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3RD SESSION, 37TH PARLIAMENT

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THURSDAY, NOVEMBER 7, 2002

The House met at 2:04 p.m.

Introductions by Members

Hon. C. Clark: It's my pleasure to welcome to the House two representatives of INTRIA Items Inc., Mike Edwards and John Buck. INTRIA Items has over 600 employees in B.C. They were named by the *Globe and Mail* as one of the top 50 companies to work for in Canada, and I know that INTRIA is committed to growing and expanding in British Columbia. I hope the House will please make them welcome.

[1405]

Hon. G. Cheema: I would like to introduce nine prominent and well-respected members of the community today. I am totally honoured to be associated with them. They are Karnail S. Nagra, Dalbir S. Randhawa, Baldev S. Sandhu, Sarbjit S. Bajwa, Joginder S. Wahlla, Bob Randhawa, Tariq Ghuman, Harjinder Mangat, Navroop Kahlon. Would the House please make them very welcome.

Hon. L. Stephens: Today in the House I would like to recognize a very special person. She's been a government employee for the past 25 years and has served in 12 ministries over that time. She's currently the office coordinator in my office and really does keep us all on track. I'd like the House to congratulate Leslie Trueman.

Hon. S. Santori: Last week we had the pleasure of having the Hon. Stan Hagen up in my riding to sign off on a 50-year lease with Red Mountain. That agreement with the provincial government will make Red Mountain the second-largest ski area in British Columbia, second only to Whistler-Blackcomb.

This will open the door for 10,000 skiers and boarders a day, as well as make available the opportunity for \$33 million in investment at the Red Mountain ski resort. It gives me great pleasure today to introduce to the House from Red Mountain resorts, the principal Skat Pedersen, Don Findlay and Mike Robbins. I would ask that the House make them feel welcome.

Hon. G. Halsey-Brandt: Today in the members' gallery we have a very special guest from Switzerland. Robert Helfenstein is the newly appointed consul general of Switzerland at Vancouver, and he is visiting Victoria to make official calls on the government, the Lieutenant-Governor, the Speaker and several ministers.

Mr. Helfenstein has served his country in Paris, Bangkok, London and Athens and most recently in Switzerland's capital, Bern. We look forward to working with him and to strengthening trade and cultural relations between British Columbia and Switzerland. Please join me in giving him a very warm welcome to British Columbia.

Hon. J. van Dongen: Visiting us today from the Robert Bateman Secondary School in Abbotsford are 20

grade 11 and grade 12 law students. Accompanying them are teachers Doug Primrose and Jeff Dodds. I ask the House to please make them welcome.

Hon. T. Nebbeling: Today there is a bit of sadness in the ministry's office because one of our members is leaving. She is moving to another department. Chrissy Melling is in the gallery today. She has been exemplary for most of us and a pleasure to work with. I had a special connection with her because she, like me, has Dutch roots.

In Dutch: *Veel geluk en we praten later*. That means "good luck," and I would like the House to share with me in that greeting.

D. Hayer: I'm very pleased to announce that two of my good friends, along with many other friends, are visiting the House today. One is Tariq Ghuman, a constituent from the Surrey-Tynehead riding. The other one is Joe Wahlla. Would the House please make them very welcome.

B. Lekstrom: It's my privilege today to introduce a class of 40 students visiting from Dawson Creek's Central Middle School here today, a group of students who are involved in the Leadership 8/9 class. Accompanying the students are teachers Deirdre Fleming and Diana Lindstrom. As well, the advisers along on this trip are Joanne Nelson, James Ward, Shanon Pratt, Karen Hills and Vicki Bouchard.

As well, it's certainly a special occasion for me to be able to introduce this class, as my daughter Taiya is here. Could the House please join me in making them welcome.

Statements (Standing Order 25B)

PRIVATIZATION OF PASSENGER RAIL SERVICE

[1410]

W. Cobb: I want to take a couple of minutes to talk about B.C. Rail and the role it will play in the future in my riding. There is no doubt that this issue has touched a nerve among my constituents, as there is a real attachment to the railway. Many people have contacted me to share their concerns, and I want to assure them that their voices are being heard. The reality is, though, that B.C. Rail has been unable to run a profitable passenger service. This is not a new issue. We can't simply ignore it and hope it will go away, and we can't continue to throw money at it.

The passenger service has lost money for the last 90 years. B.C. Rail will focus on its core service, which is freight, and that's good news for the Cariboo as we work to renew the resource industries. Private passenger service has been successful in other parts of the province, and I believe it can be successful in the Cariboo if we work together.

I was encouraged to hear the member for Kamloops–North Thompson speak yesterday about the successes of the *Rocky Mountaineer* and what can be done when the private sector is allowed to market and promote a product. The ridership of the *Rocky Mountaineer* in ten years went from 11,500 when run by the government to 70,000 passengers when run by private industry. This is a success story, and I believe we can duplicate that success in the Cariboo.

The tourism potential in my region is incredible, and we need to tap into that market. B.C. Rail did not focus on passenger service, plain and simple. In 100 Mile House there were only 1,700 passengers in a year. That works out to about four people a day. We need to attract more people, and I believe the private sector can do that best. B.C. Rail will deal with freight.

I'm optimistic that a third-party owner will alert passengers to one of the most scenic and fantastic parts of British Columbia. The railway has played an important role in the development of Cariboo South, and it can play an important role once again. We all need to get on board and make sure it happens.

PIPER JAMES CLELLAND RICHARDSON

B. Penner: Just behind me out in the hallway are a number of black and white photos, which we walk past every day. These photos honour 22 British Columbians who have been awarded the Victoria Cross. The VC is the highest and most prestigious award for gallantry in the face of the enemy that can be awarded to British and Commonwealth forces. One of the photos depicts a particularly young and mischievous-looking teenager. According to the inscription, this B.C. recipient had been a resident of Chilliwack.

James Clelland Richardson was about 16 years old when he joined the army in 1914. Known as Jimmy, he was born in Scotland, later moving to Chilliwack when his father became the chief of police prior to World War I.

Assigned to the 16th infantry expeditionary force, also known as the Canadian Scottish, Jimmy served in Belgium and France. His rank was that of a private, and his role was that of a piper, to play his bagpipes and inspire his fellow soldiers while intimidating the enemy.

During the Battle of the Somme, one of the bloodiest battles of World War I, Jimmy pleaded for permission to "go in" with a planned assault on German-held positions. The Canadians came up against heavy barbed wire, and at that moment gunfire and mortar fire erupted from the German lines, and Canadian soldiers started falling to the muddy ground. Not one of the Canadian soldiers managed to get past the barbed wire. Things looked bleak indeed.

Jimmy turned to a sergeant major, asking if he should play his bagpipes: "Wull I gie them wund?" The sergeant major replied: "Aye, mon, gie them wund." According to the official citation, here's what happened next.

"Piper Richardson strode up and down outside the wire, playing his bagpipes with the greatest coolness. The effect was instantaneous. Inspired by his splendid

example, the company rushed the wire with such fury and determination that the obstacle was overcome and the position captured.

"Later, after participating in bombing operations, he was detailed to take back a wounded comrade and prisoners. After proceeding about 200 yards, Piper Richardson remembered he had left his pipes behind. Although strongly encouraged not to do so, he insisted on returning to recover his pipes. He has never been seen since, and death has been presumed accordingly, owing to the lapse of time."

Piper Richardson was later awarded the Victoria Cross for "most conspicuous bravery and devotion to duty." He is the only Canadian piper to have been awarded the Victoria Cross. Let's remember Jimmy and thousands of other soldiers who showed commitment, unflinching courage and a willingness to serve our great country.

REMEMBRANCE DAY

[1415]

H. Bloy: I would like to speak today in respect of Remembrance Day. I want to take this opportunity to pay tribute to and honour the many men and women who are serving and who have given their lives unselfishly to protect our country over many years. I want to read one of the most memorable war poems ever written. It was written during the First World War by Lt. Col. John McCrae, a medical doctor of the Canadian army. It's *In Flanders Fields*.

In Flanders fields the poppies blow
Between the crosses, row on row,
That mark our place; and in the sky
The larks, still bravely singing, fly
Scarce heard amid the guns below.

We are the Dead. Short days ago
We lived, felt dawn, saw sunset glow,
Loved and were loved, and now we lie
In Flanders fields.

Take up our quarrel with the foe:
To you from failing hands we throw
The torch; be yours to hold it high.
If ye break faith with us who die
We shall not sleep, though poppies grow
In Flanders fields.

Mr. Speaker: Hon. members and ladies and gentlemen, will you join us, please, in a moment's silence for all of our veterans.

Thank you, hon. members. Please be seated.

Oral Questions

CHILD PROTECTION

J. Kwan: When the Liberals were in opposition, they said that there was a crisis and that it needed to be addressed immediately. Let me quote the Deputy Premier. "Children are being lost on streets every day. The question we're asking today is: what is the government going to do about it?" I remind the Deputy Premier that

after extensive consultation, the previous government brought forward secure care legislation, and the Liberals supported it. Now we learn that the Liberal government has put off secure care legislation until 2005.

To the Deputy Premier: if it was such a crisis when the Liberals were in opposition, why is it not a crisis today for this government?

Hon. C. Clark: I'll be delighted to take that question on notice on behalf of the Minister of Children and Family Development.

J. Kwan: That was a quote from the Deputy Premier herself, when she was in opposition.

I would like to quote the Premier in this House on May 15, 2002. He said: "We know there are countless families in the province of B.C. who understand the urgency and the necessity for providing secure care for our children and youth in this province." The Premier asked the minister of the day: "What is the holdup? Why is the minister stalling on this matter, which has been so clearly identified as a matter of true risk to the children in the province of B.C.?" Does the Deputy Premier have an answer to the Premier's question?

Hon. C. Clark: I know the minister is working on it, and I'd be delighted to take that question on notice on his behalf.

J. Kwan: Well, the Liberals talk a good talk when they're in opposition. Now that they're in government, all the compassion they showed for children at risk is gone, sacrificed to pay for the big tax breaks to the wealthiest British Columbians. They eliminated the child, youth and family advocate office, they eliminated the office of the children's commissioner, and now they've put off the secure care legislation until 2005.

Again to the Deputy Premier: are these children at any less risk now, when the Liberals are in power? Are they at any less risk now that the Liberals are here, or was the Premier simply being hypocritical, a political opportunist, when he demanded that government act faster on secure care legislation when he was the opposition leader?

[1420]

Mr. Speaker: Hon. member, the question has been taken on notice twice. It is out of order. The Deputy Premier may answer if she wishes, or the Minister of Human Resources.

Hon. M. Coell: I'll do my best to answer some of the questions posed. In keeping with our commitment to take legislative steps to address sexually exploited youth, the Ministry of Children and Family Development is developing a new legislation, safe care, which will focus on sexually exploited youth and establish a more efficient and court-based judicial process which would be better to protect the rights of children.

CHILD CARE FUNDING

J. MacPhail: This week we learned that the Cridge Centre in Victoria and 39 more of B.C.'s best day cares are going to have to cut services because of Liberal cuts. Let me just read from a letter from the Cridge Centre...

Interjections.

J. MacPhail: Let me read me from a letter from the Cridge Centre...

Interjections.

Mr. Speaker: Order, please, hon. members.

J. MacPhail: ...sent to parents last....

Interjections.

Mr. Speaker: Order, please. Let us hear the question.

J. MacPhail: Let me just read from a letter from the Cridge Centre sent last week to parents: "The end of compensation funding means that next April, \$300,000 a year will be eliminated from our budgets. This is an impossible amount for the Cridge Centre to find from ongoing programs and services."

Today we learn about another day care that's in danger of going under because of government cuts. For 30 years the St. David's Preschool has been providing top-quality child care to parents on Vancouver's east side. As a result of the Liberals' draconian cuts to day care subsidies, many low-income parents can no longer afford to send their children to St. David's. They've had a 25 percent decline in enrolment because of the cuts to day care subsidies by this government.

To the Minister for Women's Equality: why are you threatening B.C.'s best child care facilities, like St. David's, with closure?

Hon. L. Stephens: Almost all — virtually all — of the child care centres and the child care providers in this province provide quality, affordable and accessible care for parents. This government is not cutting funding to child care centres. What we have at play is a labour negotiation that is going on.

J. MacPhail: I asked you another question. Did you listen to the question?

An Hon. Member: Do you listen...?

Mr. Speaker: Order, please.

Hon. L. Stephens: This particular agreement is again another example of this government having to clean up the mess left behind by that government. We are continuing to fund child care spaces. We will continue to fund child care spaces in the future. The new child care plan will be announced shortly.

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

J. MacPhail: I hope the minister actually listens to the question. The question was about cuts this government has made to child care subsidies, of which every government caucus member is painfully aware.

There's more to this issue. Clearly, the minister's credibility with parents is disappearing. It was just demonstrated this moment, almost as fast as day care centres are disappearing. It's not only the draconian changes to day care subsidies that are threatening centres like St. David's in east Vancouver. Every year St. David's child care centre received gaming funds to help operate its facility — every year. This year their application has been stalled in Liberal red tape. That's despite the fact that the minister responsible for gaming assured this House earlier this year that his changes will make things easier for non-profits like St. David's to access those funds. As of this morning, they have received nothing. They made their application, as they do every year, in April.

To the Minister for Women's Equality: will you do your job for a change and demand that the gaming minister release funds to B.C.'s child care centres before more kids are thrown out of child care by this government?

[1425]

Hon. R. Coleman: As the member well knows, there is a process with regards to gaming applications, and in actual fact, our staff have moved the backlog pretty well in the last number of months.

One of the pressures we've experienced is the over-application of an unsustainable amount of money for charities in the province of British Columbia. This year we are still doing the exact amount of money we've always done for gaming in the past. Those grants are processing through. I will look into St. David's as an individual application, but the member darned well knows we are processing the funds, we are delivering the funds, and the charities are receiving the funds in an expeditious manner based on the program available.

Interjections.

Mr. Speaker: Order. Order, hon. members. Order. Will the Leader of the Opposition and the Solicitor General please come to order, and the Minister of Energy and Mines. Let's have some decorum here while we hear the question from the member for Maple Ridge–Pitt Meadows.

PUBLIC SERVICE PENSION PLAN CHANGES

K. Stewart: My question is to the Minister of Finance. Recently I have received a number of inquiries from retired civil servants concerning changes to their pension plan and what impact these changes will have on their retirement plans.

To the Minister of Finance: can he tell me and my constituents who made these changes and why they were made?

Hon. G. Collins: Perhaps I can take the opportunity to answer two questions, the one posed by the former Minister of Finance. It was the NDP who stole money from charities — nobody else in British Columbia. It was the NDP, and I'm...

Interjections.

Mr. Speaker: Order, please. Order.

Hon. G. Collins: ...actually astounded she would have the gall to even ask that question.

But to answer the question posed by the member from Maple Ridge, a number of years ago the previous government went into a system of comanagement with the public sector unions around public sector pension plans, so the government no longer makes decisions with regard to the benefits that are given or not given to beneficiaries of that plan. There is something in that plan called an inflation adjustment account to which money is allocated, and it's there to deal with costs of living to adjust the dollars that the members actually receive in their pension cheque.

If the earnings that the pension plan makes from its other investments are sufficient to offset the growth in costs of living, then the inflation adjustment account can be used for other things. In fact, they have been used over the years, as those surpluses were there, to provide what are called temporary benefits for members. They're called temporary benefits because they're not necessarily part of the plan, and they won't necessarily be there forever.

So if the results of the investments that are made, the profits from those investments decline or the cost of those benefits rises... The trustees have to make a decision, and their first priority is to make sure that the cash payment to the members is there and the temporary benefits need to be scaled back. That's what's happened in this case. I'm assuming that's what the trustees are doing.

Mr. Speaker: The member for Maple Ridge–Pitt Meadows has a supplementary question.

K. Stewart: We're all aware of the difficulties in the investment situation out there in the environment where many people's moneys are placed. Many seniors in British Columbia, though, live on fixed income and are concerned about government policies that are going to make it harder to make ends meet.

Can the Minister of Finance tell us what the government is doing to help lower-income British Columbians?

Hon. G. Collins: Well, the first thing we did in office, despite the comments from members of the NDP, was provide a tax cut — not just to the wealthy in British

Columbia but to low-income individuals as well — of 28 percent for those earning \$30,000 or less.

