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

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**THURSDAY, APRIL 17, 1975**

**Night Sitting**

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The House met at 8:30 p.m.

### **Orders of the day.**

The House in Committee of Supply; Mr. Dent in the chair.

## **ESTIMATES: DEPARTMENT OF HOUSING**

On vote 102: Minister's office, \$150,127.

**HON. L. NICOLSON (Minister of Housing):** I'd like to say a few words about the current housing situation in British Columbia.

As I am sure Members of this House know, new housing starts were down 37,627 in 1973 to 31,420 — a 16.5 per cent decline. This decrease was less than the Canadian average but any drop in housing starts is still a great concern to this government.

Housing starts have also continued to decline in the first three months of 1975. The figures that are available for urban areas with a population of 10,000 and over indicate that starts were off 34 per cent in the first three months of 1975. However, the news is much worse for the rest of Canada.

The house-building industry has entered what is probably the biggest slump since the Second World War. Starts in urban areas for the first quarter of 1975 were off 49 per cent from last year throughout Canada — with Alberta down 37 per cent, Nova Scotia down 39 per cent, Quebec down 44 per cent, Saskatchewan down 48 per cent, Ontario down 58 per cent, and Manitoba down 72 per cent. In fact, only three provinces put in a better performance than B.C. and they certainly don't have the same problems with migration.

The decline in housing starts is not only a national phenomenon; as Members know, housing starts are also down drastically in the United States and Japan, our major trading partners. The major cause of the housing slump in Canada and abroad has been governments allowing interest rates to soar to all-time highs in an attempt to counteract the inflationary impact of the energy crisis. Unfortunately, steps were not taken to protect the housing sector from exorbitant interest rates and a point was reached at which consumers simply could not afford to buy the products builders had to offer.

I am glad to say there are now signs that more funds are becoming available for investment in housing. Although mortgage interest rates still have some distance to fall before their traditional relationship with the rates of short-term debt is realized, I am confident that the pace of house building in B.C. will soon start to pick up again.

The major reason why the housing slump has been less severe in British Columbia compared to other Canadian provinces is attributable to the activities of the Department of Housing. In February of last year, I provided the House with some targets for the new department's first year's work. In doing so, I felt that I was perhaps being a little impetuous because at the time I still had practically no staff for launching and managing a substantial housing programme. But now, looking back at those targets, I'm happy to see that they have been considerably exceeded.

Mr. Chairman, last February I said that the Department of Housing would initiate 2,500 family units in the towns and cities in British Columbia in the coming year. Well, by the end of the calendar year we had completed 310 units, another 486 were under construction and 6,218 units were in advanced stages of planning and design. That's over 7,000 units of family housing in the pipeline, Mr. Member — over three times as many as were built under the Social Credit administration.

**MR. J.R. CHABOT (Columbia River):** You didn't build them — you didn't build anything.

**HON. MR. NICOLSON:** I said that funds voted by the Legislature would be used for 3,000 senior-citizen housing units. By the end of 1974 1,450 new provincial and non-profit senior-citizen dwellings and boarding beds

had been completed, another 2,588 were under construction...

**MR. CHABOT:** The developers put those in place.

**HON. MR. NICOLSON:** ...and 4,054 were in the design stage. This programme of over 8,000 apartments and boarding-home beds is undoubtedly the greatest housing-for-senior-citizens programme that has ever been undertaken by any jurisdiction of our size in North America, but one which the pioneers of this province richly deserve.

I said last February that I wanted to see 1,500 cooperative units in the coming year. I'm pleased to report that 292 units of cooperative housing were built or acquired in 1974, another 535 were under construction at the end of the year and plans were well advanced for 1,717 more units.

With the Department of Housing's policy of land-leasing, housing cooperatives are receiving more support in British Columbia than in any other province. I can tell you that if this trend of people grouping themselves together to provide themselves with housing continues, the cooperative housing movement is going to become a very major force in British Columbia. We don't believe that the only alternative to home ownership or renting from private landlords should be public housing.

Mr. Chairman, the key to stabilizing housing costs

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is access to an ample supply of service lands. Last year I said that the Department of Housing wanted to service more than 1,000 home lots in Crown subdivisions throughout the province. Well, Mr. Chairman, we have a programme underway that is going to service more than 1,000 Crown lots.

In fact, 845 home lots were actually serviced in 1974; and at the end of year engineering and construction was underway on another 1,124 lots, with 425 in the planning stage. If you combine these lots with the spaces that we are creating for mobile homes, at the end of 1974 we had a programme of not 1,000 lots, but 3,208 lots and mobile home spaces. When the land development activities of the B.C. Land Service are also taken into account, you will see that in one year the Province of British Columbia has become the largest land developer in the province, and we are well on our way to satisfying the demand for serviced lots.

The department's new leasehold mortgage programme has met with particularly good reception. Under this scheme lots are leased on a long-term basis with first mortgage loans that carry an interest rate as low as 5 per cent. By the end of March, over 400 leasehold mortgages have been applied for with a value of approximately \$10 million. In Revelstoke 20 lots have been leased; in Williams Lake, 39; Fort Nelson, 46.

**MR. CHABOT:** We'll talk about Revelstoke later.

**HON. MR. NICOLSON:** In Kamloops, 37; in Coquitlam, 176; in Chetwynd, 10 and in Prince George, 90. Because of the popularity of the leasehold programme, 30 more lots in Prince George were put on the market earlier this week.

I regret that very few loans have been made available under the department's conversion mortgage programme that is available in Vancouver, Burnaby and New Westminster. There have been hundreds of inquiries from people interested in developing an additional rental suite in their homes but, because of restricting zoning and building bylaws, only 23 conversion loans have been actually approved.

In implementing the province's housing programmes, the Dunhill Development Corp. has proved to be a most effective instrument.

I have previously tabled Dunhill's 1974 annual report in the House, and, from studying it, Members will appreciate that, like other B.C. Crown corporations, this one made a profit — \$2 million in 1974. That's 34 per cent

of the amount the province paid for the company. Dunhill itself completed and marketed 375 condominium units in its 1974 fiscal year. This practice of direct participation in the home-building industry will be continued, so Dunhill's construction skills are constantly being tested against those of other major developers.

However, what is probably of most interest to the House is that Dunhill is now undertaking a major responsibility of supervision of the government's land-servicing and house-building programmes throughout the province and for land acquisition in the Victoria and Vancouver areas. Dunhill now plays the same role as other provincial housing corporations, but with an important difference. It also retains the capacity to build housing directly on an in-house basis instead of always having to rely on general contractors. So the Department of Housing will take the responsibility for liaison with other levels of government, financial administration and policy research, while the Crown corporation looks after getting the sewers and water and the homes built.

I should mention that Dunhill also has taken responsibility for several large housing schemes such as the 2,000-unit Riverview development in Coquitlam and the initial planning for the Burke Mountain new community. I would also be remiss if I did not pay tribute to the chairman of the B.C. Housing Management Commission and other members of the commission. During the past year the management practices of the commission have been completely revamped and a positive new rent supplement plan introduced. From the comments I have received from tenants, municipal officers and others, I know that the work of the commission is appreciated.

Mr. Chairman, when I made my inaugural address as Housing Minister last February, I stressed that the provincial government cannot be expected to do the job of providing better housing for people of this province alone. In particular, I said I would need the support of the federal government and the municipalities. As far as the federal government is concerned, I have had a good relationship with the Hon. Barnett Danson, Minister of Urban Affairs, and I think he is going to do a good job. But he needs more friends in his Liberal cabinet.

With the disastrous slump in housing starts, it is incredible this year that CMHC's national budget is only being increased 12 per cent over 1974. As I pointed out at the federal-provincial conference on housing held in Ottawa last January, the magnitude of this increase failed to take account of inflation in building costs, which have gone up at least 20 per cent in the same period. Unless Ottawa is prepared to make a great deal more money available for housing this year, I fail to see how things will be improved.

For example, I have been advised by the Central Mortgage and Housing Corp. that British Columbia will receive only 21 per cent of the amount we requested for social housing in 1975. We told CMHC that this province will require \$187 million for family rental housing. We are only getting \$39 million. We requested \$107 million for senior citizens, because

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that's the amount we needed to do a proper job for our pioneers. We'll get only \$26 million. We will also get only \$10 million instead of \$60 million for cooperative housing, and \$12 million instead of \$30 million for land-assembly.

As you know, we won't get a cent from CMHC to help us develop high-grade mobile-home parks in this province. So much for the federal government's role in building housing for Canadians.

**MR. L.A. WILLIAMS (West Vancouver-Howe Sound):** How much was your contribution from Ottawa?

**HON. MR. NICOLSON:** Not nearly enough, Mr. Member.

The startling fall-off in rental housing construction, not only in this province, but right across Canada, and the drying up of funds for housing of any sort late last year, clearly demand a complete restructuring of housing finance in this country. Yet I see no leadership being asserted in Ottawa to achieve this.

One of the things I was most impressed with when I was in Scandinavia last fall was the system of housing finance that exists in these countries. In Sweden and Finland, all financial institutions such as banks, trust companies

and credit unions are obliged to maintain a certain proportion of their assets in state housing loans, mortgages for home purchases and loans to cooperatives and municipalities to build rental housing. These loans bear a lower than market interest rate, but then all investors are treated equally. The Scandinavian countries realize that housing must be subsidized by everyone as a social priority.

I'm pleased, however, that Barney Danson has proved that Ottawa can respond on occasion to a provincial initiative. For over a year I've been urging that rent supplements be made available for people living in non-profit and cooperative housing. A few weeks ago, Mr. Danson announced that Ottawa would share in the cost of rent supplements for 25 per cent of units on such projects and I congratulate him on taking this step. British Columbia is anxious to conclude an agreement with Ottawa as soon as possible to lower rents to senior citizens and families living in such accommodation. This accommodation that I refer to is accommodation sponsored by Greater Vancouver Regional District, by service clubs and by other non-profit organizations under section 15 of the National Housing Act.

Mr. Chairman, last year I told the House that the people I need the most cooperation from are mayors and aldermen in British Columbia's municipalities. I'm pleased to say that on the whole my department's programmes have had an excellent response from civic leaders throughout the province. However, I regret to say that there are proposals for several thousand new housing units being held up in city halls in the lower mainland. In too many cases, development proposal schemes are rejected outright if they deal with anything other than single-family homes. Some aldermen have vowed to uphold this and just don't recognize the times in which they live. In some cases, interminable delay occurs and often completely unreasonable financial demands are imposed on home builders.

**MR. H.A. CURTIS (Saanich and the Islands):** What emphasis are you placing on single-family homes?

**HON. MR. NICOLSON:** Some municipalities, like the City of Vancouver, Richmond, the City of North Vancouver, Burnaby and the District of Coquitlam have been receptive to our initiatives in housing growth. Even though we have our differences from time to time, I know that these councils basically believe more housing needs to be built for the families now living in attics and basements. Other councils are negative and are simply not accepting their fair share of growth. This means that even if the financing problems for housing were solved overnight (that is, mortgage financing) no long-range solution to the housing shortage in Victoria and Vancouver areas would occur unless municipal bottlenecks and red tape are rectified.

I do not believe that the council members are acting with malice in effectively sabotaging construction of a great deal of new housing. I realize that citizens in Victoria and Vancouver areas are seriously concerned about the rapid pace of population growth with its concurrent pressure on open space and public services. This widely spread concern can frequently be seen in the strident opposition that takes place to housing development proposals of any type and is usually coupled with the demand that any piece of vacant land be preserved as a park, no matter what the adequacy of immediately available community space might be.

