations about its limitations were expressed but, nevertheless, we voted with the government on April 13. We voted with them because we realized it was going to be tough, we realized that a change in the assessment was going to be difficult, but we realized that it had to be done. We thought that the government of the day, at that time at least, was willing to bite the bullet and deal with something which was unpleasant and tough. We applauded that type of decision.

Now we find that we're going back to what we had previously. We are going to continue the inequality. We're going to continue the inequitable treatment in assessment, because if you continue with the inequitable treatment in assessment, you're going to inevitably continue your inequitable tax burden.

It's been discussed in this debate already, Mr. Speaker, and I'm not going to labour the point again. But what we should be discussing now is not a change in assessment back to what it was previous to Bill 71; what we should be dealing with is the alteration in the other part of this two-part system, namely tax rates. If you have a fair system of assessment, based on 100 per cent of value, and then you alter your tax rate to be fair as well, you will wind up with an overall taxation system and taxation burden which is fair. But if you do not touch the tax rates and you continue to fiddle, as was done previously, and cook the assessment, you are continuing the previous inequalities in the law and in tax burdens.

As the Premier pointed out in his remarks the shift, as shown by the studies that have been done since April of this year, would be to residential, and from commercial. Essentially, that only emphasizes the need to change the tax rates. It is not any reason, any genuine reason, to retreat on the question of equitable assessment. We are continuing inequitable assessment; we are continuing what was bad policy of the previous government, and I think it's quite wrong of the government to back off as they have done.

We're going to have assessment rolls of poorer quality. We're going to have a tax burden which is less fair than it otherwise would be. Quite obviously if you change assessments, some people are going to have a higher burden, some a smaller burden. Obviously if you change your system and put it on 100 per cent of value, you're going to make changes unless, of course, you make corresponding changes in your tax rate.

Quite clearly, moving from one system to another will lead to a lot of unhappiness by those who find themselves paying more. But it still doesn't get away from the essential question that the government should face up to the need for putting the 100 per cent fair assessment system into effect and not delaying it one further year.

It's been mentioned that Marathon Realty might well save themselves about \$0.5 million on taxes because of this legislation that we're introducing today, that some large corporations may well be able to make substantial tax savings due to the fact we're not going on to a fair assessment rate. On the other hand, the individual owner, the person who cannot pass on the burden of taxation, will be faced with a continuing and unfair system.

Mr. Speaker, if we had a guarantee from the government that this legislation would not be repeated, I would be a great deal happier. But what I suspect is happening is that the government is essentially faced with a political problem.

To do what has to be done, and which what they admitted needed to be done when they introduced Bill 71, is going to take a certain amount of fortitude on the part of the government. Because of political consequences they're backing off this and they're going to leave the existing system in place. What I fear is that a year from now, or perhaps even less time than that, we're going to be faced with very, very similar legislation to continue to put off and put off and put off introducing a proper system of assessment into the Province of British Columbia.

There is no reason given so far — no valid reason at least — why we should not do it now. If we're not going to do it now, my suspicion is, and I think that it's a suspicion which is confirmed by the government's actions in this and other fields, my suspicion is that they'll again back off next year, a year closer to the election, in taking the difficult decision of putting in a new and fair assessment system.

That's a problem, Mr. Speaker, which I guess is in the future and perhaps I'm anticipating debate a year from now to even mention it, but what is shown by this legislation is simply a lack of decision on the part of the

government in putting in a tough but necessary change. If they show that lack of decision now, I suspect they'll show it in the future and therefore for the immediate future, and perhaps even

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a great deal longer than that, we're going to be saddled with a much worse assessment system than we need have.

As I mentioned earlier if you have a bad assessment system, you will inevitably have a bad taxation system. If you have unequal assessments, you're going to have inequitable taxes. The longer we continue to delay, the worse things are going to be.

No valid justification has been brought forward by the government. We voted with them on Bill 71 because we realized the need for change. We find ourselves at the present time unable to support them now because they're simply retreating from the position they took at that time which we then supported.