We've also increased the tax credit for disabled people and their caregivers. We have adjusted the MSP premiums so that people on low income — about 230,000 additional people on low income — pay either less or no MSP premiums. We've also increased the refundable sales tax credit. We focused the employment and income assistance on helping people get back into the workforce. We raised the disability earning exemption by 50 percent. We increased the budget for subsidized housing by 15 percent, and we increased focus on early childhood development. There's a series of things this government has done to make sure the people at the low-income level have been protected from some of the tough decisions that need to be made and, in fact, have received additional benefits.

[1430]

SEX OFFENDER REGISTRY

B. Penner: My question is to the Solicitor General. Canadian Premiers have talked for years about the need for a national sex offender registry. This week, coming out of meetings in Calgary with his provincial counterparts, the federal Justice minister announced the federal government will indeed now take steps to implement such a registry.

Can the Solicitor General provide British Columbians with further details on this announcement?

Hon. R. Coleman: At the federal justice ministers conference, which was the last couple of days in Calgary with all of the justice ministers of Canada, the federal government did indeed outline what we as ministers have been asking for and working with the federal government for some time to accomplish, and that is a national sex offender registry as part of the Canadian police information computer system, which we refer to as CPIC, the system that handles all the wants and warrants.

We are pleased with this step. As far as the national sex offender registry, there are still some issues to be worked out. But we're glad that through the initiatives of ourselves, Ontario and Alberta, they have moved to a national registry, which we wanted all along. Frankly, we wanted no borders for sex offenders to be able to move across this country without us knowing where they were.

Mr. Speaker: The member for Chilliwack-Kent has a supplementary question.

B. Penner: That sounds like good news, because British Columbians have been waiting a long time for such a registry. In opposition, B.C. Liberals supported the need to implement a sex offender registry. Now that this announcement has finally been made, can the Solicitor General explain to us a bit more how it may eventually protect British Columbians?

Hon. R. Coleman: This is a good first step. It allows us to establish a registry. There are some issues we're going to have to nail down with regards to retroactivity as far as sex offenders already in our system that we would want to have registered: photographic ability, which the CPIC system can't necessarily handle but we think we can enhance with our PRIME-BC, which we're implementing across the province, along with GPS mapping which would be used as an investigative tool.

This is a step relative to sex offenders, but we must also remember there are steps that we're trying to do in British Columbia — some other initiatives where we would be able to track actual repeat sex offenders who we know are in danger of re-offending, because they know they will re-offend within a certain period of time. This is one tool as part of a bigger picture that we're going to build to protect our children in this province.

[End of question period.]

POST-OPERATIVE CARE BEDS

Hon. C. Hansen: Yesterday I took on notice a question from the member for Vancouver–Mount Pleasant with regard to a patient from Kelowna. The member referred to a letter that had been sent to me dated September 10. I can assure the House that following receipt of that letter, officials from the health authority met with the family on several occasions, including a meeting with the chief executive officer. While the patient was still in the hospital a convalescent plan was put forward that would see the patient discharged a week after surgery and returned to the retirement residence where she lived with full nursing support. This is an entirely appropriate and safe form of care for a patient in this particular circumstance and would have been fully funded by the taxpayers of British Columbia.

The family rejected this plan and instead chose the option of placing the patient in a totally private care facility. In doing so, they have to assume the obligations for the costs that were incurred.

Reports from Committees

K. Stewart: Hon. Speaker, I have the honour today to present the first report of the Select Standing Committee on Crown Corporations for the third session of the thirty-seventh parliament. I move the report be taken as read and received.

Motion approved.

K. Stewart: I ask leave of the House to suspend the rules to permit the moving of a motion to adopt the report.

Leave granted.

K. Stewart: I move the report be adopted. In doing so, I wish to make a few comments.

I'd first like to thank the committee members, Clerk of Committees staff and presenting witnesses for their cooperation in this process. After almost a 20-year gap, this is the first report to hold the Crown corporations directly accountable through a transparent process to this House and the people of British Columbia.

[1435]

All the transcripts of the interviews are in *Hansard*, directly available to the public as completed. This report will also be available on the Internet this afternoon, thus meshing the goals of openness and transparency with technology. It is my pleasure to deliver this report and to continue the process of holding the government Crown corporations accountable to the public we serve.

Mr. Speaker: The question is adoption of the report.

Motion approved.

B. Penner: I, too, have the honour to present a report, this time from the Select Standing Committee on Parliamentary Reform, Ethical Conduct, Standing Orders and Private Bills.

I move the report be taken and read as received.

Motion approved.

B. Penner: By leave, I move that the report be adopted.

Leave granted.

Motion approved.

Orders of the Day

Hon. G. Collins: I call continued debate on second reading of Bill 74.

Second Reading of Bills

FOREST AND RANGE PRACTICES ACT (continued)

M. Hunter: I'm pleased to have this opportunity to speak to a bill, the Forest and Range Practices Act, that represents, in my opinion, a turning point in the history of British Columbia. Why do I say it's a turning point? In order to do that, I want to take a look back and take a moment to see what's happened to the forest industry.

I have to make a confession, though. My knowledge of the B.C. forest industry came relatively late in life, because as a youth growing up in the United Kingdom, I thought forests were collections of trees in the corner of a field where you went for a quiet smoke. I thought that Sherwood Forest, the legendary home of Robin Hood, was a pretty big place. But when I was 17, I went on a trip that took me to a small part of Scandinavia, to the Soviet Union and to Eastern Europe, and I

started to realize there were more trees in the world than I had thought.

A few years later I got on a train in Montreal and travelled through the great expanses of northern Ontario. Two days later I was coming down the North Thompson and the Fraser valleys and starting to realize what a forest really was. Since then, I've had the opportunity and the privilege to see much of British Columbia and to realize how vast our forests are and how important they are to the history and the future of our province.

I've come to understand, I think, more than a little about the role the forests play in the ecological fabric of where we live as well. I've had the pleasure of reading some of the exploits of pioneers like Jim Spilsbury, whose accounts of life in coastal B.C. and in coastal forest camps earlier in the last century should be required reading in our public schools. I'm sorry the Minister of Education isn't here to hear that. Jim Spilsbury's recollections tell how essential and integral forestry is in British Columbia, especially on the coast.

How many of our children understand that in their grandfather's day, there was a sawmill and a salmon cannery in just about every cove along the length and breadth of our coastline? How many of these children today understand that the historical pattern of industrial activity that existed then continues to influence how the province works today? I've had the privilege in my life of working with people who were active in the heyday of the commercial salmon and herring fisheries, and I've heard their accounts of how the coastal forest industry conducted its affairs.

[1440]

It's fair to say that the relationship between the forest industry and the fishing industry was not always calm and friendly. In fact, it was one characterized by enmity. Forestry practices in some parts of British Columbia, frankly, did have unmistakable adverse impacts on other resource values, including fish. I'm not an apologist for the kind of behaviour or the standards that allowed the logging of hillsides right down to the spawning gravel. Nor do I think that forestry created every bit of variability in fish stocks over 100 years, as some would have you believe.

It's very easy to criticize long after the fact. It's easy to pick on the mistakes that were made and to ignore the changes that have happened in our lifetimes in our forest industry. Let's make no mistake. The forest industry is one of the key reasons why we are here enjoying the standard of living we do. That is why this bill is so important, and that is why I call it a turning point.

The forest industry, unfortunately, is an industrial sector that has been taken for granted for far too long. Not so many years ago, residents of Vancouver knew the forest industry. False Creek was home to a variety of businesses that transformed wood into usable products. Many of us will remember walking across the old Cambie Bridge by the cooperages and the other factories that existed there. Every September the air would fill with the smoke of slash-burning fires. But now few people in our largest metropolitan area notice when

another timber factory, lumber facility or manufacturing facility closes. You have to wonder these days if people think that the lumber business starts and ends at Revy or Home Depot.

The fact is, and it's useful to remind people, that you can't make a pencil without cutting down a tree. You can't frame a house without cutting down a few trees. You can't pay for public services without cutting down a whole bunch of trees. It's sad that the obvious has to be stated, but it does. People in this province simply have to get their heads around the fact that without a competitive, profitable and innovative forest industry, we will become the Argentina of the north.

I have nothing against Argentina, especially since my home country, England, knocked them out of the World Cup last June. But it's worthwhile remembering that Argentina went from the world's eighth-largest economy pre-Second World War to somewhere near the bottom of the pack. We cannot and must not allow the same fate to happen to British Columbia.

That's why I'm stressing the importance of the forest industry and why we must continue to drive home the message that we must assist the industry to rebuild its sagging fortunes. If anybody thinks the fortunes of the industry aren't sagging, all you have to do is read the Pearse report from last November. Dr. Pearse focused on the coastal forest industry, as he was requested to do. But he paints a picture of an industry in decline, an aging capital stock that has not been replaced in 25 years, an aging labour force like some of us around here, no product innovation, low or even negative returns on equity invested — not good signals for any industry on which our entire economy still depends.

Government has had not a little to do with the decline of the forest industry. I just want to confine my remarks to the coast in this respect, because that's where I have learned about the forest industry in B.C. and what I mostly know about it. Government has increased the costs of the forest industry in coastal B.C. The Forest Practices Code that we are now about to change is just one government impact. High corporate taxes, capital taxes, sales tax on machinery — all of these and more have conspired to make our industry uncompetitive.

Let's look for a moment at the pulp sector. I have a pulp mill in my riding. It provides high-paying jobs to more than 600 people in Nanaimo, people who provide for their families and who buy goods and services in their neighbourhood and in mine. The pulp industry is having a tough time. Why? Well, British Columbia has moved from a low-cost producer to a high-cost producer. Southern radiata pine pulp is threatening the B.C. product in markets around the world, even though it is less desirable as a raw material for paper production.

[1445]

The cost of raw material, the wood chips, is making the pulp cost too high. Wood chips cost a lot because of government-imposed costs. Now, no one can legitimately complain about the costs of environmental pro-

tection. The days of the smell of money are gone forever, and some of us will remember when you went past a pulp mill, that was what you smelled. Those days are gone, but government has kept driving up costs. Workers Compensation Board rates in the pulp industry alone, in 2003, will increase costs in my mill by over a quarter of a million dollars.

I have other lumber manufacturers in my riding, companies that are struggling to make paper-thin margins. They're running 24 hours a day, seven days a week, to keep their unit costs low enough to be competitive. They're being innovative with product development, marketing, the sourcing of raw materials and, importantly, labour relations. They don't need government to add more costs. They need us to reduce costs and be a partner in regaining competitiveness and strengthening competitiveness and profit margins, because without profits, there will be no improvements in capital and no investment in labour. Assets will become depreciated, not replaced, just like in Argentina.

In difficult circumstances over the last decade and a half, the B.C. forest industry has been remarkably adept. In the face of what I call economic terrorism, threats of boycotts, and so on, and efforts by Canadians and foreigners to impose specific trade boycotts, in the face of a determined southeast U.S. lumber trade lobby and an unfriendly if not hostile NDP government, industry is still here, and it can be rebuilt.

The Forest Practices Code simply added insult to injury in the mid-1990s. If it was a defence against economic terrorism, it was ill-advised, in my opinion. Together with the infamous jobs and timber accord, it represented the height of state intervention and interference. Remember the jobs and timber accord — the 22,000 new jobs? The results from that: 8,500 jobs actually lost.

The Forest Practices Code substituted government bureaucracy for common sense, on-the-ground knowledge and professional judgment. The Forest Practices Code, as it exists today, said that the industry which contributed the most to this province could not be trusted, that its employees and contractors couldn't do their job.

This bill we are debating today is long overdue and most welcome. This bill represents a start in the process of industry rejuvenation. I would remind the minister that it's not the only reform that is needed. I look forward to acting in other ways to bring the industry's legal and regulatory structure into the twenty-first century.

The forest industry knows what the government knows. It knows that environmental protection is a fundamental and unalterable commitment of this generation to the next and the next. We know that environmental protection and economic activity through the harvesting of trees are compatible, not opposing, objectives. In many ways the forest industry in B.C. has led a revolution in forest practices. On Crown land and on private lands, industry practice in B.C. is the best practice anywhere.

Remember the old Participation ads and how the 60-year-old Swede easily beat the 30-year-old Canadian? Well, it's time to show the Swedes that we can beat them in forestry, that we take a back seat to no country when it comes to environmental protection and stewardship. Whether it's protection of wetlands, fish habitat, botanical habitat or a host of other values, B.C.'s forest industry practices are leading the world, and they will improve even more under this bill.

We have nothing to be ashamed of and everything to be proud of. If anybody doubts this, just go and ask a forest company to show you what they do. Ask to talk to their employees and contractors on the ground. Ask to talk to their professional foresters and biologists. Be prepared to be impressed by a commitment to sustainability, to continuous improvement and to stewardship of the highest order.

[1450]

This bill establishes a system which will codify modern professional practice and ethics and ensure compliance. To those who say we're simply handing over control of B.C.'s forests to the tenure holders and the licensees, I say: you couldn't be more wrong. In fact, this legislation will allow the Ministry of Forests enforcement staff to spend their time in the field auditing and inspecting rather than pushing the mounds of paper that the NDP foisted upon them. There's nothing more counterproductive than an enforcement staff that cannot enforce or an inspector who cannot inspect but who, instead, has to fill out government forms.

I'm an old fish guy. I was involved in a change in Canada's food inspection over a decade ago. It was a change which introduced an inspection and enforcement methodology that I think is reflected in this bill. We are not breaking huge new ground here. This is not radical change in regulation. It's bringing forestry practices into the twenty-first century.

Let me explain why I say that. In the late 1980s Canadian fish processors agreed to assume responsibility and accountability for the products they produced, for their quality and their safety. The government inspector became an auditor, ensuring that critical points in the food-manufacturing process were actually being managed and controlled by that producer. What we had, and what we have here in the new forest practices code in the Forest and Range Practices Act, is a science-based methodology that has found acceptance in many fields worldwide. It's a methodology where producers must exhibit that they do control critical points in the production process.

It is a methodology that this bill adapts for our forest sector. It sets out the values that must be respected. It sets out the responsibility of the producer, the licensee, the harvester or the rancher to protect those values, and it provides for government to audit, inspect and enforce compliance. It is a methodology that employs the professional skill that exists today in the B.C. forest workforce. It means that professional foresters, ecologists, biologists, botanists and other professionals will spend time in the woods, not filling out government forms.

Other speakers have noted that the last government admitted that the Forest Practices Code that it introduced added over \$1 billion of costs to the B.C. forest industry to no public purpose. It's better that I repeat that so that the record records it again. That \$1 billion in costs imposed by the last government did nothing to improve environmental stewardship. It was \$1 billion in costs that drove jobs out of my community, a billion dollars in costs that could have contributed to a renewal of capital stock, diversification of products and markets, employee training — pick your subject. It was a billion dollars wasted. B.C.'s lifeblood — because that's what we're talking about in the forest industry — was being sucked dry by a Forest Practices Code that was prescriptive at a time when it should have permitted innovation. I hope the people of this province will never forget the mistake that the last government made and that we will never repeat it.

Yes, my community lost jobs. The lumber sector itself has shed jobs. Mills in Nanaimo remain open for the most part, but they operate with less labour, because the increased costs of the Forest Practices Code had to be shaved somewhere. The forest service sector in my community — the equipment manufacturers, the machine and welding shops, the electricians and other trades that keep the forest industry operating — have suffered because they had to pay the billion dollars in costs that the Forest Practices Code imposed.

I want to switch for a moment to talk about the consultation process, because I know that some have tried to criticize the process that led to the act that the minister has introduced. That criticism, in my view, is patently ridiculous. Dr. Hoberg, my colleague the MLA for North Island, industry, unions and first nations have all been involved in a process that was iterative, productive and always challenging of the status quo. I haven't even mentioned the almost 90,000 hits to the website. I'm proud of the consultations that the minister held before introducing this bill.

That commitment to consultation continues in the bill. Forest stewardship plans will require consultation by the licensee to ensure that the public interest is reflected and that aboriginal interests are taken into account. This requirement is consistent with our government's overall commitment to openness and transparency.