Mr. Chairman, as a politician I can understand the kind of pressures that are being placed on council members in these areas, but at the same time I would urge them to provide leadership in gaining acceptance for housing proposals that contain the promise of increasing the supply of new homes. I would ask them to be especially receptive to proposals for family accommodation of the type that uses less valuable urban land than traditional single-family homes.

Mr. Chairman, conferences are often used to avoid rather than solve problems, but I've recently received representation from such diverse organizations as the Vancouver and District Labour Council, the Vancouver Board of Trade, the B.C. and Yukon

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Building Trades Council and the B.C. Construction Association that a meeting should be held to discuss solutions to the housing shortage in the lower mainland.

Today I want to announce that I will sponsor a conference in June that will pinpoint the reasons for

Vancouver's current housing shortage and identify ways in which all levels of government can work together to widen housing opportunities for the residents of the lower mainland. The attitude of municipalities to new housing will come in for special examination at this meeting. Besides representatives of the organizations I've just mentioned, also there will be invited members of the house building industry, the real estate profession and financial institutions. I also intend to invite members from every municipal council in the lower mainland. This conference will be followed by another on housing problems in the greater Victoria area.

Thank you very much, Mr. Chairman, for your indulgence of my remarks at this time.

**MR. CHABOT:** I listened attentively to what the Minister had to say. The only thing that he said of any importance to me was the fact that his department is stabilizing housing costs in British Columbia.

There's very little doubt that that's not the case because your department is increasing the cost of housing like we've never experienced in the province before. As I go on, I will cite you many examples of where you've placed exorbitant costs on British Columbians, be it British Columbians wishing to live in housing or British Columbians wishing to live in trailers — on pads owned and leased by the B.C. Housing Management Commission.

Now in British Columbia there's very little doubt — the Minister has clearly indicated to me and clearly indicated to this House as well — that we have a housing crisis in this province at this time. It was related just this morning in the Vancouver *Province* that housing starts take a 27 per cent drop in this province — a 27 per cent drop in this province which is...

**HON. A.B. MACDONALD (Attorney-General):** How much in Ontario?

**MR. CHABOT:** ...primarily attributable to the bungling, not entirely of that department over there, but the bungling and interference in the marketplace by that government over there.

**HON. MR. MACDONALD:** We're ahead of the rest of Canada and we're ahead of the United States of America in housing starts.

**MR. CHABOT:** You're not ahead anywhere.

You're going backwards in housing starts in this province.

**HON. D. BARRETT (Premier):** Is this your job tonight, Alex? (Laughter.)

**MR. CHABOT:** The Minister of Defence has just made his statement.

**HON. MR. MACDONALD:** I got those figures from the federal government.

**MR. CHABOT:** The whole housing situation in this province is in a state of chaos and a shambles caused by that government over there. It wasn't too long ago that one reporter in the press gallery made the suggestion when talking about Casa Loma that the Minister should be bronzed and placed in front of that establishment. Well, I'm not going to be quite that harsh, but I'm going to talk very briefly because we have new rules here now. The Minister gets up and occupies some of the time that has historically belonged to the opposition. There isn't that much time and I'm not going to be unfair to the other Members of the opposition who might want to speak on your estimates. I'm going to be as brief as I possibly can and ask a series of questions to which, I hope, I will get answers from that Minister over there.

Speaking very briefly about Casa Loma, not only myself, but other Members of the opposition were shocked to see that the purchase of this project was announced jointly by the Minister of Housing (Hon. Mr. Nicolson) and the Speaker of the Legislature (Hon. Mr. Dowding). I thought that it was most inappropriate. The Attorney-General seems to chuckle at that fact.

**HON. MR. MACDONALD:** He's the MLA for Burnaby-Edmonds.

**MR. CHABOT:** Certainly he has a right to announce it as the MLA for Burnaby-Edmonds, but he has no right as the Speaker of the Legislature to make any public announcements. He made this public announcement; the Speaker announced the Casa Loma scandal. I'm surprised that the Speaker wants to tie himself into that scandal.

**AN HON. MEMBER:** Who got paid off?

**MR. CHABOT:** The whole Casa Loma situation is financial scandal and financial mess, which the Minister will readily deny. However, we find that the Attorney-General found it necessary to ask the RCMP fraud squad to investigate the dealings on Casa Loma.

**HON. MR. MACDONALD:** Was that through wrongdoing?

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**MR. CHABOT:** Well, it threw strong suspicions on the part of the chief law officer of this province that he would involve the fraud squad of the RCMP to investigate Casa Loma. We have repeatedly asked the Minister of Housing several questions, which remain unanswered, regarding Casa Loma.

**MR. CURTIS:** He's not very loose in the question period.

**MR. CHABOT:** The Minister has refused, despite being asked on numerous occasions, to answer certain facts relative to Casa Loma. The key question which the Minister is unwilling to tell the people of British Columbia is: when did negotiations commence for the purchase of this public scandal?

**HON. MR. MACDONALD:** What do you mean by negotiations?

**AN HON. MEMBER:** Maybe the RCMP knows.

**MR. CHABOT:** You can stand and try to suggest to us all you want the need for senior citizens' housing in British Columbia. We readily recognize the need. But the need does not justify the means in this particular instance. There is no need for the taxpayers of this province to get taken in a deal like Casa Loma for the provision of senior citizens' housing in this province.

I want to ask, as I said before, a few brief questions of the Minister. I want to ask a few questions regarding some of the activities of his department in the community of Squamish.

I was in Squamish last weekend and I noticed some duplexes there, which I'm led to believe are owned by Dunhill, that have been empty for some considerable time which would indicate that there apparently is no housing shortage in that community. I would like the Minister to tell me how long those housing complexes, which have been purchased by Dunhill, have been vacant, and what the prospects are for the sale, the rent, or the lease of these properties.

I'm going to quote from one of the Minister's housing news releases, the one on February 19, 1975, in which he indicates that his department has launched a major housing project in Squamish and in the vicinity of Squamish. I would like the Minister to tell me just how this is progressing.

The Minister suggested that there was a need, that the department will be involved in the placement of 2,000 units to house 7,000 people in this community. He suggested in this press release that the phase development would be completed within five years and that it would include, 437 single-family dwellings, 498 medium-density townhouses, 240 mobile-home pads, 836 high-density units, schools, a commercial area and parks. He also went on to say that the department is undertaking the cost of diking the Cheekye River to prevent flooding of the development area. This off-site project is estimated to cost \$300,000.

There are several questions relating to this development. On what basis is the Minister involving his department and involving Dunhill in the establishment of 2,000 housing units in Squamish?

What need does he anticipate there? Certainly, it can't be the car plant because it will be some considerable time before that is functional. It is my understanding that they will have a skeleton staff for some considerable time. So what industry do you foresee in Squamish that justifies the construction of 2,000 housing units?

Also, I question the expenditure of \$300,000 for the construction of a dike. Is this for the protection of housing which your department will be constructing on a flood plain? If so, it is my understanding that the Department of Lands, Forests and Water Resources is discouraging other municipalities in this province, very strictly, from allowing housing to be developed on flood plains.

Now I want to question some of the outlays which your department is making in the Squamish mobile park. It is my understanding that the cost of these pads — that is, the on-site servicing — is in the neighbourhood of \$7,500; that off-site needs for servicing these 240 trailer pads is over \$1,800 each for a total outlay per pad of over \$9,000. It is my understanding that the B.C. Housing Management Commission intends leasing a number of these pads, those that aren't released to a cooperative, on a monthly basis at a fee of over \$116 per month. I wonder whether the Minister will tell me where else in this province it costs \$116 per month to rent trailer space?

**MR. P.C. ROLSTON (Dewdney):** Pitt Meadows.

**MR. CHABOT:** It strikes me as being extremely costly trailer space rental.

The Member for Dewdney says it is going to cost over \$100 in Pitt Meadows as well. In other words, this must be another government programme as well.

I find this to be an exorbitant fee for trailer rental space...

**MR. ROLSTON:** We'll show you around next weekend.

**MR. CHABOT:** ...when the original objectives of this government, at least as indicated in their colourful brochures which they distribute throughout this province, are to be responsible and in the business of providing low-cost housing and low-cost trailer space.

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I find this figure of over \$116, the projected figure in the community of Squamish, to be exorbitant. I am wondering if the Minister would tell me why it is necessary to provide this costly rental space in the community of Squamish.

I find that the government is also involved in the subdivision in the community of Fort Nelson. It's my understanding — and this was just released on March 7, 1975, or at least the press release suggests it — that the subdivision in Fort Nelson will be one of 156 lots, a new residential subdivision which will cost in the neighbourhood of \$9,000 per lot. Now I understand, despite the fact that the Minister released a press release just on March 7 suggesting that this development will be a residential subdivision — which indicates to me housing — I find it will have a mix of trailer pads.

I'm wondering if the Minister will indicate to me what the anticipated cost of the monthly rental of these trailer pads will be in the community of Fort Nelson. Will it be as high as the fee I've indicated will be charged in the community of Squamish? I wonder as well, when I take into consideration this housing development in the community of Fort Nelson, where that expertise is, that \$6 million expertise which we taxpayers purchased. It's my understanding that housing is underway in the community of Fort Nelson.

Interjection.

**MR. CHABOT:** By private developers. Where's that great expertise for which we spent \$6 million of taxpayers' money? Why aren't they involved in the provision of housing units in the community of Fort Nelson?

Now the government is also involved in the establishment of trailer pads in the community of Burns Lake,

the cost of which they anticipate to be in the neighbourhood of \$7,000. That's for servicing the land. You know, I really can't understand this government. If a private developer had to originally purchase the land and then provide the kind of inflationary service cost which the government is providing to this property, they'd be out of business. They couldn't survive. But we're talking about Crown land, land that is presently owned by the Crown. All they have to do is service the land, provide services to these various trailer pads. We find that the services for these various trailer parks are exorbitant, between \$7,000 and \$9,500 per spot. Is the trailer monthly rental in Burns Lake going to be \$100 per month or more, such as it is in Squamish? How exorbitant and how ridiculous can you be?

It's always been my understanding that people buy trailers for the purpose of economy. How can it be economical for someone to buy a trailer if he has to park it on a government pad at over \$100 per month?

Absolutely ridiculous!

One more question regarding exorbitant outlays by the government. I'm wondering if the Minister would give me some information regarding his purchase of land in the community of Revelstoke.

In January, 1974, the Department of Housing bought 0.82 parts of an acre of land in the community of Revelstoke for \$109,000, which, in effect, makes it a price of \$133,000 per acre for land in the community of Revelstoke. I find this to be exorbitant and unrealistic. Certainly that isn't the market value of land in the community of Revelstoke.

I said that they bought 0.82 parts of an acre for \$109,000 in the community of Revelstoke.

**AN HON. MEMBER:** Is there oil underneath?

**MR. CHABOT:** In case the Minister doesn't realize that this is a small interior city, that these prices can't possibly be related to land values in the community of Vancouver or the community of Victoria, it appears to me that the government, with its obsession to purchase land, will pay almost any price. I want to know from the Minister who we bought this land from in the community of Revelstoke, at what I consider to be a most unrealistic price. I think it is important that we find this out.

Now I want to ask the Minister another question regarding a press release which came out on May 31, 1974, in which he indicated that they had signed a federal-provincial agreement with the Urban Affairs Minister, Ron Basford, on a new remote area housing programme for British Columbia. Mr. Nicolson said:

"I have wanted for some time to reach agreement with Ottawa on a programme that would have specific application to smaller communities in British Columbia, especially those in the north. The new remote area housing programme should provide good accommodation for the first time in communities that lack the normal service necessary for federally funded housing."

This really means that the federal government picks up 75 per cent of the cost. But since that time Mr. Basford, the former Minister, had this to say regarding the remote area housing programme.

