



4th Session, 37th Parliament

OFFICIAL REPORT OF

DEBATES OF THE  
LEGISLATIVE ASSEMBLY

(HANSARD)

**Tuesday, December 16, 2003**

**Afternoon Sitting**

**Volume 19, Number 8**

THE HONOURABLE CLAUDE RICHMOND, SPEAKER

ISSN 0709-1281

**PROVINCE OF BRITISH COLUMBIA**  
(Entered Confederation July 20, 1871)

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Afternoon Sitting

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TUESDAY, DECEMBER 16, 2003

The House met at 2:04 p.m.

Prayers.

[1405]

### Tributes

#### HUBERT BEYER

**J. MacPhail:** Mr. Speaker, may I take this opportunity to, I hope, bring condolences from all of the legislative members in the passing of Hubert Beyer, who was part of the British Columbia legislative press gallery for what seemed like decades. I think it actually was decades.

Mr. Beyer passed away on the weekend at the age of 68. Those of us who are from my class, the class of '91, know Hubert very well, and those who are from classes prior to that would remember him as well.

He always took a unique point of view in reporting on the Legislature. He always took a point of view that defended the communities outside of the large, urban population areas. From what I understand from the family, he kept his spirits bright right to the very end and kept a very sharply critical pencil there to comment on the comings and goings of the Legislature.

Mr. Speaker, I think I speak on behalf of all Members of the Legislative Assembly in asking you to send condolences to Mr. Beyer's family on our behalf.

**Mr. Speaker:** Thank you. So ordered.

**Hon. G. Campbell:** It's unquestionable that Hubert Beyer made a major contribution to public life in British Columbia. It's not unusual for those of us in this room or who are actively involved in the precincts in Victoria to lose track of the fact that what we do has huge impacts on people in each corner of this province — from Fort Nelson to Creston, from Port Hardy to Abbotsford.

Hubert Beyer was a man who constantly kept that in mind, constantly referred to a fundamental set of values, which are Canadian values. As you know, he came here from Germany. He was always proud of his heritage, but he was even more proud to be a Canadian. He was even more proud to live in a country that encouraged debate, that encouraged discussion and that reminded each citizen that they have a role to play in public life — and that public life was a vital part of our lives and a vital part of what defines our country.

In 1995 during the separatist vote, he personally bought a ticket to Quebec for the We Love Canada rally. He wrote very passionately about how important that was and what a meaningful day that was for him, as a Canadian, as someone who had come to our country from Germany and someone who had been able to contribute.

So from writing about local politics, municipal politics in Victoria, to the grand reach of provincial politics

to international responses to both Canada and the values we all share, Hubert Beyer was a broadcaster in the best sense of the word. He broadcast his values, and he was never afraid to tell us exactly what he thought. I can remember a couple of times when Hubert took me out to lunch just so he could explain what we should really be doing. I can tell you that he did that with generosity and with a sense of commitment.

So to his family — because at these times it's most difficult for families, particularly at this time of year — to Eleanore, to his children Patricia, Charles and Gary, to all of his family... I know that our hearts go out to them, our prayers go out to them and our thanks go out to them, because they let Hubert Beyer contribute as he did to public life in our great province. I know that we all join in sending our best and our prayers to his family.

### Introductions by Members

**R. Stewart:** It's my pleasure to introduce a childhood friend — a very young fellow, of course. I knew him when we shared a class in elementary school. I have a great many friends in the forest industry, but Lawrence Pillon, who went to school with me as a child... I don't see him as often these days, but it's certainly great that he's able to join us here in the House. Lawrence Pillon — would the House please make him welcome.

[1410]

**Hon. G. Plant:** I am told that John and Iris Swystun are here from Saskatchewan, I believe, visiting their daughter Corinne, who is a hard-working and diligent legislative counsel in the Ministry of Attorney General — obviously another product of a province that has produced an unbelievable number of great Canadian lawyers and one amazing Minister of Finance. I hope the House will please make the Swystuns welcome.

**Hon. S. Bond:** Actually, today I would like to recognize someone in the chamber who has reached a significant milestone. I think anytime someone is able to say they are half a century old, it deserves recognition. Today I know you'll want to join me in congratulating the member for Fort Langley–Aldergrove, who is celebrating his nifty fiftieth birthday.

**Hon. G. Campbell:** I'd just like to recognize someone who has made a major contribution, certainly to our caucus and to me personally. Mike McDonald, our director of communication, will be leaving for other opportunities, moving to a new life. Mike started working with me back in 1992, when I was the mayor of the city of Vancouver. He had been a legislative intern in 1992 as well, and he then came and started working with me. He's been with our caucus since I came here, a long time ago now. I'm glad he's seen new opportunities unfold before him. I know he's looking forward to spending a lot more time with his daughter Charlotte. I wish I could spend more time with Charlotte as well. I

know all of us will want to give Mike our best. He's been a mentor; he's been a friend; he's someone who's always been there for us. I know we all wish him not just a great holiday season but a great future.

**Hon. L. Reid:** I, too, would like to welcome to the precinct today Donna Clark. She's visiting from Tsawwassen, British Columbia, and she's the finest aunt in the world to my little girl Olivia. I'd ask the House to please make her welcome.

**Statements  
(Standing Order 25B)**

PSYCHIATRIC EMERGENCY FACILITY  
AT ROYAL JUBILEE HOSPITAL

**I. Chong:** Earlier today the Minister of State for Mental Health and the members representing Saanich South, Victoria-Beacon Hill and Victoria-Hillside, along with myself, attended a very important event at Victoria's Royal Jubilee Hospital: the official groundbreaking of the psychiatric emergency facility. This new \$1.4 million psychiatric emergency care unit will be built for the treatment of people suffering from mental health crises.

Many people continue to speak out to raise awareness of mental illness and how it affects our communities and our families. When in opposition, the Premier often spoke about this issue. He made a commitment that, once elected, we would revitalize the mental health system in our province and that mental health issues would no longer be overshadowed by other health care demands.

Here in Victoria many of us were touched by yet another painful event. In February 2000 Todd Thomas, the son of Donna and Peter Thomas, committed suicide in New York City, where he had been suffering from a mental illness. Many of us know Donna, a successful businesswoman and a hard-working community leader. The shock of this tragedy left Donna in a daze. How would she deal with the pain? What healing services were available? Why did this happen? Where does one go to understand mental illness, and when will somebody do more for those suffering?

All these questions motivated Donna towards a vision. That was to continue to raise awareness about mental illness, to support a new care unit where those suffering could seek help and be treated with dignity and respect, and to ensure that something good came out of her personal loss. Donna understood the importance of providing the appropriate care in an appropriate setting. She also understood that one's emotional well-being can be greatly enhanced and improved by being in a less stressful environment than a hospital emergency room.

[1415]

Through Donna's generous initial donation, established well over a year ago, she inspired others to step forward and to also raise funds that would improve emergency mental health services in Victoria. The

Courtnall Celebrity Classic this past summer is just one example of that. Today Donna saw her vision and idea become a reality at the groundbreaking ceremony. I know Donna and her family will be there again next year to cut the ribbon at the opening of the facility.

YOUTH VIOLENCE

**P. Wong:** It is with sadness in my heart that I rise to speak in the House today. A few weeks ago a promising young student, Jomar Lanot, was brutally killed at Sir Charles Tupper Secondary School in my riding. People throughout the lower mainland are concerned about this kind of brutal violence by our youth.

There is a need in the community for people to feel safe, and it is our responsibility to ensure that people do feel safe where they live and work. Schools have already taken a leadership role with regard to the issue of youth violence and bullying. We as a government have learned a great deal through the safe schools task force.

But it is a matter for the entire community. School is in session for seven hours a day and five days a week. It is after school that the community needs to come together to support our youth. Youth require special attention. It is a time in their lives when they're exploring the world around them. They're trying out new things, trying to find out where their boundaries are. They're learning new ideas, new skills and how to cope with others in the world.

It is our responsibility to ensure that we give them effective tools to deal with the conflict and the realities of today's society. We must give them opportunities to explore themselves and the world around them without resorting to violence. We as parents and elders are the ones they look up to. We as parents need to teach our children that violence is not the way to deal with conflict.

With Christmas just ahead, I wish every British Columbian a safe and peaceful holiday season and a violence-free 2004.

REOPENING OF  
ALPHA PROCESSING PLANT

**R. Visser:** Last February I rose to speak about the strength and resiliency in the dreams of the people of Port Hardy and the employees of Alpha Processing. It was only days after, and they were sifting through the fire-ravaged remains of the community's largest employer. I spoke about them coming together and about them standing up for their community and for the way they make their living. I spoke of their hope for the future and for their industry.

I have the pleasure of standing here, nearly nine months to the day later, to tell this House that the plant is now open again and the first of 175 women and men are proudly back to work. Out of the ashes great things can rise. On Saturday the Minister of Agriculture, Food and Fisheries; company CEO, Keith Bulla; plant manager, John Bielka; myself; and hundreds of community

members cut the ribbon on what is now the largest and most sophisticated processing facility for farmed salmon in North America.

Saturday was a great day for Port Hardy and, I believe, for this province. It was a great day because we were given a chance to behold a sense of pride and sheer joy on folks' faces as they opened their place of work to their town. We were given a chance to witness how much hope, opportunity and renewal mean to people. We were given a chance to see that salmon aquaculture is really about people — real people — in small communities who want to go to work and raise their families in their own hometowns.