This bill is the start of the process of repairing the forest sector. It is not the end. We still must deal with other issues where modernization is needed, where incentives to investment are required. We have to continue to pursue the establishment of a secure market in the United States of America. We have to expand our markets into Asia and back into Europe.

[1455]

When I was in Europe in the middle of the summer, I learned that in the United Kingdom alone, 4.5 million new housing units are required to be built in the next few years to replace old stock and to provide new housing for a growing population. It's true that houses in the United Kingdom will continue to be built with brick. That culture will not disappear, but even brick

houses need wooden joists and rafters. They need wooden kitchen cupboards, shelves and doors.

Do we think that the B.C. industry should lie down and let the Scandinavians and the Baltic states just have that market? I don't. Yes, the European Union is a tough environment in which to do business, but it's bigger than NAFTA and just as rich. It's time to stop being myopic about marketing. It's time to make it clear that we, too, provide products that earn environmental seals of approval that European consumers like. This new code builds on and assists our industry in third-party certification. That's great.

I want our forest industry to reclaim its rightful place as a low-cost, high-efficiency producer — as an innovator, not a copier. I want our forest industry workers to be proud of the work they do and confident that they are leaving behind an environment that will continue to support fauna and flora and tree-harvesting into the future. I want the forest industry to invest anew in my community and my region, confident that it has the support of the people and the government with a legal and economic framework that encourages and rewards success. I want a forest industry that does not tolerate bad behaviour.

This bill sets us on the road that will start to bring about these results. We cannot fail, because failure of the forest industry means the failure of B.C. I am pleased to support this bill, and I am anxiously looking forward to the important changes that it will bring.

J. Les: It's my pleasure this afternoon to rise and participate in second reading debate on Bill 74, the Forest and Range Practices Act. Although I am not the most knowledgeable member in this House when it comes to forestry matters and although my riding is not one of those that would at first blush appear to be that dependent on the forest industry, I think it is still important for me to participate in this debate.

All of our ridings and all of our communities in British Columbia are very dependent on the forest industry. I think it's fair to say that the forest industry, second to none, is the industry that has developed and has been the basis of growth for this province over the last 150 years. I don't think there's any arguing that statistic. If we're going to have a sustainable province in the future, if we're going to have sustainable social programs in this province in the future, it is vital that we have a vibrant and sustainable forest industry in British Columbia. I think we can have that sustainable forest industry. In spite of the difficulties we've encountered over the last several years, I believe the future of this industry can indeed be what it once was in the past, when it was very much the basis on which the economy of this province thrived.

This Bill 74 has been much anticipated not only by industry but by many serious-thinking British Columbians who came to understand that the previous regulatory regime in the forests of British Columbia was failing the forest, was failing British Columbians and was failing the people who are employed in the forest industry.

[1500]

I thought it was rather ironic that we had what was called the Forest Practices Code, which was held up by many as being absolutely key and vital to the sustainability of the forest. While that assertion was being made, we on the other hand had a pine beetle that was ravaging the interior forest in the province, and everybody sat by and fiddled as that beetle worked its way through and continues to work its way through the pine forests of British Columbia. Today we have an unfortunate situation where an area roughly twice the size of Vancouver Island has now been affected by the pine beetle infestation, and that infestation still carries on more or less exponentially. It is now far too late to pretend that we can have any significant impact on the spread of that beetle, although as a result of recommendations that were made by the task force last year, the Minister of Forests and his staff are trying as best they can to deal with that infestation.

If there had been a reasonable response when this problem first emerged — as I understand it, in Tweedsmuir Park — if there had been a pragmatic response to that emerging emergency in the forest when that pine beetle first emerged, we would not have laid waste to all those hundreds of thousands of acres of forest throughout the interior of British Columbia. On the one hand, we had people saying the Forest Practices Code was the environmental salvation of the forests of British Columbia. The very same people were sitting by and doing nothing while the pine beetle was laying waste to all of this forest in British Columbia and creating what is in effect an environmental desert that we have today in the interior. I would submit that we had people certainly not walking the talk over the last decade when it came to managing the forest.

It should also be pointed out that the world as we know it will not end, as some would have it, if we transition into this new era of sustaining and managing our forests in British Columbia. We have thousands of people in British Columbia who have made a profession of educating themselves and developing careers around managing the forest in a professional and sustainable way — registered professional foresters and biologists — all of whom know how to do their work and know what it is like to manage a forest and prefer to do that on the ground, in the forest, not locked up in an office somewhere processing reams and piles of paperwork. I have been to the offices of various logging and forestry companies throughout British Columbia, and I have looked on in amazement at the thousands of files, the stacks and stacks of paper that these companies have to process. I would often shake my head and wonder why it is that anybody would want to be involved in the forest industry in British Columbia. It is an absolute bureaucratic nightmare today. All of that bureaucratic effort, I'm afraid, has very, very little to do with excellence in terms of forest management. It perhaps has been somewhat good for the pulp industry, but other than that, there has been little to show for it in terms of a better forest in British Columbia.

Good forest management is not necessarily dependent on ever-increasing numbers of staff and on ever-increasing amounts of bureaucratic paperwork, so this act acts as a significant transition to what I think is going to be a far more pragmatic and commonsense solution and approach to forest management. It anticipates a forest stewardship plan that would be filed for all of the activities in a certain woodlot or licence area. I am particularly interested, and I am very appreciative of the fact that it specifically looks at woodlot licence owners and treats them in a somewhat different way than some of the other interests in the forest. I am a real believer in woodlot licences as a very productive form of tenure in the forest. I would hope that in the future we could find ways to increase that type of tenure for individual British Columbians and perhaps first nations British Columbians in particular. The provisions that are made for woodlot licence owners are very productive and, I think, in the long term are going to be very beneficial for individual British Columbians as they care for the forest and make a living based on that forest.

[1505]

As I've said before, my riding is not one where there is much logging activity today. As a matter of fact, it is sometimes said that my riding is in one of those areas of the province that is today the largest clearcut in the province of British Columbia, and that would be the Fraser Valley and the lower mainland. It's true. All of that area, about 150 years ago, was wall-to-wall trees. Right from Hope out to the coast were some of the largest trees that perhaps you won't even see today. It was decided back then to start cutting the trees in that area. Of course, that land has been put to many and various uses today. My riding, I guess, is a pretty good example of alternate land uses that sometimes evolve in those areas where.... My riding today, for example, is composed of tens of thousands of acres of agricultural land that feeds all British Columbians and beyond.

I simply bring that up to point out that even though some would refer to that as one large clearcut, there are many different and beneficial uses to which land can be put. The forest industry today.... In spite of the picture that some would want to paint today, in any given year forestry is carried out on about 1/5 of 1 percent of the land base of the province of British Columbia.

I'm often a proponent for people to get up in an airplane and fly around British Columbia. I think it really helps with perspective. I've had the opportunity to fly north and south and east and west across the province. There are many times when you look out of the window of an airplane and will not see any evidence of human activity whatsoever — no roads, no towns, no logging. It is almost as pristine as you could imagine. There are other places, granted, where you can see evidence of logging activity and, in fact, towns and roads and those kinds of things.

My point is this: British Columbia is one vast province. It is equivalent in area to the size of England, France and Germany put together. It is equivalent in

area to the states of California, Oregon, Washington and Idaho put together. We have one huge province, and we use only 1/5 of 1 percent of that area every year for the actively logged forest. There is lots of room in this province we call British Columbia for a healthy, sustainable and vital forest industry.

I've had occasion to drive up the Island Highway north from Campbell River towards Port Hardy. The forest industry there has adopted what I think is a very good innovation, in that it puts up very large signs that indicate when a forest was first logged and when it was replanted and when it was logged again and when it was replanted again. There are a couple of locations there where the forest is being regrown for the third time.

If there's one thing I would suggest today as an innovation that I think has been very educational and that we should do more of, I think that is it. We often take for granted that everybody understands exactly what is happening in the forest. We need to do a better job, I think, of educating British Columbians as to what happens in the forest and what are, in fact, the very good forest practices that are carried out. In the absence of that education, it is altogether too easy for those who are opposed to any form of forest industry in this province to paint a picture that is less than accurate and, therefore, is detrimental not only to the forest industry but to all British Columbians.

In closing, I not only want to commend the Minister of Forests for bringing forward this much-anticipated legislation, but I also want to pay tribute to my colleagues who served on the caucus committee that travelled the length and breadth of this province for many days and met in many communities with literally hundreds of people. I think the act today, as it stands, is a testimony to all of their efforts. They have been vitally interested to ensure that this act was the very best it could possibly be.

Many of them come from forest-dependent communities. Some of them come from a very solid background in the forest industry. I think the act reflects that knowledge and experience, and I want to thank them for incorporating and contributing to the act as they have. We also have, of course, the contributions of academia and the contributions of the forest sector, the forest companies. They, too, have had a vital contribution to making this act the very best it can be.

[1510]

In summary, Mr. Speaker, I believe this is a huge step forward. I think this is an act that is marked by pragmatism. I think the result will be a better-managed forest, a more viable forest industry and an even larger contribution from this industry to the important programs that British Columbians have come to rely on.

D. Chutter: I come from a rural community, and I represent over a dozen rural communities in my riding of Yale-Lillooet, most of whom are directly dependent on the forest industry and many that are greatly influenced by the ranching industry.

Bill 74, the Forest and Range Practices Act, is great news for these communities. It is significant legislation, in my view, not just for rural communities but also for all British Columbians. Every citizen, every city, every town, every man, woman and child in B.C. will benefit from this legislation, because it will contribute to reviving the forest industry. This revival will be assisted by reducing the suffocating regulation and red tape of the old code, thereby reducing costs to industry and yet ensuring results are achieved that are necessary to sustain the environment. The fact is that the forest industry contributes almost one-quarter of all revenues to the government, which means that when the forest industry thrives, everybody in this province benefits.

What has inspired me with Bill 74 is that we have a government and a Minister of Forests that has developed policy involving extensive consultation with the forest industry, the ranching industry and corresponding professionals. The proof is in the legislation. The minister actually listened to and heard the people involved — the people knowledgeable about range and forest issues and uses.

Finally, we have a government that trusts people, that listens to British Columbians, to our professional foresters, biologists and agrologists, our woodlot owners and our ranchers, all of whom are interested in looking after the environment while earning their living from the land.

Trust, respect and consultation are what our new era in governance is about, and the Forest and Range Practices Act reflects this. Just the name of the act itself says a lot about the government's understanding of the issue. It acknowledges all the players on the forest land base: the forestry, woodlot and ranching industries. It acknowledges the components of the forest land made up of trees, open grasslands and the grasslands under the tree canopy. The name acknowledges the commitment of this government to look after the land base for future generations by appropriate practices.

This legislation is a win-win for the environment and the economy of B.C. It is a win-win because finally we have a land use policy that recognizes that we humans are capable of looking after the land in a sustainable manner and yet harvesting the land to feed us and create wealth in order to afford social services such as health care and education.

We must always remember that the means to maintain a healthy environment is by having a healthy economy, and this legislation supports this interdependency. This win-win for the environment and economy is achieved because the legislation reflects principles of sound science to direct management and support environmental sustainability. Bill 74 allows for the flexibility and freedom to utilize the latest science and innovative thinking by both professional and non-professional participants to manage the land in new and better ways, and that is progress.

I appreciate, along with many of my fellow ranchers, the fact that the ministry and the minister held extensive consultation with the ranching community as represented by the B.C. Cattlemen's Association, which

has a membership of 1,400 producers. I want to thank the chair of the MLA committee on the results-based code, the member for North Island, for his outstanding efforts to repeatedly meet with the ranchers and to personally get out on the grasslands to view and experience their challenges.

What is absolutely amazing to me is that the member of the opposition in yesterday's response did not even mention the ranching component of the act. The opposition did not consider the implications of this legislation to the ranching industry, an industry that contributes three-quarters of a billion dollars to the provincial economy and involves thousands of people and families in rural B.C. Obviously, the opposition doesn't care. Well, I care, and so do all of my colleagues in this government. We care about agriculture. We care about hard-working families in rural communities, and we care about the environment.

[1515]

This government, by way of this legislation, has responded to the concerns in forestry and ranching. Bill 74 recognizes the variability in forests and grasslands throughout the province and so provides the flexibility to manage. It recognizes the challenges in the ranching industry such as that, unlike trees, cattle move around and that other factors beyond the control of the rancher impact the ability to manage. Just the simple act of another user leaving a gate open, allowing cattle to move to another area, can significantly impact grassland management.

Under the old code, ranchers found themselves signing range use plans, knowing they could not live up to the agreement, could not achieve full compliance. The Forest and Range Practices Act recognizes that the forest industry competes in a global market and therefore must be cost-competitive, with the ability to certify sustainable practices.

The forestry and ranching industries want to look after the forested lands and the grasslands. It is in their interest to do so. This legislation will assist both industries to continue to do just that: to carry on in business, providing jobs and revenue to the province, and to practise sustainable environmental stewardship.

In closing, I support Bill 74. There is more work to do on formulating regulations to accompany this legislation, but with continued consultation, I am confident this next step will be equally productive in assisting the forest industry to thrive once again.

J. Nuraney: As you have heard, various colleagues of mine around this House have spoken in favour of this bill, and I also rise to speak in favour of Bill 74. We have, in this province, been blessed with lots of trees. They are a resource that is in abundance. Forestry is one of our major industries. It is a resource which has served the province well over the years and has brought a sense of well-being throughout the province.

The industry and the operators felt that the regulations governing the practices code were too rigid and cumbersome to allow a climate of innovation. One of the new-era promises this government made was to

streamline the Forest Practices Code to establish a workable, results-based code with tough penalties for non-compliance. The act before us does exactly that. We have, after extensive consultation with all the stakeholders in the industry, arrived at this code, which reduces the regulatory burden and allows the operators to be more innovative and efficient, which we must accomplish to be competitive in this global market.

A self-regulatory process imposes the responsibility on the industry. While we have supervision to ensure compliance, this model puts the onus on the industry to act responsibly. British Columbia is a leader in moving from a prescriptive forest management regime to one that is more adaptable to site-specific conditions. It is one of the first in North America that requires companies to pursue sustainable forest management practices and planning and to provide measurable results. It is also one of the first to require that companies specifically address biodiversity.

Forestry is our heritage and a renewable resource which we must maintain, bearing in mind the environmental concerns whilst we reap the economic benefits out of this industry. Great progress is in the offing with this new code. All those involved applaud the hard work and the vision of our Minister of Forests and his staff.

[1520]

The past government had a philosophical bent which brought in more restrictive measures and prevented the leaders of the industry from exercising their best judgment. The result was stagnation and a downward trend in our economic activity. Our government has vowed to change this trend and to return to the age of prosperity that has been the inherent right of all British Columbians.

It is my belief that this results-based code will strengthen British Columbia's economic base and provide more jobs and security across the province. I do support Bill 74, and I once again applaud the minister for his hard work on this bill, which meets the vision and epitomizes what this government has been saying it will do: bring changes that will effectively improve the future of this province.

D. Hayer: I welcome this opportunity to rise today to address the new forest practices code. I have, in my riding of Surrey-Tynehead, many lumber mills and many workers in the forest industry. This new code is good for my constituents, good for the forest industry and good for British Columbia. Without question and without debate, it is a win-win for us all. I have met with many forest workers in my riding. I have met with leaders of the IWA, and I know these leaders, these union members, support this new code.

I stand fully behind the Minister of Forests on this new code, because I know it is good for all of us. It will bolster our economy and put people back to work, and it will go very far in maintaining the current jobs in the industry. I also know that the forest companies and the mill owners support this new code because it cuts red

tape. It makes industry more efficient, and at the same time it is good for the environment.

I have met many, many times with the Minister of Forests. He has toured mills in my riding, mills that are considered some of the most efficient on this continent. This new code will keep those mills working, and it will keep constituents of mine working. This government made a commitment in its *New Era* document to streamline the Forest Practices Code, and we are delivering on this promise today.

This new code will certainly promote innovation in the industry, but what is important is that it will also maintain the high environmental standards that protect our forests and that most British Columbians hold very dear. With this new code, we will see forest sector professionals spending their time and resources managing our forest values, instead of sitting at their desks shuffling papers and wading through the mountains of red tape that the previous code strangled our industry with. This new code will put those professionals out in the field managing our forests and assisting our economy rather than sitting in their offices managing red tape.