The Premier makes sport of one Member who flipped and flopped on this, and no doubt he has, but essentially this whole legislation does that for every single Member of the government. All of them who supported the legislation in the spring are presumably going to be supporting this legislation which backs off and retreats in the fall. And if there's been flip-flops on the opposition side, certainly the flip-flop on the government side, the Minister of Finance's side, have been equally great.

Mr. Speaker, I trust that when the Minister of Finance closes the debate he'll spend time going over the reasoning of Bill 71, indicating why it has not been possible to continue. Perhaps he'll settle some of our doubts about why he chose the role of continuing to fiddle with assessments instead of getting down to deal with the question of real property tax rates and levels and mill rates. If he does that, I'll be most interested, but certainly everything we've heard now has indicated that it's a straight cop-out on his part and on the part of his government to the whole question of assessment in municipal taxation.

**Mr. D.E. Smith (North Peace River):** Mr. Speaker, one of the remarks we've heard most frequently from the Members of the NDP is that there was great inequity in assessments, and particularly the fact that industrial installations in the Province of British Columbia never paid their fair share of the taxes, that it was the homeowner that really bore the brunt of taxation impulse upon the private person in the Province of British Columbia, and that for that reason we needed many changes in the Assessment Act. Well, I don't know where the Minister of Finance and the members of his department received their information from, but certainly if you look at the assessments in some parts of the province, they don't bear that statement out.

As a matter of fact, the assessments in my own area don't bear that out when you consider the school districts up there which are assessed on a slightly different basis than municipal, but at least they take in a broad area, including all the industrial assessment that is available.

It's interesting to note, Mr. Speaker, that in the school district north of Peace River — School District 60 — industrial installations account for 60 per cent of the total assessment, and have done so for many, many years. So I would say that in relation to everything else they're certainly paying an equitable portion of tax, regardless of what 100 per cent may be. And at the same time, residential and municipal taxes combined together — and I classify residential separately because we do have residential premises outside of the incorporated municipal areas — but residential and municipal, collectively, paid 22 per cent of the total taxes levied, or the total assessment in that area. I think at that point it's also interesting to note that that's gross, that the assessment I speak about is before the deduction of homeowner grants which apply to everyone who owns an individual home in the Province of British Columbia, and a rental grant to those who rent premises.

So the 22 per cent is gross. Deducted from that must come the homeowner grants, and I'm sorry that I don't have the exact figure as to what the net percentage would be. But we know that 22 per cent of the total assessment is picked up by residential and municipal taxes. Because I come from an area where we have a large number of farms, the farming community, generally, as classified farms pick up 17 per cent of the total assessment.



It's interesting to note that the other 1 per cent, to round the figure to 100 per cent, is picked up Crown corporations such as B.C. Hydro, other utilities and Crown installations in that particular part of the province.

Now, if the government is really concerned about fair and equitable taxation in the province, what is the Minister of Finance going to do about the shoddy performance and the shoddy appearance of their own corporations in paying tax into the provincial coffers? Surely, it's disgraceful, if this government thinks as much as they do of the people in the Province of British Columbia, that they would expect the average homeowner to subsidize Hydro and other Crown corporations to the extent that they do.

Out of a mill rate, regardless of what level you use, 99 per cent of the assessment is paid by industrial, residential, municipal and classified farms at 1 per cent of the total assessment by Crown installations, including B.C. Hydro. That's a record I'm sure the Minister of Finance is not very proud of, and I'm sure that he's going to do something to correct that particular situation with respect to Crown corporations and Crown buildings and exemptions that they have enjoyed for perhaps too many years.

Just a little earlier this afternoon the Member for Comox (Ms. Sanford) speaking in this debate said that the only route we can take at this time is the one that we're following. She admitted that there are

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some inequities in Bill 71, that the bill we have before us this afternoon, Bill 170, will not solve the problems, but it's a start. She ended on a bright note that hopefully the committee will come up — and I presume she means the municipal affairs committee — with solutions before the next taxation year. Wishful thinking, I would say to the Madam Member; this is a problem that every jurisdiction in Canada has wrestled with. Certainly those who knew the scope and the intricacies and the problems of taxation would have never attempted to solve and correct all of those in a period of six months.