After months of support and cooperation from Mayor Harry Mose and council and alternate facilities from Keltic Seafoods, the new plant is open and sits brightly shining across the bay from the community, reminding us all of the future and of what can happen if you work hard, pull together and stand up for what you believe in. I'm behind the people of Alpha Processing and this industry. The minister is behind those people. The Premier is behind those people, and this government is behind those people.

Merry Christmas, Port Hardy, and thank you. You've all earned all of our respect.

**Mr. Speaker:** That concludes members' statements.

### Oral Questions

#### U.S. SOFTWOOD LUMBER PROPOSAL

**J. MacPhail:** According to the Premier, 2003 was supposed to be the year of forestry. Some year — thousands of forest workers out of work; communities in crisis; the government's agenda adrift; a softwood lumber proposal from the Americans that takes us backwards, especially for value-added producers.

[1420]

According to the Vancouver Island Association Of Wood Processors, the proposal will mean the end of specialty mills in B.C. and the jobs they provide — an end to them.

The Minister of Forests has been very quiet about the American proposal. Will he break his silence today and assure forest workers that he won't sign on a deal that will drive the value-added sector out of business?

**Hon. M. de Jong:** To the member: I'll tell her the same thing I said at what I was told was the largest chamber of commerce breakfast meeting in Prince George's history a few hours ago, and that is this.

We have a proposal. We are studying that proposal. We are consulting with stakeholders right across British Columbia, and we are discussing the terms of that proposal with governments right across Canada. We have embarked upon a set of reforms in British Columbia designed to revitalize British Columbia's number one industry. We are going to continue with that, and we are going to ensure that no trade deal represents an obstacle to doing what we set out as a gov-

ernment to do, and that is revitalizing B.C.'s number one industry.

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

**J. MacPhail:** My, those are soft words compared to what this minister said in August of 2001, when he said in this House: "We're not in favour of a return to a quota-based managed trade system." That was then. I remind the minister that he said he wouldn't accept a deal on entrenched quotas. Not only does the American proposal do just that, but the new quotas are worse than the status quo.

British Columbia value-added producers and forest workers are lining up against the deal. Let me quote from the president of Seed Timber, a value-added producer in Campbell River. "A quota will lock everyone into their current position after two years of punishing duties. There will be no new entrants, no expansion, no new capital and no new employment. Smaller companies will be consumed for their quota."

Why not go back to the words of August 2001? Rather than now just taking orders from big forestry CEOs, will the Minister of Forests commit today to consult with communities and value-added manufacturers who are saying this deal will kill jobs, innovation and investment in forestry?

**Hon. M. de Jong:** That's what we're doing. That's why I was in Nanaimo yesterday.

Interjections.

**Mr. Speaker:** Order, please. Order, please. The minister listened to the question. Let's listen to the answer.

**Hon. M. de Jong:** That's why I was in Nanaimo yesterday. It's why I was in Prince George earlier today. It's why I'm going to Kamloops tomorrow. It's why I'm going to be in Cranbrook the day after that.

If the member wants to turn this into some sort of a partisan debate, let me say this to the member. Let me share with her....

Interjection.

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

**Hon. M. de Jong:** Let me share with her what I think she is actually hearing but chooses, for the purposes of this forum, not to share with members. There are individuals, companies, within the value-added sector who are saying precisely what that member has said.

**J. MacPhail:** Many of them.

**Hon. M. de Jong:** Now we're agreeing, for God's sake, Mr. Speaker.

Interjections.

**Mr. Speaker:** Order.

**Hon. M. de Jong:** They are saying precisely what this member has just relayed to the House — that this is not a deal they would choose to embrace, and they don't wish the government to do so. Then there are members of the value-added community who are saying: "We need a deal. We're not crazy about this one, but it will allow us to...."

**J. MacPhail:** Name them.

**Hon. M. de Jong:** The member says: "Name one." Let's talk about Jackpine resources, who haven't been shy about saying publicly that unless there is a deal, they'll be putting people out of work. There is a price associated with signing on to a proposal, but let us all understand this as well: there is a price associated with walking away from that proposal. The undertaking we have made as a government and that the Premier has made repeatedly is that we will consider, first and foremost, the best interests of British Columbia and B.C.'s number one industry before we sign on to any deal.

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

[1425]

**J. MacPhail:** In August of 2001 — two and a half years ago — this same member, with great bravado, said: "We won't sign on to a quota-based system." Then, also that same year, the Minister of Forests reassured British Columbians that the softwood lumber dispute would be settled by Christmas — Christmas 2001. Today he stands here and waffles again and again.

He promised that his government's changes to forest policy would get a deal. He said that he would take B.C.'s forest economy to great heights. Instead, he's taken it to the edge of disaster, only to make the Americans happy. He promised new hope, new jobs, more opportunity. He's delivered nothing, absolutely nothing, and he continues today to deliver nothing.

Here's what the general manager of Shawood Lumber in Langley said: "The value-added sector cannot be expected to survive under this tentative a deal. The government of B.C. has always talked about wanting to support the value-added sector. This is your opportunity to stand up for us."

Will the minister just stand up today for Shawood Lumber and every other value-added producer, who are flooding us with letters here in British Columbia and who say this deal will kill their businesses and the jobs they provide? Stand up and support them today.

**Hon. M. de Jong:** At the risk of again offending the member by showing some degree of....

Interjection.

**Hon. M. de Jong:** It's not just the value-added sector that has got problems with this proposal. I don't know if she's chosen to be selective about who she's listening....

Interjection.

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

**Hon. M. de Jong:** You know, I hope this member understands that we're at a point where we as a province have a pretty significant decision to make about a proposal.

Interjection.

**Hon. M. de Jong:** The member wants to put words in everyone's mouth, and she wants to say one thing or the other, but the reality is this. We said to British Columbians that we thought we owed the forest-dependent communities of British Columbia a duty to go out and explore whether or not there was a negotiated solution possible. We are in the process of actually trying to determine whether the proposal that has emerged from those negotiations is one that is suitable and worthy of acceptance.

You know what, Mr. Speaker? It may be or it may not be, and we're in the process of conducting a responsible consultation. If that is something that offends this member — the very notion that we would actually go out and talk to the people who are going to be impacted by this deal — it doesn't surprise me, because in 1996 they didn't talk to anyone. They just let the deal happen, and it offended all kinds of people.

#### GOVERNMENT SPENDING ON HEALTH CARE ADVERTISING

**J. Kwan:** The Premier campaigned in the last election on a promise to never run television ads telling British Columbians what a good job the government is doing on health care — one more broken promise. The Minister of Health has refused to tell the media how much the campaign is costing. In fact, he didn't tell anyone how much the campaign was costing and, when it got started, was telling reporters instead that they weren't asking the right questions. To the Minister of Health Services: how much did the ads cost? What is he hiding?

**Hon. C. Hansen:** There is a budget for communications in government that is vested with the public affairs bureau, which is — I would remind the member — significantly less than the budget for government communications that was in place when she was in government and in cabinet.

Interjection.

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

**Hon. C. Hansen:** The commitment that we made to British Columbians is that we would not engage in the kind of partisan political advertising that we saw from the previous government. In fact, I recall one particular ad campaign that featured, as the star actress in the ad, the current Leader of the Opposition, who at the time was the Minister of Health.

As we go around this province of British Columbia, we find individuals who are saying to us: why are we not providing them...

Interjections.

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

**Hon. C. Hansen:** ...with some of the facts so that they can actually make up their own mind for themselves as to what is happening in the health care system? So we've gone out and have engaged in a communications process...

Interjection.

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

**Hon. C. Hansen:** ...to provide them with the facts. They can read those facts, they can see them on television, and individuals can make up their minds for themselves.

[1430]

**Mr. Speaker:** The member for Vancouver-Mount Pleasant has a supplementary question.

**J. Kwan:** If the minister wants to play games and not come out with how much it cost in terms of the ads, let me just ask the Premier, then — the same Premier who promised never to run ads.... It is clear from the television commercials and the mailer that the Premier is distorting the facts in preparation for the government's fight with the doctors. Why won't the Premier just tell us why he has broken his promise not to run ads, and why won't he just come clean and tell British Columbians how much those ads cost? What is he hiding, Mr. Speaker?

**Hon. C. Hansen:** I know that this member has been a member of this chamber for the same period of time as I have, and I know, as well....

Interjection.

**Mr. Speaker:** Order. Order. We'll continue when we have order in the House.

**Hon. C. Hansen:** I know that the member from Mount Pleasant was not listening to my answer, so I'll start over. I know that the member from Mount Pleas-

ant has been a member of this chamber for as long as I have, since 1996.

Interjection.

**Mr. Speaker:** Order. Order.

**Hon. C. Hansen:** I know that all of us know how information about government expenditures gets tabled. They get tabled in public accounts, and they can be reviewed by the Public Accounts Committee. That has been a tradition in this chamber for many, many years. There is an opportunity for that member, or any other member in this chamber, to review the expenditures of government at the appropriate time. If the member would like to go back to the estimates blue book that was tabled in this chamber last February, she will see the budget that's been put aside for the public affairs bureau. She will find out that budget is significantly less than it was when she was in cabinet and that we are making sure those dollars get spent wisely to make sure that good, fact-based information gets provided to the citizens of British Columbia.

Interjection.

