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Official Report of
DEBATES OF THE LEGISLATIVE ASSEMBLY
(Hansard)

MONDAY, APRIL 21, 1975

Afternoon Sitting

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MONDAY, APRIL 21, 1075

The House met at 2 p.m.

Prayers.

MR. D.E. LEWIS (Shuswap): Mr. Speaker, this afternoon at 3 o'clock, 34 students from the North Shuswap School will be in the House, accompanied by their principal, Mr. Terry Clark, their teacher Hugh Charmichael, and chaperons Carol Bower and Gail Clark. I would like the House to welcome them.

HON. G.R. LEA (Minister of Highways): Mr. Speaker, it gives me great pleasure to ask the House to welcome with me some students from grade 12, from the senior secondary school in Prince Rupert along with their teacher, Barry Bolton. They're here on a "Learning About Leadership" course, a course on leadership in this House. I would ask the House this afternoon to try and indicate to these students that we do have some of those qualities that make up leadership. Help me.

MS. K. SANFORD (Comox): Mr. Speaker, at four this afternoon we're going to be joined by a group of 20 students who are part of the choir from the junior secondary school at Port Hardy and who are down here to participate in the music festival. They will be accompanied by their teachers Miss Cowan and Mr. Jansen, and I would like the House to welcome them at this time.

MR. H.D. DENT (Skeena): I would ask the House to join with me in welcoming two members of the Mills Memorial Hospital board in Terrace, Mr. Bruce Ferguson and Mr. Guy Rushton. Mr. Ferguson is also the vice-president of the Terrace and District Labour Council. Mr. Ruston is also vice-chairman of the Skeenaview Hospital for Senior Men.

HON. D.D. STUPICH (Minister of Agriculture): Mr. Speaker, there is a delegation in Victoria today from the Peace River area — I'm not sure just how many made it, four or five busloads. It's an opportunity for those who are in the galleries today to see democracy in action, and an opportunity for them to present their particular point of view with respect to agricultural policy. I'd ask the House to welcome those present.

MR. C. LIDEN (Delta): Mr. Speaker, I'd like to ask the Members of the House to welcome two people from Reading, Berkshire, England — Bill and Bertha Scrace. They're here with people from Delta — Nellie and Joy

Sheaves.

Oral questions.

GOVERNMENT LEASING OF BURNABY OFFICE BUILDING

MR. W.R. BENNETT (Leader of the Opposition): Mr. Speaker, to the Minister of Public Works. Can the Minister confirm to the House that his department has leased, effective July 1, 1974, a two-story office building of approximately 12,000 square feet located at 3876 Norland in Burnaby?

HON. W.L. HARTLEY (Minister of Public Works): I will take that as notice, Mr. Speaker.

MR. BENNETT: While taking it as notice, could the Minister advise the House, when he brings the matter back before us, why this building, at a monthly rental of \$4,500, has stood empty since July 1, 1974, till it was personally inspected April 16? Would the Minister explain at that time why we've expended \$40,000 in rent on premises which have yet to be used, and if he is prepared at the same time to bring answers to other questions he's taken as notice on other empty buildings the taxpayers are paying for in this province?

GRANT FOR STRATA BODY

MR. D.A. ANDERSON (Victoria): To the Minister of Housing, Mr. Speaker. On April 9, in answer to a question of mine about the B.C. Association of Strata Corporations, the Minister indicated that \$18,000 was to be given by way of grants, and it was given in June of last year. My supplementary to him was: has the office for which the grant has been given yet been established? I wonder whether in the last two weeks he's been able to find this out.

HON. L. NICOLSON (Minister of Housing): Mr. Speaker, I'm still gathering some information on that; but I have been following it up actively.

MR. D.A. ANDERSON: Well, Mr. Speaker, as the Minister has followed it up and as I have tried to find out myself, I wonder at the same time whether he could find out whether there have been any audited expenditures of this \$18,000 and, in particular, the expenditure on the office itself, and could he confirm whether Mr. Jean-Pierre Dehm who is head of the B.C. Association of Strata Corporations and who operates the association from his own business premises, as far as I can determine, was an NDP candidate in the federal election at the time the grant was given?

HON. MR. NICOLSON: Well, Mr. Speaker, I'll try to look back as to what time it was made and from when it was requested.

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MR. D.A. ANDERSON: You told me when it was made last time.

HON. MR. NICOLSON: I know that Mr. Dehm was an NDP candidate, but I do not believe that he is at this time the president of the organization. I believe that the business which he is operating is completely separated and that is, perhaps, the reason why he is no longer on the executive — he has gone into a related business.

HEALTH HAZARD OF SEPTIC TANK USE ON SHUSWAP LAKE

MR. G.S. WALLACE (Oak Bay): Mr. Speaker, I'd like to ask the Minister of Health a question regarding the Celista Motel on Shuswap Lake, where local citizens obtained an injunction to halt the use of the septic tank field and where subsequently, in March, 1975, Judge Lamperson stated that he had intended to grant a permanent restraining order; but due to government regulations under order-in-council 278 such a restraining order would be

meaningless. Could I ask the Minister in the light of these circumstances whether order-in-council 278 was passed to accommodate the situation then in existence for the sewage disposal at the Celista Motel on Shuswap Lake?

HON. D.G. COCKE (Minister of Health): Mr. Speaker, that particular area has caused us a great deal of concern. I personally became involved in it from the standpoint of taking a look at what I might do to accommodate the situation up there. There was a tremendous argument about the interpretation of the health rules at the time with regard to the septic tank that the Member is referring to, which was a septic tank built by a motel along the shores of the lake. The residents in the area could not deal with the zoning of this particular motel; so they decided that they would try to stop the construction of the motel by using the Health Act.

MR. SPEAKER: I wonder, Hon. Member, if this is really that urgent a question for question period.

MR. WALLACE: Oh, it is for the people of Shuswap Lake.

MR. SPEAKER: Is there more behind it than is so far revealed?

HON. MR. COCKE:. Well, Mr. Speaker, all the residents in the area naturally were up in arms because the motel went ahead. Then they took it to court. But the court's interpretation of the Health Act was as difficult as ours. Therefore, not to accommodate that situation but to accommodate the situation across the province so that people can correctly interpret the meaning of the Health Act in this area, we brought in a regulation which would give courts clear direction in the whole question.

MR. WALLACE: A supplementary; I'll be very brief. Is it not a fact, regardless of the motives imputed by either side, that the citizens are still concerned about pollution of their drinking water? And to what extent, regardless of all these other features, will the Minister undertake to investigate what they believe to be a real danger to their health?

HON. MR. COCKE: Yes, well, from that standpoint we looked at it, and my department indicates that no, there is no great concern over the matter of health. There is a possibility of a major flood some day. But even then I don't really think the situation warrants that kind of concern. There is a great deal of concern, however, with practically every lake in the province, when you're thinking in terms of residential areas with septic tanks too close to the water, and so on.

BODY SHOP APPRENTICESHIP TRAINING IN PRINCE GEORGE

MR. D.M. PHILLIPS (South Peace River): Mr. Speaker, my question is to the Minister of Transport and Communications with regard to the Insurance Corp. of British Columbia. Would the Minister advise if the Insurance Corp. of British Columbia is building a body shop in Prince George, the purpose of which is to have an apprenticeship training centre for a vocational programme in the body building business?

HON. R.M. STRACHAN (Minister of Transport and Communications): I certainly hope so, but I will check exactly where it is right now.

MR. PHILLIPS: A further supplementary, Mr. Speaker, to the same Minister. Would the Minister advise if the province is planning more of these centres throughout the province?

HON. MR. STRACHAN: It is already public information this it is the objective of the corporation to have a number of body shops for two reasons. One is the one you mentioned, and the other to give a check factor in body costs in various areas of the province.

FUNDS FOR CAREERS '75

MR. J.R. CHABOT (Columbia River): A question to the Minister of Recreation and Conservation

regarding the Careers '75 student summer employment programme.

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On February 21 the Minister of Labour (Hon. Mr. King) said that it is the intention of this government to continue the investment in the youth of our province this summer by committing considerable additional funds to this programme. Could the Minister of Recreation and Conservation indicate whether there has been an increase in the allocation of funds to his department?

HON. J. RADFORD (Minister of Recreation and Conservation): No, there has been a slight decrease, Mr. Member.

MR. CHABOT: A slight decrease from what figure to what figure, Mr. Minister?

HON. MR. RADFORD: In 1974 the Department of Recreation and Conservation was granted \$3.7 million to the Careers '75 programme. This year the allotment was \$2.4 million.

MR. CHABOT: Just one short supplementary. In view of the fact that this is approximately a 50 per cent decrease, would the Minister be inclined to refute that this is a job-security budget?

HON. MR. RADFORD: No, I think it still remains a job-security budget, Mr. Member. If you take a look at my department, which we will be discussing during the estimates, I can show you how many more jobs were brought into being, especially through the community recreation facilities programme. Approximately 3,000 jobs were brought into the province due to the construction of these facilities.

DELTA STRATA-TITLE PROPERTY

MR. R.H. McCLELLAND (Langley): Mr. Speaker, my question is to the Minister of Housing. Last week the Member for West Vancouver–Howe Sound (Mr. L.A. Williams) asked a question with regard to some problems with strata-titled homes in Delta which have been involved with Sahara Developments. I wonder if the Minister could tell us whether or not when those strata-title properties were sold the Housing department was able to recover some of its investment or any of its investment in the second mortgages that were held by the Housing department on those units, some 31 of them.

HON. MR. NICOLSON: Mr. Member, I'm having the whole matter looked into, and I will take that as notice and try and respond to that as well.

ELECTORAL REDISTRIBUTION

MR. G.F. GIBSON (North Vancouver–Capilano): A question for the Premier, Mr. Speaker. I wonder if the Premier could advise the House whether there have been any developments in the process and timing of electoral redistribution for the province.

HON. D. BARRETT (Premier): Mr. Member, I hope that we are in a position to announce some progress in that regard within the next two months.

MR. GIBSON: On a supplementary, Mr. Speaker, I wonder if the Premier could guarantee the House that there will be a form of public consultation in this process.

HON. MR. BARRETT: No question, Mr. Member. What we hope to do is name a group and then have them go throughout the province and have the communities involved. Then the report will come back to the House.

B.C. FERRY FARES

MR. WALLACE: Mr. Speaker, I would like to ask the Minister of Transport and Communications: has the Minister's department taken any steps to introduce peak-load pricing — that is, a cheaper rate at the quieter times and a higher rate for peak periods of travel?

HON. MR. STRACHAN: The answer is no.

MR. WALLACE: A supplementary. Regardless of that question, has any decision been taken recently by the Minister's department to increase ferry fares generally?

HON. MR. STRACHAN: The answer is no.

DISPATCH OF GOVERNMENT AIRCRAFT

MR. N.R. MORRISON (Victoria): A question to the Minister of Transport and Communications. Could he advise the House who makes the decisions as to where each of the government aircraft will go? Is there a dispatcher or a dispatch office?

HON. MR. STRACHAN: This is not the question you told me you were going to ask me out in the corridor. However, that is by the way.

Yes, there is a dispatcher.

MR. MORRISON: A supplemental, then. Who has the final authority as to advising the dispatcher where aircraft will go and how they will be used?

HON. MR. STRACHAN: Well, there is an administrative officer at the airport, and he makes the decision. If there is any question, then it goes to the Associate Deputy Minister.

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GOVERNMENT AIRCRAFT INSURANCE

MR. MORRISON: Mr. Speaker, I asked the Minister earlier a question concerning insurance on government aircraft, which he took as notice. He said that he had the information and would file it with the House. I also asked him about government aircraft that had been used by the federal government, and he took that question as notice. I wonder if he has the answer for it.

HON. MR. STRACHAN: With regard to your first question regarding insurance on the government aircraft: yes, the insurance is carried on government aircraft by the Continental Insurance Co., a member of the Associated Aviation Underwriters. The brokers are Reid, Shaw, Osler of Vancouver. You didn't ask for this, but the annual premium is \$34,253.

MR. MORRISON: Will you file that with the House?

HON. MR. STRACHAN: Well, it is on the record of *Hansard*.

MR. MORRISON: I want the copy of it.

NUMBER OF GOVERNMENT AIRCRAFT

MR. A.V. FRASER (Cariboo): How many aircraft does the province now own and operate — to the Minister of Transport and Communications.

HON. MR. STRACHAN: I think it is nine.

MRS. P.J. JORDAN (North Okanagan): What? Nine!

MR. BENNETT: How many jets?

FEDERAL USE OF B.C. GOVERNMENT AIRCRAFT

MR. MORRISON: Mr. Speaker, he hasn't answered my second question yet — about the use of the B.C. government aircraft by the federal government, the Department of Environment.

HON. MR. STRACHAN: I have it here somewhere. I'll try and get it for you before....

SALE OF B.C. TEL SHARES

MR. CHABOT: A question to the Premier regarding the 200,391 common shares of B.C. Tel held in pension funds. Has the government recently sold, does it have for sale or does it plan on offering for sale any or all of these shares?

HON. MR. BARRETT: The question is: have we sold any of the B.C. Telephone shares? No.

MR. CHABOT: Do you have any for sale?

HON. MR. BARRETT: No.

MR. CHABOT: Are you contemplating selling?

HON. MR. BARRETT: No.

MR. SPEAKER: Order, please.

SALARY INCREASES FOR MEDICAL OFFICERS

MR. D.A. ANDERSON: To the Minister of Health: now that the medical technicians' salary ranges are from \$1,395 to \$1,632 per month, while a medical officer — the supervisory person — receives \$1,299 to \$1,561, below the salary ranges of those that he supervises, may I ask what steps he is taking to make sure that interim salary increases are implemented to make sure that supervisory personnel are at least paid as much as the people they supervise?

HON. MR. COCKE: Mr. Speaker, that question is being negotiated and considered at the present time. I don't think it's the way that the Member suggested, but certainly there are some anomalies out there.

MR. D.A. ANDERSON: Are my figures wrong?

Orders of the day.

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

ESTIMATES: DEPARTMENT OF MUNICIPAL AFFAIRS

On vote 178: Minister's office, \$76,172.

HON. J.G. LORIMER (Minister of Municipal Affairs): Just so that the vote doesn't pass too quickly, I want to say two or three things. (Laughter.) I won't go into any detail. I gave an exhaustive and exhausting talk on

the question of municipal affairs during the budget debate. I suggest that if you have any questions, and I doubt that you have, you have your opportunity now. I'll try and answer them and fill in the blank spots as we go along.

MR. H.A. CURTIS (Saanich and the Islands): Mr. Chairman, I'm just trying to sort through that wealth of information which the Minister provided in his opening remarks. (Laughter.) I didn't expect him to take this long, but with the help of my colleagues on

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this side of the House, we can get through some of that detail — it is pretty monumental.

We're debating an expenditure of about \$100 million — \$100,416,000 — under this Minister's vote for the current fiscal year. Again, without belaboring the point, it would appear, according to the schedule which is in effect now — imposed arbitrarily by the government — that we'll have to dispense with this afternoon. I wouldn't rule out the possibility of a little longer time being taken, but that's certainly the way it looks at the moment.

A couple of comments in lead-off. We have here a friendly and pleasant Minister, well-liked, I think, by a number of people. We call him the Rip Van Winkle of the cabinet; his seat has a sign marked "Sleepy Hollow." There he goes again, as a matter of fact. Although he doesn't follow the Washington Irving example to the letter — that is, he hasn't slept for a long number of years — he seems to get his sleep in fairly short naps. I've travelled with him.... Have I put you to sleep already, Mr. Minister? I've travelled with him, as a number of Members of the House have, and I can vouch for the fact that he has an extraordinary ability to catnap, sometimes in the most unexpected places. Here in this House he dozes from time to time; in hearings in committee meetings, in aircraft, in small power boats, waiting for transportation of one kind or another — you name it, Mr. Chairman, and he's slept in it.

He's pleasant, he's easy going, he's affable; but while he relaxes, dozes and smiles pleasantly, the problems facing municipalities in this province grow worse on a day-by-day basis. Crises mount, the dollars squeeze tightens, and local government continues to look to him in vain for solutions which are needed respecting their problems.

In my view one of the most serious situations facing local government — I would include in the list the question of financing, works and services, which is serious enough — but one of the most serious also relates to what I consider to be the most dangerous lack of consultation and co-ordination between provincial government departments, agencies and municipalities.

Decisions are made by such departments as Lands, Forests and Water Resources, Housing, Highways, Human Resources and Public Works, to name just a few, in apparently isolated compartments and in isolation. It seems to me the Minister, on his present approach at least, is failing local government by not insisting that consultation take place, by not giving his department a higher profile in the cabinet and in the operations of government and making certain that his departmental people and he himself become directly involved in improving that level of co-ordination. After all, Mr. Chairman, we are all working for the same people, the citizens of this province, whether they live in municipalities, large or small, in Vancouver city or the smallest village, or in regional districts. I think they deserve the closest possible co-ordination of our respective efforts on their behalf. There are a couple of examples I would like to present to you and to the Minister as an indication of where the things have gone wrong. There was an editorial in the *Victoria Times* a week ago today, Monday, April 14, headed: "Pull Aside The Curtain."

"'I'll Do It My Way' seems to be the provincial government's theme song in land use planning these days as municipalities find themselves frozen out of project preparations by a senior government apparently determined to ignore local municipal expertise and experience.