"Federal land-buying money could be withheld from B.C. if the provincial government insists on a doctrinaire approach to leasehold residential land, says federal Urban Affairs Minister Ron Basford. Basford told a public meeting he favours a combination of leasehold and private ownership of Crown lands for homes. 'There is a place for leasehold land and also a place for the sale of land,' he said Monday, 'but that's the difference between the NDP and the Liberals — it should be both ways."

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Liberals aren't doctrinaire like the NDP. If federal money is just being used for leasehold land then we will be forced to take a strong look at federal money coming to B.C.'

"One of the first leasehold subdivisions in the province will be developed in Prince George for residential purposes. The provincial government ordered the city to lease lots to home builders on a 60-year agreement rather than sell the land outright.

"Basford said new housing legislation will provide federal credit for provinces to buy more private land for residential purposes. 'We want to spend \$ 100 million on this kind of project but we are not interested,' he said, 'in land banking for future

use. We want our dollars to be immediately utilized for the benefit of people who want to purchase housing.'

That's what he said in that statement.

Now I wonder where we presently stand in this remote area housing programme. We have a new Minister now and I understand that the programme is up in the air, unresolved. I am wondering if the Minister feels that he has lost the federal funding in this remote area housing programme, the joint programme which he was so proud to announce back in May, 1974.

I am wondering also, regarding the remote area housing programme, whether the Minister has constructed any log houses in the north. If he has, could the Minister give me an indication as to how much these log houses have cost, what the sizes of these homes are and what is the source of the logs? I have constituents who have attempted on numerous occasions, all in vain, to secure logs for log housing for summer homes and they have been unsuccessful in securing these logs. I am wondering whether there have been log houses built in the northern part of British Columbia, their size and the source of these logs, whether they were built for resale or for lease and what the costs involved are.

Is the Minister contemplating housing programmes in the East Kootenays? If so, is he considering government housing programmes in the community of Golden or the community of Invermere? I want to assure him that if there is any consideration that Invermere might need public housing, I suggest to you that the Department of Housing is not very familiar with the present housing situation in that community. Will the Minister tell me also...?

Interjection.

**MR. CHABOT:** We also like the private enterprise system in that community of Invermere. We like it in Golden, too, and in all the other little communities in my riding. We don't like government housing being superimposed on us!

Is the government giving any consideration to a housing programme at Roscoe Bay near Ocean Falls? If so, what? I wonder if the Minister would give me some details on the housing project which he has underway in the community of Castlegar.

Unfortunately, time won't allow me to ask fully the questions I would like to ask the Minister, but I find that the administration of the Department of Housing under this Minister is in a state of chaos — a state of shambles. If one was only to look at the figures, one could really see that in public housing more units are being constructed by Daon Development than are being constructed by Dunhill Development. Daon seems to have a corner on the market as far as public housing is concerned in this province.

I thought that government over there was against these private developers which they've always called the rip-off artists in this province as far as housing is concerned. But now we find that this government has gone to bed with the developers. All the developer has to do, unfortunately for the taxpayers of this province and the future residents of those homes, is go with a semi-completed, or quarterly-completed, or fully-completed housing project and that government over there...Dunhill is ready to buy at almost any price. The people are paying very dearly for this rip-off that has taken place in housing in British Columbia because this government has not put to use that \$6 million vehicle called Dunhill Developments.

Another press release from February 17, 1975, announced by the favourite daughter jointly with the Minister — or was it just the favourite daughter? No, it was just the favourite daughter — sorry — who made this announcement. I thought it was a joint one with the Minister. It has to do with the 21 townhouses on the site at 13th Avenue and Laurel Street. Of the 21 townhouses, we find that 14 of them are going to cost \$627,000. That's the....

**MR. CHAIRMAN:** The green light is on.

**MR. CHABOT:** Oh, I'll refrain from those remarks because they will take me a few moments.

**AN HON. MEMBER:** The green light means go, not stop.

**MR. CHABOT:** Yes, when I see a green light on the street it means go, however it's reversed here. It goes to show you how mixed up that government is: they have green lights for stop. It's just unbelievable!

**AN HON. MEMBER:** You're colour blind.

**MR. CHABOT:** Some of you have the audacity to call it a blue light.

Mr. Chairman, as I said before, I find that the

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whole matter of housing is in a state of shambles in British Columbia, caused not only by that Minister there, but primarily by that Minister. He has the audacity to stand here and tell us how many housing units he's put in place. Those housing units are housing units you've purchased from private developers, not housing units that you have contributed to put in place. I find that you have imposed on the people of British Columbia by providing very costly housing. You have not fulfilled your objective in the provision of low-cost housing. Because of the bungling, incompetent government over there and its actions the people of this province are suffering not only because of a shortage of housing but also because you have increased the cost of assessments in this province.

**MR. CHAIRMAN:** Time.

**MR. CHABOT:** Mr. Chairman, under these circumstances I have no alternative but to move — seconded by the Member for South Peace River (Mr. Phillips) — that the salary of the Minister of Housing be reduced by the sum of \$1.

**MR. CHAIRMAN:** There's no seconder required in committee. We are dealing with the amendment that the salary be reduced.

**HON. MR. NICOLSON:** Mr. Chairman, speaking against the amendment and trying to respond to some of the reasons that the Member gave for putting forward the amendment, he stated that there was a 27 per cent drop in B.C. at the beginning of this year. Well, if he had listened to my speech, he would have noted that he was wrong again. I say that it's worse than that.

**MR. D.E. SMITH (North Peace River):** A point of order, Mr. Chairman.

**HON. MR. NICOLSON:** It's 34 per cent.

**MR. CHAIRMAN:** Order, please. The Hon. Member for North Peace River on a point of order.

**MR. SMITH:** Mr. Chairman, I recognize that fact that it's not necessary now for a seconder to place his name on a motion except for about two motions that regularly come before this House every session. But it has been the courtesy and the custom of this House to allow a seconder to sign his name to a motion, and recognize that seconder if he so desires, since you haven't changed the rules of the House.

**MR. CHAIRMAN:** Order, please. There is no point of order. This procedure is not necessarily followed in committee as it is in the House.

**HON. MR. NICOLSON:** Mr. Chairman, in fact, I said that housing starts had continued to drop in the first three months and that for urban areas with a population over 10,000, they were off 34 per cent, Mr. Member, for the first three months. I think you were quoting the two-month figure.

I think you were quoting the two-month figure. But they were off 49 per cent throughout Canada, and that was down 37 per cent in Alberta, 39 per cent in Nova Scotia; Quebec was down 44 per cent, Saskatchewan 48 per cent and Ontario down 58 per cent. Now I know you wouldn't want to blame me for what's happening in those other

provinces. I know that you're a reasonable man, as are you all reasonable men.

Now on Casa Loma, when did negotiations commence? Casa Loma Motels approached Mr. Paulus with an offer to sell in the late summer of 1974. B.C. Housing Management Commission inspected the project and reported on it on September 20, 1974. Dunhill inspected the property on or about October 17, 1974. Mr. Paulus wrote to me recommending approval of the project with certain conditions on October 19, 1974. On October 24, the proposal call selection committee considered the application and authorized Mr. Paulus to continue talking to them. On November 25, 1974, the proposal call selection committee was advised that an application had been made to CMHC under section 43.

**MR. CHABOT:** The first contact?

**HON. MR. NICOLSON:** I said the summer of 1974; I believe it was in July. But on December 5, 1974, the proposal call selection committee was advised that the proponent, Casa Loma Motels Ltd., had been advised that the only circumstances under which the project would be acquired would be in the event that the surplus funds for 1974 were available under section 43 of the National Housing Act. The availability of such funds would not be ascertained until December 10, 1974. On December 19, I indicated my approval of the purchase on the conditions outlined.

So it's evident from the contents of a letter from the Hon. T.A. Dohm, QC, to Casa Loma Motels Ltd. that the settlement made between Casa Loma Motels Ltd. and Mr. Macdonald, barrister and solicitor acting on behalf of the lien claimants, was made in late August or early September, 1974. From this information, there's no evidence to support the contention that a commitment to purchase by the department, or even negotiations between Dunhill and Casa Loma, were either made or going on prior to the settlement of the lien claimants — which really is not material either, in my opinion. You want to know the sequence of events, and there you have it, Mr. Member.

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Let the record show that he said that there's no need for senior citizens' housing.

Interjection.

**MR. CHAIRMAN:** Order, please. The Hon. Member is entitled to make a correction when the Minister is finished.

**HON. MR. NICOLSON:** Oh, he did, Mr. Chairman, admit to a need for senior citizens' housing by purchase of Casa Loma, then.

Now in Squamish...you talked of the duplexes. These are just being turned over and have just recently been completed, or are being completed. We already have 17 applications for rentals in those units. You question the need for development....

**MR. CHABOT:** Yes, 2,000 units.

**HON. MR. NICOLSON:** We have presently 239 mobile home pads, 39 single-family lots, I believe, and 159 under design at the present time. The Cheekye dike \$300,000 was a necessary improvement. But unlike your government, which allowed such things as the development of flood plain without any protection, and allowed things like all those things in Kamloops on the banks of the North Thompson, allowed them to go in, and then, at government expense, it was necessary to go in later and protect them and people made considerable profits.... This particular project is being done and properly planned.

**MR. CHABOT:** Is it on the flood plain you need protection?

**HON. MR. NICOLSON:** Well, diking has been necessary to contain the Cheekye, yes, Mr. Member.

**MR. CHABOT:** Is it on the flood plain?

**HON. MR. NICOLSON:** Well, I don't know that it would be called the flood plain, but we felt it necessary to protect the area.

He talks about \$9,000 per pad, and he talks about people having to pay around \$116. Do you know that back in 1968, when the workers went into Mica, there was housing provided by B.C. Hydro for management but the workers were left captive of a mobile private enterprise mobile-home park that charged \$70 per pad back in 1968? Now that's the performance of that government. Mr. Member, this is not going to have gravel roads and lack drainage and be a dust bowl. This is going to be a first-rate development. I believe it includes storage spaces. There will be full servicing and it includes a much higher standard of servicing than what you will find in the average mobile-home park.

You talk about Fort Nelson, \$9,000 per lot. I think you would appreciate some of the soil difficulties up there. You seem to object to the mix of single-family homes and trailers.

**MR. CHABOT:** No, I'm not objecting to that.

**HON. MR. NICOLSON:** That is done on the request of the municipality, Mr. Member.

**MR. CHABOT:** I'm not objecting to that.

**HON. MR. NICOLSON:** Fine.

They are going to be marketed in Fort Nelson on the lots for single-family homes — that is, the 8 per cent rate of the assessed value, which will work out to about \$60 per month. But that is not a mobile-home park and it doesn't offer the services of a mobile-home park.

Burns Lake, \$7,000. We bought that land from the village of Burns Lake. That was not free Crown land.

At Revelstoke, we have 50 units planned under section 40. It is a federal-provincial agreement and both parties have been very much involved in that. I believe it is 1.07 acres.

**MR. CHABOT:** No, that's not correct. Who did you buy it from?

**HON. MR. NICOLSON:** The remote area housing programme. Mr. Basford made some political statements in the heat of an election campaign...

**MR. CHABOT:** Who did you buy the land from?

**HON. MR. NICOLSON:** ...and I am not going to blame him for getting political during an election campaign. There has been no slacking off as far as intent, but the remote area housing programme is administered primarily by Central Mortgage and Housing. The performance last year was very disappointing but we did manage to make a start and some 25 homes were built last year under that programme.

In Invermere and Golden, there is no programme. I believe there are no programmes going on in Roscoe Bay. In Castlegar, we are talking to the council.