It's no wonder we're finding a rash of Band-Aid legislation and patches being put on the inner tube to try to correct the problems that became manifest after the introduction of Bill 71.

There's a few interesting problems that I think the Minister of Finance (Hon. Mr. Barrett), in his desire to increase the amount of money available to the provincial government through the taxation of property, hasn't even taken into consideration. I would like to recite a few of these problems, Mr. Speaker.

At the present time in British Columbia there are over 200 tax-sharing agreements between electoral areas. They cover benefiting areas that are set up outside of incorporations. In some cases these tax-sharing agreements cover a whole region, or just a specified part of the region. Many of them call for incidental services that people who live in the area would not otherwise enjoy — services such as garbage collection, fire protection, street lighting or, perhaps in some major cases, services such as recreational facilities.

Many of the agreements became operative only after a plebiscite had been taken among the voters and the taxpayers who would pay any levy involved. Quite often their agreements are very specific in setting out the amount of mill rate or tax that can be levied. I'd ask the Minister of Finance, when he's addressing himself to this debate, just how he expects to provide a solution to the many existing agreements. How do you intend to adjust them? How do you intend that without going back to the taxpayers, or that the people who voted in plebiscites will receive recompense without another plebiscite?

It would seem to me that rather than provide any solutions or corrections to the problems — and, let's face it, there are problems in assessments, not only in this jurisdiction but in many parts of Canada — rather than any solutions, the Minister has painted himself into a corner. Certainly the bill that we have before us this afternoon will provide no real solutions to the problem.

It's interesting to note also, Mr. Speaker, that we have a number of statutes on the books of this province that are very specific as to what levy can be applied and how it shall be applied and what form the taxation will take and what the maximum mill rate will be. We have, for instance, the municipal finance authority, and even the assessment



authority Act itself, which is very specific in many areas.

Other areas of the province came into an agreement by an amendment to their letters patent so that they spelled out in those amendments to their letters patent how they would arrive at a taxation formula. These agreements specify a maximum mill rate that can be levied. To give you an example of one of the areas where this is applicable, certainly it's applicable to regional park development where municipalities and, in some cases, regional districts collectively have determined through an amendment through letters patent that they will participate in a certain development.

[Mr. Speaker in the chair.]

They have provided the maximum amount of levy or tax that they will pay.

How will the Minister adjust these agreements? How does he intend to now go back and ask people to accept higher levies than they agreed to do by either plebiscite or agreeing to amendments to their letters patent?

I am sure that the Minister will try to find a way to deal with these problems in a manner that's legal. But when we take into account some of the problems that we've experienced, it's open to question, Mr. Speaker, as to whether even existing taxation in some instances is legal or not. It makes one wonder if the Minister of Finance really knows the impact of this taxation.

Is it just another stopgap measure, something that will tide the Minister and his department over until they can come up with some other solutions? Or is it a matter that now after this session is over the committee will be sent out throughout the province again, only to find that the work they were trying to do was jeopardized by the statements of the Minister of Finance and, in fact, that the decisions as to the direction the government wished to go had been made by the Minister prior to the time the recommendations ever came into this assembly, or the committee had even met to discuss their recommendations?

Is it to be another whitewash job where the members go out and sit on committees for an extended period of time only to find that they might as well have stayed at home, respecting the amount of attention that is paid to the recommendations that they make?

I don't think that the government has really faced up to the problems that are involved. I don't think that they've offered any solutions. I think they will find that this amendment provides no real answers in a time when we do need something concrete before

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us.

I am told that there is not an assessor in the province that is happy with the direction the government has taken. They feel that a lot of the work they have done is for naught. Yet they were told, and worked conscientiously and in good faith, to provide the government with an assessment roll along lines from which we now have departed. Why the departure except to indicate, I think, to every Member of this House that you do not have the answers, that you have no solutions and, at best, that the bill we have before us is a patch-up job, one which will only add to the confusion that we already have existing in assessments in the Province of British Columbia.