"The quixotic progress of the inner harbour toward redevelopment" — outlined just a few days ago in the *Victoria Times* — "is only one example. Across the water the municipality of North Vancouver city provides another. Together they are ample evidence of the province's 'Father Knows Best' attitude when it comes to planning."

Then the editorial goes on to point out:

"Last year, the government bought 27 acres of waterfront in North Vancouver to be used as a multimedia transit terminal, bringing buses, rail transit and ferries into one interconnected package. It has commissioned a Vancouver consulting firm to draw up a development plan for the terminal, but the City of North Vancouver, whose future development and population growth could be drastically altered by whatever the province decides to do, hasn't heard a word from Victoria about the plan.

"It's almost unbelievable but we have heard nothing at all in writing. We've never heard from a senior B.C. official,' said North Vancouver mayor, Tom Reid.

"Municipalities don't elect provincial governments, and the B.C. administration may feel safe in ignoring the municipalities' anguish. But the frustrations filter down to the people who get to vote for both. When it comes to local matters the government would do well, at the very least, to keep municipalities informed of their plans."

Other speakers for the opposition may want to touch in greater detail on the North Vancouver situation, but I think the Minister will have read the *Province* mid-week report for Wednesday, April 9, with the headline: "Government Waterfront Plan Baffles North Van." And again, there is a reference to Mayor Reid:

"The city has received no written communication about what the province plans for the area. Anything city hall knows is

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derived primarily from sketchy, speculative reports in the newspapers."

And the headline on the second page of the same report, page 14, is: "Waterfront Plan Keeps North Van Guessing."

It isn't good enough. Some of the responsibility has to be placed in front of the Minister of Municipal Affairs. It isn't just the North Shore, as the *Victoria Times* editorial indicated. In downtown Victoria we have a similar situation. Perhaps it is more serious in total implication because it involves the heart, the focal point of the capital region of British Columbia. The Minister must know that there are at least five agencies actively pursuing various plans, each apparently going its own sweet way.

Concerning the property which could be described as lying around the harbour edge — that is, from the former CPR-Marathon property, in front of the Empress Hotel, and then along Wharf Street all the way to the Johnson Street Bridge — again, as I said, the heart of the capital city of British Columbia, I think the decisions are being made in isolation. The agencies include the federal government, the provincial Department of Public Works, the provincial Department of Lands, the Capital Improvement District Commission and the City of Victoria, at least. I understand that the mayor of Victoria has been assured personally by the Premier, who is not in his seat, on at least four or five occasions that there would be: "the closest possible cooperation between the province and the city regarding redevelopment of the area." But there is very little evidence of that cooperation to date.

Again, in the *Victoria Times* on April 14, is the heading "Pollen Seeks B.C. Assurance."

"Victoria mayor, Peter Pollen, has asked Premier Barrett for an assurance that the development of publicly owned lands in the Inner Harbour will be carried out in a spirit of cooperation between the provincial government and the city.

"In a letter to the Premier last week Pollen congratulated the government on its recent purchase of the Marathon Realty property along Belleville's waterfront, together with the Princess Marguerite, but he expressed concern that the press release announcing the purchase made no mention of the city's position with respect to development of this property, despite earlier oral assurances of cooperation from Premier Barrett."

There's one quote in that article from the mayor of the City of Victoria: "Surely in the name of intelligence and in the spirit of cooperation, and, above all, in the interests of our total community, some co-ordination must be undertaken."

It seems to me again that the Department of Municipal Affairs is at fault here, or perhaps in default, for not making certain that Public Works and Lands, Forests and Water Resources sit down with the City of Victoria, and with the City of North Vancouver in the North Shore situation, to discuss how best to cooperate and reach a

consensus.

In other areas where local government encounters frustration with the province, I think it is this Minister who should serve the function of co-ordinator. His department must be strong enough now and in the future to pull other departments and agencies together and to insist in cabinet and insist in the total government structure that municipalities are kept informed and involved when senior government decisions are being made.

I'd like to come back to this general topic in a few minutes, but there are a couple of specific issues which the Minister may care to comment on later this afternoon — first, the legislative committee study of the Queen Charlotte Islands. Unless the Minister can correct me when he takes his place in the debate, we have a sorry story of delay on the part of this Minister and the government following that committee tour of early summer, 1974. It was to be a concentrated crash course in studying the Charlottes. It was a visit which cost a considerable amount of public money, a visit which was eagerly anticipated by islanders. It prompted feverish island activity in terms of preparation of briefs and suggestions. But most importantly, and perhaps most disappointingly now a number of months later, it was a visit which led the Queen Charlotte residents to expect that something was about to be done in terms of water supply, sewage disposal, possible restructuring of regional government — that is, the regional district of Skeena-Queen Charlottes — incorporation of one or two communities and facing up to a host of other problems.

Expectations were raised and nothing appears to have taken place since. I'd be interested to learn if I am incorrect on that point. In fact, to the best of my knowledge, the municipal affairs committee of last year has yet to meet in a review even to prepare a draft of what it heard and saw in the Charlottes.

So are the Queen Charlotte Islands residents disenchanted? Well, I think it might be helpful to the committee to hear just a few lines from the *Queen Charlotte Islands Observer* for March 20 of this year. It will give you an idea of how they feel. This somewhat irreverent newspaper must prove a source of embarrassment to the Minister and also to the Minister of Highways (Hon. Mr. Lea), who is also not in his seat, who represents the Queen Charlottes in this House. Here's the quote — it's from page 4 of the *Observer*:

"Our Municipal Affairs Minister is not only a seasoned member of the cabinet but a seasonable one. He makes his announcements concerning local government for the islands" —

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that is, the Queen Charlottes — "each spring. The last one came in the spring of 1974, and the next one he has forecast for the spring of 1975. This could become the annual event of the year. Juan Perez better look out. After all, he only sighted the place; Jim Lorimer commutes.

"No one knows for sure whether MLA Carl Liden, the chairman of the committee, will receive the degree for window-dressing, but one feels sure that he will feature prominently in academic exercises this spring, and rumours that the Swiftly, unincorporated, tours manager will be called upon to submit a report on last year's feature tour are foundering.

"The dilemma facing Mr. Lorimer is not whether to create a separate regional district of the Queen Charlotte Islands, but whether to make the centralizing decision — dear to the hearts of the healthy and resourceful members of cabinet — to change the name of the present regional district and move the regional board headquarters to Port Clements. But decisions like that aren't hard to make; it's announcing them. And, having done that, what does it leave a fellow to announce next spring?

"Alternatives indeed there are. We could secede under the Island Mistrust Act, go multinational with our TFLs, or register ourselves as an underdeveloped country and apply for a provincial grant from Mr. Barrett. But no one has yet found fault with regional chairman P.J. Lester's recommendation on local autonomy for the islands. Just how does one act on them?"

This committee went to the Queen Charlottes for a detailed study almost — and I exaggerate slightly — one year ago in June or July of last year. Some of us have done our homework on that committee as a result of the tour, contrary to what the Premier so tiresomely says in this House.

On August 21 of last year, I did a nine-page summary of my views with respect to what we saw and heard and approaches which could be taken. Again, I have to emphasize, however, that to the very best of my knowledge — and I've not missed any committee meetings — there have been no attempts to prepare even a draft report on the

basis of that expensive, time-consuming and well-publicized tour of the Charlottes.

This Minister owes the Queen Charlotte Islands a definite, precise and straightforward outline of what he proposes to do and how soon he proposes to do it. Speaking of islands, I would like to move a little further south for a moment to the Islands Trust which was established last year. At \$236,000 for its first full year of operation, that is, I think, an unreasonably large amount. Concern is already developing in the islands within the trust area that the trust has not yet come to grips with the frustration which has been in position in the islands for a good number of years. They ask the question: how is the trust to blend in with other jurisdictions? How is it to work with regional districts, with the provincial government, with Crown corporations, or is it yet another pigeonhole into which Gulf Islands problems can be poked?

The trust has to co-ordinate, as I have asked the Minister to co-ordinate at the larger level on the provincial basis. The trust has to work with and for the islanders and ensure that government and its agencies again, Mr. Chairman, the same point - will consult and listen before action is taken which may well be detrimental to the islands.

Last year during debate on the Islands Trust Act, Bill 112, I pleaded unsuccessfully with the Minister to accept an amendment which would have made certain that the trust had muscle, not muscle against individuals but muscle in dealing with government and Crown corporations. We didn't have to wait long to see the wisdom in that suggestion. Here is a brief quote from the *Gulf Islands Driftwood* on Saltspring, April 16. This is a story dealing with a meeting attended by one of the Saltspring Island local trustees, Mike Larmour. When he was asked whether the trust is doing a job, Larmour suggested that a little more muscle would help in some directions. Here is the key quote. I remind the Minister of the attempt to put forward this amendment last year. I remind him also of his rejection of it. Larmour said:

" 'If we come up against B.C. Hydro or the ferries or the Department of Highways, can we impose our will?'

" 'The people see the trust as a watchdog role,' said one of the participants in the meeting. 'If the trust has no power, the community would lose confidence.' "

Mr. Chairman, I believe another area of failure on the part of this Minister relates to provincial payment of property tax. I know that other Members will want to speak on this as well. Again, *Hansard* for April 30 a year ago indicates lengthy debate in this Minister's estimates about the rip-off which the provincial government continues to carry out against other property owners. Probably nowhere in B.C. is the situation more serious than in the City of Victoria. But it is by no means purely a Victoria problem; it has existed for many years. It is increasing, however, in its impact because of the increased activity of this government in terms of new Crown corporations, property acquisitions and related activities.

The Member for Cariboo (Mr. Fraser) will be able to talk about such communities as Quesnel and Prince George along the B.C. Rail line who also feel the effects of this revenue loss, revenue which is denied to them unilaterally by the provincial government's

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decision-making process which says, no, we are not going to pay full share of local property taxes.

A number of Members will have seen an article in the *Victorian*, Friday, April 11, which quotes a Victoria alderman, Mr. Bawlf, saying: "It's tough on Victoria. The provincial government forces our taxes up." The fact of the matter remains that the provincial government — this government and the previous government — through you, Mr. Chairman, to the Minister of Health (Hon. Mr. Cocke), who is again distressed because perhaps we are hitting home....

HON. D.G. COCKE (Minister of Health): Ha!

MR. CURTIS: The provincial government and some of its Crown corporations are subsidized by the rest of

us.

The Second Member for Vancouver–Point Grey (Mr. Gardom) has frequently referred to the Plunkett report of about five years ago. Tom Plunkett is recognized across Canada as a well-informed and totally objective expert on provincial-municipal fiscal relationships. I would urge this Minister and Members of the government party to read that report again to see how local taxpayers have been shortchanged and continue to be shortchanged by this kind of thing — that is, the failure to pay full taxes on provincially owned land and also in the sharing of responsibility and revenues.

I suggest that the most constructive move this Minister could make now, having been in office for just over two and a half years, is to convene a full-scale municipal/regional/provincial conference, but not just between his department and the UBCM. He would have to have representation from the UBCM, admittedly, but also from key government departments, including the Department of Finance, to sit down for three or five or 10 or 15 days, if necessary, and sort through the complex maze of sharing programmes, allocation of funds and functions, duplication of efforts and the needs of the municipalities.

In making his reply to this suggestion, I hope the Minister will not refer solely to the establishment of the taxation commission which is inquiring into the property tax. In my view, that group is dealing with relatively limited terms of reference. To repeat, it is in the total area of provincial, municipal, regional programmes, responsibilities and ability to pay that a study should be undertaken forthwith and with the decision-makers and those who advise them, senior departmental people in the provincial government, taking a full and active part in the review.

I'd like to take some time on the per capita grant, but I think I'll put that to one side in the hope that I may be on my feet again in dealing with these estimates.

The assessment authority is not the responsibility of this Minister. The bill creating the authority was introduced by the Minister of Finance. Again, this Minister must know that the decision by the authority to levy 1.17 mills for the cost of operation this year has created strong negative reaction from many municipal people. But that won't begin to compare with the protest which will come from rural areas when provincial property tax notices are sent out this spring. Some of this criticism is going to find its way to the desk of the Minister of Municipal Affairs, because they will relate property tax with the Municipal Affairs function.

Perhaps the Minister could tell us, as far as he knows as a member of the cabinet, why the cost of assessing is up so dramatically under this new arrangement. I think that he should also make, as Minister of Municipal Affairs, the strongest possible representation to Treasury Board to secure an increase in the capital grant of \$1.5 million and the operating grant of one-tenth of a million all assessed property. That is dealt with in section 16 of the assessment authority Act. Clearly the assessment authority is going to cost the taxpayers of the province far more than was originally expected, and there are going to be some very distressing shockwaves around the province within the next few weeks and months.

When he stood today, or perhaps even prior to that when the sitting commenced this afternoon, I was hoping that we might finally hear from the Premier or the Minister of Municipal Affairs with respect to the sharing of natural gas revenue. This absence of cold, hard information must be driving municipalities crazy right now. They must be literally climbing the wall as they wait in vain, day by day by day, for some word from the province as to how the money is going to be shared and what the dollar amount is going to be for 1975.

Municipal councils and their treasury people are sitting down this week and next and the following week, setting their budgets for 1975, and that isn't done in five minutes; and it isn't done properly with last-minute information rushed in from the provincial government. Every day which passes without this information makes it far more awkward and critical for councils attempting to work out their budgets, because if they have the information now, they will be able to authorize programmes which have perhaps been put on the shelf. If they don't have the information, they are working with a patch over one eye, in effect, unable to see the total picture for the 1975 operating year. I'm sorry that so many days have passed since the Premier returned from Ottawa after the energy conference, with still no clear-cut, definite information with respect to the amount of dollars to be shared with

municipalities and the method of sharing.

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So in summary, for this portion of my comments at least — and I'm pleased that the Minister has stayed with me throughout, Mr. Chairman — it seems that the relationship between provincial governments, including regional districts, grows more complex each month, particularly with the intrusion of other departments...

MR. CHAIRMAN: Green light, Mr. Member.

MR. CURTIS: ...into an area which should primarily be the responsibility of Municipal Affairs and the municipalities concerned. A higher profile, Mr. Minister, for you and for your departmental people is what is urgently needed if the line of communication is not going to be broken completely and take a long time to repair.

HON. MR. LORIMER: Mr. Chairman, I might point out that the Member did point out that two or three of the government Members were not in their seats. I would like to point out that at this stage only three of the Social Credit opposition are in their seats at the present time and throughout the speech.

MR. CHAIRMAN: Order, please. Would the Hon. Minister speak to the vote, please?

HON. MR. LORIMER: Now four.

The first item discussed was the question of lack of consultation. I would point out that our department has always acted as a liaison with councils coming in from out of the Victoria area to visit the government. When we're advised of it — and we normally are when a delegation comes — we do line up the appointments with the Ministers they want to speak to so that they can wrap up their business in one or two days. We have offered that service to them and in most cases have carried it out, where we have known that they were coming.

The question of land purchases in the CPR or in the Victoria area and in North Vancouver, and so on, with the criticism that there was a lack of consultation with the municipalities involved.... I would point out that the question in the Victoria example of the purchase of the land around the harbour from CPR was under active discussion with Mayor Pollen and the council in Victoria for some time before the actual acquisition. They have been assured that in the planning and developing of the area they will have full participation, will have knowledge of the projects and will have input into the development of that particular area.

In North Vancouver, Mayor Reid was advised well before the time of acquisition of land in that particular area. The site referred to was on all plans from the Greater Vancouver Regional District as a ferry site. We advised him of our interest in the site for future development for the ferry system. He then proceeded to apply to the Greater Vancouver Regional District for a rezoning of the area — because it was contrary to the plan — for a different development that had been applied for by a local developer in North Vancouver.

His cries that he was not aware are just not true. He may want to continue saying that, but I will state that he was aware of the overall plans long before we became government, and he is aware of our desire after having become government. I think that his statements — if those statements that you read are accurately quoted from him and not a misprint in the paper — are not true.

Interjection.

HON. MR. LORIMER: I know — that's right. A lot of people do read newspapers. Even the Hon. Member believed it.

AN HON. MEMBER: You believed it, too.

HON. MR. LORIMER: Not me. I never believed it. I didn't believe the statement he was quoted as saying.

I'll be the first to admit that different departments have done things in municipalities — projects — in which

consultation hasn't been what it might have been. Those things happen; it's regrettable. I won't defend that. I don't agree with that procedure. I think things happen sometimes in error. That sort of thing is an error. Any activity by government in a municipality should be well discussed beforehand. I won't argue that point at all.

But, in general terms, I suggest that we have attempted to have consultation ahead of time. There are just two examples I would like to refer to. In the land preservation Act, the Union of B.C. Municipalities executive...this matter was discussed fully with them. They made representations, changes were made and that sort of thing. In the assumption of the costs of the administration of justice, the Union of B.C. Municipalities was kept advised completely through that period. Their requests will be met for phasing in those areas which lost money as a result of takeover of the administration of justice. There are a few areas that have lost money as a result. We agreed with the Union of B.C. Municipalities that those losses will be phased in over a period of five years, and that undertaking will be kept.

MR. CURTIS: You are reaffirming what you said last year.

HON. MR. LORIMER: That's correct, yes.