**MR. CHABOT:** I asked you if there were plans for Roscoe Bay. Are there plans for Roscoe Bay?

**HON. MR. NICOLSON:** I am informed not, at this time. We are talking to the town council in Castlegar. You talk about Daon Development but, Mr. Member, the proposal call housing programme is quite open. When we opened 44 units in Cranbrook recently, that involved four or possibly five small contractors. We

were told by everyone that that programme kept the small builders busy this winter.

**MR. CHABOT:** Were they union contractors?

**HON. MR. NICOLSON:** I don't think most of them were, in this particular instance, Mr. Member.

**MR. CHABOT:** Thank you.

**HON. MR. NICOLSON:** Daon Development has done a great deal.

You complain about the housing units that we purchased. Mr. Member, a lot of those projects would have stopped after a first phase for lack of mortgage funding. What might have ended up as 30-some-odd units coming up on the market, we made sure the full project came on the market — the full 150 or 170 units.

The 21 townhouses at 13th and Laurel: I don't know what you were going after there, but it is a very fine project. I've been on the site. I was very impressed with the crews who were working there, the men who are there. There are jobs, Mr. Member, lots of jobs.

**MR. CHABOT:** Oh, I'll tell you about jobs.

**MR. L.A. WILLIAMS:** I have pleasure in joining in this debate. I only wish that the Minister of Housing had seen fit to distribute to the members of the committee the remarks that he read to you, Mr. Chairman, at the commencement of this evening's proceedings. The Minister of Human Resources (Hon. Mr. Levi) saw fit to do so this afternoon. The reason I would like to have had those available is I would have liked to compliment the author, who is obviously not the Minister.

The Minister spoke about the demand for housing in the Province of British Columbia. I suggest that there is only one demand that will really serve the purposes of the people who are looking for housing and that is the demand that the Minister resign.

**AN HON. MEMBER:** Hear, hear!

**MR. L.A. WILLIAMS:** The Member for Columbia River (Mr. Chabot) talked about the remote area housing programme. Well, the remote area housing programme is British Columbia, because if you happen to be in need of a house in British Columbia, this is the remotest area you can possibly find.

**HON. MR. NICOLSON:** More remote in Ontario, Mr. Member, 58 per cent.

**MR. L.A. WILLIAMS:** Well, the Minister says "more remote in Ontario," but the fact of the matter is that the Minister didn't bother to tell the committee, in response to the question of the drop in housing starts, that the housing starts in British Columbia do not even keep up with the growth in British Columbia, let alone the housing units which are demolished in the course of other construction in this province. We are rapidly falling behind.

The Minister hasn't bothered to tell the committee there is a need in the lower mainland of this province for 35,000 housing units. The Minister doesn't even have the slightest idea of the personnel which are required in order to build 35,000.

The Minister has promised the people of British Columbia who are in need of housing that they're going to have a conference in June. I stood in this House in 1969, and heard the responsible Minister tell us that we're going to have a conference on housing in British Columbia, and the same people who were in need of housing in 1969 are in need of housing today. This is what he's offering to us — a conference on housing to which he's going to invite the representatives of all those governments on the lower mainland and other municipalities who may be interested.

This is the Department of Housing? The Department of Housing has only served one purpose, as far as I can find: it's made some millionaires overnight in the Province of British Columbia. I'm talking about the owners of Dunhill Development and the owners of properties which are capable of subdivisions for housing purposes. They've been made millionaires overnight. People like the owners of Casa Loma have been made millionaires overnight.

The Minister gave us more answers in a quick response to questions from the Member for Columbia River (Mr. Chabot) concerning Casa Loma than he has after day after day after day of questioning in question period, when he took questions as notice and did not give the answers. He spun through them tonight.

I asked the Minister weeks ago whether his department or Dunhill Development had obtained a market value appraisal of the Casa Loma project prior to commencing negotiations with the owners of that project, and he has not answered it yet. I'll tell you why I asked that question: I have it on unimpeachable authority that in September, 1974, the then owners of Casa Loma Developments obtained a market value appraisal of the completed project at \$2.2 million. This government, at the end of 1974, bought that development for \$3.1 million.

I challenge the Minister to produce to me any market value appraisal which his department, or Dunhill Development, obtained before they completed those negotiations with Casa Loma Developments. As a matter of fact, the market value appraisal in September of 1974 was the second market value appraisal which had been obtained by the owners of Casa Loma developments. They knew

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what the value of their project was: \$2.2 million. The government came along and offered them \$3.1 million, and believe it or not they accepted it.

**AN HON. MEMBER:** Who got the gravy?

**MR. L.A. WILLIAMS:** Who got the gravy? Who got the \$900,000? Certainly I'll tell you that the mechanic's lien claimers didn't get the \$900,000. They got 40 cents on the dollar. If the Minister didn't know this, then the Minister has got to be the worst calamity that has ever faced the government of the Province of British Columbia, and he should be ashamed — and the Member for Burnaby-Edmonds (Hon. Mr. Dowding) should be ashamed that he would have joined in the announcement of this kind of a project for those kinds of dollars.

If they want to buy that property as a senior citizen development, then they should have done so on what was its market value instead of making millionaires out of the people who owned Casa Loma, in the same way they made millionaires out of the people who owned Dunhill Development. And the people in Dunhill Development, which they bought when they bought that company, are bailing out faster than the Deputy Ministers in the Department of Economic Development of this government.

Housing has been spoken of as a crisis in this Province of British Columbia. The crisis rests not with the lack of housing, but the inability of this government and that Minister to understand the problem and produce solutions which are meaningful for the people of British Columbia. He blames the federal government, which contributes at least 75 per cent of the money for every major project of government that that Minister has announced — at least 75 per cent. He blames the municipalities. He blames every level of government except his own, and he is the Minister of Housing.

Why is it that the fault always rests on someone else? It's always the federal government because they won't do enough; it's always the municipal governments because they won't cooperate; it's always the private sector because they won't cooperate; it's always the financial institutions because they won't do their responsibilities. Somehow or other it's never the provincial government, whose direct responsibility it is to ensure that these problems are resolved and which has taken it upon itself to create a separate Minister of Housing and place that Minister on the rolls. It's never their fault. How come?

No one is purer than that Minister because he was a schoolteacher. I was in a taxicab in Vancouver two weeks ago, and I found that the driver was a young man who had come from the eastern regions of this province and lo and behold, he'd been a student of the Hon. Minister. I said that he was now the Minister of Housing. Do you know what that young man's response was? "He was a lousy teacher, too." (Laughter.)

**AN HON. MEMBER:** Shame.

**MR. L.A. WILLIAMS:** You say "shame," but I am only repeating what the young gentleman said to me. It is the assessment of a man who has seen the Hon. Minister at the closest of quarters.

**MR. D.E. LEWIS (Shuswap):** I've heard lots of things about you but I don't believe them all. (Laughter.)

**MR. L.A. WILLIAMS:** Why not? Why not? I was hoping the Minister of Public Works (Hon. Mr. Hartley) was going to come to the Minister's rescue. The Minister of Public Works is the guy who is responsible for acquiring vacant property, and the Minister of Housing (Hon. Mr. Nicolson) is responsible for acquiring property that should be vacant but isn't. (Laughter.)

Interjections.

**MR. L.A. WILLIAMS:** Mr. Chairman, under our rules we don't have much time to debate this particular Ministry and I only hope that the time will come back.

I want to turn to another matter which I think is an absolute scandal as far as this Department of Housing is concerned.

Interjection.

**MR. L.A. WILLIAMS:** If the Hon. Member for Kamloops (Mr. G.H. Anderson) would just go back to sleep until he can get a nod to come back in the chair again, he would make a major contribution to this debate.

I want to talk about an issue which arose — and this is not the fault of this government in the initial instance — back in February, 1970. I hope the Minister and the people who are associated with him will pay some attention to the narrative until it gets to the area where the problem really arises. In February, 1970, a Mr. and Mrs. Erickson acquired some property which was being developed by a company called Sahara Developments Ltd. It was a condominium operation. They purchased the property in February of 1970 for \$17,100. They paid \$300 cash and they got a first mortgage from the provincial government for \$5,000. It was a residential property; it was a condominium. It was part of a strata-lot operation in the Municipality of Delta — Strata lot No. 42.

They took possession of the property and they

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then began to experience severe problems with regard to the development — problems which were not only felt by them, but also by many other people who had acquired property in this condominium which contained a total of 51 units. The rugs began to split; the nails started coming through the floors and the walls; the windows leaked and the water came in and made the rugs wet and they began to mildew; the grounds weren't taken care of and the property was not maintained. They had verbal agreements with the owners to do something about this, but nothing ever happened.

Well, they and the Ericksons, and the majority of the people who were in the same position with regard to this operation, wanted to move out. They made approaches to the developer but without success. Several people did move out. The Ericksons tried to work out their problems with the developer but they didn't have any success. Some people went to the B.C. government, the people who had got second mortgage loans, and they quitclaimed their property to the B.C. government. The government took them off the hook, so to speak.

The Ericksons, and several of the others, attempted to sell their property. In the case of the Ericksons they dropped their price as much as \$2,000, but, although there were a few inquiries, as soon as people found out what the property was there just wasn't any further interest. There were no buyers because of the bad reputation of this particular development.

In late 1971 they got in touch with an official of the Department of Housing, Mr. Chatterton, and he sent out an inspector to look at this Sahara Developments condominium. They didn't get any word back from Mr. Chatterton

but they, and others in the development, learned that the inspector's report was not very praiseworthy of this development. So they got in touch with Mr. Chatterton again and he sympathized with their problems and recommended that they go and see a lawyer. They did this in August, 1971, and he advised them to get a quitclaim — quitclaim their property back to the government and get out of it. They phoned Mr. Chatterton and told him they were going to stop payments on the property and he said that unfortunately the government was no longer taking quitclaims. He advised them to walk out of the property because it was in such bad shape. They raised the question: "Well, if we walk out of the property, what happens? We've got an obligation to the government under our mortgage of \$5,000."

They received an assurance verbally from Mr. Chatterton that there would be no action taken by the government if they were to walk out. Mr. Chatterton indicated to them that he only knew of one case in which the government had ever taken action against a defaulting mortgagor under the government's second mortgage. They asked him if he would put this in writing but Mr. Chatterton refused, saying that he did not want to put himself on the line and that he had to have protection for himself.

Anyway, with this assurance from this official of the government, the Ericksons then stopped payments for Sahara Developments in September, 1971. In the next few months they moved out of the property.

As might be expected, the holder of the first mortgage, which was Sahara Developments, commenced its foreclosure action on October 13, 1971. They eventually recovered title to the property in June, 1972.

You would think that the story would have ended there. The Ericksons were finished; they'd walked away. They'd lost the money they had put in — it wasn't very much but it was their money — and that would be the end of the whole problem. We find out that Sahara Developments sold the property again in November, 1973, to other purchasers. The price at which they sold it that time was \$23,400 — up from \$18,000. That's an increase of \$5,400 from the price at which the Ericksons purchased the property.

If you look at the records of the particular property, Mr. Chairman, you'll find that the Hardesty's have also failed in their payments and been foreclosed.

Why isn't the government involved in this? In 1973 this Legislature passed an amendment to the Provincial Home Acquisition Act, section 5(a), effective April 18, 1973, and retroactive to April 1, 1966. The change was one which gave the government the right in circumstances such as this, where the government has been foreclosed, for the Minister to have a discretion. The discretion was to issue a certificate stating the amount of the deficiency under any mortgage contract, file that certificate with the courts and it would have the effect of a judgment.

These people, the Ericksons, had received assurances from officials in the department that if they walked away there would be no problem as far as the government was concerned, then by the law of 1973 — the change that was made in 1973 — were placed in a position where they were in jeopardy of having a judgment registered against them.