Let's get down to the business of solving inequities in taxation if, in fact, they do exist. Let's get down to the business of straightening out on a fair and equitable taxation basis in this province, instead of using patchwork, temporary and expedient means to get a bill through one more year in this province.

I think it's a bad piece of legislation to start with and it has been compounded by the amendments we have before us this afternoon.

Unfortunately no one in government seems to understand the ramifications of taxation and the complexities

that are involved. If they do or if they have in their employ people who do understand, it's certain and very clear that they're not listening to them.

The instant experts seem to be the ones who have made most of the major decisions. Regretfully, these decisions have been anything but helpful to the people in this province, and have provided many people with justifiable feelings that the government does not know the direction they're going, that they're incompetent to say the least, and that until they improve the situation and show leadership, they have no right to govern this province.

**Mrs. Jordan:** Mr. Speaker, I enjoyed the groans from some of the tired, suppressed backbenchers of the NDP who don't want to stand up in this House and discuss or bring before the Legislature the problems of the people in their constituencies.

Interjection.

**Mrs. Jordan:** I wasn't asleep, Mr. Premier. I heard every word that the Member for Cariboo (Mr. Fraser) said and I heard your comments. If it takes that little to buy your vote, then I suggest your vote is hardly worth having.

**Hon. Mr. Barrett:** You said it; not me.

**Mrs. Jordan:** From what I said, perhaps the Premier and Minister of Finance would be interested in what *The Daily Colonist* had to say about his bill which we're discussing at this time. It said that the Barrett government....

**Hon. R.A. Williams (Minister Of Lands, Forests And Water Resources):** We can guess.

**Mrs. Jordan:** If the Hon. Minister of Lands, Forests and Water Resources can guess, at least he must be thinking. Surely, by the natural process of thinking and being a man of responsibility, he would recognize what those responsibilities are, and we can expect him to stand up in this House and point out to this Minister of Finance what he wasn't able to convince him of in caucus — that is that he is compounding the problems that he has already created in the area of taxation.

I hope while he's doing that that the Minister of Lands, Forests and Water Resources will also show some recognition of the plight of many people in this province because of his hand in the legislative process and the policies of a major industry in this province, because these individuals who are suffering under the Minister of Lands, Forests and Water Resources' hand are also people suffering under the Minister of Finance's hand because not only do they have to face the problems of being laid off in the forest industry, and their overhead and no jobs to replace that type of income, but their taxes went through an amazing shuffle as a result of Bill 71.

I'd like to go back to what *The Colonist* had to say, now that the Minister of Lands, Forests and Water Resources is smiling somewhat embarrassedly. I hope he'll go back and write a speech.

It's entitled "In Need of Education." It says:

"The Barrett government has done nothing to dispel its reputation for hasty and ill-considered legislation at the opening of this new sitting of the assembly, but has only by implication accepted it.

"It has brought in a hodge-podge of amendments to the Landlord and Tenant Act which will leave a lot of landlords and tenants more confused than they have been and which looks as if it will lead to a vastly increased bureaucracy trying to control this part of the province's life and economy."

I don't intend to read the whole article, but where they refer to this particular bill, Mr. Speaker, I'm sure you will be interested. They say:

"To bring about fairness in local taxation is an enormously complicated task and it is not at all surprising that the committee could not produce recommendations in this respect in the little time it was allowed."

I must say, how the worm turned, because it was extraordinary to hear the Minister of Municipal Affairs (Hon. Mr. Lorimer) stand up in this debate

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this afternoon and tuck his fingers in his waistcoat with all the aplomb of a master orator and say: "The adjustment of taxation and assessments on the basis of equalization in this province is an enormously complicated task." Very complex indeed. And he's right.

But what we want to know is why it has taken him 18 months of responsibility to find out, because Her Majesty's Loyal Opposition pointed this out to that Minister, the Minister of Finance and this government, and to private Members when they brought in Bill 71.

It was brought in by a Minister of Finance who was wide-eyed and bushy tailed and the Minister of Municipal Affairs applauded him with gusto as he announced that he and only he was going to bring fair taxation to British Columbia, and that he was going to introduce assessments at 100 per cent of market value.