The Queen Charlotte Islands. That has received very active consideration and is still receiving active consideration. As a matter of fact, this morning we met with the band leaders and representatives of the

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Haida band on this very problem as to what participation they might consider they would be prepared to enter into in dealing with those particular islands.

We have to recognize the fact that in the Queen Charlottes probably 35 to 50 per cent of the residents are either status Indians or non-status Indians, so any development in that area would have to include the native people, if possible, if they are prepared to come in. We are seeing what their suggestions would be and what they would think — if any type of political situation which they felt comfortable in involving themselves could be brought about. We had a long discussion this morning. They will be taking home certain suggestions and will advise us in due course of what they hope for.

These things cannot be done overnight. I admit that it is a year since we were up, or close to it — 10 months ago. But as you are aware, the regional district did have studies made of the water and sewerage problems, and the end results of those studies did not come in until late last fall.

We hope that some activity will take place there this year; we certainly hope so. I will recommend that a referendum be taken on the islands as to what they want for the future — or a proposal, at least, for them to decide whether they are interested or not interested.

I think the Islands Trust has been well received. The areas that have been put under the 10-acre freeze will be taken out as soon as their community plans are finalized. There are a number that have been taken out because the community plans have been approved.

I might announce — I don't know whether it is common knowledge or not — that the Nature Conservancy of Canada, in which Mr. Haig-Brown is a director, is preparing to help finance a study on the islands for archaeological identification and as a start is taking an active interest in the Gulf Islands area. We welcome that cooperation and assistance.

Natural gas revenues. There has been a meeting called for Friday of this week in the Premier's office, with the executive of the UBCM to discuss this question. Hopefully they will come up with an agreed system of distribution.

MR. D.A. ANDERSON (Victoria): Mr. Chairman, I would like to start off by saying what a pleasure it is to have this Minister before us giving his usual calm, rather cool approach to the problems. He adopts this even at times when the House is quite animated — he sits there, sometimes resting his eyes, sometimes just looking quiet and

inscrutable. It is a most effective technique.

I would also like to congratulate him on the fact that his Minister's office has not grown enormously in the last year. It has a \$5,000 increase, or less than that, which, compared to some of his colleagues, puts this man as a very modest spender. I feel that his desire to keep expenses exactly at the same level as last year, despite inflation, shows that other Ministers could do the same if they chose to, instead of rapidly inflating their expense accounts and travel allowances. So I would like to start off by congratulating him for not giving us further examples of waste at the top, which we see with so many of his colleagues.

I might point out, though, as I look at the overall departmental budget, that he has done some rather curious things. General administration is quite out of hand with what looks like a 40 per cent increase there, with only an increase of five in the number of people. It seems very, very high, and when you realize he's got a salary contingency vote of over \$0.5 million, you wonder why there has to be that enormous increase in general administration.

Equally startling is the fact that the planning services division goes from \$240,564 to \$320,184 — an enormous increase. Yet exactly the same number of people are being employed as previously. Mr. Minister, please remember that the excuse that you will be paying a few people more doesn't really make sense because you do have that enormous increase.

MR. CHAIRMAN: Order, please. I would remind the Hon. Member that we are dealing with vote 178, and these matters would seem to be relative to votes 179 and 180.

MR. D.A. ANDERSON: Mr. Chairman, could I just ask you to restrict yourself to being the Chairman? The only opportunity we have for an overall look at the Minister's department is when we are on the Minister's vote.

Okay, I talked about the totals for this department, the estimates for 1974-75 are \$81,850,272; estimates for 1975-76 are \$100,416,000. Now surely, the only place for an overall look at all these votes together, the whole Minister's department, is on the Minister's vote. Now surely that makes sense. Don't keep interrupting speakers.

MR. CHAIRMAN: Order, please. The Hon. Member well knows that the responsibility of the Chair is to enforce the rules. Standing order 61(2) requires strict relevance to the matter under consideration, which is vote 178.

MR. D.A. ANDERSON: Mr. Chairman, without being disrespectful, may I suggest that in enforcing the rules you must use a little common sense? If we cannot take an overall Ministerial budget of \$100,416,000 and make some comment about the components as preliminary to dealing with his strict

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office vote, you're making this whole business of estimates even more of a farce than the government has already done with its absurd rules which it forced down our throats over the entire opposition.

MR. CHAIRMAN: Order, please. Would the Hon...?

MR. D.A. ANDERSON: Just sit back and relax and you'll find we are dealing with the Department of the Minister of Municipal Affairs, and that includes his vote, and it's under his vote that we deal with the totals.

MR. CHAIRMAN: Order, please. I would just ask the Hon. Member to relate his remarks to vote 178.

MR. D.A. ANDERSON: Oh, my God! Well, Mr. Chairman, this Minister is responsible for each one of these votes; does that relate it? The total happens to be \$100,416,000. Now please don't stir up trouble where none exists. I've started off by congratulating the Minister in his approach, pointing out the fact that he's done some good things like restricting his expenses, unlike that Minister of Transport and Communications (Hon. Mr. Strachan) whom we're going to have to go after for that. I've pointed out that it's only under the Minister's office, the Minister's vote, that we can deal with the department as a whole. I trust that an apology, Mr. Chairman, will be forthcoming.

Now having discussed the overall vote and the areas where this Minister has not really restricted the budget

as he should have — in particular with respect to the extra costs of administration and the extra costs of a planning services division — may I deal with a number of specific points? Mr. Chairman, just sit back and relax — they are all on Municipal Affairs, and if you don't get involved, the thing will go quicker than otherwise.

First, the specific questions dealing with my local area of greater Victoria. I wonder whether the Minister could comment to me exactly what plans he has for the Highlands district. We've heard that the Minister wants to put up housing for 35,000 people in that area. We've heard that B.C. Hydro is putting two new cable systems across it — two new sets of hydro lines across the area. We don't know precisely where they're going. We really do not know what the government proposals are with respect to the Highlands area. As the Minister knows and I know, there are relatively few people there now — just a few hundred. If 35,000 are to move into the area, you have an enormous change in the density of population and the complexity of the problems they are now facing. The Highlands area is one of the least-discovered recreational areas close to Victoria. It has a number of lakes which are absolutely superb, excellent natural lakes for fishing and swimming and things of that nature. If we bring 35,000 people, we can probably kiss goodbye to the Highlands as we know them now. We've heard statements from government people from time to time, yet we've never had any authoritative statement of decision as to what the government plans for that area.

My first and specific question to the Minister would be to tell us what he intends for that particular area. Will Pike Lake, for instance, be the site of the hydro substation? Will you have new hydro lines crossing that area and, if so, where will they be?

I understand there's a firm of architectural planning consultants — Irwin, Beinhaker and Associates of Vancouver — which has looked at the area and made a report. Will the Minister make that report public? I do not know of any copies being published at the present time and, surely, if there is a master plan, the Minister should make it public so that the citizens of the area, in particular the residents of the Highlands district, can have their say as to whether or not that plan makes sense to the people living there. The rest of us in the greater Victoria area would be most interested. So perhaps first, a statement of general policy; and second — I'm sure it's acceptable and that you'll be amenable to this — a statement as to the date that you will make that report public, preferably later on today. Really and truly, Mr. Minister, all these reports that the government has done, which are kept locked away, do no good to anyone. So I trust that that will be forthcoming.

I'd like to say a quick word on another local problem which you've referred to but you haven't really, I'm afraid dealt with at all: this question of local consultation. Now we have a freeze on the Reid property site — and the Minister knows all about that, as does every other person who has been in Victoria for the last few years. At the present time, as far as I can tell as a local Member, there is no co-ordination between your government and the city as to what's going to happen to that Reid property.

Obviously, what happens on one side of the harbour has enormous effect on what happens on the other. If you are to put the former Marathon property — the CPR property — and the Princess Marguerite in the hands of one committee, surely it must be co-ordinated with the Reid centre — or the former Reid Centre, the Reid site — and, indeed, the city-controlled property elsewhere in the harbour.

I appreciate the Minister's defence of what has taken place so far but it's unconvincing, Mr. Minister, as a local politician responsible for this particular area. There is not the contact with the city that you talk of; we have too many authorities working independently on the Inner Harbour and elsewhere in Victoria. Let us adopt a more realistic and conciliatory approach with respect to the City of

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Victoria.

The mayor of Victoria, Mr. Pollen, has talked of the need to co-ordinate development. He has sent a letter to the Premier which was made public. I would like the Minister's statement as to the government's proposals for following up that request of the mayor of Victoria. Let's stop the practice of the last three years and, indeed, of the previous 20 as well, which has been to ignore the local inhabitants, to ignore their elected representatives and to

come down with provincial decisions as to what will happen in Victoria. Let's get together with the city and let's plan on a co-ordinated basis.

The third point I would like to raise, Mr. Minister, is that of urban transportation. The Minister has been engagingly frank in his statements regarding Fast buses, urban transportation and rapid transit. He has said that he has tried to think of something and he hasn't always thought he has succeeded. If anybody else has a bright idea, let him come forward. I remember his statement last summer in which — and let me be perfectly frank, Mr. Chairman — that Minister was right on. He said that he had worried about this for a little over a year and he hadn't come up with anything. If the mayor of Vancouver and other people could, he would be delighted to hear it. Well, that's a good approach — as I said, part of that modest approach is very becoming.

Nobody has a solution to rapid transit; nobody has an instant solution to the difficulties facing our urban centres. However, the Minister is spending a large amount of money in this area. More is probably needed. To leave the situation as it currently is.... You certainly have new bus services, new buses, new routes, different scheduling — a different approach in those respects. Not to come up with any overall policy decisions with respect to rapid transit, in particular for Vancouver, is not dealing with the problem at all, Mr. Minister. We are picking away at the edges of the urban transportation problem.

What is your objective? Are you hoping to have the downtown Vancouver core without private vehicles? I don't know what your objectives are. Are you working towards a rapid transit system on rail, either underground or above ground?

Those of us who visited Expo cannot but remember the fact that at Expo eight years ago you had a system without any private automobiles whatsoever. It handled enormous numbers of people; probably the number of people per acre at Expo exceeded that of two or three Canadian cities. You had enormous numbers of people being handled by rapid transit systems. You had trains running right through pavilions. The U.S. pavilion had a train going right through it, and it seemed to work. Why is it that we manage to work out rapid transit at Expo and why is it that we fail so dismally in our cities? Surely the problem is not totally dissimilar. Expo had vast numbers of people in a relatively concentrated area which, although concentrated, is the size of many Canadian cities. Why is it we could manage it eight years ago in Expo under those special conditions and we have failed in city after city across Canada since then? Why is it that Vancouver and Victoria and other cities in B.C. are increasingly strangled in traffic? Yet we know that technology can provide us with answers and, indeed, has done so in the past in certain examples. I am not talking towards any Utopian situation; I am simply referring to something we all remember well, the Expo fair, a situation where rapid transit succeeded.

There was a play, Mr. Chairman, which had as one of its scenes a great scene of a truck delivering a box of chocolates in New York. Because this truck stopped in a street to deliver a box of chocolates, everything froze for blocks around. And that's much the situation we have in city after city in Canada and in the States at the present time. We just don't have a system which works.

Perhaps the Minister will say a little more than he did about his objectives in rapid transit and where things are going. Clearly the money being put aside for it, totally unchanged from last year, is going to be inadequate. I say totally unchanged and I am talking about the metropolitan transit subsidy. I think the Minister owes it to this House and to the City of Vancouver in particular to give us proper direction as to where things are going.

Mr. Minister, the previous speaker trod lightly on the question of the per capita grant and finances. I would like to say a few more words about it. The per capita grant which the municipalities receive is relatively little at the present time. On a comparative basis, if we compare it with 1969, the per capita grant was \$25, which represented 30.9 per cent of the per capita income tax in the province; today the per capita grant is up but it represents only 20.6 per cent of the per capita income tax of the province.

In other words, if we had simply allowed the percentage figure for income tax to be used as the guide against which you judge your per capita grant, the per capita grant would now be \$48 per person and not the present \$34. I wonder whether the Minister would indicate to us what steps he intends to take.

I asked him a question, Mr. Chairman, when the Premier was still in Ottawa and came out with that announcement that the funds for the municipalities would be made available regardless of the increase in the price of natural gas — the first time that he had divorced these two obviously separate questions. The Minister said it would be inappropriate at that time to announce when the municipalities would be told how much more they would be getting but he would be doing it in due course. Well, some days have gone by. The Minister still hasn't indicated to this House or to

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the municipalities concerned how much they're going to get. If they don't know how much they're going to get, they simply cannot plan their budgets properly as they are required by law to do and as they must do in the next week or two. No time, Mr. Minister, would be better than today to indicate to the municipalities how much more they're going to get.

The per capita grant is inadequate; the other sources of revenue the municipalities get are inadequate as well to handle the expenses they have. The Premier has made it perfectly clear that they're going to get an increase regardless of what happens to natural gas. Therefore, surely the time has come to tell them what it is so they can budget properly. Budgeting at the last minute isn't good budgeting, and budgeting at the last minute will lead to budgets just as phony as this provincial government budget was last year. We don't want that to happen. They have to be able to budget accurately in the full knowledge of what they are going to get from the provincial government.

While I'm on the subject of the per capita grant and municipal needs, I should point out that the amount of money given to the municipalities comes from the provincial government or from the municipal tax base, namely real property. If the government wants to accept the principle of tax-sharing with the municipalities, I urge this Minister to make the tax-sharing something done on either income tax, gasoline tax, receipts from liquor sales or something more stable than the return overseas on a certain natural product such as gas, which is in any event a depleting natural resource and, obviously, in the future will be unable to provide revenue at all. Surely the municipalities should share tax revenues in a way in which they can judge and anticipate and with which they can budget properly. The present system simply is extremely difficult to function properly because the present system just has the government announcing at the very last minute what the per capital grant increases will be.

So the government should make it perfectly clear to the municipalities whether there will be revenue-sharing in the future and on what basis. Revenue from foreign sales of gas just doesn't seem to be a sensible thing to base revenue-sharing on. I wonder if the Minister would indicate to us whether we're going to get it shared on the basis of the overall government receipts, whether it's going to be shared on the basis of income tax receipts, whether it's going to be shared on the basis of gasoline tax or liquor returns or anything of that nature. Surely there must be some indication of where the money will be coming from and what will be shared so that they can budget properly.

Municipal expenditures could, of course, be met by increasing government intervention and increasing provincial government takeovers of certain municipal services. But I know that this Minister does not approve of greater centralization in this regard and he wants to make sure that the municipalities remain strong. For them to remain strong, to assess local needs and spend money accordingly, they must have an adequate source of revenue.

The final point I'd like to mention is the new Assessment Authority. The Minister is aware — we are all aware because we've all received representations — of the decline in morale among assessors due to the uncertainty that now faces so many of them. Some are out of a job; others don't know they will be. The municipalities feel that they're saddled with extra costs which they were not expecting. I wonder whether the Minister would indicate to us what precisely the future policy will be with respect to this new Assessment Authority. Extra costs are very substantial, and the Minister knows it. If the extra costs result, as they do, from direct provincial government action, surely the Ministers in the provincial government should be willing to pick up the tab for what they themselves have done.

In addition, I wonder whether he could assure those assessors, who are now in doubt as to their future employment, what the government policy is. Are you trying to cut down on the total number? Are you simply trying to retire people early? Are you trying for retraining? What is happening in that area?

Mr. Chairman, I will be speaking on other votes, if we ever get to them, in due course.

HON. MR. LORIMER: You refer to increases in certain sections of the budget, and I might point out one or two things. Printing and publications are up. They're not actually up in amount of cost; they're up in the budget. We had printing and publications last year as well, but we stole from other votes to pay for it. It is the actual cost in the budget now. There was no provision for printing before. For example, on the question of preparing a plan and so on on the Whistler question, preparing that sort of thing costs money and there was nothing in the budget for it. That is why you'll see that this year there is a provision for that in the budget.

Basically, the difference is in salaries. We had to send people to the technical planning committees meeting throughout the province. They are driving or going by air or whatever to those meetings, generally once a month, at a cost substantially increased over last year's. We could cut down on the number of times they go, but, as the requirement is under the Municipal Act, it seemed that we should at least have our people present at those meetings.

The question of the Highlands district is, as you know, in the hands of the Department of Housing. I cannot honestly say what the latest plans are as far as that area is concerned. Certainly, as far as I was concerned, there was some worry about the expense

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of servicing in that area and the question of whether or not there could be fill-in in the Colwood-Langford area. The reports to which you refer are those of the Department of Housing, not of my department. I do not have them to table them.

You bring up the question of transit and what we would like and the question of stopping vehicles from going into the centre of Vancouver. In the City of Vancouver, other than all other cities in the province, the city owns their own streets. The province has no jurisdiction over the streets in Vancouver. Any plan to block certain sections from automobile use would have to be city decisions. We could do it in Victoria. We would have the power to do it in Victoria or other areas in the province, but not in the City of Vancouver. That is probably where the greatest need for such possible action would take place. If that is done, it would have to be a decision by the City of Vancouver.

I personally like rail as an answer for transit problems in congested areas. The capital costs are substantial in the initial stages, but the operations are cheaper than the bus system. The initial costs are much higher. The districts and cities at the present time, to put it mildly, are not sold on light rail if any part of it is going to be using city streets. There has to be a selling question I think, before they will go 100 per cent gung ho for a light rail answer.

MR. G.F. GIBSON (North Vancouver–Capilano): There would be street separations?