Lo and behold, Mr. Chairman, what do you suppose happened? In July, 1974, the government filed a certificate of judgment against the Ericksons. But did they tell the Ericksons? Did they tell the Ericksons about it? Not on your life, Mr. Chairman. In October, 1974, Mr. Erickson, when trying to raise some money from a credit union, applying for credit, a search was made and the credit union discovered that there was a judgment registered against Mr. Erickson in the amount of \$6,253. He had never known of it before.

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Well, what did Mr. Erickson do in that particular situation? He was startled to learn of this development, so he wrote to the Department of Housing. He wrote to the Department of Housing on October 7, 1974. He restated all the facts that I have recited to you, Mr. Chairman. He said in his letter to Mr. Chatterton:

"Again, at that time I contacted you and asked you what action the government would take against me. You gave me verbal assurance the government would take no action against me."

In response to that letter, on October 11, 1974, the Department of Housing, over the signature of Mr. Rounds, director of finance, wrote to Mr. Erickson saying:

"While we appreciate your position, under the Act that we operate it is stipulated that where the government is completely foreclosed out of a second mortgage, a judgment is to be laid against the individual to protect as much as possible the public funds invested.

"While it has been the government's standing up to the present not to take action on these judgments," — in other words, not to go to any for-sale or garnishee proceedings — "the judgments have been laid in all cases that meet the above criteria and cannot be released until payment in full has been received."

So Mr. Erickson has got a judgment of \$6,300 sitting against him, plus interest at 5 per cent from July 2, 1974.

It wouldn't be so bad, perhaps, if only one individual was being affected in this way. But a search of the records shows that the government now owes 31 judgments arising out of mortgages on this single development — the Sahara development — which has, as I said, only 51 units. Out of 51 transactions the government now holds 31 judgments which they didn't file until after June 12, 1974.

Mr. Chairman, you must also recognize that the government loaned the money to these individuals without making any inspection of the premises upon which the mortgage loans were secured.

I have told you about the kind of experiences the Ericksons had. Similar experiences were the lot of all of the other people who engaged in Sahara Developments and purchased property back in 1970 with Sahara Developments. Carpet splitting, windows leaking, a lousy transaction, a transaction upon which any competent mortgage lender wouldn't have advanced 10 cents.... But the government, without inspection, advanced \$5,000 under a second mortgage and now has had the temerity to take judgments against the individuals who were obliged by reason of the condition of the properties to walk away from them.

These individuals with judgments against them will run up against the same problems that the Ericksons face every time they go to apply for credit involving certainly land transactions. If they buy other property and try to get a mortgage, they will find that there's a judgment staring them in the face. Their credit with respect to personal loan transactions will be affected by the actions of the government in taking judgments under this particular amendment which was made in 1973, long after the event.

When inquiries are made of the Department of Housing, it is apparent that it is the government's policy not to inspect the premises before making a loan, unless the price is unreasonable, or if there is 100 per cent financing. In the case of the Ericksons, out of their total purchase price of about \$18,000, their cash contribution was \$300. Is that not 100 per cent financing? If it is not, Mr. Chairman, let me assure you that there are other transactions involved in these 31 judgments in which there wasn't one penny put up by the purchaser. It was 100 per cent mortgage financing, all covered by first mortgage.

Now who was the true beneficiary of all this? Sahara Developments were the true beneficiaries, because as you search each of these 31 transactions you find out the properties were foreclosed. Sahara Developments got the properties back, wiped out the purchaser, wiped out the provincial government and its second mortgage and resold the property — and in some cases has gone through this transaction twice at increasing prices. The government has put up the money; Sahara Developments has received the benefit of that money. Now these 31 individuals, four years after the event, five years after the event, are still called upon by the Province of British Columbia to discharge their indebtedness to the government which advanced them moneys under legislation which did not at the time of the advance provide any right on the part of the government to take this kind of action. This is the people's government.

It seems to me, Mr. Chairman, that this particular story — or stories, because there are 31 of them — is indicative of this department's attitude towards the housing needs of the people of British Columbia. I said a few moments ago that the department has made millionaires overnight. The department, in this particular way, is continuing to enrich the developers of the province to the detriment of the individual citizen. They've got judgments

without notice.

In the course of these investigations we came across one individual who refused to believe that the Government of British Columbia had taken a judgment against her, absolutely refused to believe it. We insisted that she look at the record, and this individual said: "I will not look at the record. I don't believe that the Government of British Columbia would do such a thing." But the government has.

Now I say to the Minister of Housing that your records and the records of your department will bear

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out what I say, and it is your responsibility and the responsibility of the government and the officials in your department to provide redress for these individuals, to remove the certificates of judgment you hold against them and to clear their credit. If you do not, then it will be against your credit, and let you not stand in this House ever again and talk about what your department is going to do for the individual citizen in this Province. You'll do it for the developer, you'll do it for Dunhill, you'll do it for Casa Loma, but you'll do nothing for the individual.

**MR. G.H. ANDERSON (Kamloops):** Nonsense!

**HON. MR. NICOLSON:** I shall address my remarks to the Member for West Vancouver–Howe Sound's (Mr. L.A. Williams') questions. He says that the conference in June will be no solution. Well, I would wonder if he was against dialogue between all the parties that are involved.

**MR. G.B. GARDOM (Vancouver–Point Grey):** Build the houses.

**HON. MR. NICOLSON:** I say that we are building. There is a programme to service and bring on stream 2,000 units in one development alone, and we just recently got an approval in Burnaby for some 200-odd units. Mr. Member, Burke Mountain and things of this magnitude maybe are beyond your grasp but the solution is in hand. It does take some time but fair enough.

Was there an appraisal? Mr. Member, there was not an independent appraisal in this case, or in Casa Loma. There was, however, an internal thing done. I know you will object to that.

**AN HON. MEMBER:** File it.

**HON. MR. NICOLSON:** On replacement costs...and it showed that the price on this was at least \$4,000 per unit below replacement costs.

**MR. GARDOM:** What about market value?

**HON. MR. NICOLSON:** The cost per square foot, as I have said before, is \$26.23 per square foot and this is lower than any other senior-citizen project that has been submitted to us either through the non-profit sponsorship sector or anything else in the past year.

**MR. D.M. PHILLIPS (South Peace River):** On the backs of the small contractors.

**HON. MR. NICOLSON:** Mr. Member, now you talk about a \$2.2 million quantity survey which was done. That was on an uncompleted project. This is, for the completed price, \$3.1 million. If you can find us more quality housing, with complete underground parking, at \$26.23 per square foot in Burnaby or Vancouver I want to hear about it, Mr. Member, because we would certainly be interested in buying something that is not presently on the market but can be bought on the market for social housing at that price — \$26.23.

**AN HON. MEMBER:** Underground parking for old-age pensioners?

**MR. GARDOM:** What are they going to drive?

**HON. MR. NICOLSON:** Well, Mr. Member, you might have that attitude about senior citizens but...

**MR. GARDOM:** How many of them drive?

**HON. MR. NICOLSON:** ...if you look at senior citizens there's a lot of life in most of them yet.

**MR. GARDOM:** How many of them drive?

**HON. MR. NICOLSON:** Probably most of them could walk you under the ground, Mr. Member.

You say the feds contribute 75 per cent in every case. Well, Mr. Member, if we contribute 33 1/3 per cent under the Elderly Citizens' Housing Aid Act, my arithmetic tells me that they couldn't possibly be contributing 75 per cent. Most of their contributions are in the form of loans. We make ours in the form mostly of grants.

You talk about one of my former students calling me a lousy teacher. Well, that's fair enough; I'm sure that you could find a few more that would say that as well. I don't want to hold up estimates to bring my old day books to show the number of scholarship students and also NHL hockey players who are now presently in the Stanley Cup, like Danny Gare, among my more proud associations, but I won't go into that because it's out of order, Mr. Chairman, clearly.

Now you have related this matter of the condominium development in Delta. It is a matter of concern to me. I have just as recently, believe it or not, Mr. Member, as today been informed of a related matter in this incident. I would like to look into this very carefully to see what redress might be able to take place. But we do have to be very careful.

You talk about what assurances were given verbally over the phone. I think that this is a very difficult area. I don't want to get into accusing one person or another, but I think, Mr. Member, that it would be possible if assurances were given that wages would not be garnisheed that a person not professionally trained such as yourself might not understand the difference between that and a filed judgment.

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**MR. GARDOM:** That's process of execution.

**HON. MR. NICOLSON:** Yes, but as I say, if someone would say, "Your wages will not be garnisheed," they might say, "Well, I was given assurance that nothing would happen."

Interjection.

**HON. MR. NICOLSON:** I'm not going to get into an argument over what might have been said on the phone. Certainly something should be given in writing.

I am quite concerned, and so was my staff quite concerned, about the practices of that government when they hastily brought this bill in for political mileage.

**MR. L.A. WILLIAMS:** Your government.

**HON. MR. NICOLSON:** And my staff is concerned, Mr. Member.

**MR. L.A. WILLIAMS:** In 1973 you brought it in.

**HON. MR. NICOLSON:** They did not require any equity. We do now require that these mortgages be covered by some equity. I know that in some of these instances there was only \$1 in down payment. That particular thing is a very sorry spectacle, Mr. Member, and we will look into it very carefully.

**MR. GARDOM:** Will you agree to a moratorium on the judgment until you look into it? Will you agree not

to take execution on the judgment?

**MR. WALLACE:** I shudder a little bit when I hear our learned friends talking about executions and other such terms in this House. I am a little nervous that I might be the next one for an execution.

**AN HON. MEMBER:** Perhaps.

**MR. WALLACE:** I think, in general terms, one has to look at the housing situation in this province on a short-term and a long-term basis. We have heard the word "crisis" bandied about quite a bit. There is no question that with population increasing at over 3 per cent a year and the housing starts down in the manner that's been described by whatever percentage, it's down drastically, we obviously have a serious problem.

One of the things that puzzles me quite a bit is the reluctance of the Department of Housing to at least tackle the short-term problem first.

In the United Kingdom after World War II there was a fantastic upsurge in the production of prefabricated homes. I can well remember many people criticizing the rather small and not very attractive appearance of these prefabricated homes. I can remember doing house calls to very large areas of small homes close together, with what would be described as minimal accommodation, in the south of England. I suppose in this affluent society there aren't too many people who look upon that kind of development in Britain in the late '40s with enthusiasm, but Mr. Chairman, I can tell you it was very much the difference between a roof over somebody's head or a matter of moving in with relatives and living in congested and undesirable circumstances in terms of overcrowding.

I think that when we look at the housing problem in British Columbia right now, we should look at it as though there were some short-term measures we could take which could be quickly useful, while at the same time, looking further down the road and trying to develop a diversity of both rental and home-owned accommodation.

It is not as though the prefabricated principle is unknown or unpracticed in Canada. I notice that under this latest publication called "Ontario Housing," in southwest Ontario, particularly in the London area, there is quite a development of what are called sectional homes which are assembled on the site. I wonder to what degree this government could look at that as some measure of short-term solution to the problem. I am not suggesting for a moment that this is anything but a short-term solution. These homes can be looked upon to last perhaps 15 or 20 years. Nevertheless, when there is a crisis, you can't have all the solutions and the luxuries and all the desirable features of accommodation you might otherwise want in a permanent home.

Along the same line, instead of just paying lip service to this kind of thought, smaller, basic, functional homes without some of the — I hesitate to use the word — frills, and some of the luxuries and some of the space and perhaps the number of rooms and all the built-in garburetor and dishwasher and what-have-you could be considered. This is often discussed. We certainly discussed it at our policy conferences in our own party. I wonder to what degree there are real plans available or under way by this government to get down to the very basic fact of providing perhaps 1,000 square feet with just the very essential elements of a home. In the course of time young couples, as their income improves and their situation changes, could then have the flexibility to add to the home or to add luxuries or to enlarge the square footage or what-have-you. I think these are two of the areas in which a short-term solution might lie.