This new code is a win-win for everyone in the forest sector, and it's certainly a win-win for British Columbia's economy. For all of us in this province, no matter where we live or what we do, our lifestyle is affected by the revenues that come from our biggest resource and our biggest economic engine.

The other very strong point in this code is that this is a framework for a solid forest practices regime in B.C. The Ministry of Forests and this government can make changes as we go to improve its strength, improve its call for innovation practices and ensure ongoing protection for our precious environmental values.

That protection will come in the form of very clear standards for a wide variety of forest values, including water quality and wildlife, from old-growth stands of timber to the soils that nurture them. I want to make it very clear to those who are speaking against this new code that it has teeth in it. It is not an open door to careless exploitation of our forests. The new plan will identify measurable and enforceable results that the forest company must achieve, or they will face severe penalties.

[1525]

This new code contains provisions for fines up to \$1 million and time in jail. In fact, when the new code takes effect in April of 2003, some penalties will double over what is currently in place.

It is also important that the new code has not been developed in isolation. The Ministry of Water, Land, and Air Protection has been involved and will continue to be very involved in ensuring that there are safeguards in place for key values, for species at risk. This new code will ensure that forest companies not only meet B.C.'s stringent environmental requirements but exceed them. This will create a forest industry that can practise sustainable forestry while being environmentally responsible.

As I said previously, the main strength of this new code is not simply the new regulation that will be in place, but the fact that there will be a public advisory committee in place to review the progress of the code and work in concert with scientists, researchers and experts that will continue to improve the code. This new legislation is a win-win for all British Columbians, and I support it fully and wholeheartedly.

K. Krueger: It's a real pleasure for me to hear our urban members responding to this bill in recognition of the fact that every community in British Columbia is a forest-dependent community. In spite of the hard times that came upon our forest industry with the overregulation and overtaxation of the previous government and the body blows inflicted by the American lumbermen and their softwood lumber dispute with us, still the forest industry provides for approximately one in five or six social workers in British Columbia, one in five or six nurses, one in five or six doctors. A fifth or a sixth of pretty well everything that the government pays for is paid by revenues derived from this industry. We are all forest-dependent people, so it's very fitting that urban as well as rural members speak in favour of this bill.

I listened to the opposition speak to the bill. Although they weren't totally negative to it, it seems to me that if I had been a minister or anybody to do with the past government — I wouldn't have been, but if I had been — I'd be hanging my head in shame before I'd ever get up in this House and say a negative word about this bill.

Mr. Zirnhelt admitted, as some members have said, that they took a billion dollars out of the forest industry for absolutely no gain at all. The craziness of the regulations that the industry had to deal with during those ten lost years in British Columbia is truly regrettable. It wasn't just the things that we've been dealing with here, their version of the Forest Practices Code, but all sorts of things.

I remember speaking to a logger on one of our caucus tours. He said he'd been working through the new territory that he'd been approved for when he came across a dead snag. He stopped work and said to his crew: "We're going to have to figure out what to do here. If I log that snag down, I'm going to be fined because there's an eagle's nest in it, and the Ministry of Environment will fine me. If I don't log that snag down, then Workers Compensation is liable to catch me. They'll fine me because they'll say it will be a hazard to you guys." They worked out which would be the lower fine. It was the WCB fine, so they left the snag up and, sure enough, got caught and were fined. It was a hopeless situation for them.

The Forest Practices Code that we are changing was a terrible impediment to British Columbia's industry and to the economy. I know there are thousands of people around this province who will be very glad to say goodbye to it.

I did feel some amazement at listening to the NDP talk about consultation processes. We saw so many

consultations processes during the sad time of the nineties. People participated because they're good members of the public who wanted to represent their views, their family's views, their community's views and their association's views, but they knew all along that nothing would happen as a result of their input. Sure enough, the results that came out at the end of those consultation processes were generally exactly what everybody knew the NDP government of the nineties planned to do in the first place.

[1530]

I listen with amazement when I hear them talk about our consultation process. How could they possibly criticize a government that has been so open about things that it tabled a version of the results-based code, listened to the input and did a very thorough job of collecting the input? I want to really congratulate the member for North Island and my colleagues who travelled with him and accepted that input from all around the province and made sure that it was incorporated in the act that is before us. I want to congratulate all of them for a job of real consultation very well done.

When I listened to the Leader of the Opposition talk about willingness to accept amendments, it takes me back to a day we were debating one of Mike Farnworth's bills in this Legislature, and we had an amendment that he really couldn't say was a bad idea. He refused it anyway. When asked why, he said it would impose a cost on government. We asked what the cost was. He said it was the cost of reprinting the legislation, of all preposterous things.

[J. Weisbeck in the chair.]

Again, I don't think an NDP member or adherent or, certainly, an ex-cabinet minister should be criticizing this government in any way when the conduct of this legislation has been so inclusive and so honourable throughout. It was a real consultation, and it's a very good result. We've looked forward to this day for a long, long time. It's one of the major things we promised while in opposition and in our new-era platform — that we would rewrite legislation to provide for the experts on the ground to work toward the results, using their expertise instead of hanging over their shoulders and presuming to dictate to them chapter and verse how they were going to do their jobs.

That was very much a management style of the nineties in British Columbia. My former employer, the Insurance Corporation of B.C., experienced it in spades. Managers in head office would presume to write out the details of how every employee in the field should do their job — when they should handle their mail and where they should keep their mail — and devoted its technical experts to travelling around and ensuring that those petty details were monitored, rather than monitoring the actual conduct of the important work.

I congratulate a Forests minister that has delivered on his promises and ours — a government that keeps its word. In spite of the horrendous job of turning this

gigantic oil tanker around, trying to undo ten years of incompetence, mismanagement and bad government, we're delivering on those promises. This was a very major piece. I know the industry in my area is very happy about it. We've had a lot of positive response from industry. I'm delighted that the minister continues to carefully consider the interests of small operators, whether they are the salvage log operators that I and the member for Prince George North and the member for Okanagan-Vernon and others continually raise the interests of, or the round log users, the value-added mills or the reman plants. Our government very much recognizes the huge contributions to employment and to the revenue base of this province and to the husbandry of our forestry resources that are provided by those small operators as well as the major licensees.

We're going through a time of a lot of pain in our forest industry in British Columbia. We're not out of the woods yet, if you'll pardon the pun, but this will help us a long way. We can see the light at the end of the tunnel. I better stop using metaphors here before I get myself confused. I am delighted to be here today to witness, I expect, the passage of this bill at second reading. In closing, I just want to really congratulate the minister for a job well done.

K. Stewart: Today we have very little logging going on in my riding of Maple Ridge-Pitt Meadows, but we certainly do in Maple Ridge-Mission, the adjoining riding, where there still is quite a bit of active logging going on. Even though there isn't active logging going on in our riding, there are many forest-dependent jobs in our community. Hammond Cedar, one of the largest cedar mills in British Columbia, produces a lot of the high-value jobs for our community. They're very dependent on the wood that comes from the other areas of the province, and it's crucial that they can get at that wood in a method that's safe, environmentally sound and economical.

[1535]

One of the things I haven't heard too much discussion on is the technological changes that are happening in the woods. I know, again using the Interfor company from Hammond Cedar, they're involved with helicopter logging. I'm sure there are many different methods they use that certainly aren't employed in traditional logging practices. We have to ensure we have the professionals out there within the forest companies that can keep up on what they have to do to ensure not only the safety of the workers in the woods but also the safety of the environment and the economic viability of that. That's something which is pretty difficult to keep on top of unless you're there on the ground every day — the changing weather conditions, the changing wind factors. Also, there are a number of different species of woods that they have to work around, and as was mentioned earlier, every valley is different.

I was trying to think of an analogy to use with regards to this Forest Practices Code. The best one I

could come up with is mountaineering. The reason I say that is — being a mountaineer, it's something I know — there are many different ways to get up a mountain. You can sit at home and do the paperwork, do your route planning and look over all the maps, but until you're actually there in the conditions you're faced with — some of the perils that may not have been before you when you're looking on paper.... You have to be there in the field doing the job. That's why I'm very comfortable that now we can get ministry staff out of their office, beyond those huge, huge stacks of paper, and actually going out there and witnessing the work that's being done by the trained professional foresters who are employed within this industry.

So being brief on this, I would just like to say that this industry is very important to every community. Even though, as I say, we do not have active logging in Maple Ridge-Pitt Meadows, we do have, as mentioned earlier, Hammond Cedar. Also, another industry there is Pelton Reforestation, one of the larger suppliers of seedlings to reforestation, which has put many millions and probably billions of trees now replanted in British Columbia over the years. This provides high-paying, part-time work for seasonal workers. Many of these students have an opportunity to work for two months of the summer at a high-paying job, and it's a quality work that lasts for a very limited time. It does provide opportunities not only to its full-time employees but to those looking to go to university or for summer jobs or part-time jobs.

Again, forestry is crucial in my community, and it's important that the people who are in the woods can get on with doing the job to ensure that the people in my community have not only the seedlings to put out into the forests but the cedar to run our large mills that we need for our economic growth.

With that, I just would like to see this move forward. This has my full support, and it will be great to see those people back in the woods working again.

Deputy Speaker: Closing second reading debate, Minister of Forests.

Hon. M. de Jong: Well, thanks, Mr. Speaker, and perhaps, more particularly, my thanks and appreciation to all of the members of this assembly who have, over the course of yesterday and today, provided what I think have been some very thoughtful submissions and comments as it relates to Bill 74. I include all members, including members of the opposition. I will say candidly that I found the comments from the member for Vancouver-Hastings more helpful from a critical analysis perspective than the submissions made earlier today by her colleague from Vancouver-Mount Pleasant.

I think the nature of the debate and discussion that has followed reveals to all who have been following the extent of the commitment, certainly on the part of my colleagues in this chamber, to revitalizing an industry that is so critically important to British Columbia. I think it has been instructive for me to again have em-

phasized the differences that exist right across the province. There is not one industry or forestry sector. It impacts different areas of the province differently, and it operates differently across the province. There is certainly a coastal industry. There is an interior industry, but within the interior there are different interiors.

[1540]

The observations and comments made by members during the course of this House as it relates to this critically important piece of legislation, I think, have been helpful and demonstrate the commitment that exists to beginning the process of revitalizing this industry.

There was at one point, from one of the opposition members earlier today, the observation that my colleagues in the government caucus were perhaps simply spouting off scripted messages. Actually, nothing could be further from the truth. I think a reflection of the discussion that has taken place in this chamber would reveal that. That is perhaps a reflection of how things have been done in the past, but it is certainly not a reflection of what has guided this debate here today. I am indebted to members who have participated.

The member for Vancouver-Hastings perhaps was in transit when I made the comment, but I thought her contribution to the debate as a piece of critical analysis was worthy of recognition. I won't endeavour to answer all of her concerns, although I will when we get to that more detailed discussion that will undoubtedly take place at the committee stage. But there were some themes or thoughts she expressed that I thought I might begin the process of responding to at this stage.

She and others, actually, have identified the importance of the forest stewardship plan as a cornerstone of the legislative framework that is presently before the House and the subject of this second reading debate. Though it is not by any means the precise model by which this new results-based framework will be guided, it occurred to me that it might be helpful to point out that under the existing code, there is provision made under specific pilot projects for just this kind of approach. That was a provision that was included in amendments several years ago, when the Minister of Forests in a previous administration articulated his support for the notion of moving in the direction of a results-based framework. Those pilots exist, and a form of forest stewardship plan is very much a part of that. As I say, it's not a definitive document, because there will undoubtedly be some changes. A review of that kind of document....

I'm looking at one from TFL 39. It's actually entitled the *Forest Stewardship Plan*. Just a review of the table of contents. It's a pretty weighty document. It runs fully 70 pages long. It talks about what is, in this case, a pilot project. It talks about the forest stewardship plan. It talks about the plan area. There is mapping provided. There is a community advisory group that is referred to. There are the higher level plan objectives that are referred to. It refers back to the Forest Practices Code. It then talks about management strategies and measurable targets. "Results" is the word in brackets. It talks about water, fish and riparian goals and outcomes, soil,

biodiversity, timber, forest health, wildlife, recreational tourism, cultural heritage. Those are all of the values that are referred to. It talks about road layout and design, drainage design, requirements for bridges and culverts, deactivation, strategies to protect soil and water resources, old-growth zones, habitat zones, recreation and tourism zones, timber zones. They're in here.

[1545]

The point I want to emphasize is that is a plan that emerges out of a legislative framework created in large measure, or provided for in large measure, by amendments made by the previous government. What we are presenting today can, to a certain extent, be characterized as a logical evolution. Many of my colleagues and I would say it's a long overdue evolution, and one fundamentally necessary to protect the health of an industry that has fallen on hard times as a result of a suffocating and overwhelming regulatory burden that government has imposed on it.

Nonetheless, we are not here charting territory that is completely unknown to us. For anyone in this House to suggest that is the case is inaccurate and unfair. Perhaps as we embark upon the more detailed analysis that will follow through committee, members will remind themselves and take the time to refer back to some of those comments, observations and statutory provisions that have existed previously.

Similarly, perhaps as we embark upon that level of analysis... I heard the comments from the member for Vancouver-Mount Pleasant. As I say, it's an exercise in critical analysis. I found it less helpful, candidly, than the comments of her colleague, but she has expressed some concerns and observations around the penalty regime. She will know — and I do not underestimate the challenge she faces in responding to the demands of debate in this House, given the extent of those demands that she faces.... Yet upon reflection and upon a more thorough review, she will come to realize, I hope, that there are differing regimes for the imposition of sanction. One relates to a prosecutorial regime, which she referred to in debate. The other, however — and in many instances far more relevant on a day-to-day basis — is the administrative penalty regime. I didn't hear her address that. From the perspective of practitioners on the land base, I can assure her, as can many members of this House who are intimately familiar with the workings on the land base, that the increased sanction this bill provides within the context of administrative penalties is very much on the minds of licensees and will, in my view, enhance the deterrent effect that these penalties are designed to promote in the first place. There will be ample opportunity for us to canvass that matter, and I am obliged to the member for Vancouver-Mount Pleasant for signalling her interest in that aspect of the legislation at this early stage.

I can't say that I agreed with all of the commentary from opposition members, though it is important that they provide it. I think if there was one aspect of their submissions that troubled me most, however, it was the way they characterized the consultation efforts that

were made. I must confess that I don't mean to seem overly sensitive to these criticisms, which it is their rightful place to bring. But to characterize, as one of the opposition members did, the consultation process guided by a committee of members of this House and chaired by the member for North Island as a complete and utter failure reveals a bias and a desire to inject partisanship that is unseemly and inaccurate as well.

[1550]

I must tell you that as I said earlier in this debate, my faith in the process of public consultation has been largely restored as a result of not my efforts but the efforts of my colleagues who did travel to 13 communities, the efforts of Professor Hoberg and, I suppose most importantly, the efforts of British Columbians who took the time to come and make detailed, specific submissions. They could do that because they weren't operating within a vacuum. They actually had a document that revealed what was in the government's mind. They actually had a target they could shoot at. We all know how the member for Kamloops-North Thompson likes a target that he can shoot at.

Interjection.

Hon. M. de Jong: It's a generational thing in his family.

I think if there was a success.... I believe there was, because the product changed. The product changed in a dramatic way because of those comments.

Look, I'm not going to stand here and get into an exercise of "Look at how great this was," but I saw this today from the British Columbia Cattlemen's Association, who historically have felt left out, have felt as if they are an appendage. You know what? They are as dependent on operating on our land base as any forest licensee. As the member for Cariboo North would say, you can't run cows in your living room.

I actually am heartened to read a release that they issued yesterday, I guess. "The new Forest and Range Practices Act will improve range management by rewarding good performance." It will do that; it actually does that. What a novel thing.

It's the first line in that document, to be candid, that makes me feel pretty proud of the MLA committee and the work Professor Hoberg did. It's a pretty simple line, and it reads as follows: "Cattlemen in British Columbia were given the opportunity to have meaningful input into the new Forest and Range Practices Act." How about that? I didn't ask them.