HON. MR. LORIMER: In some places there would be grade separations, but in other areas it would be on a street alignment. It would end up as a variety of separations beside streets and on the streets.

One of the problems is that, unlike many of our cities, Vancouver — and that is the area I presume we are basically talking about at the moment, the greater Vancouver area — is very spread out. From the university out to Langley is 40 miles, I suppose. With a similar population in older communities and communities in Europe where they have more sophisticated services, we might be looking at a distance of 10 to 15 miles for the same population.

The initial capital costs of putting the service in are substantial, but it has to be done. In my opinion, it can only be done piece-by-piece. It is not feasible to do the whole thing at one time. The cost would be far too great. Although I would like to see it done, obviously, with the present budget, certainly I would be unable to even look at that.

I certainly think there is a requirement for some underground services in parts of Vancouver, maybe parts of New Westminster, within the next few years. Planning is going ahead on this but the actual digging won't be starting this year. You referred to the per capita grants, and the calculations of what the percentage of the capital grant is now, what the increase has been in the last two years and the increase in budgets, and so on. Well, it's very misleading to

just use the per capita grant. What you have to look at if you want to compare those figures is transfer of funds from the province to the municipality, or the services supplied to municipalities by provincial funds.

The per capita grant is only one item to consider. I've said before, and I repeat again, that in my opinion the per capita grant is not an equitable way of distributing wealth. It's unfair and it prejudices, in my opinion, areas such as the northern areas, the eastern provincial areas where there's a great amount of snow, and cities in which there is a great amount of rock which makes the cost of installation of sewers and waterlines very expensive. A per capita grant just looks at the number of people and pays X number of dollars. Servicing may be very cheap in that particular city, or it may be very expensive, but on the per capita grant it isn't recognized as such.

If you go through the per capita and the changes that have been made since we have been government.... In 1972, the per capita grant was \$30. If you add the Community Recreational Facilities Fund to municipal projects, we come to a total figure of \$22 million. If you want to transfer that to per capita, it's \$ 12.10.

MR. A.V. FRASER (Cariboo): That wasn't all spent in municipalities. Don't give us that stuff.

HON. MR. LORIMER: No, this is the amount that was spent in municipalities. If you want to go to the total amount, you're up to \$37 million.

Interjection.

HON. MR LORIMER: So you're talking about \$22 million.

Interjection.

HON. MR. LORIMER: Twenty-two million was spent on municipal projects in municipalities.

Interjections.

MR. CHAIRMAN: Order.

HON. MR. LORIMER: It hurts, doesn't it?

MR. FRASER: It hurts you.

HON. MR. LORIMER: The net saving to municipalities resulting from the province assuming the administration of welfare, where those costs have been assumed, is \$5 million or another total per

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capita of \$2.75.

MR. GIBSON: That's all in Vancouver.

HON. MR. LORIMER: No, it isn't just in Vancouver. There are about eight cities throughout the province in which the administration of welfare has been taken over by the province. It hasn't been done in North Vancouver or Burnaby....

MR. R.H. McCLELLAND (Langley): Or Surrey.

HON. MR. LORIMER: Or Surrey. The per capita increase is \$4. The per capita grant adjustment payments to be made this year are \$6.7 million or \$3.68 per capita; Sewerage Facilities Assistance Act, \$5.615 million or \$3.09 per capita; grants paid to municipalities on restructuring; \$3 million or almost \$2 per capita, and so on. It comes to an additional amount of \$41.41 per capita from \$30. It's over double what it was — the transfer of funds to municipalities that took place in 1972. So it's fine to take a figure of just a per capita and work it over because you'll get a different balance, but the benefit to municipalities is the amount of money or services that they receive, not just

the per capita grant. That's only one leg of the total. In my opinion, the per capita grant should not be increased, and servicing and other transfers are what is required.

I've stated, too, that we will be meeting with the Union of B.C. Municipalities' executive on Friday next.

Interjection.

HON. MR. LORIMER: No, I'm not suggesting that it all be tied up in special programmes. I'm not suggesting that. I'd say there's a better system of transferring funds than per capita, though, in addition to special projects, because what has happened is the province has developed in different ways in different areas. In the new areas now — in a number of cases, the growing areas — in many cases you're going to have water and sewage systems, whereas the older communities have their water and sewage systems in place and probably all paid for. The cost to the new areas that have to put those systems in is very, very expensive, much more expensive than it was for the older communities. Maybe there's an argument there, but, in any event, some communities have their services in place basically; other communities don't, and those other communities are having a tough time trying to get those services that other communities have had for years and taken for granted.

MR. D.E. SMITH (North Peace River): What kind of a system are you going to use to determine this?

HON. MR. LORIMER: The sharing formulas of the natural resources will be discussed, as I say, with the UBCM executive on Friday. We will take in what they suggest; we will make a suggestion to them. If there's not agreement, then we will come back and produce at that meeting, I hope, other formulas for....

Interjection.

HON. MR. LORIMER: I haven't got a final answer to give to the Legislature. I can say that the amount we expect for distribution will be \$20 million, so there will be no....

Interjection.

HON. MR. LORIMER: I beg your pardon.

Interjection.

MR. CHAIRMAN: Order, please. Would the Hon. Members wait until the Minister is finished?

HON. MR. LORIMER: I'd answer that but I'm not allowed to. (Laughter.)

As far as the assessments — that is, you understand, under the Department of Finance — I've certainly never heard of any assessors being laid off as a result of this. I would expect that the assessors would be hired by the new authority.

MR. FRASER: Mr. Chairman, a few questions to the Minister. I think we should have a few questions when \$ 100 million of taxpayers' money is involved — \$100,416,000 as a matter of fact. It's very kind of you, Mr. Chairman, to give us three hours to talk about spending \$100 million.

Getting to the Minister's department.... I'm not sure whether this is the proper place, but I think it was brought up by the prior speaker that we pretty well have to cover each department under Municipal Affairs, or any department, because we don't get the time to go into the individual departments.

I have one question at the administrative level for the Minister. I'd like to know why he has a Deputy Minister and two Associate Deputy Ministers, one with a salary of \$28,000 — I refer to the Associate Deputy Minister....

MR. CHAIRMAN: Order, please. Just before the Hon. Member proceeds, I would ask him, if we're going to be getting into the details of any particular vote other than the one under consideration, that we wait until that point.

MR. SMITH: We may never get there, Mr. Chairman.

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MR. CHAIRMAN: Order, please.

Interjections.

MR. CHAIRMAN: Order! It is the responsibility of the Chair to enforce the rules, not to receive opinions from the floor. Would the Hon. Members be quiet for a moment? I would ask the Hon. Member to relate his remarks to the administrative responsibilities of the Minister in a general sense. This is permissible.

MR. FRASER: Thank you, Mr. Chairman. I knew you were going to be a little touchy and sensitive on this subject. I'm very sorry for that. I will just finish this question...other than policy matters.

The Deputy Minister has a certain salary, but one Associate Deputy Minister is at \$28,000, and another is at \$36,000. I'd like to know what the difference is. Surely it can't be political because I think they have equal responsibility. Why haven't they got equal pay? That is my first question to the Minister.

The next item is: in the Province of British Columbia we have approximately 150 municipalities, more or less — I don't want to get into an argument about it. They are all governed by the Municipal Act, but we have one municipality that isn't. I refer to the City of Vancouver, which operates under the Vancouver Charter. I have never known, since I've been a Member of this Legislature, why we have to have two separate pieces of legislation to govern municipalities. I think it's completely ridiculous.

My question, really, is: is this Minister or this government considering putting them all under one Act where they belong? I think it would do the City of Vancouver a lot of good to be governed under the Municipal Act; it would really increase their performance as a municipal government, in my opinion.

This House has asked for amendments to the charter, and so on, separate from amending the Municipal Act. I really think the Municipal Act is far superior to the Vancouver Charter. My question on that is: are you considering in any way eliminating the Vancouver Charter and putting the City of Vancouver under the Municipal Act, where, in my opinion, they should have been a long time ago and certainly should be now? It would be to the benefit of all the people of British Columbia and, more specifically, the citizens of the City of Vancouver.

I would also like to hear the Minister's opinion on the fact that we have one person in British Columbia in charge of all the zoning of this province. He isn't a member of a municipal council, a regional district or the Municipal Affairs department. I like to call this gentleman the zoning tsar of British Columbia. I refer to the chief planning officer of the Department of Highways.

I think it is absolutely ridiculous that municipal councils and regional districts throughout the whole province draft bylaws as they see it at the local level for the betterment of their community and hopefully the total province. One man, not in the Municipal Affairs department, can nullify all their thinking and planning, as well as the Municipal Affairs department.

It is absolutely ridiculous. My question on this is: is there any consideration by the Minister to take hold of all the zoning and planning in this province, where it properly belongs, in his department, or is he going to continue to let the Highways department, through its chief planning officer, have the final say on every bylaw that is submitted in this province, whether it be by a municipal council, a regional district or even suggestions from your own department? After you've approved a bylaw coming from a municipal council or regional district, it goes down to this zoning tsar and he kills it. Mr. Chairman, do you know why he kills it? Because it is going to put extra strain on the highways of this province. I suggest that the Highways department's job is to look after the stress and strain of the Highways department, build adequate roads, and not be the zoning and planning tsars in this province as they are today.

I am concerned, Mr. Chairman, about the increase in property taxation throughout British Columbia that we are all going to know in a very sad form within 30 days. Most all of us have homes or businesses and so on. I refer to all the citizens. We are going to get our tax notices whether we live in a municipality or whether we live in the unorganized areas of the province.

There is an indication, Mr. Chairman, that property taxes are going to advance at least 25 per cent, and I'm talking net. That is far beyond the rate of inflation, and I blame it solely on inadequate support by the provincial government to the municipal level.

I was interested in the last short discussion on the extra \$20 million that apparently is going to be kicked into the bucket to help, but it still is going to show a considerable increase in property taxation in British Columbia. I say to this Minister that the Minister of Finance has conned him out and got the municipalities in this position. It is obvious that he has no doubt asked the Minister of Finance for additional support to per capita grants and other financial forms, and has been given the backhand. He didn't win out in that and consequently the property taxes are going up all over this province.

I believe the Minister feels that this extra \$20 million will help, and certainly it will help. We are all interested to know how the pie is going to be carved up.

I was in the interior on the weekend in a small village and they have already calculated their share on

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the basis of the rumours they hear from this government. In this village municipality in the interior, the mayor advised me on the weekend that their large share of the huge gas increases that the Premier got from Ottawa will bring his municipality of 2,000 people the grand sum of \$560.

Mr. Chairman, I say shame on this government for conning the people into thinking they are going to get a lot of help. The municipalities are faced with inflation rates in wages alone of 20 per cent; the fuel has gone up that amount or more because of increased cost and increased taxation put on them by this government. Then they come around with a handout of that size. There is no doubt in my mind why the taxpayers of this province, whether it be commercial taxation or residential taxation or any other type, will advance to the degree it is going to advance this year.

HON. D. BARRETT (Premier): What village is this? What city? I'd like to know.

MR. FRASER: I'd certainly give it to you if I thought it would help them.

Two other things I have here, Mr. Chairman, to the Minister. The autonomy of regional districts concerns me, and again I think it goes back a great deal to this zoning tsar in the Highways department. I'm sure the Minister knows about it. Really, in effect, dealing with the autonomy of the regional districts, they were originally set up by this Legislature in, I believe, 1965 — by the unanimous vote of this Legislature, I might say, The province was divided into regional districts and it ended up being divided into 28 regional districts. That is the problem. Their primary function was zoning and planning.

I agree that some regional districts haven't done their homework, but a lot have. They are being frustrated at every turn by the different government departments. After they have done their planning it gets vetoed here by the Environment and Land Use Committee, the Land Commission, the Highways department — you name it.

Believe me, I don't think we are going to have regional directors in this province if we can't clarify more their positions of authority for zoning and planning. Quite frankly, Mr. Minister, they have really little to say in the overall function of zoning and planning — which includes subdividing and so on and so forth. I would like to hear from the Minister — and I have reason to believe that the Minister agrees with me — what he is going to do to further beef up the authority of regional districts.

I was surprised the other day when this Minister announced in the House that there is going to be a bill before this House — I can talk about it because the bill hasn't come in yet — to increase the mill rate ceilings in British Columbia. There have been for years for general purposes, as far as I know, three levels: a 30-mill maximum for villages, 40 mills for towns and 50 mills for cities and districts. The Minister has already announced in this House that there will be an amendment coming to let them advance further, which means further property tax increases. I would like to ask the Minister, although maybe it's unfair with a bill coming in, how far he is going to advance these maximums.

MR. CHAIRMAN: Order! I would draw to the attention of the Hon. Member that in committee stage matters of legislation are out of order.

MR. FRASER: In effect, really, this will allow the municipalities to further increase, and it might not be necessary.

There is one last point I want to make, Mr. Chairman, where I am sure this Minister has failed completely with the Minister of Finance. I was a member of a municipal committee that travelled during two different years. No matter what the subject the Legislature said we were supposed to handle, the question came up again and again from municipalities on the amount of tax the provincial government pays to municipalities.

For your information, Mr. Chairman, by law they only pay 15 mills to a municipality. I am referring to the general mill rate. This year the general mill rate in this province that everybody else has to pay is going to be about 45 mills. That means that the taxpayers of this province, the property taxpayers, are subsidizing the provincial government properties by 30 mills. It's completely out of hand. I would like to know what steps, if any, are going to be taken to have these provincial properties pay the going rate in the municipalities in which they belong.

It is far more important, not only because of the discrepancy in the mill rate that the province pays to municipalities as compared to a homeowner, with this government going into every avenue of business it can think of.... Are they going to pay the 15 mills for all the chicken factories, the pulp mills, the sawmills? We've lost track of all they have got. I am referring to those within municipal boundaries; are the Crown corporations paying 15 mills? Are they going to pay the going rate, or are they going to just go for a free ride and then we will find out they've had net profits of millions of dollars? We continually are told: "Look at all the money they've made." You know, it's comparing apples with oranges.

I'd like to hear from the Minister what he plans to do about getting the provincial government to pay its proper share of the taxation on the property it owns to the municipalities involved.

HON. MR. LORIMER: You did mention the different pay scales of the senior members of my

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department. They are all doing exceptionally good jobs, and they all have different responsibilities.

The department is basically set up into two areas. One deals with the administration and the financial sections of the department. The Deputy Minister has general overview of this. Vic Parker, the Associate Deputy, is looking over the areas of transit and the planning sections of the department and has basic jurisdiction over those two sectors. The third member, Chris Woodward, is assisting the Deputy Minister in the operations of the finance and administrative sections, plus the reorganization that he takes under his own wing.

That's the reason. There is, in my opinion, a little difference in responsibility of a number of people within the department who are answerable to the different people. I want to assure you there is no political question involved here. All three are very able administrators, and I'm very happy with the service they have supplied to me.

The question of the Vancouver Charter and the Municipal Act. I agree with you 100 per cent and there's no need for two separate statutes. However, no one in the municipal field has requested a change and the people in Vancouver object to the change. I don't think it's hurting anything to have the two Acts. I don't feel it would be of

any great benefit to the province one way or the other to tell the City of Vancouver that they no longer have a charter. I personally believe likewise that the Municipal Act is somewhat ahead of the Vancouver Charter. There have been no requests from any groups within Vancouver that they want a change; there have been no requests. But there has been the opposite from the council in Vancouver as I've asked them what they thought of the proposition.

The setting of the taxes. I have read reports in which some of the cities say their taxes are going to go up 25 per cent. I've also read reports of other communities whose tax increases vary in accordance with circumstances in those particular communities. As I've mentioned earlier, the assistance granted by the province to the municipalities throughout the province has doubled in the last two and a half years. The cities do decide what projects they want to proceed with; they set their own budgets. In some cases, the servicing requirements may be a little higher than in other communities. The ones where servicing is higher will undoubtedly be having a budget showing an increase in taxes.

You mentioned the village in your riding that said they would only get \$350. You can go back to them and guarantee them at least four times that amount for openers. I think you will find the towns and villages in this province will be very, very happy, as well as the municipalities and the cities.

AN HON. MEMBER: What about the zoning tsar?

HON. MR. LORIMER: Well, I was hoping I could answer that before the Minister of Highways (Hon. Mr. Lea) was here. There is a problem in the approving officer being in the Department of Highways. I think that is in the wrong idea for approval for planning in the province, and I don't hesitate to repeat that. However, from practical points of view, I believe the Department of Municipal Affairs is one of the "neutral" departments in government in that they, at least, should be looking at all aspects of government involvement in municipalities. In my opinion, this duty should be within that department. However, we have no one in the field to look after these applications. To send someone from Victoria up to the locations to make a recommendation or a study of that particular subdivision I think would be a disservice at this time to the residents involved because I can see delay after delay after delay.

Interjections.

HON. MR. LORIMER: Increasing of national limits of borrowing or of mill rates. It was set a great number of years ago, as you know. A number of the municipalities have been at their maximum for some time. I don't for a minute think that that necessarily increases taxes. What I do think is that it allows the municipalities, if the need is there, to increase. Basically, I am sure that the council people of most municipalities are responsible local citizens of the community. If they feel that the community wants to have extra services in which they require further mill rates, they will have the option to carry this out within certain limits which will come in with legislation.