There is a third aspect which has been touched upon tonight, namely, mobile homes. I haven't got the figure right with me, but I understand that, I think it's in the United States, approximately

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one-third of all homes purchased or built these days are mobile homes. In other words, the cost factor has become so acute that many people have little alternative but to consider a mobile home.

Here we have the problem, Mr. Chairman, that you never really own a mobile home because you haven't got the freedom to buy and sell. There are all kinds of constraints, visible and invisible.

As far as I can gather, the mobile-home business in this country is one of the biggest official rackets that you can imagine. We've got examples right here in the capital city that have been publicized lately with the kind of example of Mr. and Mrs. Clackett, whose case was publicized in the local newspaper. Really, the problem of having a mobile home without a site to put it leaves the owner — the so-called owner — completely in the grips of the person who does have land or a site available for the location of mobile homes.

We don't have time to go into details, but some of the circumstances that were related regarding a payoff when the person wants to sell the home or vacate and sell to another owner, and all the ways in which the mobile home owner can be subjected to what are, if not illegal practices, certainly little short of blackmail....

I hope to be in Prince George this weekend, one of the main reasons being to visit with the Western Mobile Homeowners Association. They've already provided me with a great deal of information. While the general picture is clear to many people, I wonder to what degree the Minister is moved to plan legislation which will surely give the mobile home owners some measure of protection from all the sharp practices that are presently close enough to being legal that they can get away with it. Alternatively, because there is such a shortage of accommodation, I presume that many mobile home owners put up with the sharp practices simply because they have no choice.

It's the old story once more that if something is in short supply, you either get a black market or you get sharp practices which it's very difficult to discipline. I hope that if the Minister is planning some kind of legislation it takes into account the very basic nature of the way the law of supply and demand operates. I would very much like to know tonight if, in fact, the government is aware of the racket in mobile homes and whether or not there is some attempt pending on their part to help the person who is being prejudiced.

One of the big differences between this government and the parties on this side of the House is the philosophical concept of home ownership and land ownership. We don't accept the kind of rather dogmatic statement that the day is gone when people can own their own homes. We feel that many of the reasons that costs make it difficult for a person to own their own home can be minimized in various ways. In particular, we think that the lack of incentive which presently exists is something that the government could enhance. The concept of leasing of accommodation is sound enough, but we would like to ask why the government doesn't consider that a lease-to-purchase option is not a sound way to give the home occupier one day to own their own home, and own the land on which the home sits.

Most of the government's plans these days seem to be related mainly to the leasing of land and the action of cooperatives. I think that that's part of the overall kind of planning that should be used. But I wonder if the government has yet had any change of heart in adding that incentive of a lease with an option to purchase, let us say, five years or four years or six years, or at some period in time down the road because whether we indulge in ideology or not, it is a very natural desire for individuals and couples and families to want to own their own homes. It seems to me that to take the rather dogmatic position in inflationary times that that day has gone so let's just direct all our plans toward the government owning and leasing the land, is, I think, both premature and not what the majority of people favour.

I'm puzzled by the vehicle that this government developed to get into the housing field, namely the purchase of Dunhill Development Ltd. We've heard many comments in the House about some rather surprising financial dealings. I read the annual report, and there's one page that really puzzled me. The pages aren't numbered, incidentally, which makes it difficult to give referral, but it's under the paragraph entitled "Land Development Division." The paragraph reads: "Every project begins with land acquisition. Our staff members appraise the value of the proposed site and determine its probable use." It's the next sentence that puzzles me. It says: "We do this for our own projects as well as for proposed government projects." This raises in my mind some conflict of interest situation.

In other words, we have Dunhill Development which, by all accounts, is the vehicle that this government is using to acquire land and embark upon housing projects, but apparently this same Dunhill Development Ltd. has projects of its own. Earlier on in the same report, it talks about satellite towns — that's early in the report — and I wonder if the Minister could give me some idea what the report means by "our own projects" as contrasted with

government projects, and just how the directors of Dunhill Development and the administration make choices between their administration and their financing and all the other matters that relate to two types of projects, one of which is government projects, and the other, presumably private projects with the specific purpose of making a profit.

I haven't got the precise reference, but I seem to recall that a few months ago it was made quite plain

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that Dunhill Development is in the business of making a profit. It seems strange to me, coming from a socialist government which keeps harping about how wrong it is to make a profit. The Minister is shaking his head, but I can remember quite clearly one land purchase for a certain price which was subsequently sold to a developer at an enhanced price and the question was asked at that time: "Would, in fact, the increased price not be passed on to the individual consumer who finally bought a lot out of that development?" As I recall it, the Minister publicly stated: "Yes, the government felt entitled to collect the increased value of the land between the time the government purchased it and resold it to a developer." I can't recall that particular purchase, and the Minister may know the one I am referring to, but it was certainly given front page publicity in the newspaper.

All I am saying is that I thought this government, by whatever type of housing development it had in mind, had purchased Dunhill Development in order that it could act on behalf of the government to acquire land at the lowest possible price and pass it on to the purchasing consumer at the lowest possible price. Now we find that Dunhill Development has some private projects on its own as well as government projects. Do the government projects not make a profit and the other projects do? If so, can you tell us what kind of percentage profit Dunhill makes on its private development?

It's all very confusing to me to find that the government bought out a building company, or a development company, with the specific purpose of trying to acquire land and build homes and rental accommodation at the lowest price possible for the consumer and yet we have had this admission by the Minister that, at the same time, Dunhill Development considers it quite reasonable to try and make a profit like any other free enterprise outfit. Now I happen to believe in the free enterprise system, but it puzzles me that this socialist government should be using this vehicle and I would certainly like an explanation of that particular phrase about "...our own projects as well as proposed government projects." I am also interested to know what they mean by "satellite towns."

The question of this government's planning and apparent ignoring or flouting of regional and municipal levels of government is, I think, one reason why the Minister is finding less than harmonious cooperation from the municipalities. Once again, I don't think you can have your cake and eat it. If you want to have cooperation from regional and local government, you have to do something less than pass the amendment to the Laws Declaratory Act where you tell the regional and municipal levels of government that, "Well, there's a whole lot of laws about land use and improvements, but we, the government, will do exactly what we like." If you think, Mr. Chairman, that regional and municipal governments are likely to cooperate with that kind of autocratic attitude by the provincial government, then it doesn't surprise me at all that you are finding the municipalities are less than cooperative.

I think one of the prime examples would have to be the Burke Mountain project. Now for all I know the basic concept on Burke Mountain might be excellent, but I have certainly visited Coquitlam and talked to a few people and talked to some of the aldermen and they feel very unhappy at the way in which extensive planning is well underway by the provincial government — the exact figure I just don't recall; something like 20,000 homes and, I think, finally an ultimate 80,000 new residents over the next 10 years. These figures might not be quite precise but they are certainly massive figures for one area of development.

The kind of feeling that has been created amongst the residents of Coquitlam is summed up by the kind of statement that they feel they're getting a development shoved down their throats whether they like it or not. The municipal council feels that there isn't the consultation and the prior discussion that they feel they're entitled to as a local and supposedly autonomous level of government. With no disrespect to one of your staff seated on the floor of the House, there was this protest meeting in Coquitlam back in January. The kind of criticism put forward...it says here: "One man criticized the presence of Deputy Housing Minister George Chatterton as the only government

representative. He noted that Mr. Chatterton was a civil servant and could not possibly espouse provincial policy." That's right. But the very presence of a civil servant who is in no position to espouse or defend policy, in the eyes of the people in Coquitlam and other areas, just further accentuates the impression that the Minister is not really interested at the political level in sitting down and talking with the mayor and aldermen.

I may be exaggerating the sentiment, but there are clippings over the last three months in the newspaper which make the point very clearly that there is not enough recognition by the provincial planners in the Housing department of the legitimate desires of municipal and regional politicians to be consulted and have a realistic say in planning for their area. This reminds me a little bit about the Surrey controversy and the refinery. We're coming across this kind of situation all the time, where the government's busy auctioning land and saying: "We may or we may not; nothing's been decided." The people in the area have strong suspicions that a great deal is being decided and planned and that they will only get the details after the plan is so far down the road that they can't alter it.

We've got another part of this Burke Mountain

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situation which appeared in the newspaper just the other day — April 15. Premier Barrett had been asked to overrule Dunhill Development and order publication of the environmental studies into Burke Mountain housing scheme. "The president of the Northeast Coquitlam Ratepayers Association said Monday that the request to Premier Barrett, who is the MLA for the area, was put through an executive assistant." Listen to this, Mr. Chairman. "He said it was made after Werner Paulus, president of Dunhill, told him that an environmental report on the area would not be made public."

Again, the Minister has the opportunity to deny this or explain otherwise. Again and again we get the impression in different departments of this government that while it may be well-motivated to serve the people in the way it sees wise or judicious, in practice this government's getting to be as bad as the former government in taking autocratic actions which later on cannot be reversed. Whether the public or the citizens of the area like it or not, they just either have to like it or lump it. I think that this Minister should give us some explanation of the degree to which municipalities such as Coquitlam, Surrey and others are going to be better consulted in the future than they seem to be in the past.

Of course, how could any local government have any kind of confidence in getting a fair shake or being consulted when we have the amendment I've already referred to — the Laws Declaratory Act. That has to be the most abominable piece of legislation this government has passed. To justify it on the grounds that this is what the Social Credit regime did seems to me just the most pathetic way to try and bolster up a position which contradicts completely any recognition of municipal and regional autonomy. I would suggest that the government would be far better to come right out and say that it does not really respect municipal autonomy, that the ball game has changed and the most important thing to get ahead with in construction of housing is to give the provincial government complete and total authority to do as it chooses with the use of land. Instead of that, we play around with the myth that local levels of government do have some autonomy. All it does is waste time, because sooner or later the provincial government does what it likes anyway. Maybe it would be just as well if the provincial government did what it wanted right off the bat.

There's a whole lot of shadow-boxing that goes on in this whole business. We have the Minister of Municipal Affairs (Hon. Mr. Lorimer) and the Minister of Housing at different times standing up in the House and saying that municipalities are not cooperating and that they're dragging their feet.

Another point I might make here is that if this government would stop playing footsy with municipal financing in the first place, and we go through this ridiculous last-minute fan dance with the \$20 million from the profit on natural gas, maybe the municipalities would be a little more cooperative. If we look at the reasons why municipalities are apprehensive about some housing developments, it's because their net financial position gets worse. So I think that to take some of these points in isolation really doesn't help the debate at all. I think that if the Minister of Housing and the Minister of Municipal Affairs and the Minister of Finance (Hon. Mr. Barrett) would just put the whole question of government aid to the municipalities on some consistent, dependable, predictable basis,

that, in very short order, would be very helpful in getting the kind of cooperation which the Minister would like from the municipalities.

I'd just like to finish by asking the Minister some specific questions because the general impression that so many people have is that we have a Department of Housing, but there's been precious little new housing construction. So often the government seems to have taken over or bought out construction which was already underway. There has been a sad lack of government initiating its own projects.

On that basis, I wonder if the Minister could just tell us how many units, particularly of rental construction, were initiated by this government in the past year and how many were purchased after the construction had been initiated by some other party.

I don't mean to get into Casa Loma because that's been covered by the other parties, and time is short, but the Minister bragged about this square-foot cost being lower than even Barney Danson could imagine. I wonder if the Minister could give us an average or range square-foot cost of rental housing produced over the last year.

The third question I'd like to ask: instead of looking back, could the Minister look forward and tell us what the provincial government's housing target is in terms of units that he expects to complete between April, 1975, and March 31, 1976?