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

#### HARVEST OF BEETLE-DAMAGED TREES IN NORTH THOMPSON AREA

**K. Krueger:** The Leader of the Opposition can prattle on all she likes about forest issues, when her government did nothing but damage our forest industry in their whole sorry decade in office. I have real constituents to represent, who actually work in the forest industry and who have been very much negatively affected by the Americans' behaviour and by other things that have happened — for example, the damage that Mother Nature did in my constituency this summer, the terrible forest fires, the devastation of the mountain pine beetle epidemic.

There is a silver lining to all this. We have four million cubic metres of wood to be brought out of the bush in the North Thompson Valley this winter and by June 30, 2004, before the beetles fly again. The need to harvest these logs and boost the local economy has led me to seek a community salvage licence from the Minister of Forests for the Barriere-Louis Creek area, and I would like an update from the Minister of Forests for my constituents on our prospects with regard to that application, please.

**Hon. M. de Jong:** In fact, those discussions are proceeding, and they are obviously enhanced by where we are in terms of the takeback provisions, the 20 percent in those negotiations. I can say to this member, and will likely repeat in Kamloops tomorrow when I'm there, that by the latter part of the spring of next year, 2004, we hope to be in a position to begin actually developing some of those and implementing the community

forest program and the expanded woodlot program. The member is quite right: those new opportunities that the forest revitalization plan spoke to are now in fact taking place on the ground. I for one am very pleased about it.

[1435]

#### GOVERNMENT ACTION ON FOREST INDUSTRY LABOUR DISPUTE

**P. Nettleton:** Mr. Speaker, I'm not alone in the opinion that government intervention not be part of the collective bargaining equation to be viewed as a ready alternative in solving private industry disputes. This government, however, is apparently creating an environment in which the collective bargaining process can't work as intended. People are suspicious of a government that's proven its desire to chip away at hard-won collective bargaining gains and benefits in this province, a government that is intent on taking B.C. back to a time when average working British Columbians had little or no benefits or rights.

Can the Premier reassure B.C.'s forestry workers that this is not the intent of this pre-Christmas legislative action? And if not, how does the Premier see it playing out?

**Hon. G. Campbell:** I can tell the member that the reason the government is doing this today is that in fact the union came to us and said they would request our help. The FIR said that they would request our help. We felt there was a reason, in fact, for us to work with both the union and the FIR. I think it was important, when Mr. Haggard was at the announcement on Sunday that we would be bringing people back, that he thanked the government for this task.

It's important for us to know that this is about forest workers. It's about their families. It's about their communities. When both labour and business come to us and say, "Will government please assist us in coming to a resolution that will protect jobs, that will encourage long-term competition in the industry," I think it's important for government to respond.

[End of question period.]

#### Introduction and First Reading of Bills

#### COASTAL FOREST INDUSTRY DISPUTE SETTLEMENT ACT

Hon. G. Bruce presented a message from Her Honour the Lieutenant-Governor: a bill intituled Coastal Forest Industry Dispute Settlement Act.

**Hon. G. Bruce:** I move that Bill 99 be introduced and read a first time now.

Motion approved.

**Hon. G. Bruce:** Mr. Speaker, right now a work stoppage in the coastal forest sector is having a devastating effect on families and communities on Vancouver Island and along the coast of British Columbia. It is also having an impact on the province's reputation in international markets.

Last week government met with representatives from Forest Industrial Relations and the IWA to try to see if there was anything we could do to get the parties into productive negotiations. We heard that to ensure long-term viability and to support good jobs in the coastal forestry sector, a new collective agreement needs to be in place.

We also heard that neither group could restart bargaining on its own. The parties told me that if this dispute continues into the new year, it could well last until summer. We heard both the union and the employers ask for government's help to get the parties back to the bargaining table.

We told them that government won't do it alone. They must be part of the solution. The Coastal Forest Industry Dispute Settlement Act provides for an immediate return to work under the terms of the collective agreement that expired in June 2003. A mediation arbitration commissioner will finalize a new collective agreement by May 31, 2004.

This agreement will take into account the economic viability and competitiveness of the coastal forest industry, as well as labour relations stability and interests of unions and employees. The commissioner will have extensive authority to use fact-finding, mediation, conciliation and, if necessary, arbitration to conclude a collective agreement.

Both the IWA and the FIR agree this legislation is required to assist them in getting a new collective agreement. With the help provided by government in introducing this bill, the parties can return to the bargaining table and reach a new collective agreement to revitalize the coastal forestry industry.

**Mr. Speaker:** Hon. members, while we distribute the bill and members have a chance to peruse its contents, we will take a ten-minute recess.

**An Hon. Member:** Fifteen.

**Mr. Speaker:** Fifteen? We will take a 15-minute recess, and we will ring the division bells to recall members.

The House recessed from 2:39 p.m. to 3 p.m.

[Mr. Speaker in the chair.]

**Hon. G. Bruce:** By leave, I move that the bill be permitted to proceed through all stages this day.

**J. MacPhail:** The opposition in supporting this request does not have any intention to filibuster this legislation; however, we do have many questions. Prior to

granting leave, we seek assurance that we will be permitted to ask all of our questions today.

**Hon. G. Collins:** I do know that under standing orders, the House would normally adjourn at 6 p.m. today. If members opposite require more time to complete their work, then obviously we have no difficulty in having the House sit past six this evening, and we would be willing to accommodate that.

Leave granted.

### Second Reading of Bills

#### COASTAL FOREST INDUSTRY DISPUTE SETTLEMENT ACT

**Hon. G. Bruce:** I move that Bill 99 be read a second time.

Mr. Speaker, in introducing Bill 99, it is important to note the seriousness and the reluctance that governments have in intervening in private labour disputes. It is only with the greatest hesitancy that government is getting involved in a private labour dispute.

Let everyone understand that while this legislation responds to a specific request from the people involved in this dispute, we had to look beyond the parties themselves to the very real impact of a lengthy work stoppage in the forests. The fact that we are here today underscores the importance of the forest industry in British Columbia. This industry is vital to families, communities and small businesses that depend on the forest to provide good jobs. A healthy forest sector also helps pay for the vital social programs and contributes to our economy as a whole.

Most of all, we are here today to lend our support to the people who work in the coastal forests — to the people at J.W. Berry Trucking Ltd. in Port Alberni, a family company that has been in business for more than 30 years. They have 13 employees and a fleet of trucks hauling chips, boxed logs, gravel and rock. To the people at Falt Towing, another family company that has been running tugboats in Cowichan Bay for more than 50 years. To the 200 people at the Field Sawmills near Courtenay, a mill that produces high-value lumber products for the Japanese market, and to the 45 employees at the Olympic Forest Products Ltd. log sort in Powell River. All these employees and the thousands more IWA members affected by this dispute have families. These families live in communities that depend on the forest industry.

B.C.'s coastal forest region provides almost 100,000 direct and indirect jobs. It provides enough taxes to account for one of every five dollars spent on health care in B.C. — or enough to pay for the education of almost 300,000 children from kindergarten through grade 12 every year.

The coastal logging industry employs some 11,000 people mostly in highly skilled and well-paid occupations. In the year 2000 forest products manufacturing employed more than 12,000 workers — 6,700 in lumber

and the other solid wood products, the remainder in pulp and paper.

The coastal forest industry supports more communities than all other business sectors combined. It consists of 20 million hectares of the most productive forest land in Canada. In the year 2000 it produced forest products valued at \$3.2 billion, most sold in foreign markets, mainly to the United States and Japan.

[1505]

According to the forest expert, Dr. Peter Pearce, the coast has higher costs and lower returns on investment than other B.C. producers and other U.S. competitors. Dr. Pearce found that the industry in its present form and on its present path is financially unsustainable. With much of the industry still geared to harvesting and processing old-growth timber, the costs of logging and processing on the coast are more than 40 percent higher than the average of all other regions.

If we can find a way to turn that around and modernize the coastal forest sector, then there is a tremendous future in forestry on the coast of British Columbia. In a vibrant and productive forestry sector, we could see new capital investment of up to \$1 billion over the course of the next ten years, according to a recent industry report. But to create a robust forest industry, cost savings need to be found and productivity needs to improve. On that score, there is agreement between the union and the companies.

How we get there is the challenge, and this is where government can assist. The Coastal Forest Industry Dispute Settlement Act ends the current work stoppage and provides a process to conclude a new collective agreement. Upon this legislation coming into effect, IWA members will return to work under the terms of the previous collective agreement. The contract dispute will be resolved through a mediation-arbitration process that will consider the economic viability of the industry.

A mediation-arbitration commissioner will be appointed to resolve all issues in dispute and conclude a new agreement by May 31, 2004. The commissioner's terms of reference require him to consider the need for terms and conditions of employment that are consistent with the economic viability and competitiveness of the coastal forest industry in both the short and the long term, the importance of good labour-management relations in the coastal forest industry, and the interests of trade unions and employees. In carrying out these tasks, the commissioner will have extensive authority to use fact-finding, mediation, conciliation and, if necessary, arbitration to conclude a collective agreement.

When I met with the IWA and the FIR last week, both told me they wanted to reach a new collective agreement, and neither wanted a work stoppage. The union and the employer fully understand that the coastal forest industry needs to make significant structural changes, and they know there would be a new agreement in place eventually. They had already engaged the services of Don Munroe earlier on as a facilitator. But even with all of these elements in place, the

parties were unable to reach a collective agreement and have requested government's assistance.