As far as taxation of government lands, Crown lands and Crown corporations, that is one of the areas of the terms of reference for the taxation commission. I would anticipate changes will be made when the report is filed.

MR. G.S. WALLACE (Oak Bay): In discussing municipal affairs, we would like to start off by taking a very general position that we are concerned that municipal government is becoming less and less recognized as a specific third level of government. The means by which this is happening is a very ad hoc method of altering the financing of municipalities and the continuing erosion of financial autonomy in various ways by other levels of government — regional and provincial levels in particular. Although there has been a great deal of discussion already about financing, I think inevitably this is the topic that any responsible opposition Member has to tackle.

[Mr. Lockstead in the chair.]

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The Minister has made a clear statement that the per capita grant is not a satisfactory vehicle or method of assisting the municipalities. So my first question is very simply this: in recognition of that admission, when are we to be given the opportunity to participate in discussion about methods other than the per capita grant? The per capita grant, as the Minister himself has said, and I think as the Minister of Finance (Hon. Mr. Barrett) has stated in his

budget speech, does not reflect growth or the many other factors and costs. Certainly it has been stated by many speakers in this House that it would make much more sense, if this government really believes in the municipalities as being a legitimate and valid third level of government, that the municipal income should be more closely allied and tied in some way to provincial revenues.

In my inquiries I discover that already in Quebec provincial revenues are related to the sales tax. In Manitoba there is a connection to the personal income tax. We would not be breaking any new ground if we were to move in this province towards giving the municipalities some predictable, consistent method of financing other than the rather ad hoc use of a per capita grant which this year is static and in previous years has been juggled by a certain amount.

Whether the Minister likes it or not, I think the figures should be quoted to show the increasing disparity between the per capita grant and provincial revenue over recent years. I might say in passing, Mr. Chairman, that I wonder why the latest available figures, in many respects, are 1972 figures. It is my understanding that the municipalities have to submit figures by the spring of the year. I am wondering why we can't at least have 1973 figures available.

At any rate, as far as one can determine in regard to provincial revenue, between 1970-71 and 1975-76 provincial revenue per capita rose by 138 per cent; provincial revenue per capita from personal, corporation, capital, succession and gift taxes rose by 179 per cent; provincial revenue per capita from sales and fuel taxes rose by 124 per cent. In that same time the provincial per capita grant rose by 13 per cent.

The Minister made mention earlier on about transfer of funds in other ways to the municipalities. With respect, I think it is fair to say that while municipalities might or might not choose to use funds through the Community Recreational Facilities Fund Act, this is hardly to be looked upon in the same light as a direct per capita grant to the municipality inasmuch as that money is made available to various organizations to create recreational facilities. It can hardly be construed as being exactly similar to a per capita grant used for the maintenance of day-to-day operations of the services in the municipalities.

I think the Minister also referred earlier to the reduction of the social assistance participation by the municipalities from 15 to 10 per cent. But there again, if one looks at some of the figures, Mr. Chairman, when this was announced after the spring budget last year in 1974, the per capita charge back to the municipalities was reduced from \$1.20 per month to 85 cents per month, but I gather this was only done for April, May and June. Then, in anticipation of greater expenditures by the Department of Human Resources, it was increased again to \$1.10 per capita. Maybe the Minister would care to either confirm or correct that statement I've made. At least my information is that the charge back to the municipalities worked out to \$12.45 on behalf of every municipal resident. That is one-third of the per capita grant.

When the Minister talks about reducing the percentage of social assistance paid by the municipality, at least the figures now available suggest that one-third of the per capita grant is used to pay for social assistance, a very substantial fraction of the money derived from the per capita grant. Looking at the potential for future figures it looks as though during the next year it will be in the order of \$15 per municipal resident for social assistance.

When the Minister reacted back in January to the provisional budgets brought forward by the municipalities, he mentioned that the municipalities had been wailing for a long time about rising costs and inadequate financial support. In fact he said that much of the wailing that went along with the release of their budgets occurs every year and has done so for the last 100 years. I suppose in fairness, Mr. Chairman, we could say that neither municipalities nor individuals like to face the potential of ever-increasing budgetary costs of whatever level. But I hope that doesn't mean that the Minister is being indifferent to some legitimate problems in many of the municipalities.

I certainly have to talk for Oak Bay where we're in the middle of a strike which has gone on — I'm not sure of the exact number of weeks — for 12 or 13 weeks or something of this order. I have to draw the Minister's attention to the kind of demands that are faced by the mayor and council in Oak Bay. For the inside employees there will be a payroll increase of 26.89 per cent and for the outside employees a payroll increase of 49.6 per cent. These are the figures on which the employees of the municipality have dug in their heels and are showing very little sign of

coming down from. The Minister said a minute ago that he had heard that some municipalities would face an increase of 25 per cent in costs, and it certainly is that kind of figure for Oak Bay. It's right on. Although we often hear many frivolous comments made in this House about the affluent constituency of Oak Bay, let me tell the Minister and everybody who has ears to listen that there are many senior citizens on fixed incomes in Oak Bay who are not the least bit amused by the kind of costs which

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face them if this kind of settlement or even something close to these kinds of figures prove to be the final settlement.

I would like the Minister to be more specific in suggesting that, as he has done publicly and as he has done in this House, there's to be little or no relief for this kind of tax situation in Oak Bay or in whatever other ridings it looks like being 25 per cent. I won't belabour the point over the \$20 million additional money from natural gas revenue. Every Member of the opposition who has spoken has referred to it, and rightly so. I think it's a ridiculous situation that the municipalities, who now have 19 working days in which to arrange their budgets and get to the third reading of their bylaws, are still left hanging in limbo, wondering how much it will be. Even more so than that, they have had statements that it will not just be an across-the-board increase of the per capital grant for everybody, that there is some hope that a better method of distributing whatever sum of money is available, that some better method will be utilized.

This kind of uncertainty and, as I say, this ad hoc approach to financial assistance is something which I feel is really quite unreasonable and unjustified. If the Minister of Finance is as reasonably confident, as he appears to be, that \$20 million is a minimum figure, I think if he had guaranteed the municipalities that minimum figure this at least would have given them some more dependable and more predictable formula by which they could work out their budgets. Too often this government seems to take the attitude that as long as they're about to give the municipalities some money under some formula or other, that's good enough for them. This is the point I tried to make at the start: although the municipalities are viewed as a specific third level of government with their own jurisdiction and their own responsibilities, it seems that this government treats them just like you treat a poor relation. We'll throw them a few crumbs when it suits us, in the manner that suits us, and by the amount that suits us.

The Minister may feel that that, is harsh criticism. But I do feel that in this particular instance where a commitment in principle has been made to pass on revenue from a provincial source of approximately the following amount, to have the municipalities hanging in limbo with, as I say, 19 working days left to complete their plans and their budgets doesn't show the kind of respect between levels of government that I think is reasonable. I don't think that if the federal government treated the provincial government in a similar way in regard to some of the moneys to be made available, this provincial government would be very happy about that.

The other factor which I think the Minister chooses to overlook in terms of the amount by which provincial costs have risen is really proved when you look at some of the figures that have been worked out by the municipalities for the basic materials and costs. Gasoline for municipal vehicles has gone up by 25 to 40 per cent, apart from the 2 cents per gallon which the government has just added to the tax bill. The contract prices for curbs, gutters and asphalt have increased by approximately 50 per cent; sand and gravel, 20 per cent, and water pipe approximately 30 to 40 per cent. As I stated a moment ago, the wage demands, particularly in the specific example of the greater Victoria area in Oak Bay, suggest that the costs will at least increase by 25 per cent this year. Maybe the Minister has the figures and the formula to tell us, if that \$20 million is made available, for example, to Oak Bay in a similar manner to other municipalities, what reducing effect that will have on the proposed 25 per cent increase.

We would agree very much with the comments of the former speaker about grants in lieu of taxes. It seems only right to us that provincial buildings should pay either the equal amount of grant or should be assured that the municipality doesn't suffer as a result of having provincial buildings, the buildings occupied by Crown corporations in that municipality.

Furthermore, not too many municipalities have a university located in their midst, but we happen to have that in Oak Bay. It's our feeling that universities that are located within the boundaries of a municipality and receive services from the municipality should also pay grants equal to the full value of the tax that would otherwise be paid.

I wonder if the Minister would care to.... Perhaps he would give the same answer he gave a moment ago: we should leave that to the committee that's presently studying assessments and taxation.

There's little doubt, as far as we're concerned in our part of the world, that we either have to have more financial help in Oak Bay or we will be reducing service — one or the other. If the per capita grant isn't the answer, maybe the Minister will tell us what the alternative is.

I may have missed earlier in the debate whether the Minister gave a statement as to what date we are finally going to know this magic figure — this magic amount — and the date by which.... I heard the Minister say he was meeting with UBCM on Friday. Can we assume that that's the date he's chosen finally to let us know what the decision will be?

There are one or two other points I wonder if the Minister would care to comment on. This government changed a very basic principle in legislation when it determined that a person living in one municipality but paying taxes on property in another municipality could not have any vote in that municipality. I realize that the principle involved was to move towards residence as a qualification for voting, but I always felt — I believe it's traditional — that where one is obligated to pay taxes, there should be some measure by which the taxpayer has a voice in the spending of

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these tax moneys.

If I might just take another example in the other direction, we have the absolutely incredible situation now in municipal law that on the other hand I can live in Oak Bay but can run for office in North Saanich if I want — or Duncan or anywhere else. There seems the incredible contradiction here that a resident in one area can seek office and be elected in another municipality; yet in that other municipality he might own property and pay taxes but he doesn't have a vote. I don't know whether this contradiction arose by accident or whether it was intended, but the very obvious disparity in the electoral rights and the capacity to hold office is strange, to say the least. I wonder if the Minister would care to tell us whether the government will reconsider allowing one vote to a person who owns property in a municipality, regardless of his or her place of residence.

The Minister touched upon assessment. I would like to ask the Minister, in light of a statement that was released the other day that financing for the new authority will involve a 1.17 mill levy to B.C. taxpayers to cover some of the costs of assessment, to tell us what sum of money that 1.17 is expected to bring in and how that total sum of money compares to the sum that was involved in paying the costs past year. The 1.17, I understand, is to be on every piece of property in the province, organized or unorganized.

There is another question I would like to ask. Last year I believe \$300,000 was set aside to help municipalities with the cost of enumeration. As I recall, this \$300,000 was anticipated to cover about half of the total costs. I wonder if the Minister could give us information as to how far the \$300,000 went.

The last point I would like to raise also particularly affects Oak Bay. In relation to section 714(a) of the Municipal Act, which allows councils to designate heritage buildings, we have in Oak Bay what is called Todd House, at 2564 Heron Street. In this particular instance the owner of this property has found that as a result of its designation he has suffered in a variety of ways, not the least of which is an invasion of his privacy with people walking up and taking pictures of his home at every hour of the day and night during the tourist season, and people knocking on the door and wishing to see inside the house. These are some of the specific personal problems that follow designation of Todd House. But beyond that, because of these difficulties, he wants to sell the house. Of course, because of the designation as a heritage building there is immediately a great restriction in the number of potential buyers.

All in all, Mr. Chairman, this matter, however well motivated, of designating heritage buildings can act either to the advantage of the owner or the disadvantage. But as far as this particular example is concerned, being the residence in which the owner lives, it has certainly brought about some serious nuisance value to his daily living,

particularly in the tourist months in Victoria and the difficulty involved in reselling the building, not to mention the restriction placed on what he can do with his own building.

I wonder if the Minister would care to comment on the validity of the argument that in such cases there should surely be some way in which the provincial government would assist the municipality in paying compensation or some form of financial remuneration to the owner of such a building. I would like to make it plain: I think we are referring specifically to a non-revenue-producing building. It is quite obvious that if the heritage designation to a commercial or revenue-producing building in fact adds to the value of the building and adds to the revenue-producing capacity of the building, then that is a separate effect of the designation. I think that is less urgent a matter to discuss than the case of an individual with such a home as Todd House, which produces no revenue and in fact only produces rising costs, as in any other residential home these days in a municipality. This particular situation has been taken up with the council in Oak Bay, but of course the council in Oak Bay, however it might feel about the validity of the argument, doesn't have money to be paying compensation in this way. It seems that when an individual's property is unilaterally affected by legislation of some substantial moment, when someone designates your home as a heritage building, you no longer have the freedom and flexibility to do with your home as you choose.

We know that this concept of preserving old buildings and preserving our history is a very sound and admirable one, but should it be done at financial penalty to the individual concerned? I wonder if the Minister would care to comment on this.

HON. MR. LORIMER: I think part of your remarks have been discussed in *Hansard* earlier. I think in the initial part you were discussing the sharing programme of the natural gas resources and the delay in notifying. The sharing of the resource is the first case of its kind in Canada where a municipality has shared in the natural resources of the province, and it is a step in that direction. There has been in other provinces some limited sharing in some items, but I think this is a first in dealing with natural resources. That has been a demand in the tri-level conferences by municipalities, and all are meeting for some sharing programmes so that the municipalities would have some knowledge of exactly what they are getting. They would go up and down as the economy went up and down.

Now I'm not suggesting this is a total answer to what the municipalities want. I am saying that it is a

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very historic step in that direction.

As far as not being able to tell the Legislature how the formula, it is my opinion, and we have had suggestions before from Members who have spoken, that we should have consultation with the municipalities. I am going to have consultation with the UBCM to make sure that they are in agreement with what we are doing before we can announce anything. We want to know what they want and whether they are in agreement with what we think should be done.

This formula, we hope, when it is arrived at, will be completely satisfactory to the municipalities as well as to the provincial government. I am hopeful that we can come to some decision on Friday, but if they are absolutely opposed to what we suggest and we are opposed to what they suggest, then we are going to have to get together and pound out what we are going to do. I hope we are going to announce it on Friday but I can't promise that.

Interjections

HON. MR. LORIMER: \$20 million.

MR. L.A. WILLIAMS (West Vancouver–Howe Sound): Can we get a personal guarantee on that?

MR. FRASER: A certified cheque.

MR. WALLACE: Could it be more than the \$20 million?

MR. G.H. ANDERSON (Kamloops): Is that a third of nothing.

HON. MR. LORIMER: It's a third of nothing, yes. (Laughter.)

You know, I am not suggesting that municipalities are rolling in wealth. But one of the problems is that people are now making more and more demands on the local governments for more and more services. That is the same, I suppose, throughout the world — that people's expectations and their demands now are much greater than they were even 10 or 20 years ago. It keeps increasing each year, I suggest. As a result, the municipalities are caught up with not just doing what they had planned in the past for their programmes, but they have had this and that added to it and as a result their costs are mounting. In addition to that they are caught in the inflation squeeze, the same as everyone else. The result has been that their costs have gone out of sight.

I think we have done a reasonable job this year in trying to answer some of their problems with the grants that have been given and will be given this year. But I'm not here to suggest the municipalities have too much money. I am certain that that is not true.

As far as where they spend their money is concerned, that is strictly a local budget. They set their budgets. The local community decides where they are going to spend that particular dollar and so on and so forth. It is up to them to strike their own budget.

If the residents in the area feel that the municipalities are spending too much money, it is up to them to worry about that at election time. But I think most municipalities are acting in a very reasonable way, trying to satisfy the demands of their people, yet taking a close look at costs. It is a very difficult thing to balance something that is not balanceable.

The one-person-one-vote is, in my opinion, the way to go. It's the way the province operates in elections; it is the way the federal government operates in elections; it is the way many municipalities operate in the rest of Canada. I think it is the retrograde position to say that if you own property you have the right to vote, and if you don't, you don't have the vote.

MR. WALLACE: I didn't say that. Everybody should have a vote.

HON. MR. LORIMER: Previously, people had votes in a variety of municipalities, and could vote wherever they owned property — had a special privilege of being able to vote. I think that is wrong. Another matter in which this was made impossible is that we are hopeful there will be a unified voters list of municipal and provincial voters. We hope that will come about after the enumeration for the next provincial election at which time they will have a strong case for an overall enumeration, and an enumeration that will probably be better done than a lot of the municipalities would do due to the fact that people leave the municipality and so on. On a provincial base, you should catch everybody whether they are at home or away.

AN HON. MEMBER: When's the election?

HON. MR. LORIMER: It won't be this week.

The question of living in one city and running in another, I think, could be handled provincially or federally. You have the mayor of Victoria as an example; he lives in Oak Bay. I don't see anything wrong with that. If he has the interests of Victoria at heart, why shouldn't he be the mayor of Victoria? If someone from Dawson Creek can be elected in Victoria, why shouldn't he be elected in Victoria? I don't think we should curb these people from moving around. If they can get elected, the people of that community obviously want that person. I don't think that is a problem. It may be in some cases, but,

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generally speaking, I don't think it is a real problem. You asked about the enumeration costs. We have paid out \$321,000. I think we budgeted for \$300,000. That represented approximately 50 per cent. In some municipalities, it

was a little higher; in some, a little lower, but basically 50 per cent of the cost of the local enumeration.

Interjection.

HON. MR. LORIMER: Well, there are some that wouldn't be correct, but I am told the general figure is around 50 per cent, on an average.

MR. CURTIS: You said last year that you were going to try to wangle more.

HON. MR. LORIMER: Well, I did. I wangled \$21,000. (Laughter.)

MR. WALLACE: What about the 1.17 levy for assessment?