I'm glad they made that comment. They talked about how the new legislation provides more incentives for good stewards of the range rather than simply increasing enforcement, which it already does. "Ranchers who have demonstrated good performance for at least two years will receive recognition for that fact." Well, I'm proud of that. I'm proud of the fact that is a theme and that is a statutory instrument which is on the verge of being in place because those people had an opportunity, in a meaningful way, to impact the product, to influence the product.

I know it is perhaps not politic for members of the opposition to acknowledge that fact, and I don't ask them to. Their job is not to.... There are enough of us here to talk about what we see as the good things we're doing, but I hope, as we move forward through this debate, that they will demonstrate some fairness — and tenacity and passion, as they always do — in critiquing the provisions of this act, because we did make those efforts.

[1555]

There was comment made about Professor Hoberg's.... I'll take a minute, Mr. Speaker. It might be my best opportunity to talk about Professor Hoberg's recommendations. You know, when he released his report.... I made this clear to him when I asked him to undertake this process. I was not looking for a cheering section. Had that been the case, we wouldn't have ended up with a product that I think will withstand scrutiny. Let me go through a couple of the areas Professor Hoberg referred to and that I think we actually did respond to.

Professor Hoberg talked about a recommendation to ensure that appropriate requirements for professional regulation are contained in legislation for all professionals involved in the delivery of the results-based code. Well, you know what? We're doing that. That's exactly what this legislation allows for, depends upon and leads to. There are amendments to the Agrologists Act and the Foresters Act to comply with Professor Hoberg's recommendation, and the creation of a college of biologists — first time in Canada, first province — as a direct response to a recommendation that arose out of that consultation process.

Professor Hoberg recommended that we restore site-level plans to the code framework. In fairness, under the original discussion paper, site-level plans were not contemplated. That troubled not just Professor Hoberg but a whole bunch of people and agencies that made submissions through that consultation exercise. It gave rise to that recommendation. We've acted on it. Site-level plans are now required. They must be prepared. They must be available to the public. We have altered, admittedly, the approval process. It focuses on the forest stewardship plan. But those site-level plans which the public of British Columbia deemed essential have been reincorporated — again, a direct response to the consultation process that we undertook.

We were urged to clarify and define public consultation objectives. That will now be a part of the forest stewardship plan process. We were encouraged to consider the certification status of companies. As we sometimes beat ourselves up, or some people are inclined to try and beat us up in B.C., we forget the fact that we lead Canada — in fact, we lead North America — in terms of certification amongst our forest licensees. Yeah, I happen to think that they deserve some credit for that. I happen to think that is a positive step in the right direction, and we responded to that recommendation.

Now, I could go on, and we probably will in more detail at the committee stage. But I also want to be fair. We didn't accept every recommendation. Professor Hoberg had a specific concern around a policy that the

former NDP government introduced to limit the impact of the code on timber supply to 6 percent. It was the former NDP government's policy. That policy concerned Professor Hoberg, and it concerned a number of the people that made submissions to both him and the MLA panel. We didn't accept that recommendation in its entirety, but what we have committed to is reviewing the impact of that policy on environmental stewardship.

[1600]

I'm not going to stand here and tell members of the opposition or members of the public who have expressed skepticism that we have embraced and enshrined every feature of every submission that was made to either Professor Hoberg or the MLA panel. But we went into this process with a view to incorporating as many of those views as were possible within the context of meeting our objective to establish a results-based code. I think the evidence, as reviewed by any reasonable person, will lead that person to draw the conclusion that we have kept our word in spades.

People have described this as a turning of the corner, as the advent of a new era in forestry. I think we need it. I am pleased that people feel that way. I hope that people view this as a signal that the government is serious about taking the steps, about following through on our commitments.

I don't think we should be under any illusions. There is no silver bullet here. The people that are suffering as a result of ongoing trade sanctions by the Americans are going to continue to face challenges until such time as we have resolved that matter. We have critically important issues around tenure reform and timber pricing policy that are yet to be resolved.

Yes, I am frustrated with the length of time it is taking to move on these issues. Yes, I confess and acknowledge that it is always a little simpler when you're sitting in opposition. These issues are all tied together, and they all impact on one another. I confess that we, as a government and as a caucus, have decided to proceed with caution to ensure that we understand the impacts and implications for the policy decisions that we make, that there are no unintended consequences and unanticipated negative side effects as we move forward in the move towards market-based timber pricing, in the move through tenure reform.

I think that's a responsibility we have. I know that every member of this House takes that responsibility seriously, as I know that the members of the opposition take seriously their responsibility to critically analyze what governments do.

I am candidly appreciative and thankful for the degree of support and input that my colleagues the members of this House have articulated here in this House and in their communities and in the countless meetings and consultations that have taken place to get us to this point. I wish I could say to them all as a reward that this is an issue we have now dealt with and that we may now turn our attention to other fields of endeavour, but of course, they know that is not the case.

We have just begun with respect to taking the steps necessary to revitalize the forest industry in this province of ours. I am heartened, as never before, that there

is a sense in this chamber and a realization of the importance of this industry and these matters for virtually every British Columbian.

Therefore, I move second reading of Bill 74.

Second reading of Bill 74 approved on the following division:

[1605-1610]

YEAS — 41

Coell	Halsey-Brandt	Hawkins
Whittred	Cheema	Hansen
J. Reid	Santori	Barisoff
Nettleton	Collins	Clark
de Jong	Nebbeling	Stephens
Neufeld	Coleman	Chong
Jarvis	Orr	Harris
Nuraney	Belsey	Bell
Long	Chutter	Bennett
Hayer	Christensen	Krueger
McMahon	Bray	Les
MacKay	Cobb	K. Stewart
Brice	Hamilton	Sahota
Hawes		Kerr

NAYS — 2

MacPhail	Kwan
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Hon. M. de Jong: I move that the bill be referred to a Committee of the Whole House for consideration at the next sitting of the House after today.

Bill 74, Forest and Range Practices Act, read a second time and referred to a Committee of the Whole House for consideration at the next sitting of the House after today.

Hon. G. Collins: I call committee stage debate on Bill 70.

[1615]

Committee of the Whole House

RESIDENTIAL TENANCY ACT (continued)

The House in Committee of the Whole (Section B) on Bill 70; J. Weisbeck in the chair.

The committee met at 4:16 p.m.

On section 14 (continued).

J. Kwan: Before we broke for dinner earlier this week on debate on this section, I was canvassing the minister on questions about what facilities could be

terminated as they relate to section 27 of the act and what would be deemed to be a reasonable replacement. The minister, of course, in that exchange talked about why it is that I'm only advocating on behalf of tenants, or he asserted that statement in any event. My response to that, of course, is that I'm not just advocating for tenants; I'm advocating for both tenants and landlords. These are important issues on both sides, and they have an impact and ramification on both sides.

On the issues I do highlight, though, some of them do tend to address issues related to tenants. In my view, particularly for tenants who are in need of accommodation and those who are perhaps more marginalized and disadvantaged, they may well be at a further disadvantage as a result of this bill. Given that nobody else so far in this House has raised these issues, it's left for the opposition to raise these matters. I am asking these questions.

I just received an e-mail from the residential tenancy advocate and adviser, the Terrace anti-poverty group, who have been watching the debate and sent their information and questions to us. The last time, just by reconnecting with our debate previously, I raised the question around a space heater — whether or not a space heater would be a reasonable replacement of a service or facility. If the landlord has decided to withdraw the central heating system or does not replace a broken-down central heating system and replaces it with a space heater, is that reasonable under section 27 as section 14 refers to it?

The question that's come in from the Terrace anti-poverty group, the residential tenancy advocate and adviser, is as follows. First, a statement that section 14(3)(b), which is the section we're dealing with, is a section that has a lot of room, plenty of room, for problems.

Here's a scenario.

"Most recently, I had a landlord who decided he was going to cut off the heat because he didn't want to pay for the repairs to the baseboard heaters. How can this be allowed, is the question. I've seen this occur in basement suites where the landlord who resides upstairs has control of the heat from the unit he resides in above the tenant, and because he doesn't want to pay the costs incurred, he refuses to turn the heat up."

This kind of problem is occurring right now.

[1620]

The provision under section 14 of the act allows for it to happen by legislation. Would the minister please answer this question for the advocate in Terrace who is concerned and who advises of this situation in terms of no heat or heat being turned off? It's happening right now in her own community.

Hon. R. Coleman: The landlord may, without the tenant's consent, withdraw a service or facility if the service or facility is not essential or can otherwise be obtained by the tenant. The tenant is compensated for the withdrawal of the service. The arbitrator may also order a change to the agreed-upon term of the tenancy. The issue in and around what the member is describing is something that.... You know, we hear those stories in tenancies

that concern us. We don't like that. That's why it's actually set up so that if it's in a prescribed tenancy agreement, it can't be taken away unless it's replaced with something of an equal or better quality, not with lesser quality, or the tenant can replace it with another service. I think that on the balance, if somebody's out there doing otherwise, then that's outside the standard form of a tenancy agreement, and we should be dealing with that so the tenant can come forward and deal with a landlord that is not going to operate in a professional manner.

J. Kwan: Well, if the replacement is required so that it is of equal or better quality for services or a facility that's been withdrawn, then could the minister please advise? Earlier this week he actually stated that a space heater is reasonable enough to replace a central heating system. How could that be of equal quality or better quality?

I'll give you an example. We're not even in that particularly cold weather here in the lower mainland, in the community where I come from. My own heater actually stopped working for whatever reason. I couldn't turn the thing on. I brought a repair guy in. He came in to look at it, got the thing turned on for about an hour, and then it stopped again. As it turned out in that situation, there's a thing called a relay box that needed to be replaced. The heater in my own home is of such a nature that you actually have to go and order this relay box from outside of British Columbia, so there's a bit of a process to get the relay box in and then for it to be installed and then to fix the heater.

I myself for several weeks was without heat. Now, as I mentioned, Vancouver is not in a freezing cold climate by any stretch of the imagination, but I found that it was cold, truth be told. Then we went out and got some of those small plug-in oil heater things. Trouble is, you've got to move it to every room, unless you've got one in every room, to warm it up. You move it from the kitchen to the living room — the living room was cold without the heater — into my bedroom and so on and so forth. How could it be that a space heater somehow replacing a central system is actually sufficient or reasonable under the definition of this act?

Hon. R. Coleman: That description the member just gave is a repair issue. If a heating system breaks down, I think it's reasonable expectation within the tenancy agreement and between the landlord and the tenant that the landlord would provide an alternate form of heating while the repair was taking place. It's a lot different than somebody saying: "I'm going to give you 30 days' notice to withdraw a service that you can replace by...." For example, you're in a basement suite, and they're going to actually change the form of heating to where they're going to meter the basement suite, so the meter is separate from the House. The heat will still be there, but they're now going to change it and reduce the rent accordingly, because now you're going to be paying for your own heat. There's a big difference.

[1625]

I understand the member's comment about the space heater, but what I said earlier this week was that

in some cases that may be a reasonable replacement. I didn't say in all cases. I didn't say they would be moving it from room to room. I didn't say they'd take it from the kitchen to the bedroom to the bathroom to the living room. We can get into lengthy descriptions of possibilities out there, but this is pretty clear as far as withdrawing a service — one, on the non-essential side. Sometimes that can be the case of a tenant that wants to have Star Choice versus having cable and saying to a landlord: "I don't want to pay for cable anymore because I want to replace it with a dish. Is that okay with you?" Yes, by agreement you can do that. Fine.

So it's not about the descriptions the member just made. If a heating system breaks down, which can happen... Boilers can break down in apartment buildings where there's hot water heat. Electrical problems can happen, and baseboard heating would have to be fixed by an electrician. Therefore you need an alternate form of heating, like a space heater, for a period of time until you can get either the part or the equipment or the electrician in to do the work. That's all common sense, and we recognize that. That's part of this relationship that should be a pretty beneficial relationship. I don't know or haven't heard of a landlord, other than sometimes we do get... There's no question there are people out there who own residential properties which are rented that are way substandard, and that's not good for anybody. But I don't think people deliberately go out and say: "We're going to turn off the heat." If they are, certainly we want them in front of the arbitrator, and we want them meeting the standard forms of a tenancy agreement, because, frankly, that's just not acceptable.

J. Kwan: Well, the legislation doesn't say that, Mr. Chair. The legislation under section 14(3) says: "The requirement for agreement under subsection (2) does not apply to any of the following: (a) a rent increase in accordance with Part 3 of this act; (b) a withdrawal of, or a restriction on, a service or facility in accordance with section 27."

When you go to section 27, it states: "27(1) A landlord must not terminate or restrict a service or facility (a) that is essential to the tenant's use of the rental unit as living accommodation, and (b) that cannot, or for which a reasonable substitute cannot, be purchased by that tenant." It doesn't say that it has to be a substitute that is of equal or a higher standard. It does not say that at all.

In my situation, it is different. It is different because my intention was to fix the heater. It is fixed now, but there are some situations where people do not intend to fix the heater. I'm just using the heater as an example. The advocate from Terrace who sent me the information that she has come across as an advocate in the residential tenancy area is actually coming out to say the heat has been cut off because the landlord did not want to pay for the repairs to the baseboard heaters. If heaters are deemed to be an essential service, and I think the minister actually said that this week, then how could this be allowed? How could it be allowed? If the remedy, then, is to say, "Okay, you get to reduce

your rent," who gets to determine how much? I know we will get to that later on in the act, but who gets to determine how much of the rent should be reduced?

Hon. R. Coleman: I would be curious as to how many people the rental advocate up north has that are landlords who don't do this to their tenants and could actually give you some examples of good landlords, because all we seem to do is talk about the one or two that somebody thinks is a bad landlord.

The bottom line here is this. It says it can be a reasonable substitute. A reasonable substitute to me would be something that at least is at the level of what you had before. I mean, it's pretty simple language to me. When you talk about changes in tenancy agreement, you always skip over section 14(1), which says: "A tenancy agreement may not be amended to change or remove a standard term." If it's a standard term of the tenancy agreement... You know, lots of tenancies in rental properties include rent, and people have separate meters for their heat.

Each one of these examples can be moved from here to there, but I think what we have here is a reasonable test with a standard-form tenancy agreement where, long term, there's a relationship between a landlord and a tenant. We will deal with those people who are going to be bad landlords through our arbitration system and through our standard-form terms.

[1630]

J. Kwan: Well, the minister raises the question that he finds it interesting that in the debate, the opposition always brings up problems people might be faced with. Well, you know, that is exactly why I think legislation sometimes needs to be in place. Yes, it's there to guide those who engage in good practice and who will continue to engage in good practice, so that they know what good practice means. By and large, it's not a problem, but enforcement and legislation need to come into place, and clarity of language needs to be there when there are problems. That's why we raise the issues — when there are problems. It's when disputes arise that you need to know what the legislation says. Then you need to know what the consequences are.

If everybody is abiding by the law and there are no disputes, then there is no need for such a debate. But we don't live in such a utopian world. Even I know that is the case. Hence we have to raise the scenarios where there are problems and how legislation will address those problems.

The minister now likes to use the test of reasonableness when facilities or services are being withdrawn. The test of reasonableness is to be applied. But for the service to be withdrawn, the test is not reasonableness. The test under section 27 is actually "essential," a service or facility that is essential to the tenant — not reasonable for the tenant, but essential. When that service is being withdrawn, then the test to apply for its replacement is a reasonableness test.

There are two different standards being set, and that is problematic. Whether or not the minister wants

to acknowledge that sometimes in the case of heat in some communities, there are some landlords who will abuse the system and not provide heat to the tenant. It becomes a problem for the tenant. This section of the act allows for it. It allows for it and, quite frankly, in the language of the act, allows for the withdrawal of the service to be replaced by a standard that's less than what was there before. That's what the act says as we see it right now before us. It is problematic both for the tenant, who has the right to expect a level of services, and for the landlord to be able to meet that standard and understand what the standard of requirement is to be.

For that reason, the opposition will be opposing section 14. We think that it is unreasonable to allow services to be withdrawn or facilities to be withdrawn. When you look under section 27, what the replacement of the consequences are, the protection is simply not there, I would argue, for the tenant or for the landlord.

Section 14 approved on division.

On section 15.

J. Kwan: Section 15 is in relation to the application and processing of fees and their prohibition. AIDS Vancouver has sent information to the opposition.