The union and the employers understand the process and have agreed that Donald Munroe will take on the role of mediation-arbitration commissioner. I think commendation is in order for both the union and the employers for accepting a process that puts families and communities first. As I have stated, government's part is to assist the parties in getting back to the table. Hopefully, that in itself will lead to an agreement. If not, Mr. Munroe will be empowered to arbitrate on outstanding issues.

Having that finality is important. We have only to look back to 1997 to see what happens when these disputes are allowed to linger and positions become entrenched. That was when a dispute in the pulp sector shut down the Crofton mill for ten months. At the end of the day, everyone lost — the employees, the company, the community and most of the families that lived there. This is not a scenario we want to see repeated.

I should be clear that the simple fact of a request for legislation would not normally be enough to overcome our reluctance to intervene in the course of private sector collective bargaining, but looking at the nature of the industry, the amount of harm a prolonged strike would produce and the economic potential of this industry, we are providing the assistance the parties have told us is needed to conclude a new agreement. Bill 99 is presented today in the spirit of the season, which is the spirit of giving, and both parties have done that in order to help rejuvenate our forestry sector and provide a brighter future for our families and our communities.

I have moved second reading of Bill 99, the Coastal Forest Industry Dispute Settlement Act.

[1510]

**J. MacPhail:** I rise to oppose Bill 99, and I do so given the comments that this minister has just made. The spirit of giving. He says we're here under the guise of a spirit of giving. That doesn't explain why we're here today.

The first question this minister needs to answer is: why are we here today? We have two parties who stood up on the stage with the Premier in a nice photo op — a pre-Christmas, pre-vacation photo op for the Premier — with both parties stating their willingness to come to an agreement: Duncan Davies, president of the Forest Industrial Relations, and Dave Haggard, national president of the IWA. Both of them were standing there saying: "We both want an agreement." So what are we doing here today?

Why are we recalling the Legislature? Why is this minister ramming through legislation when both parties have said they want an agreement? Is there something wrong with their characters — those two people's or the Premier's character — that they need the force of legislation to do what's right and what they have admitted is right and what they've acknowledged they want, which is to get a collective agreement? Or is this

some sort of southern U.S. state, where the ward bosses first come in and make the decisions and then the Legislature rubber-stamps them? Is that what we're doing here today? You bet it is.

Both the IWA and the forest industry employer group, which we'll call FIR, have made it clear that they're willing to go back to the table and try and negotiate an agreement. They're big boys; they're big men. They've been through this many times before. What is the government doing? Why are we here? I, for the life of me, cannot figure it out. Both parties have indicated that failing the first preferable option, they will accept binding arbitration. In fact, many a collective agreement ends in binding arbitration because the parties agree to go to binding arbitration. Yet here we are today.

The minister says he's so reluctant to interfere in collective bargaining. What balderdash. I think this about the eighth time he has interfered in collective bargaining. He has set a record in North America as a Minister of Labour for interfering in collective bargaining, always on the side of the employer, and here we are again today. He protests and says he's reluctant to do so. Well, here we are in yet another emergency session — gee, we weren't supposed to have these emergency sessions, were we? — of the Legislature called by this government in order for it to bring down its legislative hammer and impose an agreement. Let's be clear: this is imposing an agreement.

This legislation will come as a great surprise to IWA workers, hundreds of whom I have talked to in the last three days.

**J. Bray:** Hundreds?

**J. MacPhail:** Yes, hundreds. How many has the member for Victoria-Beacon Hill talked to? Zero.

It will come as a great surprise, the explanatory note of this legislation: "This Bill settles the current coastal forest industry dispute and provides for the conclusion of a new or revised collective agreement between the parties." It's the hammer. It's imposing a collective agreement. There is absolutely no question about it, and we know this is the government's preferred way of doing business.

[1515]

My gosh, this minister is really going to be accused of being coquettish once too often. "Oh, I don't want to do this. I'm just horrified that I have to do this." Nobody believes him anymore. His coquettish reluctance is turning into faded, over-the-hill cooperation by the — I'm thinking of my parliamentary language here — opening up for all of his attributes to be used cooperatively, a government that does the bidding of employers once again. That's what this minister has done. In fact, we also know that they were actually salivating over interfering in two disputes, not just one.

Mr. Palmer — Vaughn Palmer, the *Vancouver Sun* columnist — has it right. However, it's been on the Internet grapevine and the Internet labour gossip line since last Thursday night — what this government's

intention was. Mr. Palmer has it exactly accurate. He today notes: "...as government members prepare to intervene in this labour dispute, they are also fretting about the one that got away. For this time last week, the front-of-mind strike for the Liberals was not the one in the forests. It was the strike on B.C. Ferries, and some government members were smacking their lips at the prospect of intervention."

In fact, we heard of individual Liberal MLAs saying: "We're going to break that union once and for all." They meant the ferry workers union. Yeah, we had the quotes. "We're going to break them once and for all. We're going to bust that union." Well, it turns out that the union they really are going to bust is the IWA.

This government's industrial relations are such a failure that the legislative hammer has become the norm so much that in its dispute, even the union leadership saw it as their only option. As the union members see this legislation, they, too, will have questions for their union leadership when they see the onerous nature of this legislation and how much they're losing. There will be not only doubts, not only reservations, but opposition to this legislation.

The message out of this legislation to employers is crystal-clear. They don't have to bargain in good faith, because the B.C. Liberal government will come in and bail them out by imposing an employer-friendly contract. This bill is a clear indication that once again, under the B.C. Liberals, the employer wins. I had to sit here and steam when this minister introduced it at first reading and said that this gets IWA workers back to work. It doesn't get IWA workers back to work. There is nothing in this bill that gets IWA workers back to work. It contains no guarantee of a return to work.

In fact, employers are telling workers — as of the last 24 hours — that they won't be recalled. The Chemainus mill owned by Weyerhaeuser is telling its workers: "Oh, sorry, we're not calling you back until after the statutory holidays, because we don't want to pay you statutory holiday pay." That was a mill that was operating before the strike and had no plans for a shutdown at this time of year. Are they putting their workers back to work because of this legislation? No, they're not. The minister was dead wrong, perhaps deliberately so, in saying that this returns IWA workers to work. It simply doesn't.

What do IWA members get from this deal? Well, they get their old master agreement to convince them to go back to work, but they only get it till May 2004. For much of that time, many forestry workers will be off for the winter slowdown anyway. They'll be on layoff. This isn't giving IWA workers access to their master agreement — not at all. IWA workers will get EI. That's what they'll get.

At most, getting a return to their master agreement is a Pyrrhic victory for IWA members. By the time many millworkers are headed back to the job in spring, it will be a matter of mere weeks before the hammer of the commissioner's binding arbitration comes down. In the interim, the commissioner has the power to make interim agreements to weaken provisions of the master

agreement. Right here in the legislation the commissioner has all sorts of opportunities to impose different wages and working conditions — lesser so, you can guarantee it — on IWA workers.

[1520]

You know, Mr. Don Munroe is a very experienced conciliator, mediator and arbitrator, but he's not new to the forest industry. He's not new to being a commissioner, to trying to resolve these disputes. I spoke with a couple of IWA workers today, who remembered clearly the last time a Social Credit government intervened in bargaining — in 1986. Now, the government of the day didn't do what this government does, which is just — by the big legislative hammer — to impose arbitration conditions. It appointed an industrial inquiry commission, which is of course available to this minister as well, under the Labour Relations Code — easily available.

Mr. Munroe, a well-respected person, sat as part of that three-person industrial inquiry commission in 1986. What happened then, Mr. Speaker? Well, the industrial inquiry commission made recommendations, and the union got to vote on it. They voted 98 percent against Mr. Munroe's recommendations.

So here's what this government is doing. They don't want IWA workers to have a vote. That's what this is about, pure and simple. Don't give them a vote. Don't let them have a say in their future. That's what this legislation is about, pure and simple. God forbid that the thousands of IWA workers, who have worked in this industry for decades, get a say in their future. Of course the companies don't get a say either. Those smaller companies are fretting that they, too, are having their voting rights taken away.

Here we have a government-imposed-by-legislation commissioner who can make interim agreements to weaken provisions of the master agreement and then can finally impose, through binding arbitration, a weakened agreement. The workers and the employers get not a whit of say. Well, what do the employers get? What do you know? Right in the legislation are terms of reference that give the industry exactly what it's asking for.

Here are the terms of reference in the legislation, and if this isn't pro-industry, I don't know what is. Here's what the terms of reference listed in the legislation say. It starts off with the need that the commissioner has to consider (a) the need for terms and conditions that are "consistent with the economic viability and competitiveness of the coastal forest industry in both the short and long term." That's exactly what the industry wanted, and they got it right there in legislation. The terms under which the commissioner has to operate also reference the importance of good labour management relationships in the coastal industry and the interests of employees and trade unions.

But nowhere in this legislation is there any mention of the importance of communities. Those forest-dependent communities are the biggest losers of all under this government. I can hardly wait for those Liberal MLAs who come from forest-dependent communi-

ties to stand up and say where the interests of forest-dependent communities are in this legislation. Dead silence. Nothing. So they're the biggest losers of all. With each passing year, the number of communities and people who are losing out in this province grows at a staggering rate.

The fact that we are here in this chamber today, once again being called back for a special session to legislate another collective agreement, is a testament to this Premier's failure — his failed economic agenda. Really, the reason why this government has intervened in this dispute when there was absolutely no necessity... He could have said to the men: "Be big men and do what you both agreed to — bargain." The reason why the government is ordering this group back is because they're desperate for the revenue, because of the Premier's failed economic agenda. They're desperate because the Premier has a failed industrial relations strategy. As important as anything else, the Premier has failed in settling the softwood lumber dispute, and he has failed in his attempt to revitalize forest policy.