HON. MR. LORIMER: That comes under the jurisdiction of the Minister of Finance (Hon. Mr. Barrett) and I don't have the answer. If I had the answer I'd give it to you, but I don't know about it because I just read the paper myself. I don't know why that is. I would think the start-up money would be part of it, but it seems pretty substantial to me. I can't answer that question as I don't know. Mind you, I think on balance the municipalities are talking, as I understand, about what the total cost is to them and what it was last year. But in some cases rentals of the assessment area, the floor space and so on, will be a direct payment to that municipality. The fact that their assessors will no longer be on the payroll but on the payroll of the Assessment Authority.... I think there are a number of items which haven't been listed in the newspaper article that have to be considered. I am not suggesting that would take up the total difference, but I am suggesting that it might have some effect if all the figures were put into the paper.

As far as heritage buildings are concerned, municipalities may designate, if they so wish, any heritage building and if they wish to purchase it they can do so. A house that is used as a residence can be sold as a residence, I presume, without any great depreciation in value and so on. In the question of a building designated as a rental building or commercial building, there might be, I would suggest, continuation of the rentals and I wouldn't think there would be that much loss. The municipalities can pay them if they have the funds available and they are buying land all over, as you know, for parks and so on, and they would class heritage buildings in the same situation as a park, I presume. Also, if the place is of provincial interest — a heritage provincial building — the Provincial Secretary (Hon. Mr. Hall) has funds available for certain purchases. So that is about all I can answer on that particular question about heritage buildings.

MS. K. SANFORD (Comox): I would like to compliment the Minister on his attitude towards funding of municipalities. I would agree that the \$34 per capita across the board to municipalities throughout the province just doesn't meet the differences that exist within these municipalities. I have nine separate councils within the riding of Comox and learned early that the funding that is available to the various municipalities is not really fair in terms of the needs that these groups have. But the Minister has made some moves to try to make up for the fact that the \$34 per capita is not equitable. I would like to refresh the memory particularly of the leader of the Liberal Party (Mr. D.A. Anderson), who made reference to the per capita grant and the fact that it hadn't gone up as much as costs had, because he neglected to mention some of the attempts the Minister has made to get more money to the municipalities that need it.

One of the moves that he has made which is going to make quite a difference in the riding of Comox is the per capita adjustments that he is making to show for the first time that the province is aware that some municipalities grow faster than others. Because the census is taken only every five years, municipalities which experience that rapid growth rate find that their per capita grant just doesn't match what is happening in that community.

For instance, in Courtenay, and I would like to cite some of these figures because I think it will make the House aware of the kind of assistance that is going into Comox constituency, the community is going to receive a \$60,000 grant under this per capita adjustment to recognize the growth. Campbell River, \$59,000; Port Hardy, \$13,000; Comox, \$35,000; Cumberland, \$11,000; Port McNeil, \$13,000; Port Alice, \$3,000. Now this represents a per capita grant to match the growth and the necessary increase of facilities and services that those communities are going to need.

In addition, the legislation that the Minister has brought in under sewerage facilities is going to make a tremendous difference in recognizing the needs of various municipalities. Certainly, the improvement has been mentioned many times in this House over the old legislation where some \$200,000 was paid out to all the municipalities in the province. Now we have over \$5.5 million.

The other thing the Minister introduced was an elimination of this special tax concession that so many of the industries had in the province. That happened some time ago. But in Port Hardy alone, where the Utah Mines was paying, under the special

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tax arrangement, some \$98,000 to the municipality, they are now paying about \$337,000. So this makes a significant per capita increase in terms of funding for that municipality.

Even with these special funds, Mr. Minister, while you've attempted to recognize the increase in growth that takes place — the rapid increase in growth — where you attempt to pick up the debt charges on sewerage facilities and where you have done away with the special tax concessions, there are some municipalities in the constituency which have not benefited under that scheme. I'm thinking particularly about Alert Bay, where the community has not grown, where they are not eligible under the sewerage facilities assistance legislation and where, unfortunately, one mill raises only \$950. That's a very small amount of money with which to provide services in Alert Bay. I'm hoping, under this dividing of the natural gas revenue, that communities like Alert Bay that haven't benefited under the other programme will receive special recognition in terms of sharing that \$20 million the Minister has already referred to.

There's only one other point I would like to make. It is that the Islands Trust, within the constituency of Comox, at least — there are two islands involved — seems to be working very well. The trustees who have been elected from the islands feel that they are able to come to grips with some of the special problems that face those two particular islands and are quite satisfied with the way the trust is working at the moment.

You know, it was a pleasure travelling with that Minister on the municipal affairs committee. Also, I would like to conclude by complimenting him on attending each one of the public hearings and taking such an interest in them. I think that the results, namely the Islands Trust and the decision to have a very close look at the whole question of taxation in this province, are going to benefit the people of the province.

MR. W.R. BENNETT (Leader of the Opposition): Mr. Chairman, some questions for the Minister.

No. 1 deals with municipal revenue. Some mention has been made about the per capita grant. I think that if we assess the grants as they relate to the municipalities, they certainly haven't gone up in relation to provincial taxation. Provincially the revenues have doubled in the last three years; yet our contribution to municipalities hasn't kept pace with the revenues we collect as a result of inflation and as a result of the economy. Now surely it must point out to the Minister that those who are advocating revenue-sharing on a more specific basis than an iffy share or a by-chance share of some potential revenue somewhere down the road, as we've done with natural gas.... We must concern ourselves with tying revenue-sharing to particular tax fields, tax fields that would grow with both the inflation and the economy.

We've advocated, as we did last year in this House, that the government commit itself to revenue-sharing and commit a specific part of certain tax fields to the municipal governments. We referred to the sales tax — but also our share of personal and corporate income tax and resource revenue. We found out, while we have periods of inflation and while we have increasing taxes, that quite often, particularly recently, resource taxation hasn't kept pace with the other tax fields. The 5 per cent tax, for example, continues to accelerate while our share of taxation from mining in this province, for many reasons, appears to be diminishing. We would bring to the Minister's attention that this government and the Minister haven't strongly pressed the Minister of Finance (Hon. Mr. Barrett) to deal fairly with a realistic share of provincial tax revenues on a specific basis with municipal governments.

I would also bring to the Minister's attention that, if municipal governments are to plan their budgets well, it would require three budgetary conferences in advance of the coming fiscal year. They must have some prior

discussion with the Municipal Affairs department and with the Finance department in order to fairly calculate their budgets.

Now we have the municipalities that operate on a different fiscal year. Normally they have to wait until the budget is brought down, which is sometime in February normally; but with the late start of the session this year, of course, the budget was later. Then we find that a good part of the revenue is tied to some proposal that may disclose the amount somewhere in the future. This doesn't allow municipal governments the opportunity to calculate their budgets on any reasonable basis. We've had indecision and concern expressed because of their treatment at the hands of the government.

I'd like also to talk a little and ask the Minister about transit. Transit is of concern in many areas, particularly the Greater Vancouver Regional District.

I would wonder if the Minister is going to advocate to his colleagues the fact that Hydro should get out of the transit business and that all responsibility for transit should fall categorically in the various areas as the responsibility of regional government — not the provincial government directing what systems should take place but regional government, working with a specific finance formula, making decisions for their own problems. I would mention that it's very difficult for these regions to calculate how they would solve their transit problems when there is no specific finance formula.

I would like to bring to the Minister's attention that Ontario has a reasonably good transit system and

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it's developed with a formula where the government pays 75 per cent of the capital cost and picks up 50 per cent of any deficit. At a time where we have hidden deficits in transit, and it looks like Hydro will lose about \$ 17 million on its transit facilities this year, that's one of the questions I would ask the Minister: can he advise the House how much transit is costing in Hydro and whether they're prepared to pay Hydro in lieu or whether the utility will be subsidized by its energy sales of gas and electricity to hide the transit losses in the greater Vancouver area?

I'd like to ask the Minister whether he's prepared to give to regional districts the self-determination of planning in their transit services. We have complaints now, particularly from the greater Vancouver region, that they're not consulted in many cases. Many feel they would like a separate transit authority where the provincial government — because it's going to be asked to contribute — will have representation and they will have representation. It will not be two bodies in conflict but a transit body that will make decisions and plan for specific regions. I wonder if the Minister is prepared to tell us if such a formula will be developed that will allow all regions in the province to make concrete plans for the future.

I'd like to also ask the Minister about the Okanagan basin water board and the new authority it has been given to implement the results of the Okanagan basin water study. The Minister is familiar with this study which took place over a four- or five-year period and was in conjunction with the federal government. Although I realize that just recently the letters patent have given authority to the water board, there still has been no indication of a specific sum of money coming from the provincial government, or whether any tri-level talks are going on between this authority, the federal government and the provincial government to solve the pollution problems on Okanagan Lake, which are considerable and have led to the specific study starting in the late 1960s between the federal and provincial governments. It was unique, but I think the implication and the commitment was there that the senior governments would help the Okanagan basin in the financing and the solving of the pollution problems of this unique watershed area. It's beyond the ability to finance off the local property tax base.

I wonder if the Minister is prepared to make a commitment as to what financing his department will recommend is paid toward the water board in this year to start the specific proposals to deal with this problem. Since the study started and since this government has had the report, which was delivered in late 1973, we've had a time delay in which we've seen a rapid deterioration of this lake. The citizens and the residents of all of the Okanagan are concerned, but more than just the residents. Thousands of British Columbians, even Canadians, who come to that area as a unique vacation playground are concerned. I believe the government recognizes that more than just the

residents of the valley use that lake; it's used by many Canadian citizens. Therefore they have an obligation to make a commitment to provide some of the financing to solve the problems.

The citizens have been waiting and waiting and waiting. We've gone through the study and we've gone through what appeared to be a hiatus while we were waiting for the authority to be formed. Now we need action, and there can be no action if there is no budget and no concrete financing.

I'd like to also ask the Minister if he can advise whether any of the empty office space that appears to be around this province has been rented by Public Works for his department and whether he has a formula within Municipal Affairs for setting up facilities and providing the staff as the space is acquired. As the Minister will know, we seem to have difficulty with Public Works and its relationship with all departments of government in providing space on a time schedule that will indicate there is no waste and loss of public money. We have indications of buildings sitting empty for over a year and yet full rent being paid on them, with no staff and, in some cases, no furniture being moved into the facility.

MR. J.R. CHABOT (Columbia River): Shocking!

MR. BENNETT: I would hope that this isn't happening in Municipal Affairs. I'd ask the Minister if he could, in advice with his department, find out how they deal with public affairs. If such a condition doesn't exist, perhaps he could advise the Minister of Public Works so he can improve his relations with other departments to stop this shocking waste of public funds.

HON. MR. LORIMER: In reply first to the Member for Comox (Ms. Sanford) I would point out that Alert Bay, like the mythical community in the Cariboo, will, I think, be quite happy when they hear the suggestions of the distribution of funds on the natural gas.

There are some areas, and the Comox riding is one, in which the great part of it is supplying raw materials for the province but has very little tax base. Communities there do, in a number of cases, have difficulties in meeting the requirements of the inhabitants. Similar places would be Terrace, some of the Peace River communities and others throughout the province.

The Hon. Leader of the Opposition (Mr. Bennett) asked some questions about the fact that revenues for the province had doubled in the last two or three years. I suggest to him that the transfer of funds to municipalities has more than doubled in this period. I

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admit that there was a great catch-up required because when we took office the municipalities were in pretty dire straits. We had to correct that and then start from there to go upwards. We're doing what we can.

You are talking about the complaints of the municipalities. The municipalities that I've seen, and I guess I've seen pretty well all of them in the past 12 months....

MR. BENNETT: Have you heard them, though?

HON. MR. LORIMER: I've seen most of them, yes.

MR. BENNETT: But have you heard their complaints?

HON. MR. LORIMER: Most municipalities are quite happy. They could all want more money, but, reasonably speaking, they're quite satisfied with the treatment they have been receiving, not only in the financial area but in the fact that they can come and see us at any time...

MR. BENNETT: They are not satisfied.

HON. MR. LORIMER: ...and that's quite a change for them.

SOME HON. MEMBERS: Oh, oh!

MR. FRASER: Come on, now. Mr. Chairman, bring that Minister to order.

MR. BENNETT: Remember, you're going to have to read this tomorrow.

HON. MR. LORIMER: First of all we'll deal with the Okanagan basin, I think. Work has been done in negotiating with my department and the members from the local area on the basin study. In actual fact, the letters patent haven't been issued yet; they're in the final draft as I understand. They should be issued within the next few days.

MR. BENNETT: Agreement has been reached?

HON. MR. LORIMER: Agreement has been reached. Chris Woodward was up with them about three weeks ago and everything seems to be straightened out. Everybody seems to be happy at the moment.

As far as the financing is concerned, or assistance from the provincial government, that, of course, is through the Department of Lands, Forests and Water Resources — through the water rights branch, not through my department. I will have nothing to do directly with the financing of the Okanagan basin.

MR. BENNETT: No financial agreement in the letters patent or in the agreement reached?

HON. MR. LORIMER: I can't tell you of any agreement that has been reached or about any tentative meetings that have been held. I'm not aware of them, so I don't know.

MR. BENNETT: Have any discussions gone on?

HON. MR. LORIMER: Yes, there have been discussions because I've had a joint meeting with both the Minister of Lands, Forests and Water Resources (Hon. R.A. Williams) and representatives from the board.

MR. BENNETT: Can you just tell me, then, what department will meet with the federal government, the Okanagan basin water board, the regional districts, Municipal Affairs and Lands and Forests? Who's going to chair such a meeting to get any programme underway?

HON. MR. LORIMER: Municipal Affairs, basically, will not be involved. It will be the Department of Lands, Forests and Water Resources on the operation with that particular water basin.

MR. BENNETT: Will it be correlated between governments?

HON. MR. LORIMER: If there's any problem, we'll certainly step in and try and assist. I don't think there will be any problem — I don't see why there would be a problem. You'll be dealing with water resources — that's only one department of government.

MR. BENNETT: Who in the federal government?

HON. MR. LORIMER: I'm not aware of who the federal counterpart will be that will be dealing with it.

On the transit, in your referring to Ontario, the formula there is somewhat different than in B.C. They pay 75 per cent of the capital cost of the purchase of the vehicles and so on — whatever. In British Columbia we pay 100 per cent.

MR. BENNETT: But all the capital costs of the transit system....

HON. MR. LORIMER: We pay all the capital costs of the transit system at the present time. The municipalities pay nothing on the capital cost in British Columbia. In Ontario it's 75-25 per cent

sharing.

MR. BENNETT: Then it's 50-50 on the deficits.

HON. MR. LORIMER: On the deficit it's 50-50. In our area it's 50-50. It will be 50-50 only up to a certain limitation, upon which the province will pay the rest of the deficits. So we have a much more generous programme than Ontario. At the present time the Ontario authority is now turning around and looking at our system and our method of financing, and have suggested to us that they will be following our example.

MR. BENNETT: Is your formula a specific formula for all regions?

HON. MR. LORIMER: It will be.

MR. BENNETT: It either is or it isn't.

HON. MR. LORIMER: Today?

MR. BENNETT: Yes.

HON. MR. LORIMER: Today it isn't.

MR. BENNETT: Today there is no formula.

HON. MR. LORIMER: There is a formula. It is not consistent throughout the province due to the fact that there are certain areas in which there are private operators. There is no participation by the government under the private ones. But in other areas the municipalities have operated a system for some time and we operate under the transit subsidy Act.

MR. BENNETT: Allow regional transit?

HON. MR. LORIMER: West Vancouver is an example in which they have their system and we assist them on their operating losses. Nanaimo is another. Nelson is one. There are a few around that wouldn't be in the same position as the other municipalities.

MR. BENNETT: Do you recommend taking Hydro out of transit?

HON. MR. LORIMER: The question of taking Hydro out and having a provincial authority is under consideration. You cannot have fractionalized transit systems with every municipality looking after their own transit functions.

MR. BENNETT: Regions. You've got regional government.

HON. MR. LORIMER: The basic reason for this is that operating a transit system is not a simple project where anyone can walk in and do it. What is required is a great amount of expertise. It is an area in which the same person can probably do the job in a variety of communities.

MR. BENNETT: I asked about regional....

HON. MR. LORIMER: Instead of every region or every municipality setting up its own authority and duplicating the services or the planning or whatever, it is much cheaper and much more beneficial to the community as a whole and the taxpayers to have a provincial system. Ontario has decided that and they are going the same way.

MR. BENNETT: You can have provincial participation. Just further on that, you can have....

AN HON. MEMBER: Where's the gavel? Where's the gavel? (Laughter.)

MR. BENNETT: On the regional transit authorities, you could have provincial representation to have continuity in each authority. But the problems of transit in the greater Vancouver area aren't similar in nature in most ways to the problems of transit in Nelson, which you mentioned, although there may be provincial representation on each one. We would probably have better planning if we had separate regional authorities.

What you are saying is that regional government really needs provincial direction. This has been a concern of all regional governments in the province. They are slowly being emasculated because the province wants to tell them what to do. Yet the concept of regional government was to get locally elected self-determination.