His Members applauded him and they believed him, and quite obviously after 12 years in the Legislature...at least one would suppose that after 12 years in the Legislature, the Minister of Finance would have had an inkling that what he was announcing, under the terms that he announced it, was completely and utterly impossible. So he must stand on the basis of that presentation and on the basis of the statements by his own Minister today, condemned either for stupidity or for encouraging his own Members and his own caucus to believe something that was not possible, because everyone, whether they know much about the details of assessment and taxation surely appreciates how complex it is.

The Minister of Municipal Affairs gave us, as a long dissertation and part of an excuse for having to bring in this bill and for the committee failing to come to a conclusion, the Ontario study. It's amazing that this government has just woken up to the fact that the Ontario study has been going on both in terms of its actual study and in terms of discussion for over three years. Where have they been? Where has the Minister of Finance been? He was down in Ontario, I believe, campaigning for his NDP colleagues. What was he encouraging them to do about the Ontario report on taxation? He was talking politics.

I'll go on to quote — these are not just my ideas, because the editorial goes on to say:

"The Premier's attempts to put a better light on the products of haste will not win him friends. He says in his statement that, technically speaking, this is not a return to the old system of assessing property but rather a freeze on assessment increases throughout the province. No Acts are being repealed or restored and all existing property taxation will remain in place. One could hardly have a better example of doubletalk."

There isn't a Member in this Legislature who couldn't possibly agree with that statement. I think, in retrospect, or as I've listened to the debate, that my personal opinion, and I suspect many Member's personal opinion, of the Minister of Finance would have been much higher if he had got up and not doubletalked but stated that he had made a mistake, and go back to an assessment base, if that's what he wants to do, in which while certainly there were inequalities and inequities which were less glaring than they are under the 1974 roll.

Other Members have pointed out the legal problems and undoubtedly some citizens will take action in this area. Other Members have pointed out the need for rebate on those who have overpaid their taxes. I would like to point out in a few minutes how this attitude is still hurting a lot of small people in this province, and that they're the ones, once more under NDP legislation, who are going to pay the piper's tune.

I think that anyone who stands in this House and tries to give the impression that there will ever be a truly fair and equal form of assessment and taxation is misleading everyone, because it's a constantly changing, a constantly revolving system. It has to be. Values change every day. I think we have to accept this. I think that everyone in this House does want, as much as possible, a fair and equal tax system. But as I say, I don't think one should mislead the House in suggesting that such a thing is possible. The day the rolls close, they need adjustment the next day.

For all the faults of the former system — and it might well be said that it should have been reviewed before this — but I suggest that one of the reasons it wasn't was because of the enormous complexity of the job and because in fact the Ontario government and people were undertaking such a programme.

Isn't it more sensible, when the people of British Columbia were indeed enjoying the lowest taxation of any province in Canada in this area, to listen to what the Ontario Commission had to say, and to listen to the debate on it and not just duplicate the studies, not just run parallel with the mistakes, but to build on the basis of their study and to hopefully avoid some of the mistakes that they made?

Interjection.

**Mrs. Jordan:** Well, this government's been in office for two years, so don't blame the former administration for something. Blame them for all the things that are true, but not for the things that aren't true.

**Mr. L.A. Williams:** That report came down when you were in government, and you did nothing about it.

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**Mrs. Jordan:** How do you know what was going on? You don't even know what's going on in your own party, let alone what was going on in the government.

**Mr. L.A. Williams:** Go back to sleep, Patsy.

**Mrs. Jordan:** Well, I'll match my record in this House and my attention in this House with yours anytime, Mr. Member. I'm not garnering two incomes, I'm a full-time MLA, and while I think that the....

Interjections.

**Mrs. Jordan:** The division took place two years ago, Mr. Member, with a good majority. If you want to come and run against me, I'll take you on in a fair battle.