[1525]

I found it astounding — the Minister of Forests' answers about the softwood lumber dispute today. It's way, way more important in our economy than anything else, and the Minister of Forests has no answers. He blusters. He turns beet-red, and he should turn beet-red with embarrassment because he has no answers, he's got no resolution and he's being forced to eat his own words on how he says he would resolve the dispute.

Let's start with this government's failed economic agenda, because that's really why we're here. Under this Premier's leadership, B.C.'s fiscal and economic situation has gotten much, much worse. The Premier promised a new era of hope and opportunity, and what have British Columbians got instead? Deficit at historic levels. The debt continues to climb, and B.C.'s economy is stagnating.

More than 200,000 British Columbians are unemployed, and the province is receiving considerably less revenue in sales and corporate taxes. We saw that in the second quarter report. The only reason this government can say it's on track to meet its \$2.3 billion deficit figure is because of higher-than-expected revenues from natural gas and the Crowns and actual revenue from Crowns such as B.C. Rail. It's turning a much higher-than-expected profit.

The Premier's economic plan has failed miserably. His high income tax cuts did not pay for themselves, they did not stimulate economic growth, and they did not result in more money for public services. More than two years into the brave new era, the net result for British Columbians has been high unemployment, big deficits, slow growth, lost public services and squandered public assets.

Here are the telling statistics of the new era. Here's what they are — government never likes to say this: real average hourly wage down in B.C. by 2.4 percent since 2002, the worst in Canada; average weekly wages down from \$683 a week in December 2002 to \$680 in

August 2003 — so hourly wages down, weekly wages down. In 2002, the first full year of the new era, real disposable personal income was down by 0.2 percent. Under the NDP the average yearly growth of real disposable personal income was 1.4 percent. Wow, and they're considered good economic managers. Wow. Working families have really benefited from this government — not.

British Columbia posted the most significant decline in the country in non-residential construction in the third quarter of this year — down 8.8 percent in Vancouver, and that's the hotbed. In the province as a whole, non-residential construction is down by 9.4 percent. Vehicle sales — down in September 2003 by 1,100 vehicles from a year earlier. More than 1/5 of the total Canadian decline in vehicle sales occurred right here in British Columbia.

[1530]

Unemployment is up from 2001. The north coast unemployment rate is 10.6 percent; the Cariboo unemployment rate, 9.8 percent; Kootenay unemployment rate, 9.4 percent; lower mainland, 8 percent; Vancouver Island unemployment rate, 8.6 percent. I know this government loves to talk about the jobs it created. I noted they made a big fuss in October when jobs were created, but when the unemployment rate in November actually fell because people were leaving the province — that's the only reason the unemployment rate fell; 5,000 workers left the workforce, and not one new job was created — there was silence from the Liberals and silence from the *Vancouver Sun*, I might add, as well. Funny how the *Vancouver Sun* only likes to report on economic news that doesn't damage the B.C. Liberals — absolutely nothing on the fact that people are fleeing the British Columbia workforce.

Well, here's what happened to total employment between August 2002 and August 2003. Employment growth was a meagre 1.1 percent. What was the average employment growth during the NDP's ten years? It was 2.1 percent. That's the decade of decline that the Liberals like to talk about — really. I bet you the Minister of Labour won't be using that term in debate here, because their shameful two-year record on economic failure outpaces any other jurisdiction in Canada.

Now, let's see about their failed labour relations agenda. Since almost the day it was elected, this government has gone to war with working people, interfering in the collective bargaining process to impose heavy-handed, one-sided legislation. In just over two years this government has torn up the contracts for tens of thousands of workers, including professionals like the doctors. They've done all of that by a stroke of the legislative pen. The B.C. Liberal government has introduced legislation to retroactively cancel the contracts of health care workers, including doctors. They've cancelled teachers' and college instructors' contracts, cancelled arbitration for the physicians and imposed a collective agreement on transit workers. In fact, this government's record on industrial relations is so bad that it has actually been censured by the Inter-

national Labour Organization, a UN body, for its labour policies.

Here we are today in what I think is the seventh or eighth time this government is interfering in the free collective bargaining process. My colleague the member for Vancouver–Mount Pleasant will talk about that a little bit later. Once again, here we are, with this government interfering in a process that they don't have to interfere in at all — in the private sector, with the two main sides saying they're happy to go back to work, happy to mediate, happy to have binding arbitration. There's no need for this oppressive legislation except for this Liberal government's failures.

Their third failure, of course, is the failed softwood lumber dispute strategy and their failed forest policies. Let's go. I noted that the Minister of Labour talked about some truck logger he had heard from. Well, I guess that truck logger is bitter, because here's what this B.C. Liberal Premier said to the Truck Loggers Association convention on January 17, 2003. Let's see; that would be exactly 11 months ago. Here's what he said. I quote the Premier: "I'm here to tell you that this is the year for forestry in the province of British Columbia. This is the year we turn to the future." He got a standing ovation from the truck loggers. Who wouldn't give him a standing ovation with the big-guy promise like that? Wow.

[H. Long in the chair.]

Well, if this is the year we turn to the future, God help us. It has been a year of disaster after disaster for the forestry sector. I bet you that now that truck logger is saying: "Oh my God. Don't make any promises in 2004." I'm pretty sure that's what the forest sector is saying.

[1535]

Yep, at the beginning of 2003 the Premier declared this would be the year of forestry. He left out one word. I hate it when that happens on your computer — you know, when the computer deletes one word. He meant to say, surely: "This is going to be a disastrous year for forestry — *annus horribilis* year of forestry." He forgot those words.

So here's what the future looks like 11 months after the Premier made that promise: no softwood lumber agreement with the United States; a proposed agreement that does exactly what the Minister of Forests in B.C. said he wouldn't allow to happen — impose quotas. That's exactly what's on the table. That's being condemned by all the major players in the industry, and there's no likelihood of reaching an agreement that's good for B.C. until after November 2004. No agreement, despite the Premier's two cap-in-hand trips to the feet of Dick Cheney, the Vice-President of the United States. In fact, I recall the Premier saying in his last cap-in-hand trip to see Dick Cheney that we're within weeks of resolving this dispute. Hmm, let me see. How long ago was that?

No agreement, despite the government getting rid of the appurtenancy clause that required companies to

mill timber in the area that was cut so as to protect jobs and build communities. No wonder this government doesn't mention any protection for communities in this legislation. I guess it's turning out that if the interior is the heartland — actually, the members from the coast say that the coast is the heartland — this government is cholesterol. There's no question about that.

No agreement, despite the government ending cut control that guaranteed a steady supply of fibre to local mills employing local workers, who in turn supported community businesses. No softwood lumber agreement, despite the government making it easier for companies to sell off their licences without penalty, thereby allowing for even greater corporate concentration, which is leading to mill closures and layoffs that have impacted the viability of communities across this province.

No softwood lumber agreement, despite the gutting of the Forest Practices Code and environmental protection. No softwood lumber agreement, despite the proclaiming of all of B.C.'s non-protected lands as "the working forest," which allows for the opening up of Crown lands to increased commercial pressure and now makes habitat protection a thing of the past. No softwood lumber agreement, despite the government taking back 20 percent of licence tenure and its attempt to create a competitive log market and stumpage rate. What a record. What a shameful record of failure. All of this is impacting on the negotiations — that we're now legislating away worker rights.

Companies are coping on the coast with this government's failure to resolve the softwood lumber dispute, having no answers. We saw that in question period today. The Minister of Forests is doing a tour, talking to chambers of commerce. Gee, that must be a rough audience for him. Well, it turns out it is a growingly rough audience because of his failure to resolve the dispute.

No answers otherwise. So we have a coastal forest industry being devastated; the interior looking for resolve to the softwood lumber dispute; this government caving to a proposed agreement that imposes quotas, something they said they'd never do; this government ending contractors' protection for getting a fair wage in the logging sector; and this government's refusal to protect the social contract that existed between forest-dependent communities and the workers there — that if a tree was cut down in the community, a job would be created in that community. That's all gone.

What a shameful record of failure. What has been the ultimate result of this Premier's failed forest agenda? Devastated communities across the province with record high unemployment levels in the forest sector before this strike, a demoralized population and not one word of comfort for those communities in this legislation. In fact, this new legislation, Bill 99, will add to and compound that devastation.

[1540]

The government says it had to bring in the bill to get forest workers back to work. Well, that is just simply not true. In fact, some of the workers have gone

back already. They didn't need legislation. They went back to work before the legislation was even introduced. Companies are clearly taking a stand on whether they're going to give the master agreement to the workers or not. Some companies are saying: "Oh, sorry. We're not recalling you."

I'll be asking the minister what guarantees he has for the workers that they'll be called to work. Company by company, I'll be asking the minister at committee stage. He said this will get them back to work. Tell me when and where. TimberWest isn't doing that. Loggers are laid off anyway. In fact, just last week Interfor and TimberWest, two of the largest companies in British Columbia, after they'd cut the deal with this minister about this legislation — after they'd cut the deal, which has been over a couple of weeks in the making — sent out letters to their workers cancelling the agreements between the workers and the companies.