I would like the Minister to elaborate on why he doesn't think the province, with representation on a regional transit authority in each area, would deal with a specific region which has transit problems in common. You will have a way or a formula you can develop for assessment within that area. Why does he feel the province should direct all transit problems from Victoria? If we allow separate authorities to be set up, everybody will push and get to work on their own problems. But now we have to wait for the provincial authority really to get through with one problem before it begins to become involved in another one. I think we would allow a lot of the regions outside the greater Vancouver area an opportunity to get going rather than wait for the government.

I think the Greater Vancouver Regional District and area would be happier if they had an authority in which the government was a partner and where there

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wouldn't be the type of conflict that there appears to be now between the government's own transit and the regional district. I am looking for a solution, not a condemnation and by direction that regional districts won't work, that they need provincial government direction all the time. The idea was to allow local decisions by elected officials and not have the provincial government direct every aspect of service throughout the province.

HON. MR. LORIMER: I don't think it is a question of directing the regional districts to do this or to do that. I don't think under the previous administration there was any transit authority in regional districts.

MR. BENNETT: I'm not talking about what they did; I asked what you did.

HON. MR. LORIMER: As a matter of fact, I don't think there was any transit in the regional district. But that has been changed.

I can assure you there is no conflict between the transit committee of the Greater Vancouver Regional District and our transit bureau. We have worked very closely together since January. There were in the year before, but this year some of the personality problems have been removed. The thing is working smoothly. I think we have had three meetings since February regarding transit. There is complete cooperation between the Greater Vancouver Regional District and our transit operation. The conflict that you are suggesting is not real.

MR. BENNETT: It's not there any more?

HON. MR. LORIMER: It's not there.

MR. BENNETT: Any more?

HON. MR. LORIMER: It was there. There were a lot of conflicts in the first year, last year.

MR. BENNETT: How about with Hydro and the \$17 million loss?

HON. MR. LORIMER: The question of Hydro carrying on the system of transportation is, of course, always under consideration.

MR. BENNETT: Well, how about the loss?

HON. MR. LORIMER: The loss in operations?

MR. BENNETT: Yes, the \$17 million loss.

HON. MR. LORIMER: It would be about \$17 million in the losses.

MR. BENNETT: This year?

HON. MR. LORIMER: For 1974, yes. That is another benefit to the municipalities, if you want to divide that into per capita of what is being paid to the municipalities.

MR. L.A. WILLIAMS: Well, I'm glad the Minister and the Leader of the Opposition (Mr. Bennett) had their quiet discussion. I hope that Hansard recorded all of those questions and answers.

Mr. Chairman, I thought it was exceedingly honest on the part of the Minister to say that he recognized that the municipalities in the province weren't wallowing in money. I thought that that was a very forthright statement coming from the Minister.

I would like to discuss the matter of finances for a few moments, partly in line with matters raised by the Leader of the Opposition. I gather that the Minister's not at all satisfied that the per capita grant method of assisting municipalities financially is acceptable to him and to his government and that he decides that perhaps a basis of individual contributions to services is a more appropriate way of providing this assistance. I find it surprising that the Minister, holding those views, when it comes to having the government contribute additional funds this year to the municipalities.... They've used the per capita method of doing it under the excuse that somehow or other the government is awakening to the fact that the census figures are five years behind.

I would have thought that the Minister, feeling as he obviously does, would have embarked upon assistance to municipalities this year on some other basis altogether. I would like to ask the Minister whether or not he and members of his department are prepared, now in 1975, to meet with the municipalities through the Union of B.C. Municipalities to discuss the manner in which financial assistance should be made available and could be made available from the provincial treasury to the municipalities.

I recall, back in 1967, attending a convention of the Union of B.C. Municipalities and hearing the debate about the need for communication and consultation and cooperation between these two levels of government. Beginning in that year there was a study, which was carried on for a number of years, into the way in which such consultations could take place, the desirability of the consultations and the way in which the whole matter of financing could be reached between the provincial government and the municipalities. But it's never come about.

I can't see — unless this government is going to continue, as governments have in the past, to relegate the municipalities to a subservient position — why this Minister is not proudly announcing that his government, recognizing the inefficiency of the per

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capita grant system, is prepared to stand together with the municipalities and say to them: "You are a level of government with important responsibilities to the people in your communities, and we want to join with you in resolving the financial problems that face you every year."

[Mr. Dent in the chair.]

That would be a forthright step, instead of saying that the per capita grant is no good and "I'm going to do it in some other way." And instead of using the municipalities in a showy way in negotiations with the national government to say, "We're going to give you, for the first time of any government in Canada, a share in the revenues from natural resources," and saying, as the Minister said today, that if the revenues go up the municipalities will

enjoy more but if they go down the municipalities are going to suffer.... The municipalities do not have the flexibility in their tax-gathering powers that the provincial government has. The municipalities cannot balance dropping revenues in one field with increased revenues in another. The municipalities have only got one source of revenue, aside from the per capita grants, and that's the revenue which they can raise by levies on real property.

The Hon. Member for Oak Bay (Mr. Wallace) raised the question of the right to vote. This government has made a policy decision that a person's ownership of land should not give him that right to vote. It's where he lives that matters, not whether he owns land. Therefore, land has been neutralized as a source of democratic power at the municipal level; it's been given to residences whether you own land or not. The landed gentry no longer are the people who control.

If that is the case, and if this government really means this, then why don't they say to those people at the local areas, to those residents who now have the right to vote: "We will also ensure that your ability to do the things in your municipalities that you need to have done will not depend upon the ability of the property owner to pay tax"?

It seems to me that the Minister's policy and the government's policy with regard to the right to vote, removing it from any property ownership qualification, runs in direct opposition to the government's insistence that municipalities rely solely on the real-property resource as the tax base. The UBCM year after year in its convention has suggested to the government that there is some other way, that the provincial government has a responsibility to the municipalities to make available to them the benefits of the total economy of the province. I don't think there is anybody in this chamber who would suggest otherwise.

As the people in this province prosper, the province prospers. Why not make the same criterion apply to municipalities? As the people of the province prosper, so shall the municipalities prosper.

I thought it was significant when the Minister was talking about making funds available for special services. I was looking at West Vancouver's draft expenditure budget. It's cut up in some very small pieces, Mr. Minister, and to suggest that you could zero in on particular services and assist this municipality and the other municipalities is surprising. Now ignoring that schools take 42 per cent of all the property taxes, the debt is 6.9 per cent; general government, 4.3 per cent; transportation services, 6.4 per cent; environmental health — garbage and sewers — 3.3 percent of expenditures; transfer to utilities 2.16; transfers to regional government 3.52 — the percentages are very small and there's no way that the government can zero in on a service-by-service basis and provide assistance for the municipalities, all of whose budgets are divided in the same way. It's only by saying to these municipalities that we will make available to them other revenue sources, just as there are other revenue sources available to the government, so that the municipalities can better budget to meet the needs of the community.

The provincial government is able to plan in advance on its budget which the Minister of Finance introduces here. He comes in this year and says that we are going to get \$ 1.1 billion more in revenue, and we are going to spend it. There is no way that the municipalities can forecast that kind of increase. It is the people who live in the municipalities. Forget the property owner. It's those very residents to whom this government has assured the right to vote at the local level, those people who need the services that municipalities can offer. The services that municipalities offer are most important to them, but without the financial means the municipalities cannot fulfil the desires and the needs of those people.

National government and provincial governments meet on a regular basis to discuss their inter-related financial problems. Why can't the provincial government meet on a regular basis with the municipal governments to discuss their inter-related financial problems and the way in which the moneys that are available to the two levels of government can be used to defray those obligations? It always seems, Mr. Chairman, that when we talk about municipalities we end up by talking about finance, and there are other areas of responsibilities. I would like to turn to one now.

It has been raised before; it's a matter of transit. I would just like to make a suggestion to the Minister for consideration by his transit bureau: that is the reduction of the charge which is made to people who forego their private passenger vehicles and use the public transit system.

I notice that in the press this past week there was

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an announcement that the City of Seattle has an experiment going with regard to a free bus moving throughout the downtown area of the city. I know that it has been used in the City of Vancouver during the Christmas season — a service provided, I believe, by the merchants of the city in cooperation with B.C. Hydro.

Why can we not make an earnest effort in the heart of downtown Vancouver, New Westminster and the other urban commercial centres to provide free bus service for people who are coming to the centre of the city and have to go to a number of places in order to transact their business. Why does it have to be restricted only to Christmas time? When the B.C. Hydro is losing \$17 million a year in providing transit services, I can't imagine that they would lose a nickel more if, during certain times of the day, the buses that pass through sections of downtown Vancouver allowed limited travel without charge.

On the other matter of getting people out of their private passenger vehicles and onto the public transit system, would the Minister explain to me — I don't think he can convince me, but maybe he can explain to me — why it is that during rush hour, when the workers are moving from home to work or from work to home, they have to pay a surcharge to stand in the bus when people who want to travel during the middle of the day and don't have any pressing time obligations, travel at a cheaper rate? It would seem to me, Mr. Chairman, that since those who travel in the middle of the day can select their time of departing from home or returning to home, can be virtually assured of fast, comfortable, convenient travel, have the transfer privileges that are available to everybody, they should pay more than the person who has to be at his bus stop at 8:07 or 8:17, or whatever the case may be, and get on the bus and stand for 30 or 35 minutes in order to transfer to another bus where he must also stand because of the traffic moving at that time. That individual pays more. In normal commercial dealings if you increase your volume you are able to drop your price, and I don't see why the same thing doesn't apply to transit.

In the same vein, I cannot understand the magic that exists in the boundary line between zones. You know, you can get on a bus at the very east end of Vancouver and you can travel all the way to the west end of Vancouver, mile after mile after mile, for one fare — 25 cents. But, you know, if you happen to get on the bus in the riding of the Member for North Vancouver—Seymour (Mr. Gabelmann) and travel across that bridge just to the other side, because you pass from one zone to another you pay 40 cents. You can travel four times as far for a quarter in Vancouver than you can travelling for 40 cents from North Vancouver to the city.

AN HON. MEMBER: Right on!

MR. L.A. WILLIAMS: It doesn't make any sense, Mr. Minister.

You say that you are having discussions with the regional district and that they are amicable discussions.

HON. MR. COCKE: The Member for Dewdney (Mr. Rolston) agrees with you, Allan.

MR. L.A. WILLIAMS: The Member for Dewdney agrees with me. The Member for North Vancouver—Seymour agrees with me. I've got agreement on all sides for the point I make, and the Minister hasn't got agreement from anybody. The Member for Dewdney is going to carry on and stick it into the Minister some more. We are going to keep him awake right through until 6 o'clock tonight.

HON. G.R. LEA (Minister of Highways): Silver tongue! (Laughter.)

MR. L.A. WILLIAMS: But, Mr. Minister, in all seriousness, I think that if you are looking at transit on a regional basis, it is wrong to take that region and carve it up into zones which just create arbitrary boundaries so that you can increase the fare. Those zones serve no other purpose.

Mr. Chairman, I'm trying to make the Minister a hero. I'm giving him these opportunities where the people who ride the buses in North Vancouver, in West Vancouver, in Vancouver, in New Westminster.... Why, they'll be

supporting the Minister of Municipal Affairs in this courageous effort to bring some equity to the public transit system. Then it can be passed on into the other areas which his bureau is going to draw into the regional network. I think it would be a major step forward.

So that's two announcements, Mr. Minister: announce that you are going to do everything you can to equalize and reduce the cost of using public transit, Secondly, announce today that you're going to meet with the UBCM and work out a programme whereby the provincial government can share equitably with municipalities the tax revenue sources that are available to these two levels of government.

HON. MR. LORIMER: You posed a couple of tough questions. To explain that in rush periods you have to pay a surcharge over what you do in the slack period of the day — that's not the way it came about. The price was originally 40 cents going through two zones. There was a great number of people who were wanting to use that vehicle at peak periods, and in the slack periods the vehicles were running basically empty. So the government of the day decided that it was more feasible to get some of the people who didn't have to travel on the bus at the

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peak period. If they could get them to travel in the off period, they'd give them a reduction to try and encourage them to do so, to make more space for the rush peak traffic. So it was a reduction to travel at the non-peak period rather than a surcharge to travel at the peak period, if you get what I mean. That was the history of the thing and that was the purpose for doing it: to try and encourage people who weren't employed but were shopping or doing something else to get home before the rush crowd started.

Now we were talking about equity in fare zones. I don't think there's such a thing. There has to be a boundary put somewhere or a flat rate.

HON. MR. COCKE: From Vancouver to Hope.

HON. MR. LORIMER: I would like to see either a free transit system or a very reasonable system, but we have to look at the financial aspect of the losses and the fact that if we did supply that service, we wouldn't have the vehicles to do it at the present time. They can't be acquired quickly enough to look after the demand. Were we to say we will have 25 cent fares throughout the lower mainland, I'd suggest that the transit system would be so popular that we wouldn't have the capability of handling the people who wanted to use it at this stage.

I think that's a fine move forward if, in fact, we could handle this situation when it comes about. In that event, it is feasible to have a downtown free system as is done at Christmastime, like they were experimenting in Seattle. Likewise in Victoria, there used to be one here, I understand, years and years ago. But with our ability to acquire new vehicles, it's just not possible to be able to give a service that would be demanded at that time.

MR. P.C. ROLSTON (Dewdney): In Dewdney riding, which is 82 miles long from Pitt River out to Haig, traffic is pretty crucial. In your overall vote, I want to continue questioning about transit. I admit that you've had difficulties. You just said you had difficulty getting the buses. In fact, one day coming out the freeway, the 401, I saw two batches of six buses. I don't know if they left London, Ontario, or Winnipeg, but they were making their way out to your service. We appreciate your problem. I gather you've doubled the Hydro fleet in the last two years.

I think the Member for West Vancouver–Howe Sound (Mr. L.A. Williams) really has a point. In the low time and the off time, you can go from Port Coquitlam to Horseshoe Bay for 25 cents. You can understand how we feel when in Pitt Meadows you pay \$1.20 to go just to the station in Vancouver. And, of course, it's \$1.40 out to Haney and it's \$2 out to Mission.

As a government we are committed to decentralizing — the ICBC being one instance, and I hope there will be many other instances where we're trying to take some of the pressure out of downtown Vancouver — and we're trying to plan. We listen to the GVRD and their four livable regions of 150,000 people. I only assume that that will eventually extend into the neighbouring regional districts. Some kind of rationalization of transit fares has to be worked out. Whether it's done in 20 cent intervals per 10 mile or per 15 miles, I don't know, but it certainly needs to

come because you're not going to induce people to live out in the less-populated areas, the areas that we're trying to develop as town centres without a much more attractive rate structure.

Now I realize that you can't suddenly drop all the rates when you don't have the services and you have difficulties. But I'm saying that if you drop the rates as you did, I think, on April 4, to the south side of the river, to Delta, Richmond, Tsawwassen, et cetera, it would follow that quite quickly you would start looking at changing the tariffs — at least rationalizing the tariffs — for the long, thin corridor of Dewdney riding on the north side and, of course, the corridor on the south side. We say this very emphatically. We, of course, are trying to keep the car off the highway. Even with a second bridge over the Pitt River, it still is chaotic going through Coquitlam. First of all, I am asking for some kind of rationalization.

We pay Hydro too. If there is \$17 million coming from B.C. Hydro, it is a major subsidy. Apart from getting into that inter-Hydro discussion that I'm sure must be going on as to whether that will continue, we are paying electricity. I'm paying for that. The people out in the Fraser — in fact the people all over the province — are paying part of that subsidy.

I throw a bouquet and thank you, Mr. Minister, for hourly service to Maple Ridge. That really is appreciated, especially the commuter service for the guy who works in Vancouver. We have half-hour service at the time for the commuter. But it must really be financially attractive. I would sure like to see it come down to 80 cents to Maple Ridge. I trust I'll hear from you shortly. I appreciate the help of Mr. Parker and others, but we need to get this rationalized. I hear that on the south side you have already dropped the tariffs. I was kind of appalled to hear that some of the people who are driving buses don't have the facilities of washrooms, that many of the loops don't really have any kind of restrooms. The loops are spread out. For instance, there really isn't any facility at the shopping centre in Port Coquitlam. I realize that this is capital. Quite frankly, I don't even see in the estimates here where capital appears. Maybe I'm blind. That will need to be explained to me later. In fact, you might comment on capital. Where does it come?

Simple things like transfer points and loops have got to be very attractive. They have got to have restaurants. Mr. Minister, I've asked many times that

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it must be very clear as to what the times are. You saw last week in the paper the excellent service in Winnipeg, where they have a post on which they say the name of the bus and the times of the bus. I think it is called the "Blue Express" or something, through the corridor of Winnipeg. That is really what we are saying. You've got to see what the route is, what the times are. It's got to be done really in some kind of simple symbols so you can really transport that person quickly from his place of work back to where he lives. You might even comment something about the 2 cents. We allude to 2 cents in the budget going towards transit.

Personally, I see advantage in transit. I understand that the buses out here include Fast buses operated by the B.C. Hydro for the greater Victoria regional district. I kind of like that. That seems to make sense to me, and similarly...for the Greater Vancouver Regional District. Of course, it is obvious in Dewdney-Alouette.... We are asking: where do we come in as a regional district? Are we going to be tagged on to the GVRD?

Very quickly, I have a question about planning. This is very crucial. My first involvement with your department, through Mr. Woodward, was getting a community plan on Hatzic Island. It was about 10 years too late. It should have happened 10 years ago, but at least we have it.