We've heard a lot about land assembly, and I wonder if the Minister could tell us the total interest costs presently carried by the provincial government on lands purchased for residential use — the interest costs of land presently carried by the government. How much of that land is presently in use or under development? Much of it is undeveloped. But what kind of carrying costs are we involved in where land has been acquired and is not presently built upon?

**MR. CHAIRMAN:** Green light.

**MR. WALLACE:** This will have to be the last question. Could the Minister tell us what specific measures are being taken provincially to stimulate the construction of rental accommodation?

I had meant to comment on the land freeze and

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the lack of incentives, the question of rent control and all the other factors which have depressed the construction of new rental accommodation.

Again, the government can't have it both ways. They are saying that land is too expensive and costs are too high for an ordinary couple to build and own their own home. Therefore, it means that most people have to rent as an alternative. They really have no choice. That being the case, surely the primary priority of the government would be to provide incentives to the private sector in cooperation with government to build rental accommodation. As far as I can see from reading the Dunhill annual report and reading some of the other reports from the private sector, the only effects on rental accommodation construction are negative ones. Although the federal government has allowed write-offs to the end of this year, this seems to me like a very half-hearted and inadequate incentive to the investor.

**MR. G.H. ANDERSON:** Mr. Chairman, I have to get up and speak against this motion to reduce the Minister's salary by \$1.

In the first place, I think it's a frivolous motion. I think this Minister has been doing an excellent job in the short time that his department has been in operation and since he was awarded his Ministry. I also would not like to see him lose \$1 because, like me, he's from a remote area of the province and we need every dollar to get back and forth from areas like Kamloops and Creston.

Interjection.

**MR. G.H. ANDERSON:** Oh, the Minister will have a chance to speak.

Interjections.

**MR. G.H. ANDERSON:** We've heard the opposition complaining for days and days about debates being throttled and not having a chance to question Ministers and we've sat here....

Interjections.

**MR. G.H. ANDERSON:** Tonight we sat and didn't hear one legitimate piece of criticism for this Minister whose estimates are under debate tonight. A complete and total waste of time.

Interjections.

**MR. G.H. ANDERSON:** The opposition knows it. They are playing games. They are playing the usual games that the opposition has played in this House, particularly the official opposition, for two and a half years now.

**MR. R.H. McCLELLAND (Langley):** Where is your question?

**MR. G.H. ANDERSON:** I'm supporting the amendment.

**SOME HON. MEMBERS:** Oh, oh!

**MR. G.H. ANDERSON:** I'll withdraw that, Mr. Chairman.

**MR. PHILLIPS:** If I was asking for support I wouldn't ask you.

**MR. G.H. ANDERSON:** I'll withdraw that, Mr. Chairman. I'm speaking against the amendment.

Interjections.

**MR. G.H. ANDERSON:** We heard this nonsense tonight, as we have heard before, about Casa Loma as though no one in this province knows the difference between the purchase price and the total cost price.

Anyone who has bought a house in the Province of British Columbia or any other province in Canada knows there is a difference in the purchase price and the total cost by the time you have finished paying the lawyers, the real estate agents, the assessment fees and so on and so on, ad infinitum.

**MR. PHILLIPS:** Democracy in the province is dead, dead, dead.

**MR. G.H. ANDERSON:** I think the Member for Columbia River (Mr. Chabot) made as good a point tonight as he did on the Kaymor property in Kamloops, which was a total, negative statement. He made it more than once on that Kaymor property that was discussed before, and his position tonight was just as negative; no substance to it whatsoever. Of course, if the Member for Columbia River went to buy property today, he wouldn't pay the purchase price, he would say to the owner: "I'll pay you 3 per cent more than you paid for it 10 years ago." And of course the owner would sell it to him. Nothing realistic about it at all. No regard to today's values.

I really enjoyed the Member for West Vancouver–Howe Sound's (Mr. L.A. Williams') speaking in favour of the motion because his main position was: who made the profit? I like to hear a Liberal Member stand up in this House talking about "who made the profit?" when we can go to the same party in Ottawa and ask them: "Who made the profit on the Bonaventure?" Do you remember that one...to make razor blades out of? Who made the profit on Hamilton Harbour? Who made the profit on some of those Quebec race tracks? There is no way that any Liberal should ever speak in this House about some private entrepreneur making a profit, with the record their party has.

They talk about autocratic action. I think it was the Member for Oak Bay (Mr. Wallace) talking about this Minister's autocratic action. This Minister and his staff have been to my riding on three different occasions to talk about a housing development there that is within the boundaries of the City of Kamloops. The Minister is coming back again with his staff on the 29th of this month to speak to city council. He is going to speak to city council to find out what they want, what they consider the most reasonable way to develop that property. To have the Member for Oak Bay say that this Minister is autocratic is, I say, total nonsense.

They talk about the high cost of land in British Columbia. Mr. Chairman, I bought my home in Kamloops and the property with it about 16 years ago.

**MRS. P.J. JORDAN (North Okanagan):** You were lucky; Social Credit was in then.

**MR. G.H. ANDERSON:** I paid \$8,100 for that 1.75 acres, and I have a quarter of an acre for a front lawn. In 1971, which, thank goodness was the last year of Social Credit rule in this province, I was offered \$11,000 for that front lawn.

**MR. PHILLIPS:** They were the land value policies of your government.

**MR. G.H. ANDERSON:** It was 1971, Mr. Member; you were still in government then.

One and three quarter acres with a house and outbuildings, when I bought it in 1956 was \$8,100. In 1971, which, as I said, thankfully was the last year of the Social Credit regime in this province, I was offered \$11,000 for a quarter-acre front lawn, but now they say all these costs are due to this government. Absolute, total nonsense!

**MRS. JORDAN:** What's it worth today?

**MR. G.H. ANDERSON:** Let's look back. What did the opposition do about housing in this province? The housing crisis didn't start in 1972. There was a shortage of housing in Kamloops many, many years before that but we had a very, very excellent representative, of course, the late Minister of social rehabilitation and one thing and another — he had various posts. Under the representation from this Minister, we were very short of housing in Kamloops and the prices went up and up. Of course, we've been blamed for it, but they went up and up under that Minister.

What did the previous government do about this? Did they form a Department of Housing? Did they give him a staff to try and make land available, housing available? They did absolutely and totally nothing. That is exactly the reason why the people of this province finally said: "We have had enough."

**MR. McCLELLAND:** Did they pay \$6 million for Dunhill Development?

**MR. G.H. ANDERSON:** No, but I think they paid quite a bit more than \$6 million in extra costs for the various Columbia River developments, Mr. Member. There is no way you can argue against that.

Interjections.

**MR. G.H. ANDERSON:** Well, Mr. Member, when you say that I haven't brains to know about what's going on, I'll agree with you. I don't have many brains — just an ordinary person. Just a little fellow from Kamloops, like the previous one. Where is he now? Where is your next one going to go?

Interjection.

**MR. G.H. ANDERSON:** Yes. Well, I'll go and visit you in Columbia River after the next election because we won't be able to chat here.

We have a Housing department that is now in Kamloops where not one single unit of housing was ever put in by the provincial representatives of the people before — 12 housing units are being built now. We do have apartment rentals in Kamloops.

**MR. PHILLIPS:** Ha! Twelve housing units in Kamloops. Big deal.

**MR. G.H. ANDERSON:** I am just starting. Twelve units of housing that can be rented. Not apartments because we have enough apartments in Kamloops, and the department has recognized this.

But apartments, of course, have their regulations. Some say no dogs, some say no children, and houses are extremely scarce. The 12 units that are being built, and will be finished, the contractor assures me, in another two and a half months, will be for families with children and dogs and canaries, if they want.

There are also 80 acres that are scheduled for development, but this autocratic Minister, as you call him, is listening to the city council and listening to their suggestion about these 80 acres. On the meeting on the 29th, hopefully, we can resolve the problem to the satisfaction of both parties. Perhaps this housing will have to be put somewhere else — perhaps in another section of the city. We will hear the city's opinion first. I am looking forward to attending that meeting with the Minister and the city council of Kamloops because the city council in Kamloops, before 1972, was completely ignored by the Provincial government. Everyone said: "Oh, well, with that very high powered Highways Minister up

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there everything is hotsy-totsy and dandy in Kamloops." All we got was Highway 1 and the federal government paid for 60 per cent of that.

So I'm looking at the clock, and I know the Minister has questions to answer. Thank you, Mr. Chairman.

**HON. MR. NICOLSON:** Mr. Chairman, I'd like to answer the questions for the Member for Oak Bay (Mr. Wallace). I think he made some very good suggestions about prefabs, and we are actually using them at Fort Nelson and Kitimat and in Penticton last year, I had said in this House, we used modular homes and prefabricated homes in conjunction with the City of Penticton. The City of Penticton was the developer. We gave them the interim funding, and using those modular homes it was possible to bring in homes, I believe as cheap in a six-unit row house, selling under AHOP I think for \$21,000 or \$22,000, and the top was a very large duplex unit for about \$28,000.

We've also used these quite successfully elsewhere and we do have a study, particularly to use these.

I must agree with you about the need for small, basic, functional homes, but this relates to your other talks about cooperating with the municipalities. Cooperating with Burnaby — we have done so. We have reached a land-use contract with Burnaby, which means that we have underground parking requirements that cost alone about \$7,000 per housing unit created — \$7,000 for cars and other very high level services. So it is very difficult.

But in the case of Penticton and Mayor Frank Laird, they saw this. They took it and ran with the ball, and it's an excellent thing. We do have cooperation with the majority, almost with any municipality. We can point to something we are quite happy with in our relationship with that municipality.

You are going up to Prince George. I hope you will look at the subdivision while you are there. You've asked about mobile homes and planned legislation. This is of great concern to both myself and the Minister of Consumer Services (Hon. Ms. Young). It is not an easy area to act in and we do have to be careful that the action that we take does not further curtail the interest in the production of mobile-home pads. We know that there is sharp practice going on. People will quite openly confess this, even dealers and mobile-home park operators. It is not as widespread in the interior as it is down here, but it is getting that way. So we are concerned about that, and also about the spreading of the responsibility of mobile homes just about through every government department.

The home ownership — we do not have any intention to bring in a lease with option to purchase, but we have given the option of buying freehold or buying leasehold in certain areas, mostly in the small towns, and in Prince George this option was offered, also in Revelstoke, and I think it was in Williams Lake the same type of option.

In the annual report, the land development acquisition, I don't think that there is a conflict of interest. We

make decisions on this at the directors level, usually when it involves a profit type of a project, but I do think that it keeps a corporation sharp in terms of being competitive and not allowing bureaucratic inertia to build in. They do have to perform and also the profit is necessary to justify the purchase price of Dunhill Development.

You recall the transfer, I think, of land of Imperial Ventures Ltd., and that was under the terms of an agreement for sale that was agreed to prior to us even negotiating with Dunhill.

Burke was sold for a price. If we had sold it for a cheaper price, they would have made a bigger profit, because we couldn't have controlled their selling price, and that would have been rather naive to just transfer it.

In terms of our selling and our profits, one of the things that we're most concerned with is that we could have gotten a higher price, for instance, in selling out Simon Fraser Hills if we had held it off the market a little bit more, doled it out in smaller doses. The thing we do have to be concerned about is that if our price is too low, it will encourage speculators to buy these homes and then resell them immediately. Then you have to get into conditions of sale and resale and all kinds of things which I think as a conservative you would probably object to on the basis of that being too much regulation and such.

So we try to set our price between where we would not be criticized for playing into the hands of speculators and yet selling it very reasonably. The way that is sold out, though, certainly shows that we're not trying to take an excessive profit. Ours are not part of those 1,500 vacant homes that cannot sell because they're not realistically priced at the present time.