TimberWest and Interfor, knowing full well they were going to have their way with this government, aren't living up to putting workers back to work under the previous agreement. TimberWest has made it quite clear it's not going to call crews back to work. It's made it quite clear to its workers. Now, how would we know that? Because we're actually out there talking to IWA workers, unlike the Minister of Labour and unlike the Premier. They have not talked to any worker who is actually working in the industry now — not one. But we have been, and here's the information we're getting back.

As I said earlier, the Weyerhaeuser Chemainus mill manager has told the workers, since this announcement was made, that they won't be bringing them back before the statutory holidays. Why is that? Because they don't want to have to pay statutory holiday pay. That's nice. The minister is completely wrong when he says this legislation puts IWA workers back to work. Maybe that's why as more details emerge, IWA workers, in the majority, don't support this direction.

How far is this government willing to go? It was very interesting to read section 9. Okay, so we know that the rest of the bill says that everything's got to be in place by May 31, including the arbitrator's binding collective agreement, and that lots and lots of IWA workers won't even be back to work until April anyway. Just in case the arbitrator doesn't impose enough concessions on IWA workers, he gets another kick at the cat under section 9. What section 9 says is that the commissioner will report to the minister before July 31, 2004, with recommendations respecting: "(i) the impact that, in the commissioner's opinion, current coastal forest policy may have on the successful operation of a collective agreement concluded under this Part, and (ii) measures that the trustee of the B.C. Forestry Revitalization Trust referred to in section 10 of the Forest Revitalization Act may take, and what the parties to a collective agreement concluded under this Part may do to maximize funding under the trust."

[1545]

So May 31 — impose collective agreement through binding arbitration that the workers don't get a vote

on; nor do the companies. Then let's say the softwood lumber dispute is on the verge of being resolved if this government gives more concessions to the Americans and if those concessions involve this government having to tear up even some of the lesser wages and working conditions imposed through binding arbitration. Then the commissioner can make recommendations to the government — how they should further erode the contract in order to appease the Americans under the softwood lumber dispute even more.

There's a nice little path outlined in this legislation of the ability for this government to make even further concessions for working families and forest-dependent communities by legislation. What a record. What a shameful record of failure. Well, I will just say that the NDP has no.... We have no intention of holding up this agreement, none whatsoever, because that's what people have said that they want — says this government.

We'll see. We believe very strongly that getting a fair resolution in this dispute is crucial to B.C. We didn't need to be here to do that. This government could have appointed an industrial inquiry commissioner, according to the current law of the land.

We will oppose this legislation, but we will not hold it up. It is incumbent upon us, as the opposition, to ask all the necessary questions to get this minister on record for what his and his government's real intentions are. We will provide the proper examination of this legislation that the public expects, that the workers and the companies expect and indeed depend on us for.

We have no intention of merely filibustering this bill. There are one or two government members who wish to address this bill, and we assume they have no intention of filibustering this legislation either. We oppose it. We will stand to oppose this legislation. We will do absolutely nothing to exacerbate the failures of this government.

**P. Nettleton:** Thank you, Mr. Speaker, for this chance to respond in second reading to Bill 99.

Is it a bird? Is it a plane? No, it's supergovernment. Big Brother government has once again come to the rescue in British Columbia.

But wait a minute. Who is actually being rescued here? Is it the B.C. taxpayer? Is it the forestry employers, or is it the forestry workers? Dare I say it? Is it just the government rescuing itself, being opportunistic and self-serving? God forbid. Perish such a thought.

Could it be that government could stoop so low as to seek to undermine the collective bargaining rights of British Columbians at Christmastime, of all times? Surely, they wouldn't take advantage of difficulties in the labour dispute to further their own mandate of weakening workers' rights while placing more power into the employers' hands.

I'm just calling a spade a spade here, and if this is the mandate, I would say to the minister: "Just say so." If this intervention is — as the minister has said — in the spirit of the season, isn't the Christmas season, folks, about honesty, truth and giving? So what is the

truth with respect to the government's intervention at this time with this piece of legislation? And where is the giving?

[1550]

Who is the giver? Who is the receiver? If the government's motivation is good and honest and not devious, not in collusion with one side in this dispute, then we might see a fair outcome. What I see so far I don't care for, but I hold my skepticism in reserve. It is Christmas, after all. I just hope that the workers and their families are not going to end up, at the end of the day, with a lump of coal.

**J. Kwan:** I rise to engage in debate on Bill 99, the Coastal Forest Industry Dispute Settlement Act. The bill was introduced today. At the time of first reading I couldn't help but think — and in fact I said — that this is all about politics. That's why the government has brought this bill in. It is about politics and is not, in fact, about communities. What this government does, and has a record of doing, is inject politics into labour relations in British Columbia. No matter what the damage, that's their ideology, and that's what they will do. That's what they're doing now.

At that time, Mr. Speaker, when I heckled the minister that this is all about politics, the member for Burquitlam shouted at me and said: "Well, duh. Is there anything inside your head?" That's what the member for Burquitlam said. I have to ask the member in this chamber.... Perhaps the elastic in his hairband is too tight. I wonder what's inside his head. The pattern of what this government has done to date has demonstrated that the entire process....

**Deputy Speaker:** Pardon me. Will the member please keep the decorum of the House.

**J. Kwan:** What this government has demonstrated around labour relations is nothing but politics. That's what this government is doing with Bill 99, and that's what this government has done in the past with a series of bills. In fact, I did a count while the Leader of the Opposition, my colleague from Vancouver-Hastings, was speaking. I did a count of how many bills this government has brought in for political reasons to interfere in labour relations in the province of British Columbia. The count comes to 11 pieces of legislation.

Let me just review for the record. In the lead-up to the 2001 election the Premier — then the opposition leader and now Premier — told working people in British Columbia that he would respect agreements that had been negotiated and signed by public service workers and their employers. Here's a direct quote: "I'm not tearing up any agreements." That is a direct quote from the now Premier, the then opposition leader, quoted in the HEU *Guardian*, November 2000.

In just over two years this government has torn up the contracts for tens of thousands of workers by a stroke of the legislative pen. Since almost the day it was elected, this government has gone to war with

working people, interfering in the collective agreement process, in the bargaining process, to impose heavy-handed, one-sided legislation. The B.C. Liberal government has introduced legislation to retroactively cancel the contracts of health care workers, teachers and college instructors and to cancel arbitration for physicians.

[1555]

In fact, this government is so keen on injecting politics into the daily lives of British Columbians that the Minister of Education went and came up with this college act — for the first time in the history of British Columbia taking away an independent authority of a profession for self-regulation. It is this government who has done that, and it is this Minister of Education who hates the teachers so very much that she thinks by creating a warpath against the teachers, by taking away their independence as a professional body, somehow that would benefit the education system. Only she found out the hard way. She had to eat crow and understand that injecting politics into the classrooms is the wrong thing to do, and that understanding the teachers in the classrooms has every value in our education system.

That is the ideology of this government — much to the Minister of Education's chagrin, I'm sure, that she got caught, and this government's chagrin that they got caught with their pants down each and every time. They should understand that introducing politics into the lives of British Columbians in such a way that hurts and damages the long-term viability of communities is the wrong thing to do.

The member for Burquitlam would be wise to understand that concept. The issue around introducing politics in such a negative way that disrupts the due process of labour relations in British Columbia, for both the employers and the workers, is not beneficial in the long term. It creates instability in our economy, it creates instability for the workers, and it creates instability for our communities. That's why politics should not be injected into labour relations in the cavalier way that this government, this Minister of Labour and this Minister of Education like to do.

In almost every case....

Interjections.

**J. Kwan:** I know there'll be ample opportunity for the Liberal MLAs to rise up. They're heckling me like crazy. It kind of hurts when you press the right buttons, Mr. Speaker. But let me tell you that these are the facts, and I'm putting it on the record. The members may not like it, but they are the facts.

In almost every case there was not even an attempt to negotiate first. Instead, this Liberal government has chosen to create conflict and division, which this Minister of Education is so apt in demonstrating, injecting the kind of conflict and division into the classrooms that hurts students and their education. But to heck with them. That's what this Minister of Education's

approach has been, and that's what this government's approach has been.

This government has chosen to create conflict and division in our health care system, in our schools, in our colleges, in our ferry system — just about anywhere they could lay their dirty fingers on. They have interfered in collective bargaining so many times and have called this Legislature back for so many emergency sessions that it actually makes your head spin.

In fact, the first legislative act of this B.C. Liberal government was to bring back-to-work legislation for health care workers. In what would be the first of many special emergency sittings of the Legislature, this government brought in Bill 2, Health Care Services Continuation Act, on June 19, 2001 — a mere month after they were elected.

[1600]

They followed that up with the infamous Bills 27, 28 and 29 in a weekend marathon of contract-breaking in January of 2002. This government tore up thousands of contracts in the health and education sectors, the very contracts the Premier promised he would not tear up. The Premier actually promised he would honour them. So much for the Premier's word. Now we know what the Premier's word is worth: nothing — not the paper it was written on. The *New Era* document it was printed on is worth nothing. These bills pave the way for massive cuts to health care and education and for the closures of hospitals and care facilities throughout the province.

Damage to the health care system is not the only consequence of the B.C. Liberal government's decision to rip up contracts. The other is, of course, the sullied reputation the B.C. Premier has been given in the international and business communities. After all, a contract is a legally binding agreement, the sanctity of which is absolutely critical to creating a positive business climate. As the *Globe and Mail* editorial stated at the time, the Premier "violated a basic covenant on the weekend by forcibly rewriting legal negotiated contracts that were still in force. If he is not prepared to respect so basic a legal agreement, what other contracts is he prepared to rip up?" That's a direct quote from the *Globe and Mail*. Indeed, what other contracts?