By the way, I should clarify. It's not just AIDS Vancouver that has sent information to the opposition. AIDS Vancouver has also sent information, I believe, to all MLAs, including the Solicitor General. I should also say that the Tenants Rights Action Coalition has sent their comments to the opposition, but also to the MLAs and particularly to the Solicitor General, in the hopes that information would be processed and reviewed by the MLAs, by the government, and in the hopes that the amendments they have proposed would be brought forward by government. Therefore, we can truly bring forward an act that respects comments from the community and addresses their issues.

This should not come as a surprise to the government, to the Solicitor General or to the MLAs. Let me just go back to section 15. AIDS Vancouver advises that, of course, they're pleased that the government is moving to prohibit the practice of collecting application fees. It is an outrageous practice — there's no doubt about it — when a landlord charges several tenants to simply apply for a rental and then keeps the money, whether or not the tenant is chosen.

[1635]

In the section, though, the question is this. The legislation does not provide for a penalty or consequence if a landlord collects such a payment. Is the only alternative for a tenant, a prospective tenant or a former tenant to go through the residential tenancy branch for dispute resolution?

Hon. R. Coleman: The penalty is that it is an offence under the act, and under the offence section of the act, it's liable to a fine up to \$5,000.

J. Kwan: How would that be enforced? Would it only be applicable through the residential tenancy branch in terms of its potential enforcement?

Hon. R. Coleman: Well, as the member knows, it's usually a complaint process through the residential tenancy branch, who then would deal with the issue and, if necessary, forward it on to the appropriate authorities to move forward the charge, based on any other normal court proceeding, to prejudge what the evidence would be, to do that and to decide on if we're going to get into a discussion of what fee and where and how it was taken, etc. That will be something for the courts to decide.

We've always said to all the parties in and around this act, whether they be landlords or tenants, that the one thing we intend to do once we get this legislation and the regulations in place, hopefully by spring... They can expect that for the first time ever, we will actually use the offence section of this act. It has not been used in the previous 20-odd years where there has been offence sections within the act for penalties for people who do these things and breach these sections of the act. We intend to do that. We're going to watch it very closely. We'll take the complaints through the branch. If there's somebody that's egregiously doing this or deciding they're going to break the rules, then we're going to deal with it.

J. Kwan: Nobody is asking the Solicitor General to decide under what circumstances what the fines would be and so on. I'm asking the Solicitor General what the process is for a person if a person has such a complaint. Is the process such that the person would go to the residential tenancy branch and file a complaint, and then it would be up to the arbitrator to make a decision whether or not to invoke the penalty? Or is it some other court process? Is it through small claims process or what? That's the question.

Hon. R. Coleman: No, the person would file the complaint with the residential tenancy branch. It would then go to the director. The director would review it, and it was felt to be necessary, the information is there to assign an investigator to it. When the investigation was completed, they would come back with recommendations to move forward with charges to Crown.

Section 15 approved.

The Chair: Shall section 16 pass?

Some Hon. Members: Aye.

The Chair: Member for Vancouver–Mount Pleasant.

J. Kwan: Actually, I'm ready to move to section 18, Mr. Chair.

The Chair: Shall sections 16 and 17 pass?

Some Hon. Members: Aye.

The Chair: So ordered. Shall section 18 pass?

J. Kwan: Pardon me. I do have a question on section 16. I'm sorry, Mr. Chair.

On section 16.

The Chair: On section 16, the member for Vancouver–Mount Pleasant.

J. Kwan: Thank you. My apologies. My notes are a little disjointed because, as I say, e-mails are coming in fast and furious. We're trying to incorporate all the questions that have come in from the public to be tabled here, and I missed this one.

A concern has been raised on section 16. There are many instances in which a tenant may sign a tenancy agreement and then go to their worker with an intent-to-rent form — these are, of course, people who are on income assistance — only to have the ministry worker advise them that the rent they are faced with for that particular accommodation is beyond their financial means. We also have parents who have children in care, who are not allowed to have these children back until they secure safe housing. They're ultimately put into the same situation, because the rental costs are beyond their means. So by making it such that a tenancy becomes effective prior to the inclusion of money exchanging hands, both parties are potentially put into a precarious situation.

[1640]

The issue that is raised by the residential tenancy advocate is that the prospective tenant is now at the mercy of the landlord, who may decide that they are now going to sue the tenant for the agreed-upon payment rather than mitigate his or her loss by finding another tenant. This, of course, leaves the door open for a landlord to have to try to collect, which is of course a lengthy process.

This is a concern that's been raised by a tenant advocate who has firsthand experience with people who are faced with these kinds of difficult situations. The suggestion from the advocate is for the section to be amended to include the following words — that is, the inclusion of money exchanging hands. The proviso is, of course, under the start of the tenancy agreement, that aside from a line about what the agreement is, also to ensure that the proviso of money exchanging hands.... Once it takes place, the agreement will then trigger. Then those who are not able to get approval from their social worker through the income assistance office will actually have some protection and would not be penalized as such. Could I get the minister's comments on that?

Hon. R. Coleman: The rights and obligations of a landlord and tenant under a tenancy agreement take effect from the date the tenancy agreement is entered into, whether or not the tenant ever occupies the rental

unit. That's because both parties have agreed to make an accommodation to each other. The landlord has said: "I'll keep this unit vacant for you because you want to move into it on X date. We've entered into an agreement." If that agreement can't be dealt with, then they can deal one on one with that.

The member should know that section 16, "The rights and obligations of a landlord and tenant under a tenancy agreement take effect from the date the tenancy agreement is entered into, whether or not the tenant ever occupies the rental unit," is no change in policy from the existing or current act and was not brought forward by any of the tenants rights groups as something they wanted changed. This section is the way it was and the way it's operated for some time, and so we're quite comfortable leaving it the way it is.

J. Kwan: Well, the concern now has been brought to the attention of the minister, and I do think it is a valid one, even though the section is as it was before. They are people who are on income assistance. There are people who are eager to have accommodation. There are people who may well have child apprehension issues associated with that, and if they do not get accommodation, they may have their children taken away or not returned to them. People may well — and oftentimes they do — enter into tenancy agreements which are above the shelter rate that income assistance provides for, especially now, where the shelter rates with income assistance for certain categories have actually been reduced by the Minister of Human Resources. That makes it even more difficult for people to pay the rent within the parameters, which really is actually an affordability issue.

Having said that, sometimes people make that decision because they feel they must. Then if they cannot get approval from the social worker, under this act they may well be penalized. The landlord could actually charge them costs associated with the tenancy agreement that they might have entered into.

The suggestion, I think, is a good one in terms of including the notion, the proviso, that money be exchanged prior to this section being triggered. Obviously, the Solicitor General has expressed that that is not the view he wants to take. He thinks that suggestion in terms of an amendment is not valid. Then what suggestions does the Solicitor General have for this group of individuals, who may well find themselves in that dilemma? Would there be some arrangement worked out by the Solicitor General with the Minister of Human Resources so that people would not be penalized in due course as a result of such a dilemma?

[1645]

Hon. R. Coleman: I'm satisfied that this section accomplishes what needs to be accomplished under the act.

J. Kwan: Maybe the minister didn't hear the question or the scenarios that I've put out. For that group of people, I don't believe this particular provision of the

act addresses their concern. I'm asking the minister for his advice or suggestion as to how to remedy it.

Maybe the minister just thinks that this group of people don't have legitimate concerns. Maybe that's his perspective. The reality is different. This question comes from a woman named Rosanne Pearce, who works with tenants and is an advocate for tenants. It's a firsthand experience that this advocate has come across with people who need help and are in this situation.

I would ask the minister once again. Income assistance recipients may have entered into a tenancy agreement with a prospective landlord, only to find when they go to the income assistance office that the worker has refused to approve the rental accommodation. It is the case now that every intent-to-rent that an income assistance recipient has, has to be brought to the office and approved by the worker in order for the client, the income assistance recipient, to receive a cheque to secure the rental accommodation — both the damage deposit and the monthly rent.

If a person is not able to do that — not because the person chose not to, but because the social worker refused it for whatever reason — now, under this section of the act, that person is potentially obligated to compensate for any loss that the landlord might have suffered as a result.

What is the remedy? What is the remedy for this class or group of tenants?

Hon. R. Coleman: Again, I think that section 16, as it works, is basically no change in policy from how the current act has worked.

The issue the individual is bringing up.... Frankly, I don't know that a landlord would want to continue a tenancy agreement they hadn't been paid rent for. They would probably want to get the unit back, so they could rent it out. Frankly, this section works, and I'm comfortable with it.

J. Kwan: The minister has actually not responded to the question. He says: "The act will take care of it; don't worry."

Can I assume, then, that when the problem does arise and is brought to the minister's attention, whether it be by an advocate, by the opposition or by whoever, the minister himself will work with the Minister of Human Resources to resolve such issues?

I would like some assurance for people who may well be faced with these kinds of challenges, and there are many. I would like some assurance from the government. The minister, the Solicitor General, keeps on saying: "The act deals with it. It's adequate. Don't worry."

[1650]

Maybe I'm just being a worrywart, you know, having been an advocate for income assistance recipients before. Having been an advocate for tenants' rights issues before, maybe I'm just a worrywart, so I should just simply set it aside. I actually could set it aside and move on to the next section, if the minister would just signal some reassurance in this House to say: "Look, if

such a problem should arise, we will provide assistance and help where we can, and I will certainly be dealing with the Minister of Human Resources so that these individuals will not be penalized in any way, shape or form."

Hon. R. Coleman: I was the critic for housing for five years in opposition in this House. I dealt with hundreds of files from every constituency across this province. I debated this act for hours with the previous Attorney General — the old act, which they themselves felt they didn't understand.

[H. Long in the chair.]

When we started to review this particular piece of legislation, we saw what was working and what wasn't, and what the issues were and what weren't, by going out and doing a consultative process. I have not ever had that problem brought to me, and the act has been in place for many, many years. We think there's no change in policy in the current act here. We're comfortable with that. Obviously, if the Minister of Human Resources found that he had a difficulty that he was running into and he brought it to our attention, we would sit down and see how we could deal with it.

J. Kwan: It's hardly an excuse, as the government brings in a new act, to say: "That's how it was before. Therefore, I'm satisfied with it." The whole purpose of new acts, one would assume and one would hope, is to see what changes need to be in place.

The minister says: "Nobody has brought this to my attention. Therefore, it can't be that big a problem." Well, now this issue is brought to the minister's attention. We're having that debate right now. That's why I'm bringing this matter to the minister's attention to see what his response is.

I'm not necessarily disputing to say that the act needs to be changed, but time and again the minister has said: "I'm satisfied with the act itself. It deals with the issue; it's not a problem." As I said, I'm uncertain that that's the case. I don't know whether or not the act really provides the level of comfort that needs to be in place for this particular group of people, so I'm asking. Should a problem arise — and maybe it won't; maybe these problems are all just a figment of my imagination — will the minister at least make a commitment to say: "I'll take that into consideration, and I will check into it with the Minister of Human Resources to make sure that it doesn't become a problem"?

That's all I'm asking — a simple response to say: "Yes, if such a problem arises, I will bring it to the attention of the Minister of Human Resources." Or, alternatively, the Minister of Human Resources can bring it to the attention of the Solicitor General.

Now, I worry about that a lot, I have to say, because the changes brought about, impacting negatively on income assistance recipients, have been brought forward by the Minister of Human Resources himself. So I don't hold out that much hope that he'll actually be there as an

advocate for his own clients. I don't. I hope that I'm wrong; I hope that I'm going to be proven wrong. All I'm saying is that if such a problem arises and is brought to the minister's attention, will he, at the minimum, commit in this House to say: "Yes, I will look into it and will attempt to solve this matter, this problem, this challenge, with the Minister of Human Resources"?

Hon. R. Coleman: The operation of any piece of legislation is an ongoing process. When we do find difficulties — as the member knows, having been in government — from time to time amendments are made to acts, and we deal with them at the time. I'm not going to prejudge the future. I think we have this section covered. It is not an issue as far as I can see. We'll move on with this section as it is and, as we move through, with residential tenancy as we have in the past. The member knows there were certainly enough amendments brought to this act in the term of the ten years of the previous government to deal with and tweak little things.

[1655]

Obviously, whenever an issue comes to our minds, we'll look at it, but at this point in time I'm not going to make any particular commitment on any particular section, because the regulations haven't been written, the act hasn't been brought into force, and we actually don't know how it's going to work in the industry until we get it there. I'm comfortable with this section and with the format we've put together to make residential tenancy in B.C. stronger.

J. Kwan: What I heard from the minister is that he thinks the act is fine and that we don't need to make any change. It is the way it was before, even though this is a new act and is meant to actually advance residential tenancy rights and protection both for landlords and for tenants in British Columbia. Even though an issue has now been brought to the minister's attention, he has chosen to ignore it.

He says that if in time the issue comes up, we'll look to amend it. I think that's fine. Certainly, that's the Solicitor General's prerogative, but I want to note that should his own constituents have a problem that is brought to his attention, as I described earlier, he won't even commit that he will look into it and work with the relevant ministers to resolve the problem. This is to me extremely, extremely problematic. I have to express disappointment, really.

Perhaps the minister will bring this forward and bring it about in regulation. He said he doesn't know what the regulation will look like. Hence, there's another problem. Here we are passing legislation without knowing what the rules are going to be. Will the minister commit, as he doesn't know what the regulations look like under this provision, to include the suggestion that the inclusion of money changing hands be added in regulation relative to section 16?

Hon. R. Coleman: I find it absolutely amazing that a member who has spent ten years in government ac-

tually thinks legislation arrives at the House with the regulations already prepared. The member knows that's not how it works. The members know that regulations flow out of a piece of legislation once it's passed in the Legislature, and the regulations are obviously the more prescriptive side of how an act is applied.

That the member thinks I should have regulations in front of her today with regard to this act is, frankly, unbelievable to me. In any other act I've dealt with as a minister in the last 18 months, after we've dealt with legislation, we've often gone back to look at the regulation to make sure it works, how it works with the act, how it can be applied and how the forms or whatever we developed will work. I mean, that's pretty standard stuff.

I'm comfortable, like I said right at the beginning of this discussion on this section, that it doesn't change from the existing act. You know, the member says: "Jeez, it's a new act. Why won't you change it?" Well, gee, maybe the member can explain to me why in section 17 I didn't change the damage deposit from half a month's rent. It's because there are some things that work. There are some things that don't need to be changed.

There are some things we'll deal with, because we're actually going into a business relationship between landlords and tenants with standard-form tenancy agreements where we're going to have a clearer set of rules and a better understanding of the relationships in tenancies. I'm comfortable with that. If the member is uncomfortable with that, that's her prerogative, but as far as I'm concerned, section 16 works and section 16 will be fine.

J. Kwan: I think the response from the minister, from the Solicitor General, just goes to show the extent of the arrogance of this government. It is shocking. The minister says: "We went out and talked to people, and nobody brought it up. It was working fine." The purpose of the debate in this House is for issues to be brought up, and the issue I just brought up to the minister is not a made-up scenario. It was sent to the opposition by a woman named Rosanne Pearce, who happens to be a residential tenancy advocate who highlights problems within the act.

[1700]

One might have thought the minister would say: "I would reflect on that if there is a problem. Yes, I will talk to the Human Resources minister." That's all I was asking for if he's unwilling to change the act. As he says, the act is fine. I'm even willing to accept that notion if the minister will simply commit to say: "Yeah, if a problem comes up, I will talk to the Minister of Human Resources on that. Rest easy. We'll make sure that class or group of tenants would not be penalized." That, to me, would have shown a minister who is willing to listen, who is willing to accept suggestions and, as the act is being changed and evolving, maybe even to include it in regulation. That would have, I think, shown some sensitivity to a problem that government might not have thought of before.

That is not the case. According to the Solicitor General: "I am right because I am government, and that's just how it is." That was basically his answer. But you know, here's what I will continue to do. I will continue to suggest that those who are advocates in the community and have problems, when they're faced with this problem, bring the matter before the Solicitor General and remind him of today's debate, when he says: "There are no problems. Don't worry; be happy." Remind him that there are, and here's what they are, and it was as it was put. Also, bring the matter directly to the attention of the Minister of Human Resources and say: "Here's the problem. It is your clients in the mandate of the Human Resources ministry who are getting hurt, and you have a responsibility to assist in resolving these problems."