Burke Mountain. Extensive planning is not ready to take place. The question was asked today in question period about the environmental study. We will not release the environmental study at this time because it will indicate key areas of land for development and we're still negotiating the purchase of land in that area — and I say negotiating — and we have recently purchased a couple of other small miscellaneous parcels and we want to continue on that basis. The information contained in that study could prejudice those in terms of setting land values and such on key areas, or areas which might not be key because of environmental considerations.

Interjections.

**HON. MR. NICOLSON:** Well, that's something I

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certainly haven't considered; I'll maybe take that under advisement. But we have involved the council as much as possible and I think we've had very good cooperation with council on the Riverview development which is something that is in a very advanced stage of planning. We involved them completely throughout that, and I think we're ready now to involve them in some planning. But the planning has not taken place in Burke Mountain. We've taken some inventory, and that's really all that we have at this time. We have not completely finalized even the approach of how we will pull in resource people, how we will involve people and such, and certainly we're not doing detailed planning at this time.

You talked about the department initiating its own housing. I think the things that we have purchased that were partly on the market were: Greenbrook, 127 units; Meadowbrook, 176 units; Casa Loma, 125 units; and also one which we were involved in with GVRD which was an 18-unit project which was partially completed. The last two were bankruptcies — the 18-unit project and Casa Loma — which might not have been on the market for two or three more years. It's hard to say. Or would it ever have come on? Certainly not as social housing.

Meadowbrook, I think, would have stopped after some 40 or 50 units had been completed in the first stage. I informed Mayor Tonn of our intention before we purchased it and he welcomed this. The council has supported this project throughout and continues, most of them, to support it. Even some of those who have criticized it say they have buried the hatchet on it. Greenbrook, again, the first phase was nearing completion but it was our understanding that the remainder of it would not be completed.

The other things that we have brought on the market, it's difficult to say if they would have been built anyhow, but you can appreciate that with these 1,500 units in Vancouver that are presently empty, it's most likely that most of those would not have been occupied.

As for the Member for Kamloops (Mr. G.H. Anderson), I'll be looking forward to the visit in Kamloops.

Interjections.

**HON. MR. NICOLSON:** I think you'll get a better idea of that when we file the annual report. I had hoped that it would have been ready by now, but it isn't. It should be ready very soon.

**MR. PHILLIPS:** I'd just like to say a few words about this \$90 million department this evening.

You know, I was amazed at the beginning of the estimates that the Minister quoted a number of statistics about housing. But I want to tell you something, Mr. Chairman: before the Minister of Housing took over his department, and before this great Ministry of housing was formed in this Province of British Columbia, British Columbians were the best-housed people, not only in Canada, but in North America. Today, with all the great promises by the Minister of Housing, with all the great promises by the Minister of Finance and the Premier of this province, British Columbia, when it comes to housing, is a have-not province. It's very difficult to realize that in this House this evening we have the same Minister of Housing who last year predicted that by the end of 1974 there would be a surplus of housing in British Columbia — a surplus of housing. And what do we have? We have the worst housing crisis in the Province of British Columbia in the history of British Columbia. What happened to all those great promises of the Minister of Housing? I hope that he has come down from his lofty roost and will come to grips with the situation.

That Minister has failed and failed miserably. I won't put all of the blame on the Minister of Housing. But I do put some of the blame on him, because he still is as arrogant today as he was a year ago. By the attitude he has had tonight, he is still unwilling to listen to the voice of experience, to listen to the people who made British Columbians the best-housed people in Canada.

Tonight, as we stand in this Legislature, Vancouver and Victoria are in a worse position than the rest of Canada in terms of housing shortages; and this is according to CMHC statistics.

I'll just give you a few other statistics. Housing starts declined 27 per cent...

**AN HON. MEMBER:** Mr. Chairman, I draw your attention to the clock.

**MR. CHAIRMAN:** Order, please. My attention having been drawn.... Order, please.

**MR. PHILLIPS:** ...to a total of only 992 in the first two months of the year in the Vancouver regional district from a total of....

[Mr. Chairman rises.]

Interjections.

**MR. CHAIRMAN:** Order, please. Would the Hon. Member be seated?

Interjections.

**MR. CHAIRMAN:** Order, please. Would the Hon. Member be seated?

Interjections.

**MR. CHAIRMAN:** Order, please. Would the Hon. Member be seated?

Interjections.

**MR. CHAIRMAN:** Order, please. Would the Hon. Member be seated, please?

Interjections.

**MR. CHAIRMAN:** Order, please. Would the Hon. Member obey the rules of the House and be seated?

Interjections.

**MR. CHAIRMAN:** I order the Hon. Member to be seated.

Interjections.

**MR. CHAIRMAN:** I order the Hon. Member to be seated.

Interjections.

**MR. CHAIRMAN:** Order, please. If the Hon. Member refuses to be seated, I'll have to use my power under the standing orders and ask the Hon. Member to withdraw.

Interjections.

The House resumed; Mr. Speaker in the chair.

**MR. CHAIRMAN:** Mr. Speaker, the committee reports progress and asks leave to sit again.

Interjections.

**MR. SPEAKER:** Order, please. Order, please!

**MR. PHILLIPS:** Mr. Speaker, there are over 10 different departments of the government buying land in this province. Instead of putting Crown land on the market...

Interjections.

**MR. SPEAKER:** Order, please.

**MR. PHILLIPS:** ...at reasonable prices....

Interjections.

**MR. SPEAKER:** I declare a short recess.

The House took recess at 11:03 p.m.

The House resumed at 11:08 p.m.

**MR. PHILLIPS:** We have the Department of Public Works...

**MR. SPEAKER:** Would the Hon. Member please take his seat?

**MR. PHILLIPS:** ...the Department of Recreation and Conservation....

**MR. SPEAKER:** Would the Hon. Member please take his seat?

**MR. PHILLIPS:** Is this closure?

**MR. SPEAKER:** Would the Hon. Member please take his seat?

**MR. PHILLIPS:** Am I not going to have the opportunity to question the Minister of Housing?

**MR. SPEAKER:** Order, please.

**MR. PHILLIPS:** Is this closure in the House this evening? Or the Minister of Economic Development? Or the Minister...?

**MR. SPEAKER:** Would the Hon. Member please...?

[Mr. Speaker rises.]

**MR. SPEAKER:** Would the Hon. Member please take his seat while the Speaker is standing?

Would the Hon. Member please take his seat while the Speaker is standing?

Interjection.

**MR. SPEAKER:** Order, please. Under the parliamentary rules of this country you can't have two people standing and talking at the same time. This has not happened, and will not happen, in this House.

I must therefore declare that the Hon. Member is defying the rules of the House. I must order him to withdraw.

Interjection.

**MR. SPEAKER:** I order the sergeant-at-arms to remove the Hon. Member from the House.

[Interruption.]

[Mr. Speaker resumes his seat.]

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**MR. SPEAKER:** Order, please. When shall the committee sit again?

**HON. E.E. DAILLY (Minister of Education):** Next sitting, Mr. Speaker.

**MR. W.R. BENNETT (Leader of the Opposition):** Point of order.

**MR. SPEAKER:** Order, please. I will not recognize any point of order unless you agree to obey the rules of the House. If you do not allow the Speaker to speak, if you shout down the Speaker, then it isn't a House.

Interjections.

**MR. SPEAKER:** I am prepared at any time to listen to any Hon. Member if he obeys and observes the rules of the House.

One at a time. The Hon. Leader of the Opposition has something to say. I will listen to you.

**MR. BENNETT:** On a point of order, the Chairman has not reported to the Speaker. The committee should still be sitting. We did not have the opportunity to vote on the committee reporting progress. As far as I am concerned, the Speaker is not in the chair.

**MR. CHABOT:** Absolutely! Get the Chairman back!

**MR. BENNETT:** You have no authority, Mr. Speaker, and no right to be there! We are still in Committee of Supply....

**MR. SPEAKER:** Order, please.

**MR. BENNETT:** You had no right to have the Member for South Peace River (Mr. Phillips) escorted from the chamber.

**MR. SPEAKER:** Order, please. Will the Hon. Member listen to me while I explain the point?

When the Chairman rises and reports to the Chair, without question put, when the time of adjournment is approached at 11 o'clock...and somebody had drawn his attention to the clock.

Now I am told by the Chairman, who came to the desk here, that his attention had been drawn to the clock, and that he's risen for that reason. That is the rule where the attention of the Chairman is drawn to the clock. He did report to me and I was about to put the question to the House Leader as to when the committee should sit again.

Now it may be an error on the part of Members on that point, because it does differ from the normal occasion to which the Hon. Leader of the Opposition refers. There is that distinction at the time of adjournment, and I would therefore suggest that it might be well if we did adjourn.

I am asking the Hon. House Leader when the committee shall sit again.

**MR. GARDOM:** Point of order.

**MR. SPEAKER:** What is your point of order?

**MR. GARDOM:** I rise on a somewhat different point of order. This is a matter which I think has concerned the whole of the House for a very, very long time, and that is the process that is being criticized by the opposition, and being referred to as electronic gagging. I found tonight that when you, Mr. Speaker, left the chair the microphone of the Member who has been escorted out of the House was cut off.

I also noticed, Mr. Speaker, that on many occasions when points of order are being made by Members to the Chair, the statements that have been made by Members are completely emasculated from *Hansard*. I've attempted my very best to find authority for this procedure. The only authority I have been able to find was apparently a report in *Hansard* of last year — I believe the date was May 30 of 1974. It was a report from the committee on the rules of the House. I refer to page 3586, and I see this recommendation:

"Your committee further recommends" — only a recommendation, Mr. Speaker — "that the *Hansard* operators in the chamber be instructed by Mr. Speaker to cut off all voice amplification other than that of the Speaker or Chairman when the Speaker or Chairman rises. When the Speaker or Chairman has risen, no words spoken by other than the Speaker or Chairman shall be recorded or transcribed by *Hansard*."

This, I take it, Mr. Speaker, unless I'm incorrect, was merely a recommendation of this particular committee to yourself. Have you acted upon that recommendation and so informed the House or has it been a unilateral action of your part?

**MR. SPEAKER:** It is my understanding that the recommendation was adopted by the House by resolution. I would ask the Hon. Member to check into the *Journals* of the House for that date. You will find, I think, the recommendation adopted by the House by resolution.

**MR. GARDOM:** If that's the case, I've obviously been in error on this point.

**MR. SPEAKER:** May I say that I keep my hands above the table at all times.

**MR. GARDOM:** Mr. Speaker, who, therefore, is responsible for this electronic gagging?

**MR. SPEAKER:** May I point out that as a result of the recommendation adopted by the House, which is similar to the one in Ottawa, when the Chairman stands it is the duty of console operators of *Hansard* to immediately switch off the microphone of any other Member of the House. That is the recommendation adopted by this House, which, I hope, is being implemented because that was the purpose of it. It means that the Chairman doesn't have to take the responsibility any longer of using his own thumb. He can keep both his hands on the table, too.

Interjection.

**MR. SPEAKER:** I think the question is resolved that the committee sit at the next sitting of the House.

Hon. Mrs. Dailly moves adjournment of the House.

Motion approved on the following division:

YEAS — 28

Macdonald	Dailly	Stupich
Hartley	Calder	Brown
Sanford	D'Arcy	Cummings
Dent	Gorst	Lockstead
Gabelmann	Skelly	Nunweiler
Nicolson	Radford	King
Cocke	Levi	Rolston
Anderson, G.H.	Barnes	Steves
Liden	Lewis Webster	
Kelly		

NAYS — 11

Jordan Smith	Bennett
Chabot Williams, L.A.	Wallace
Gibson Gardom	Morrison
Curtis McClelland	

Division ordered to be recorded in the *Journals* of the House.

The House adjourned at 11: 24 p.m.

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