**An Hon. Member:** Whew! (Laughter.)

**An Hon. Member:** I'll sell tickets. (Laughter.)

**Mr. Speaker:** Order, please. I wonder if the Hon Member...?

**Mrs. Jordan:** I'm sure that's the only way the Liberals can raise funds for their party.

**Mr. Speaker:** Would the Hon. Member address the chair and address her remarks to the bill please?

**Mrs. Jordan:** Yes. But you know what those playboys are over there. You have to pay a little attention to them or they feel neglected.

**Some Hon. Members:** Oh, oh!

**Mrs. Jordan:** I'd like to carry on with the condemnation of the Minister of Finance's policy in this area by a respected paper. It says:

"...and further, that recognizing that rapid implementation of the use of 100 per cent assessment could be misconstrued, without a proper lead-in time for a public education programme, the government is asking the Legislature to adopt legislation that will maintain assessments at 1974 levels."

And they go on to say, and I'm sure many British Columbians are going on to say, "a public education programme."

You know, Mr. Speaker, it seems that this Minister of Finance spends more tax dollars on trying to educate

the public and insulating himself from the public's answer than any Premier or Minister of Finance we've ever had in the Province of British Columbia. His last tour, at taxpayers' expense, was not to meet with municipally-elected people and discuss such bills as this, not to meet with the people in the lumber industry, the small operators in my area for example — the area that I represent — to listen to their problems, to hear what's concerning them but to go out and have selected meetings in selected areas with selected crowds in order that he could pat the flock on the back and educate the public. Did it ever occur to this government, and this Minister of Finance, that maybe the public could educate them? The public of British Columbia are people of a lot of thought, a people of a lot of knowledge, and they may not be able to put it in such a sophisticated manner as some Members of this assembly, but they can say it, Mr. Speaker, if the government would just listen to them.

How, Mr. Premier, through you, Mr. Speaker, is this Minister of Finance going to educate some of the people in this province who have owned land and bought it at a time when they could see inflation coming along, not as hoarders or speculators, but for their own use in the future? I would cite a case of a young minister and his wife and two young children from the area that I represent. By nature of his job he moves frequently, and in that job he's provided with housing. So consequently, with his salary — which, as everyone knows, for ministers is notoriously low — and with the nature of his job, there is at no time during their active working life the opportunity for them to have a permanent home. So they bought some land with a view to holding it and having their mother use one parcel — and their mother is a widow — so that when they retired they would have a piece of land on which they could build their home. Their taxes, Mr. Speaker, went up over 300 per cent on the 1974 roll.

Now I ask you, how does the Premier and Minister of Finance intend to educate that young couple? All they know is that what should be a right of theirs in a prosperous province like British Columbia, in what was once a free province like British Columbia, has been snapped out from under their fingers by a greedy government and by irresponsible financial management. How interested are they in glossy brochures telling them why they should swallow this bitter pill? How interested are they in being indoctrinated with this socialist philosophy which goes against everything that they believe in and work for?

What about some of the farmers and producers in many parts of the province, but some particularly in our area? I'll give you one example, Mr. Speaker, of a fruit producer. Everyone should know, and surely the Minister of Finance should know by now, that the fruit industry certainly is cyclic and has its ups and downs. Their family — their sons and one of their daughters — is in the business, and they bought a woodlot out in an area north of Lumby called

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Cherryville for the sole purpose of keeping it as a complement to their farming activities. They are quite prepared to practise good logging practices, selective logging. They're prepared to comply with all the charges and regulations that anyone should who's utilizing this resource, but they are not prepared, Mr. Speaker, simply because they cannot afford it, to pay the tax increase that they were met with because of Bill 71 on the 1974 rolls.

Is the Leader of the House prepared to accept a motion of adjournment of this debate until the next sitting of the House?

Mrs. Jordan moves adjournment of the debate.

Motion approved.

**Hon. Mr. Barrett:** Mr. Speaker, with leave of the House, and with the permission of the federal Minister concerned, I would like to file correspondence between myself and the Hon. Jean Marchand concerning the British Columbia Railway proposal to Prudeau Bay, the federal government's study of such, and correspondence between myself and the Minister relative to this matter.

Leave granted.

Hon. Mrs. Dailly moves adjournment of the House.

Motion approved.

The House adjourned at 5:59 p.m.

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