R. Hawes: Minister, did I hear you say earlier that in the unlikely event a problem arose under this section, you would look at the most appropriate way to deal with that problem when it arose? Is that what I heard you say?

Hon. R. Coleman: I think the member has probably paraphrased my words as well as anybody. I think I said it in a number of ways. The member for Vancouver-Mount Pleasant chooses not to hear it, but I have said that this section has worked for many years in British Columbia, that it is no change in policy. I've said that if the minister brought something to my attention, as we have with any piece of legislation, if we find something that needs to be dealt with in the future, if we find a problem, we'll take a look at it. I said that earlier. I've said it twice. I don't recall saying, "Don't worry; be happy," and I also don't recall saying: "I'm right and everybody else is wrong." If one of the members in this House wishes to paraphrase it, that's fine by me.

The fact of the matter is that we're going to bring this legislation into force with regulations. It's going to be understandable. As we go through, we may come across some problems, and if we do, we'll do what we always do. We'll try and fix issues relative to problems in legislation when they come up. We cannot prejudge what the future may hold with regards to the use of any individual section.

R. Hawes: Thank you for that, and thank goodness. I thought my hearing had been failing me when I heard that question asked so many times.

Sections 16 and 17 approved.

On section 18.

[1705]

J. Kwan: Section 18 deals with the terms respecting pets and pet damage deposits. This is a section that has raised a lot of concerns with the broader community. Some see this as an erosion of the original act. In fact, it does nothing to enhance the allowance of pets in rental

properties. Some people will argue that this is the no-goldfish clause and is worse than the current situation, as it would allow for no pet in a rental tenancy situation. The no-pet clause has been struck down by the courts, as it is too limiting and doesn't differentiate between, for example, a goldfish and a giraffe. The way things read in this act, a tenant would have to pay an extra deposit for a goldfish or a gerbil. It's a huge concern for people.

Section 18(1)(a) reads as follows: "A tenancy agreement may include terms or conditions doing either or both of the following: prohibiting pets, or restricting the size, kind or number of pets a tenant may keep in the rental unit." That's the clause that one could read to mean that a person can say no pets at all. Is that the intention of this section of the act?

Hon. R. Coleman: Actually, this has been one of those issues to which I don't think there's an answer that anybody will ever find is the perfect answer. The fact of the matter with this is that this is an enabling and descriptive section that says yes, you can prohibit pets. It's your property. If you enter into a residential tenancy agreement with a tenant that prohibits pets, that's the agreement you've entered into.

It also says that you can enter into a tenancy agreement restricting the size, kind or number of pets in a residential tenancy, which goes to the member's comment about whether it be goldfish or giraffes. The fact of the matter is that this is one of those issues that I don't think you can find universal agreement on between tenants or landlords or the community. You could ask the question six, seven or ten different ways.

One question was asked by somebody like the SPCA: would you support pets in residential tenancy if there was no loss, damage or noise difficulties, etc., with the pet? Well, 70-some percent of people said yes. If you were to ask the question, "Would you support them if there was a barking dog in the apartment next door to you 24 hours a day?" you might get an answer of no.

The challenge with this one was to find a way to say that within our tenancies, it's perfectly agreeable for you to come to an agreement with your landlord on whether there can be pets or not. If you do, you can come to an agreement on restrictions to the size, the kind or the number of pets that you're going to allow in that particular residential property and that you keep in that particular rental unit. That seems to me a pretty good balance.

I know the member is eventually going to get to the damage deposit. It also says that you may get a damage deposit of up to half a month's rent. The damage deposit of up to half a month's rent is meant, frankly, because industry told us this. Some tenants groups told us that maybe that will be the incentive that will get some landlords who don't take pets today to allow them. There are a lot of landlords that actually do take pets today. They make that choice in a tenancy agreement between themselves and their tenants. That's the relationship that we would like to see grow. It's not

something that we think should be prescriptive, for government to tell people that they have to take particular types or sizes of animals in any particular residential tenancy in the province. I think it's something that the two parties can come to an agreement on as part of their tenancy agreement.

[1710]

W. Cobb: I happen to be in favour of this particular portion. My question is: will this, because of previous court cases and what not...? I guess I have to relate what happened in my case. Before entering politics, I was involved in the building and developing of a handicapped housing unit. We had people in there with breathing problems. They had allergies and all sorts of things. We had an agreement in place where they were allowed a pet — a bird or a goldfish. Other animals came into the building. We tried to evict the tenant. It went to arbitration. We lost the arbitration. That agreement is still in place.

Will this be retroactive? Will we be able to make this retroactive? Will the owners or operators now of that facility, once this act comes into place, be able to carry on and make sure that the tenant agreement is in fact carried out?

Hon. R. Coleman: I'm sure I'll get corrected if I don't have this quite right. If a no-pet provision is put in place under the current act, it would be enforceable under this act. This allows, because the description is clearer, the enforcement of a no-pet provision within a tenancy agreement when this act comes into place.

Secondly, unless it's found to be unconscionable, which would mean, you know.... Obviously, we've been through that description and argument about unconscionable.

If you don't have a pet provision in your current tenancy agreement with your tenants, the landlord can't unilaterally put one in place. They would have to put one in by agreement with their tenant. If it's in place when this act comes into place, it would be enforceable.

J. Kwan: The minister suggests that perhaps nobody would be happy with whatever change, but I don't think anybody, and particularly those who were advocating for a change in a way that would make pets more permissible in rental accommodations, would think that this is a positive change. Essentially, what the Solicitor General has done under section 18 is to put in a provision that allows for the exclusion or prohibition of pets. That is actually worse than what was in legislation before. Make no mistake about it.

The damage deposit issue is another big one. I do want to touch on that, but before I move to that, I want to ask the minister this question: is a goldfish a pet?

Hon. R. Coleman: I'll go back to the section: "A tenancy agreement may include terms or conditions doing either or both of the following: (a) prohibiting pets, or restricting the size, kind or number of pets a tenant may

keep in the rental unit." It's an agreement within a tenancy agreement between a landlord and a tenant, and that's what they'll define between each other.

J. Kwan: So under section 18(1)(a), a landlord could define a goldfish as a pet and therefore prohibit it. Isn't that correct? Isn't that how one could read this act?

Hon. R. Coleman: We think that under the member's individual description of a goldfish in a bowl, an arbitrator would probably find that unconscionable and rule against it.

The new section.... There's a policy on pets and tenancies. The landlord may prohibit pets, may set terms and conditions for a tenant keeping a pet. The landlord may require a pet damage deposit. If a tenant has an animal to which the Guide Animal Act applies, a landlord cannot prohibit the pet nor require a pet deposit for damage.

[1715]

I think that's pretty clear. I think that the tenancy agreements take care of it from here. Frankly, like I said, this is not an issue that's easily solvable for anybody in this, but there are certain rights that we have to look at on both sides. We have people who would like to have pets in their residential tenancy. If they can come to an arrangement with their landlord to put it in the tenancy agreement that they are allowed a dog or a cat, or whatever the description of the pet is, that's great. We encourage that. If a tenant is moving into a building and says to the landlord, "I'm moving into a duplex," or "There's a shared area of a house," and "If there's a pet upstairs, and I have allergies...." And if the landlord says, "Well, I have agreements that say I prohibit pets," to that tenant, then there's a certain relationship built between that landlord and tenant.

Now, I have seen all sides of this equation. I happen to come from a household where I had a brother who if you allowed so much as a cat or a dog within the house, it would dramatically change his health. If it was in the yard and he got close to it, it would dramatically change his health. So he would be governed by certain things as far as his standards of what he could expect from a particular landlord. It's the same thing with someone who wants a pet. I think the market will actually solve this problem in time, and the fact that government can't possibly pass a piece of legislation that gives a description of what the perfect pet is or relationship of a pet to a landlord and a tenant in a property owned by someone else — long term, in legislation.... I think it's virtually impossible.

I think, basically, that is why we went the route we did. We felt we could achieve some balance, and we think that the balance is achieved by moving in this direction. Like I told the member from Burnaby who brought it up to me, we're going to actually watch and see how the industry adapts to this and look at this section a year or two years after it's brought into place, after the act has been in place, to see where the pet issue sits at that time.

I think it's important that people understand that a person who buys a piece of property and chooses to enter into a residential tenancy agreement with somebody — who has a mortgage and an investment and has made that tenancy available — does have some rights as to set the terms of that tenancy, including whether they do or do not want smokers, whether they do or do not want pets or whatever other activity they want to take place in that property. That's a relationship they want to enter into. They will be prepared to wait for the tenant that's prepared to come to an agreement with them on those terms of tenancy. That's great. I think that's the way the relationship should be built.

J. Kwan: The only trouble with the Solicitor General's logic is this. Under section 18(1)(a) of the act, it actually allows for a landlord to refuse the allowance of pets by legislation — to prohibit the allowance of pets by legislation. Section 18(b) states that — and let me read for the record: "18(1) A tenancy agreement may include terms or conditions doing either or both of the following:... (b) governing a tenant's obligations in respect of keeping a pet in the rental unit." Then 18(2) reads: "If, after the date this section comes into force, a landlord permits a tenant to keep a pet in a rental unit, the landlord may require the tenant to pay a pet damage deposit in accordance with section 19...and 20."

The act then goes on to say under sub (3).... Let me just stop there for a moment. The act does not disallow a landlord to say, for example, that a gerbil in a cage is not considered a pet for the purposes of damage deposits under this act. A landlord could charge a damage deposit or refuse the rental accommodation to the tenant and penalize the tenant as a result. That could very well happen. The act does not state clearly what is deemed to be a pet.

[1720]

Now, the Solicitor General says, "Well, I'm not in a position to define what is a pet or what is not," but what he does allow for is the prohibition of pets. This is in spite of extensive research and information from the medical community, advocacy groups and elsewhere that talk about the value of pets and in spite of the courts having actually struck down a no-pet clause, to say that is not allowed. This piece of legislation contravenes all of the common sense — inclusive of the court decision, in my view.

The folks who have written have lots of concerns. The minister says I don't have any suggestions or approaches as to how one might be able to address this in a way that might be fair. In fact, the folks at POWER, Pets of B.C. Residents, have lots of suggestions, and they have sent this information to the minister, the Solicitor General, and to the government MLAs as well as the opposition. Here's their suggestion. I would like to get the minister's comments with respect to the suggestion of POWER, Pets of B.C. Residents, for change to section 18.

"As one of the stakeholders that met you " — meaning the minister, the Solicitor General — "to discuss our concern for the lack of rental housing for pet owners, I would like to offer some compromise solutions on behalf

of Pets of B.C. Residents. The issue of damage caused by pets is the key issue. At Pets of B.C. Residents we have noticed that just about every report source, including e-mail, radio talk-show phone-ins, anecdotes, etc., of costly damage by pets is from landlords who rent out houses or units in houses as opposed to landlords of apartment buildings. It seems that these landlords are particularly vulnerable to heavier financial losses, and we acknowledge that possibility.

"According to the best of our knowledge, apartment buildings, on the other hand, do not seem to be particularly at risk to pet damage. For example, the 12-storey, 106-suite building I reside in — Central Court, 133 Haro Street, in Vancouver — allows pets and, as one of the few pets-allowed buildings, has an unusually high population of pets: 90 cats and 20 dogs. In an honest attempt to collect useful data on the kinds of damage by pets this building has experienced, I was told by the caretakers that they have not seen any damage in the seven years they've been there.

"I'm certainly not suggesting that damage doesn't exist in apartment buildings. There are bad tenants out there, and the landlords need to feel protected from them, but generally, the worst-case scenario for multi-unit dwellings seems to be having to replace the carpets. The building manager at Burnaby Centre told me that it costs \$895 to replace a carpet in a typical 620-square-foot unit. In other words, they're covered if they get half a month's damage deposit and half a month's pet damage deposit.

"With those points in mind, here are some proposals."

Perhaps these could be contained in the regulations if the minister accepts our amendment but requires some peace of mind.

Here are the suggestions. I'd like the minister's comments on them. It's for section 18 to change to read as follows.

"Section 18(1). Landlords of buildings with less than ten rental units may prohibit pets or restrict the size, kind or number of pets a tenant may keep in a rental unit. Sub (2). Landlords of furnished units may prohibit pets or restrict the size, kind or number of pets a tenant may keep in the rental unit. Sub (3). Landlords of buildings with more than ten rental units cannot prohibit pets, unless more than 30 percent of the units already have pets, but can restrict the size, kind — cats and dogs excluded — or number of pets a tenant may keep in a rental unit. Sub (4). A tenancy agreement may include terms and conditions governing a tenant's obligation in respect of keeping a pet in a responsible manner in the rental unit. These terms and conditions may include (a) conditions on maintaining sanitary conditions within the unit, (b) the care and well-being of the pet, (c) damage obligations to both the rental unit and the building's outer landscape caused by a pet, (d) eviction guidelines for tenants with pets that persist in making unreasonable noise.

"Or consider this compromise. Amend section 18 to read: (1) Landlords cannot prohibit pets if the tenant has either or both of the following: (a) pet damage insurance or (b) a reference letter from a previous landlord that they are responsible pet owners and that their pet did not cause any damage or create any problems."

Comments from the minister?

[1725]

Hon. R. Coleman: Thank you, and the letter actually goes to the discussion I already entered into and the concerns that have been expressed by all the parties. The member started out by asking me if a gerbil

was a pet, and I guess you could say: is a Siberian husky? Is a Pekingese cat? How about an anaconda? In the letter, POWER says the landlord should be able to prescribe the size, terms and type of pet, etc. It doesn't try to exclude either fish or gerbils or whatever in their letter.

The argument about how they've got a damage deposit for the unit and then half a month's damage deposit and the carpet to be changed in a 600-some-odd-square-foot apartment was \$800-some-odd, and therefore they're covered. I guess that means the rent was \$800-and-some-odd. I know I changed the carpet in an apartment of 720 square feet a year ago without doing anything in my bathroom or in my kitchen in the apartment I had in Victoria, and it cost me \$1,800 to buy carpet.

The fact of the matter is that all of those things are editorial information relative to the relationship of pets, but it still comes back to one thing: is the person who owns the property prepared to enter into a reasonable agreement with a tenant to have pets, and under what terms? That's what this allows to happen. Does the person that owns the property have the right to say: "I don't want to rent my property to someone that has pets"?

Even when I met with POWER, one of the issues that had been brought to us all is: "Why don't you allow for a pet deposit, and maybe more landlords will take pets?" Well, we've allowed for a pet deposit. We've also said: "Here are the rights. You have the right to prohibit. At the same time, you also have the right for the two of you together to enter into an agreement restricting the size, kind or number of pets a tenant may keep in a rental unit."

I think it's, frankly, very fair, and I'm happy that the experience is taking place on Haro Street. If that landlord is having success, he may be having success because of the mix of tenants that he has in a particular building. It may be because of the age of the tenants that he has in the building. It may be because he's already outlined the restrictions on the size and the type of pet within that building. I don't know that. But I do know that there are landlords who do rent units to pets, and they put in very necessary descriptions in the agreement with regards to that. All we're saying is that they can do that. We're hoping the marketplace actually gets together, and together people can make choices and be able to rent units based on that relationship between a landlord and a tenant.

The Chair: The committee will now take a five-minute recess.

The committee recessed from 5:28 p.m. to 5:30 p.m.

[H. Long in the chair.]

The Chair: I call the committee to order on section 18.

J. Kwan: Well, the Solicitor General says he's spoken with POWER, and they suggested a damage de-

posit be put in place for pets. They also made other suggestions. It was not in isolation — putting in a damage deposit for pets. Their suggestion for section 18's amendment is for the landlord to be able to prohibit pets if the tenant has neither or both of the following: pet damage insurance and a reference letter from a previous landlord that they're responsible pet owners and that the pet did not cause any damage or create any problems. That is quite different from what we are now debating under section 18. That is, a landlord can simply, according to section 18, prohibit a pet or restrict its size or the number of pets — period, stop.

POWER's suggestion was completely different than what is now before us under section 18. The issue is that a landlord could refuse a tenant to have a pet of any nature, whether it be a goldfish, a gerbil, a cat, a dog — anything, for that matter. There is no distinction between any pets at all. More than that, section 18(2) allows for a damage deposit to be imposed. If you have a gerbil, you could be asked to pay a damage deposit by the landlord, or the landlord could prohibit you from having that gerbil. Is it reasonable? In my view, no, it isn't. Yet that's what the legislation says and allows for.