As it turns out, breaking contracts and legislating people back to work has become a hallmark of this B.C. Liberal government. In fact, this government's record on industrial relations is so bad that it actually has been censured by a United Nations body for its labour policies — a rare and shameful occurrence for a Canadian administration. The International Labour Organization has ruled that the B.C. Liberal government violated the UN convention on freedom of association and has called on the government to repeal the law declaring K-to-12 education an essential service and to amend five other statutes to ensure that working conditions are negotiated rather than imposed. This is what the UN had to say.

In the most recent session this government brought in Bill 94, the Health Sector Partnerships Agreement Act — legislation that amplified the contract-breaking

provisions of Bill 29, extending the rules on contracting-out to any private company hired by a health authority to deliver non-clinical services.

On top of the multiple attacks this government has made on the free collective bargaining process, this B.C. Liberal government has also attacked the working people in British Columbia in two other ways. They've made a number of regressive changes to the Labour Code, including changes that made organizing new certifications difficult and de-certification easier. Non-union workers have had their protections under the Employment Standards Act gutted. Some of the most recent changes by this B.C. Liberal government exclude farmworkers from rules governing hours of work, overtime and statutory holiday pay — and deregulated child labour.... All employees have suffered from the cuts this government has made to the Workers Compensation Board, which have reduced injured worker benefits, ended rehabilitation programs and closed WCB offices.

[1605]

Other policies that hurt workers and have been brought to British Columbians by this government include the two-tier minimum wage, or what this government likes to call the training wage, and the pro-smoking rules for bars and restaurants. The government actually overruled the WCB in order to accomplish this for their election donors. In just the past two sessions this government has introduced a myriad of bills that directly and negatively affect workers in this province. Bill 18, the Coastal Ferry Act, which ripped up contracts for B.C. ferry workers; Bill 89, the B.C. Railway Amendment Act, which ripped up contracts for workers at the B.C. Rail port subdivision; Bill 61, the Community Services Labour Relations Act, which established that successorship rights would no longer exist for community care workers; Bill 94, the Health Sector Partnerships Agreement Act, which ripped up successorship rights for contractor employees; Bill 95, the Railway and Ferries Bargaining Assistance Amendment Act, 2003, which allowed the minister to impose the disastrous cooling-off period for ferry workers that escalated the ferry dispute; Bill 37, the Skills Development and Labour Statutes Amendment Act, 2003, which legislated child labour, giving B.C. the lowest standards in Canada for protecting children in the workforce.

Earlier legislation eliminated farmworkers from the Employment Standards Act; Bill 39, the Transmission Corporation Act, which overrides portions of the OPEIU collective agreement; and then Bill 21, the University of British Columbia Services Continuation Act, which ordered workers back to work at UBC. These are just the bills from the recent sessions.

It's almost as if this government cannot come into this chamber without attacking the working people of this province and damaging the process of free collective bargaining, which is key to a democratic society. The message of this government to employers is clear: there is no need to bargain in good faith. Just put on a

bit of a show, and then we'll come in with our legislative hammer and impose a settlement.

In taking this high-handed ideological approach, this government has undermined the free collective bargaining process and created a climate of instability and confrontation that is not good for anyone. It's not good for the workers, it's not good for the investors, it's not good for communities, and it's not good for our economy. Generally, it's not good for British Columbians, who are just trying to lead their lives to make a living in this economy in our province.

You have to wonder, Mr. Speaker: what is Bill 99 about? When you look through the bill which the government introduced today.... I looked through it. We had a 15-minute recess, and I looked through this bill. While my colleague from Vancouver-Hastings and the House Leader were speaking, I looked through the bill again, and I note there's not one mention of communities in here, in this entire piece of legislation. There's not one mention about the provision of returning to work. The Minister of Labour and the Premier, in their own press release, said that this bill was going to return workers to the workforce. Well, there's nothing in this bill that would call the workers back now.

In fact, my colleague from Vancouver-Hastings identified that in Chemainus, Weyerhaeuser had already indicated they would not be calling workers back — why? — because they want to save on overtime pay over the holiday season. Where else? TimberWest said they're not going to be calling the workers back. What does this mean for a lot of the workers? What it means is that they can then collect EI.

Then you have to ask the question: why is there such urgency for this bill to be brought in this House for this government to bring forward the legislative hammer, when in fact it does not return workers back to work? Interesting, isn't it? Other than to say this legislation is about ideology....

[1610]

It's about some sort of backroom deal that the government made amongst a few people, and that's what this piece of legislation is about. Be damned with the free collective bargaining process; be damned with industrial relations in British Columbia. Be damned with stability in the workforce, where investors need to know there are good processes in place that would be respected, where people need to know that contracts and legal agreements are not signed to be ripped up and torn apart just like that at the whim of the Premier, at the whim of the Minister of Labour, at the whim of this government. Ideology prevails, where their mentor.... I shouldn't say mentor. Sorry, that's the wrong word. Their leading charge always, always puts politics before the people.

That is the approach where confrontation on conflict wins the day. They want to see community pitted against community, workers against employers, so that there's discord in the community and so that negotiation would not have an opportunity in our labour relations process. At the end of the day, all the employer needs to do is say to this government, "We don't want

to negotiate. Do what you can do," and that is to legislate and bring down the legislative hammer so that the process of fair negotiations in British Columbia would be completely undermined.

In this instance, with Bill 99, many of the workers themselves would not even have the right to vote on their future when they've invested years and in some cases decades of their lives into their careers, in their jobs. They've invested their families' future in their jobs. This government is saying: "You don't even get a vote in saying where your future lies." Shame.

**D. Hayer:** Bill 99, the bill we are debating today, is all about partnerships. It is about getting people back to work, about getting a huge industry component operating again. It is about government and unions, employees and employers getting together, joining together in a partnership to get people back to work, to get labour negotiations back on track, to have government, industry and unions working together to solve a crisis.

We have an industry that is already on its knees due to American protectionist policies. We cannot afford to hurt it further ourselves by having the coastal sector out of production. No one wants to see people out of work, particularly at this time of year. Workers, communities and families are being impacted and are being hurt during a time when everyone should be celebrating, should be gathering together for a joyful Christmas season.

The union that represents coastal forest workers is supporting this legislation. In fact, IWA president Dave Haggard joined with the Premier on Sunday and said: "This is the right time for the government to act in this dispute." That is a clear indication that what we are doing here today is the right and proper thing to do. Change is needed in the coastal forest industry to ensure its survival and the survival of well-paying jobs to keep families and communities strong.

Most of the saw and shingle mills in my constituency of Surrey-Tynehead depend on the strength and viability of the coastal forest industry. This legislation will give them certainty and security. It will ensure that people are back at work, that fibre will continue to flow into the mills and that many of my constituents keep working. The union wants this legislation, the employers — through the Forest Industrial Relations organization — want this, and both parties want to get back to the bargaining table.

[1615]

This legislation enables that. It provides the breather that everyone needs — workers, their families, their communities and their employers — to get back to the table to negotiate a settlement to this dispute that works for everyone. Both sides in this dispute asked the government to be involved, and both sides support the actions we are taking now in this House.

On the government side, we often talk about the new era. Well, we are seeing that new era in action. We are doing what we were asked to do: help bring about a resolution to a dispute that has been hurting British

Columbia's reputation, hurting our economy, hurting our communities and hurting our families. Clearly, it is time to resolve this issue, and by debating this legislation today, we are moving towards resolution, moving away from the hurtful things and moving toward a positive outcome that will benefit us all over the long term.

Everybody acknowledges that change needs to come to the coastal forest industry, and those changes will come, I am certain, as a result of the union and the industry sitting down once again across the bargaining table. While both parties start talking again, workers will be back at work, families will prosper, and, hopefully, a little extra can be under the Christmas tree this year as a result of this legislation.

Therefore, I want to congratulate both the industry and the union for requesting the assistance of the government to bring a resolution to this dispute. I wish them much success in their negotiations. Lastly, I offer everyone the best of the season.

**R. Harris:** I was going to be brief, but I don't think I'll be quite as brief as I originally planned on, especially after listening to the members from the opposition. I want to start off with a little story about where I think a lot of us.... I think every one of us had different plans for where we were going to be today. I know I had a different idea of what I'd be doing today, before Sunday. I'd planned to be in one of the schools in my riding today, talking to a class. Actually, there were about three classes coming.

We had to phone the principal of that school on Monday and tell him that I wouldn't be able to attend because the House was being called back, and we told him why. His response initially.... Actually, it was my CA that called. It wasn't me. She came back and said: "Well, he seemed a little bit short, because they were kind of disappointed. They had planned this event around it, and he'd be going down to tell the teachers in the class that you wouldn't be there." He was pretty disappointed and wanted to know how we could actually do that. It didn't seem right to him.

[Mr. Speaker in the chair.]

About half an hour later we got a call back from the principal, and my CA took it again. His comment was: "Well, I went down and talked to the class, and actually, I got a different point of view." He told the students that I wouldn't be able to come in on Tuesday and that the reason was that the House was being called back, and it was being called back because there was legislation that would be passed that would bring an end to the work stoppage. One of the students in the class said: "Well, my dad's been off work for quite a while. That's a pretty good idea. That's a pretty good reason. That's okay with me. Can he come in January?" Some of the other students joined in on that. His comment was that he wanted to phone to say he's got a different perspective on what we're doing today, because it is important.