In the growth area of the Fraser Valley we really need all the help we can get from you as administrators in getting community plans for electoral areas and, of course, in helping the regional district generally. We need all the help you can give. I asked you quite a while ago: would you at least put out a little booklet explaining the hierarchy of the various levels of government, all the APC, the technical planning and all this gobbledegook about which the average guy doesn't have a clue? If you are a developer doing nothing but going through the maze of municipal and regional government, fine; you don't need that little brochure. But it really is a nightmare to a person who is just trying to make his way and get something going. He doesn't know some of the assistances that are available. Of

course, some of these are itemized in your budget here. Quite frankly, I think that one of the most important things you must continue to do as administrators is helping in establishing plans, community plans, regional plans, giving your facility. One thing in that booklet would be simply the planning stages. There must be 15 different stages for a person to bring on a project. That could be laid out quite simply.

Could I ask you to make a comment about impost fees? I know that some municipalities have a booklet and they kind of explain how their impost fees operate. Of course, impost fees are all over the map. I confirmed today that in Abbotsford and in Matsqui they are \$2,000. I think in Surrey they range from \$600 up to \$2,000. In Mission they are around \$650. In Maple Ridge they are around \$1,000. Of course, this is tricky because this is directly passed to the person who buys that lot. I understand the need to pay for some of the capital that has previously been invested in the municipality, but I have reservations. I am just wondering about what your thoughts are on the impost fee as a structure. Is there any way this can be rationalized more by your department?

I think I have other questions but I see that time is running, and I'll sit down.

MR. CURTIS: I would like to congratulate this Minister for staying awake — I guess I could say that — but also for the patience he's shown in answering many of the questions this afternoon. I think we've had calm, rational debate on a number of matters which fall under his jurisdiction. He hasn't scored 100 per cent in answering questions, but perhaps we can improve that percentage.

The Islands Trust: I spoke with the Minister earlier this afternoon about one local trustee, at least, who has expressed concern over the absence of effective control involving departments of government and Crown corporations.

I would ask the Minister if there is any reason why the Islands Trust should not be given clout in terms of dealing with the B.C. Ferry Authority, Hydro and other government departments. I could give further examples. If the individual — resident or property owner or would-be resident — is required to consult with and receive approval from the trust on a particular proposal, then surely, in all common sense, it follows that the department of government or the Crown corporation should be required to do the same. We have two rules for the individual and for the agency or department of government.

I would ask the Minister to reconsider this fact. As indicated, we discussed it a year ago and I wonder if he could not bring in an amendment in this session which would at least make it necessary for the British Columbia Ferry Authority people to go before the trust and say: "This is what we propose and we seek your approval."

In question period last week the Minister indicated that he was going to examine the possibility of a measure that would make it possible for municipalities to obtain revenue, perhaps on a one-time basis, when increased value accrues through rezoning. This money, or a portion of this money, should be returned directly to the municipalities which approve that zoning change. I would suggest this should be a matter of highest priority for the Minister and his department. He indicated that perhaps later this year we might know more about that. I simply stand to underline it today as being very important.

We've talked all afternoon about the restrictions

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on municipal revenues, the difficulties they have in obtaining the kind of money they need. Here, surely, is another source which would be of great help to them — perhaps on a one-time basis, the year following the change in zoning. I don't think it needs to be a continuing thing because the increased assessment will reflect, in many instances if not in all, in added tax revenue. The Minister, having served on a municipal council, knows that frequently when you go through the rezoning process in terms of the municipal treasury, it's a negative thing rather than positive. This I would urge upon the Minister.

The other point, which we've discussed before, is subdivision control. Finally, perhaps, the time has arrived when the department and this government should heed and act on the repeated requests of municipalities for the

authority in the Municipal Act to require land, or cash in lieu of land when subdivision takes place. I know that this has been talked about with the Minister on many occasions. Again, I would think that the time has come for this to be acted upon. Some municipalities are doing it, but it's a grey area, as I understand it — and I'm not legally trained — in terms of whether the municipality has the right to do it. I think it should be very clearly spelled out and permitted in the Municipal Act.

I know that other speakers today talked about enumeration. I noted the Minister's comments. I'm happy that he appears to be acting on some kind of combined voters list, at least for the municipal-provincial level. That is encouraging news in these days of electronic data processing. Surely it can be accomplished. It won't be very easy to get started, but I think the benefits accruing from this kind of one-a-year enumeration, or once every two years, will be of great assistance not only to the provincial election process but also to the municipal election process.

In *Hansard*, on April 29 of last year, page 2607, we did talk about enumeration. As I understood the Minister this afternoon, he was able to find a few thousand dollars more. The fact remains that that enumeration for the first year, 1974...it's quite clear that the \$300,000 in total, as 50 per cent of the final cost of the operation, was insufficient. I think the Minister said in reply to another Member earlier today that in some municipalities it was sufficient; in others, it was not. Overall, looking at the total enumeration activity of local government, at the regional and municipal level it wasn't enough. Again, to remind the Minister, on page 2607 just about a year ago in *Hansard* you said:

The enumeration I mentioned would be approximately 50 per cent. We expect that is about the right figure. We anticipate that the cost of enumerating in the more rural areas of municipalities will be more expensive than the urban areas...

I digress for a moment to say that that's not necessarily true.

Continuing the Minister's statement:

...and as a result it may not come out exactly. We've put in \$300,000 in the estimates to cover the costs. If more is needed I think probably I can wangle some more money for that.

A little more wangling for 1975, or perhaps even to catch up on 1974's cost, would be greatly appreciated.

The Minister today, Mr. Chairman, referred to the Community Recreational Facilities Fund Act and its impact in terms of assistance to municipalities. Other speakers for the government have talked glowingly about this. I admit that on the face of it and in terms of getting community recreational facilities underway and projects completed, it has obviously been a very popular measure. But at some point the day of reckoning will come where those communities, organized and unorganized, will realize that a capital grant of \$1, which then has to be matched by \$2 from the municipalities, is not going to be of tremendous assistance. Once this facility is built, whether it is in a small community or in a larger community, it does have to be operated, as others have observed. Also, the \$1 which is provided by the provincial government must be matched by \$2 either from funds which have been put aside in a community or in a municipality or they have to be borrowed.

It's a good programme, but sooner or later it will have to be recognized that some money will have to be injected in terms of operating assistance. Perhaps in certain projects communities will have to step back very carefully and examine the merits of the proposal for which they've applied and determine if that really ranks as high on the priority list as some other less appealing services, perhaps, in terms of health, water supply and so on.

HON. MR. LORIMER: In answer to the Hon. Member for Dewdney (Mr. Rolston), you can argue about fares and whether they're fair or not fair. I accept the criticism. If you're going to have a differential in fares, wherever you're going to put the boundary you're going to have problems. Maybe the boundaries are in the wrong place in which these fare changes are in place. The reason why there is a long run from Horseshoe Bay is basically an historic situation, I presume, in that they have been paying as part of the greater Vancouver area.

On the question of assisting the communities with regional plans and community plans, we are prepared within reason, if we can be of assistance to any small community that is having problems in preparing plans, to give

them either the assistance of one of our planners or someone else to look after their situation.

The booklet proposal that you made last year — I

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advised you that we would proceed with that suggestion. It is being proceeded with, but not as quickly as you had anticipated or that I had hoped. But it is still on the books to be done. It's a very good suggestion; we hope it will get done reasonably quickly.

The question of impost fees is a jungle, as you've suggested. It will be looked at in a study that's taking place right now so that there can be some rhyme or reason to the impost fee problem.

I can only suggest to the Member for Saanich and the Islands (Mr. Curtis) on the question of interference or activities by other agencies of government in the islands that if that person would just give me a call I would certainly do my utmost to straighten out that particular problem.

Subdivision control and cash in lieu of land I think comes in with the impost fees that I've just discussed. We hope to get that cleaned away.

Enumeration costs. I think I was pretty close to what I said last year. It worked out about the way that I said — luckily for me. I agree that the operations of community facilities is a real problem in a number of communities.

Interjections.

MR. GIBSON: I was recognized. I just wish to ask the Hon. House Leader when these estimates might be back, in the event I do sit down.

HON. E.E. DAILLY (Minister of Education): I am pleased to answer that question. I have just given answers to the three party leaders and I understand the Whips are meeting tomorrow where they can make that decision.

MR. GIBSON: Well, Mr. Chairman, in view of that uncertainty and in view of the fact that we do have five minutes before the time of adjournment under our standing orders, I would just like to ask the Minister some very brief questions of a local nature related to my own riding and which are important.

One of the Members earlier on today raised the question of the state of consultation between the Minister's department and the City of North Vancouver on the just-under 20 acres of land area and almost 30 acres of water lots which are included right in the core of the city, from the foot of Lonsdale west. Mr. Minister, the City of North Vancouver can't continue its planning at all in these circumstances and I am disturbed when I see two men whom I know to be honourable men differing so completely on the state of the consultation.

Quoting from Mayor Reid in this article in the *Province* on April 9:

"We don't know what is planned. We read that there will be ferries and trains, but no one bothered to tell us before the first notification in the press. It is almost unbelievable that we have had nothing at all in writing. We have never heard from a senior B.C. official."

The article goes on to say: "He stopped talking long enough to dial two senior associates to make sure his remarks were up to date. He found they were."

Now that article was dated April 9, Mr. Chairman, and there is such a discrepancy in the accounts that are given by the Minister and the mayor as to the state of consultation between the two that I would ask the Minister not to assess blame one way or the other for where things are, but rather to say that this would be remedied at the earliest possible moment by a meeting between himself and the mayor, or his senior officials and the mayor. I ask him for that undertaking.

On the question of amalgamation in North Vancouver, I won't go into the arguments for the bill which I have on the order paper, but rather I will ask the Minister, without changing the Municipal Act, again, to give consideration to guaranteeing that if anything comes up along this line that he, by way of administrative action rather than legislative change, will as a matter of practice require a double majority in each area before making any recommendation under the Municipal Act for amalgamation.

If there is anything new with respect to amendment in the replotting sections of the Municipal Act which is of concern to some of my constituents, I would ask him to give us the undertaking which I have sought in this House of every Minister who has anything to do with it — and I know it's the policy of this Minister. So give us the undertaking that the Government of British Columbia will pay full taxes with respect to the British Columbia Railway lands which annually robs over \$125,000 in taxes from the District of North Vancouver. I have a great many other things to mention on municipal affairs but the clock has run me out. I hope for some brief answers from the Minister.

HON. MR. LORIMER: In regard to the question of the reports in the press regarding Mayor Reid and myself and cooperation of the development of the ferry slip, I am quite sure that the press has not quoted Mayor Reid properly. Mayor Reid and I had a long visit; we drove over the City of North Vancouver and we looked at their development.

This was in the early summer of last year, the summer of 1974, at which time the Mayor advised that they had some city-owned land next to the area which we had and we agreed that it would be a good idea to have joint planning of the total area so that it could be put in as one basic complex. The initial meeting that was called was cancelled by Mayor Reid but subsequent meetings have been held on a basis of

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about one per month between our staff in planning and the staff of the City of North Vancouver.

Now it is possible those statements in the press are correct, that there hasn't been information drift from the staff level to the mayor, I don't know. But they had another special meeting, I understand, just two weeks ago in regard to the planning of this whole function. I don't believe there are any problems in this area. If I am wrong, I will stand corrected. In my opinion, when I speak to him, the mayor seems quite happy, so I don't think the mayor is upset about it. I may be wrong.

On amalgamation, if the two communities of North Vancouver and the district want to vote, I don't care if it is 100 per cent in favour or against it — I won't call a vote unless I am requested to.

MRS. P.J. JORDAN (North Okanagan): How come you have changed your position?

HON. MR. LORIMER: I haven't changed my position at all. In other areas I have requested that votes be taken. In this particular area; it's of no provincial concern whether a vote is taken or not.

MRS. JORDAN: What about Kelowna?

HON. MR. LORIMER: That was of interest to the province because of the entirely different situation in which we had to protect the growth of that city.

The House resumed; Mr. Speaker in the chair.

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

Leave granted.

MR. D.A. ANDERSON: On a point of order, Mr. Speaker, I have received a letter from the House Leader (Hon. Mrs. Dailly), dated with today's date, concerning time limits on estimates. I wonder whether the House Leader could inform us whether this brief, four-paragraph letter — in fact, four-sentence letter — is the reply to the proposal

put forward by at least this party in opposition in response originally to the Premier's suggestion that he would consider changes. I notice that the leader of the Conservative Party (Mr. Wallace) received a copy of this letter, I wonder if this is the extent of official communication regarding the whole question of reallocation of time and re-examination of what, obviously are a series of rules that aren't working.

This letter talks about this session, and the new rules being a fair test. We asked last year for temporary rules on a test basis and we didn't get it. We had the Provincial Secretary (Hon. Mr. Hall) ram them down our throats.

It is a very curious letter indeed. It follows, of course, the efforts of the Chairman today which were simply to restrict us to the Minister's vote of his own office, let alone his whole department, as has been the traditional case. It follows the government Whip's efforts to restrict us to a timetable, and of course the government itself, to ram all the estimates into a total of 135 hours, which simply isn't working.

Now the point is, Mr. Speaker, that this isn't working, and we in the opposition would be happy to come to deal with the government, on a formal basis if necessary, to try and work out a scheme that would work. We put forward proposals and this letter does nothing but reject, out of hand, the proposals put forward. There's no analysis whatsoever of the two alternate plans — one dealing with the alteration of the total time limit, the second dealing with the committee system. This simply cannot be accepted as a serious reply to opposition proposals.

Mr. Speaker, I raise this point of order because it is important to what happens in the order in the House for the rest of the session. We want to make sure that the estimates are properly examined; we want to make sure the House works in a system of rules which are acceptable. We are not now working in such a system. We put forward, at the Premier's request, proposals for change and we get the most cursory treatment in letters such as this which talks about "a fair test."

MR. SPEAKER: I wonder if the Hon. Member would be seated. I think we have certainly got his complaint.

The Hon. Member for North Peace River on the same matter.

MR. SMITH: On a point of order, Mr. Speaker, earlier this afternoon, just before the 6 o'clock adjournment, the Hon. House Leader suggested that there would be a meeting of Whips tomorrow. I think that the Leader of the Opposition (Mr. Bennett) has explained our point quite fully, that we do not agree to the 135 hours of limit, that we do not agree to any limit on the debates of estimates. I was prepared to meet with the Whip, through you, Mr. Speaker, but he is not here today and I have no idea as to whether he'll be here tomorrow or not.

MR. BENNETT: Is there nobody in charge? There's no whip.

Interjections.

MR. SPEAKER: May I point out to the Hon. Members that the question is really not before the House in that the rules exist as they are. If there are any proposals for change of rules, the proper way, insofar as is my duty to tell you, is to put a motion

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on the order paper. I do suggest that any proposals that may be made that are outside the House are a matter to discuss between the Whips or between the party leaders, and I hope that some discussions take place. In the meantime, if you have any proposals there is always an opportunity afforded by the rules to put a — motion on the order paper suggesting any changes that you wish that involve the rules committee of this House. That is the way traditionally that rules are changed by the House.

MR. BENNETT: On a point of order, Mr. Speaker. That's fine that you have no knowledge, but the government House Leader keeps referring to these schedules of which you have no knowledge. The only notification we get is that the House Leader keeps referring to schedules or agreements or supposed agreements which are not before the House. It's the only information we get.

MR. SPEAKER: May I point out that the initiative is always vested in the Crown, through the Ministers, to set up the particular items for discussion in estimates in Committee of the Whole House. That is a tradition that has gone back many hundreds of years. Therefore the House, if it wanted to alter that, would have to have the consent of the Crown to alter the initiative that is in the government to do that. But when it comes to the estimates themselves, either there can be agreement among the Whips outside the chamber, or, if that can't be arranged, the only alternative I can suggest, as Speaker, is that there be some proposal put forward by the opposition in a motion that is printed and is before the House to consider. You know that I can't offer any alternatives other than that.

MR. D.A. ANDERSON: Point of order. You are quite right, of course, in saying that a motion could be put, but we know the net result of putting such a motion. It essentially puts the whole issue in cold storage forever. Mr. Speaker, this is an important issue. The proper examination of estimates has led to the execution of a number of Speakers in days gone by as the Crown deliberately refused to allow parliament to properly examine estimates.

MR. SPEAKER: I suggest we have an immediate discussion! (Laughter.)

MR. D.A. ANDERSON: While that may be a precedent to which some Members might look forward with some anticipation...

MR. SPEAKER: I'm sure they would.

MR. D.A. ANDERSON: ...the Chair itself should look to the whole fact that estimates are not being properly examined at the present time. The traditional opportunity of the opposition parties to question is no longer there as it was previously. We are being faced with a three-pronged...House Leader, Whip and Chairman interfering in our ability to present estimates.

Interjections.

MR. SPEAKER: Order, please. I think the Hon. Member is arguing a point. The Hon. Member knows, I'm quite sure, that it is not within the power of the Chair to change the rules. Consequently, I am not about to propose that we change the rules. I am suggesting the only route I know of, under our rules, for you to change the rules. Otherwise, I can offer no solution to this dilemma which you face.

MR. D.M. PHILLIPS (South Peace River): It's a \$24 million-an-hour government!

Hon. Mrs. Dailly moves adjournment of the House.

Motion approved.

The House adjourned at 6:08 p.m.

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