The further problem with section 18 is this. I pose this question to the minister in terms of amendments to section 18, a suggestion that's come from AIDS Vancouver. Again, it's not just been written to me. It's been shared, I know, with the Solicitor General and with the government bench MLAs, particularly the member for Vancouver-Burrard. He's not here to ask questions, so let me pose this question to the minister relative to section 18, as a proposed amendment from AIDS Vancouver. AIDS Vancouver states:

"The new legislation gives the landlord the right to prohibit pets and to collect an extra deposit from the tenant if they do accept pets. This change only makes it worse for tenants with pets and will do nothing to encourage landlords to accept pets. It is well documented that people suffering from serious illness or depression or living alone or with a mental illness do better if they have the companionship of a pet.

"Study after study has been published extolling the value to the overall health of people living with HIV/AIDS. The government has many of these reports, as they have been referred to it in the consultation stages of this bill and previous lobbying efforts to secure the rights of tenants to a pet. The right to have a pet has been promised for many years. Many of the current MLAs have promised to change the legislation, recognizing the benefits of allowing tenants the right to have a pet.

[1735]

"The damage deposit for a pet is an added hardship for the vast majority of our clients. Clients will be required to come up with a deposit from their own sources, as the Minister of Human Resources would not provide such a benefit. Further, clients in low-wage jobs or on benefits other than Human Resources, such as CPP or long-term disability, would have no means to pay such a deposit and could be faced with staying in a place where rents are rising beyond their means or giving up their pets."

Their suggestion — I'd like the minister's comment — is for this section of the act to be changed to state

that a tenant will not be unreasonably denied the right to have a pet and that the act be changed to prohibit the collection of a deposit for pets. Comments from the minister on the suggestion from AIDS Vancouver.

Hon. R. Coleman: AIDS Vancouver has their suggestions. The member started out that last discussion by saying: "Is a gerbil, a dog or a cat a pet?" By doing that, you actually described the whole problem. The problem is the description of a pet, the size of a pet, what type of pet. You know, what's the relationship of the pet to the tenancy?

I have three pets. I have wood laminate floors in my house. The reason: I had to replace all my carpets because my pets destroyed my carpets. I made the choice because I'm a landowner. It's my right to do that.

The discussion about the right of having a pet still comes back to the relationship between a landlord and a tenant, two parties that enter into an agreement. A landlord has a right to prohibit pets. The tenant that wants the pet has a right to say to a landlord who prohibits pets, "No, I don't want to rent your unit," and go find a unit where a landlord takes a pet deposit and says: "I will allow you to rent this unit."

The whole discussion in and around the insurance aspect is one that's always been around, but the problem with it has been, and the history is: how do we know that the insurance is always in place? What is the mechanism to make sure that the insurance is proved? Does the insurance company have to phone the landlord if the policy lapses? Does the insurance company have to phone the landlord if the payment on the insurance is not made?

Those are all administrative issues. We are not the people that should be dealing with that. The market should deal with that, the people in the marketplace. If a person decides to make an investment to put a basement suite in their home or to buy a condo in a condominium complex because they want to have a secondary residence as a revenue property, and they make that choice, they do have some rights as to what they can do with that property.

All this says is that you have the opportunity of doing a number of things. One, you can restrict pets, and the size and the kind and the number, of your tenant, by agreement with you and your tenant in a tenancy agreement that the two of you have entered into. Or you can say, "No, I'm going to prohibit pets, and that's the marketplace niche that I'm prepared to do my business in," and so you say: "No, I'm not going to allow pets."

You can also enter into discussions with your tenant of what the obligations are with regards to that pet when you get it in the residence. Does it mean you should have a litter box for the cat? Does it mean you should take your dog outside to go to the washroom? Does it mean you pick up after the dog if it's on the property or off the property? All of those issues should be contained in an agreement between the landlord

and a tenant and cannot be prescribed by government to manage everybody's daily life.

The other portion that the member touches on is that all of a sudden you can go and ask for a pet deposit. Well, yes, on a new tenancy you can. The section is pretty clear here. It says, "After the date the section comes into force," and a landlord now permits a pet. Well, obviously there's going to be a change to a tenancy agreement because a landlord and tenant have now agreed that the person can have a pet in that tenancy. The landlord is allowed up to a half month's damage deposit, as a damage deposit. You know what it says? It says "may take." It doesn't say "must take."

As we went through this discussion, they said: "We would like the opportunity to do it." It doesn't mean that they have to do it; it means that they may do it. They may be very comfortable with the references of a particular tenant in a building that allows pets and that has that description in their tenancy agreement and say, "Actually, you know what? Your references are good. I'm comfortable with you. I'm not taking a pet deposit," because he doesn't have to. That relationship is established between the landlord and the tenant.

[1740]

I know it's a difficult issue out there, because a lot of people feel the government's responsibility is to say: "You must take a pet." But when we do that, we then put the relationship between landlord and tenant at risk for the two of them coming to an agreement as to what is allowed or not allowed in the operation of a residential tenancy.

I think this is the way to go. I know it's not the perfect answer, but it's certainly the way to try to see if people that are living in tenancies today, people that may want a small animal and have a long-term relationship with their landlord, will go to the landlord after this comes into force and say: "You can actually take a pet deposit now, and I wouldn't mind having a cat. Can you and I come to an agreement?" If the landlord sees that as a little additional incentive to say yes, then that's what this accomplishes. But clearly, the rights of the parties involved are going to be established in a tenancy agreement. Clearly, if a person owns a property, they should be able to enter into an agreement with another party to define the relationship of that tenancy between the two parties.

J. Kwan: The obvious thing, I guess, is that the Solicitor General does not see the inequity of applying a piece of legislation that says (a) a landlord could prohibit pets in a particular rental accommodation, and (b) there is no distinguishing between types of pets. A landlord could charge someone with goldfish a damage deposit, just the same as a landlord could charge someone else with a wolfhound for a damage deposit. There is no equity in this provision.

There is no reasonable test to be applied in legislation here. It does not state that a test of reasonableness must be applied in distinguishing when damage deposits could be applied and when pets could be prohibited from a rental accommodation. Worse than that, it

actually sets standards, especially as they relate to the damage deposit issue, for people with the financial means to have better access and to be able to buy rental accommodations, if you will, through the damage deposits and have pets. AIDS Vancouver raised that as an issue, and another group, the Terrace anti-poverty group, has raised this issue as well.

If a damage deposit is allowed to proceed and is paid in conjunction with a security deposit, both are equally allowed to match half a month's rent. A tenant may well be paying a full month's rent in deposits plus an amount, the additional \$100, in other deposits for keys and the like. That's another issue we'll get into, another additional deposit issue that is of concern. This will create financial hardships for many of the tenants within the province, of course, particularly if they have to pay this amount up front along with the rent.

For example, if the rent is \$500 and the renter is on financial assistance or other forms of fixed income such as a pension or disability, they face a cost of \$250 for the security deposit plus the maximum cost of \$100 for keys and the like. If they have a pet, it's an additional \$250. This amounts to \$1,100. That's their total income for one month. If they have children to support or a spouse who is dependent on their income because they themselves are disabled, they can go without the main necessities of life such as food. This already occurs without the added burden they will be expected to pay in future.

Second, on some forms of income assistance such as employment insurance or what we commonly refer to as income assistance from the Ministry of Human Resources, they'll face difficulty in finding funds to pay for these deposits. Is it the minister's knowledge that the Human Resources minister will pay the damage deposit for pets for the recipients of income assistance now that this provision of the act has been put in place? Or is this going to be discriminatory against those who are on income assistance unless they can come up with their own money?

Any savings they have, of course, they have to declare to the ministry, which will be deducted by the ministry. Really, in normal circumstances, one cannot foresee that they would actually have the dollars to be able to provide for that.

[1745]

Hon. R. Coleman: You know, a little while ago the member brought up the price of carpet in a 600-some-odd-square-foot unit as an example of how a landlord, by allowing a pet deposit and half a month's damage deposit, would be able to recoup the cost to replace the carpet. Now, if I get this right, she's making the argument that she doesn't like to have a month's pet deposit that can or cannot be taken by agreement between the two parties, for another set of reasons. At the same time, you can't draw the parallel backward, because someone that has a pet today in a relationship with a landlord where the pet is allowed is grandfathered and doesn't have to put up a pet deposit when the legislation comes into place.

In addition to that, people on social assistance that are getting shelter.... The idea of social assistance, as I understand it, is as the payer of last resort when people are in difficulty. Social assistance is to be geared to providing the basic shelter, food and clothing needs of people. In addition to that, I know there are provisions for things like medical and dental and that sort of thing. I don't have the details of all the payees, but I don't see that it is the responsibility of anybody to decide that, in addition, we should engage ourselves in a discussion of whether somebody, on social assistance or not, should be given by government or any other source a deposit so that they can also have a pet. That's not what this legislation is about.

This legislation is about saying: "Here's an opportunity to try and get pets in residential tenancies." We're going to allow for half a month's damage deposit. We're going to say to the person who owns the property: "You bought the property. You have a mortgage. You have costs. You have told us you think you should be allowed some rights. One is that you will not have to take pets. That's your choice. If you wish to take pets, you have a choice of taking a damage deposit or not taking a damage deposit. You can enter into a tenancy agreement with your tenant that describes the size, the type and the behaviour that you're going to expect of that tenant in that relationship relative to your property for pets."

That clearly starts to set a standard of behaviour and responsibility on all sides. By doing that, I think it clears up a number of issues so that in actual fact — and we'll see — maybe more landlords will have a positive experience with pets in their residential tenancies, and we'll have more pets in residential tenancies. That remains to be seen. It is certainly not something that we have control over. Certainly, we also don't have the ability to control the behaviour of pets and the relationship between a landlord and tenant relative to those pets. That's why we want this in tenancy agreements mutually agreed to by the parties to decide how they are entering into a tenancy relationship, including the relationship in and around pets.

J. Kwan: It's shocking, because what I just heard from the minister — and this is an important point — is this. Basically, if you're poor, on income assistance and need rental accommodation, you will have no right to a pet. It's not government's responsibility to pay the damage deposit for pets. In that which this minister is now allowing — in fact, bringing forward — under this legislation, there is no distinguishing between pets in terms of a gerbil or a goldfish versus a wolfhound in the application of damage deposits or the amount of damage deposits to be applied. There is zero recognition that there are differences between the different kinds of pets.

[1750]

There is no reasonable test to be applied here, reasonableness on both the landlord's and the tenant's side, in either refusing or proposing that a pet be allowed in the rental accommodation. That's what sec-

tion 18 says. I don't know why I get shocked by the comments from this government, from the Solicitor General, but I do. Every now and again I still find beyond belief some of the words that come out of this government's representatives' mouths — in this case, the Solicitor General on the issue around whether or not poor people should have access to damage deposits.

The minister just said that it is not the government's responsibility under the Human Rights Act to provide damage deposits for pets. Yet at the same time, the human resources act.... The minister is saying at the same time: "You know what? If you're poor...." By virtue of that statement, he's simply saying, "If you're poor, you're on income assistance and you don't have your own money to pay for a damage deposit — tough luck; it's not my responsibility, not government's responsibility," irrespective of all the reports that have been out there. The minister has copies of them. I know copies have been given to him about the health value of pets.

Irrespective of that, the government is now bringing in legislation that will allow for refusal of pets in rental accommodations and allow for a charge on damage deposit for pets. I disagree with that, Mr. Chair, and I have an amendment to make for section 18. A copy has been given to the minister.

The amendment reads as follows.

[Section 18 is amended by deleting the text highlighted by strikethrough and adding the text highlighted by underline:

Terms respecting pets ~~and pet damage deposits~~
18 (1) A tenancy agreement may include terms or conditions ~~doing either or both of the following:~~

- ~~(a) prohibiting pets, or restricting the size, kind or number of pets a tenant may keep in the rental unit;~~
- ~~(b) governing a tenant's obligations in respect of keeping a pet in the rental unit.~~

~~(2) If, after the date this section comes into force, a landlord permits a tenant to keep a pet in a rental unit, the landlord may require the tenant to pay a pet damage deposit in accordance with sections 19 and 20.~~

(2) a clause in the tenancy agreement that arbitrarily or unreasonably prohibits the occupation of pets in or about the residential property is void.

(3) This section is subject to the rights and restrictions under the Guide Animal Act.]

On the amendment.

J. Kwan: I move the amendment. This amendment, in my view, will strike a balance to say that a landlord could not, just as a matter, prohibit a pet in a rental accommodation. In striking that balance, the terms and conditions of the tenancy agreement governing a tenant's obligation in respect of keeping a pet must be in place, need to be in place. There's an obligation for the tenant to make sure that they understand what those obligations may be and that the test of reasonableness is to be applied in prohibiting the occupation of a pet in a rental accommodation.

If it is deemed not to be reasonable, then you cannot just prohibit pets and discriminate against those

with pets. The test of reasonableness, which is a legal test, ought to apply. Finally, you cannot just arbitrarily decide you will prohibit a pet, as is the case now under section 18 of this bill. That, to me, strikes a balance between the needs of a landlord and the needs of a tenant.

[1755]

Finally, to take away the punitive requirement of a damage deposit, saying to poor people, basically, with the requirement of a damage deposit: "By the by, you can potentially purchase access to have pets in the rental accommodation if you have the funds, but if you don't, then you will not have that right afforded to you...." That is, in my view, fundamentally wrong. We should not be penalizing people on the basis of their incomes. They should have equal access. Section 18, as it reads now, allows that penalty to be imposed on people who may be poor in our community.

Hon. R. Coleman: We're going to be opposing this amendment.

Through to the member, if you are going to stand up in this House and accuse me of being prejudiced against a particular group of people and use the term "the poor" and say what I said that I didn't say, then you should get it right. If you're going to intone that I said something about human rights, then get it right. None of that happened in this discussion.

This is strictly about a relationship between a landlord and a tenant. People make choices about owning pets, and we also know that being a responsible pet owner has costs associated with it. It costs money for food, vaccinations, veterinary care, etc. Those are choices people make that we're not going to dictate to any socioeconomic group in our society, no more than we can actually say that a particular apartment in a particular community has to rent for a certain dollar amount because somebody wants to dictate a market.

The fact of the matter is, hon. member, you can stand up and engage me in a fair debate about a section of an act, which I'm more than pleased to do. This section sets out the rules. The long-term relationships between landlords and tenants will be established in tenancy agreements, which is where it belongs. That relationship, if it's a good relationship, will see more people allowing pets in residential property. We will see how this works.

We are not in support of the amendment.

J. Kwan: I invite the minister to read *Hansard*. It's on record. He'll understand what he said. The public will also read *Hansard* to understand what this minister has said in this debate.

I won't take time now to debate what he said and what he didn't say. I know this for a fact. Section 18, from my perspective, discriminates against those who are poor, who may not be able to pay a damage deposit. Particularly, those who are on income assistance would not be able to get damage deposits for their pets. The minister takes no onus or responsibility for that.

That's his prerogative. Nonetheless, the net effect is that those who don't have the financial resources would not even be able to get a chance for access to having a pet.

Having said that, one should apply the test of reasonableness. That is the balance that one needs to strike: a reasonable test to determine what should and should not be allowed — not an arbitrary decision solely by the landlord as is the case under section 18 right now, which the Solicitor General has brought before us to be passed in this House.

By the way, just one last comment. I can't help but notice that not one member on the government side rose up to enter into debate advocating the right for pets in rental accommodation.

The Chair: The Chair has had time to examine the proposed amendment to Bill 70, section 18. It finds that the amendment would completely change the intent of section 18, and therefore the Chair rules the amendment out of order.

J. Kwan: I have more questions to ask with respect to this section.

Noting the time, I move that the committee rise, report progress and ask leave to sit again.

Motion approved.

The committee rose at 5:59 p.m.

The House resumed; J. Weisbeck in the chair.

Committee of the Whole (Section B), having reported progress, was granted leave to sit again.

Hon. R. Coleman moved adjournment of the House.

Motion approved.

Deputy Speaker: The House is adjourned until Monday, November 18 at 10 o'clock.

The House adjourned at 6 p.m.