I listen to the member for Vancouver-Hastings and her partner go on about how concerned they are about forest jobs in rural communities and how they can hardly wait for someone from a rural community to stand up and actually talk about that. I wish they had had that concern in the nineties — the nineties that the Leader of the Opposition just raved about with all the great economic indicators. I think we had something like close to 33,000 people working in the forest industry in 1990 and — what? — 15,000 today, tops, or maybe 12,000. That's probably people that are registered to work in the industry but aren't actually working.

She talked about appurtenancy. That's a great one. Twenty-seven mills have closed in B.C. since 1995-96. We had appurtenancy then, and it didn't stop any of the mills.

They keep throwing out the phrase "pro-industry." I know what they're getting at, but I'll tell you what pro-industry means to me. Pro-industry is about having an industry.... Actually, I think it means the same thing to companies; it means the same thing to workers; it means the same thing to communities that are forest dependent.

[1620]

It's about an industry that's thriving. It's one that is attracting new investment and that's actually creating new jobs. It's putting customers in the stores of our chambers of commerce in every one of our little towns. It's putting students in the classroom. Somehow we've got to manage to tie this whole thing to education. It puts people in our communities. It makes our hospitals and all of our services vital. It's actually what growth is about, and I wish they actually gave a damn about it between 1990 and '99. I probably wouldn't have run for this job. I'd still be doing my other job, because we'd all be doing pretty good.

There are a lot of new people in this House. They're here because they couldn't take it anymore. They couldn't take the fact that those folks didn't care about our communities. They did everything in their power to finish us off. We used to have 27 operating mines, I think, in 1990 and 11 today. Keep going down the track we're going, and there'll be about five in another five years.

There was no new development in rural communities. It was the census from '96 to 2000 that confirmed what all of us in those communities knew — that we were dying, that people were leaving. That's when the exodus was occurring, and it goes on and on.

They talk about pitting workers against employers, against communities. This bill is anything but that. This minister and the Premier of this province need to be commended. You know, being in government is about leadership. That's what it's about. It's about when people come to you and ask for assistance — that you're there.

In my riding not that long ago, actually, we had a strike at the Eurocan pulp mill. It's been going on since May. Both parties couldn't get anywhere. They came to this government and said: "Can you give us a hand?"

That minister was there. Two days later we have an agreement. People are back to work. That's what this is about.

Those members talk about the institutions. That's what concerns them. We talk about the people. That's what I talk about. I talk about the people who are impacted by not going to work, about that one child in that class who says: "That's a good idea. My dad hasn't worked for a while. It would be nice to get him back to work. I know he'd be happy to go back to work." That's important. That's what this bill's about. They don't get it.

It's actually not about pitting people against each other. It's about bringing people together. I think it's absolutely amazing that we have the president of the IWA and the chair of FIR going: "You know what? We need a little bit of help here. Can you, as government, give us a hand?" Our job is to say yes. That's actually what our job is. That's what we're here for. They don't get that.

They want to talk about everything today — absolutely everything. Well, what did they do? What are we trying to do in our part of the world, and what's this government doing to accomplish that? We're actually trying to bring back those resource industries that those members, quite frankly, did a hell of a good job of chasing right out of the province.

You look at the work that the Minister of Mines has done in gas and oil. He went out and listened to the industry and changed the royalty structure. He listened more to them, got up in his 30,000-foot plane, took a look at the policy, landed it once in a while, saw what the results were and came back. What is the benefit? Even she had to admit it — the largest gas sale in the history of the province. Not only is it a tremendous gas sale, but these aren't one-time-effort gas sales. This is now actually an industry that's growing. He goes further to bring in a royalty regime that provides incentives to look for oil in undeveloped basins. That's a novel concept: go somewhere else in the province where there's opportunity, where he couldn't before and where the cost of infrastructure has always been a barrier. Now there's a government investment royalty scheme that's going to encourage that. It actually ensures that all future oil and gas doesn't happen just in the northeast. It goes right across this province.

He looks at B.C. Hydro. He starts to build a regime that supports independent power production. and what do they have in this province today? Some \$800 million-plus of new investment in this province in power projects — 17 new ones. And I think there's a call for more yet. Fifteen of those are in rural communities. One of them in the member from Bulkley's riding is up at the run of the river at Iskut. What does that do for this province? It actually puts a power generation plant in the far north. Where? Right at the edge of what's being referred to as the golden triangle.

[1625]

That's the other industry he's trying to bring back, the mining industry — changing the regulatory structure, changing the way the investment world looks at

it, the approval process — making this whole system work better for all of us. What are we seeing today as a result of that? This year in the northwest more than 10,500 mines were staked. That's up from 2,500 last year. That's the beginning of starting to revitalize rural communities. That's what this government's doing. They're doing that, and all of those initiatives impact and affect rural communities in a positive way.

What's the other thing we're trying to do for our heartland communities? Well, we're actually trying to change the whole platform by which we look to the future so that we're not just resource communities in the future.

The B.C. Rail partnership — a great example. What are we going to get from that? An international airport in Prince George. We can now bring direct flights from the world into the north. That's a pretty good idea. The things that will flow off that are amazing. We're going to get a container port in Prince Rupert. Every single community from Massett right through to Dawson Creek can now look at themselves entirely differently — can go out and attract businesses and opportunities that could either complement the resource industries or be entirely different. It's actually their chance to craft it.

They're all rural initiatives. That's because we do care about those folks, those people — the individuals who live in our communities. That's important stuff.

When I listen to them go on and on as the protectors of my town.... There wouldn't be two of them sitting here today if they actually did give a damn about my community, and that's actually the fact. It was in 1999 that this province became a have-not province.

We talk about this stuff with every one of these bills that come up. When they start talking about forestry.... It is scary — the thought that these two were the core of a group of people designing forestry policy in this province. It's absolutely scary. Their lack of understanding of this industry is beyond comprehension.

They talk with great pride about the Forest Practices Code. It added a billion dollars in cost to this industry — a billion dollars. No benefit, and those are their words. They drove that industry on the coast, from '91 to '99, from being the lowest-cost to the highest-cost fibre producer in the world.

When I talk about pro-industry, I talk about an industry that actually gets back on its feet, which is no longer necessarily the highest-cost industry but is one that has costs that are competitive and that has an environment that attracts investment. That investment translates into new mills. It translates into new opportunities. It translates into the things that each one of us who actually represents those communities wants for our towns.

Do you know what? The forest industry is going to continue to be and has always been the backbone of this province. It is an integral part of our future, if not critical and essential, but it also has to diversify.

These members voted against legislation that real-locates fibre. They voted against legislation that puts fibre in the hands of community forest licenses, into woodlots, into salvage operators, into first nations.

They voted against all of that. That doesn't tell me they really, to this day, care all that much about rural communities.

Then I listen to some of the facts that the Leader of the Opposition rattled off. Well, you know what? These are some of the other facts that are the result of some of the initiatives we've taken.

B.C. building permits. The value of building permits issued by B.C. municipalities in the first ten months of this year is up 15.2 percent, and it's well ahead of the 8.9 percent national average. Residential permits are up 18.6 percent in B.C. New housing starts in B.C. are up 21 percent year to date compared to last year — more than triple the 6.5 percent national increase.

The port of Vancouver. Container shipments in the port of Vancouver continue to reach record levels, up 16 percent in the first six months of 2003, compared with the same period last year.

That brings me to a point. I remember listening to the Leader of the Opposition last week, I guess, talking about a container port in Prince Rupert — she's obviously not too much in favour of that — being a net-zero gain. She's obviously not reading the reports out — the fact that the projected growth in container traffic today well exceeds anything we can actually do out of the combination of the ports in Delta, Prince Rupert or the lower mainland.

Interjection.

**R. Harris:** Yes, I see that, Mr. Speaker. I'll get back to that. I'll tie this together for you quite nicely. The fact is that I think it's important we talk about what those folks say, but if we don't expand at all three ports, we'll actually lose jobs to Seattle and Tacoma. That's why it's important we develop and grow in these communities.

[1630]

Getting back to the bill at hand, I think the Premier and the Minister of Labour need to be commended because this bill does, in fact, start to build on a labour relations model that brings people together. It's a bill that will finally bring some settlement to this industry. It's a bill that will put people to work.

As I said, people in my riding, those workers that work for Skeena Sawmills and have been out of work since the Eurocan strike, are looking forward to the opportunity of going back to work in the spring. I'm looking forward to them finally having a chance, so that they can actually see in front of them some time lines that they know will bring an end to a situation that's left them with no certainty in the future in their lives.

You know, we talk about what it costs. Recently I heard the new leader of the NDP saying that the \$20,000 price tag for coming back here is too high a price to pay. Well, I would argue that the price to our communities, to those workers, to the businesses that depend on those people's wages to keep them going is in the millions — to date, I believe, \$150 million in aggregated loss to the economy of this province. That's

people, that's their wages, and that's their livelihoods. The social unrest that you get in communities when people just aren't working — all of those are negatives. This industry and the impacts of these kinds of labour disputes are felt very hard in small communities.

So it is important that when unions and management come to this government asking for assistance, it is our role to be there to help them, to help facilitate, and this act does that. In fact, it does put people to work, does help the rural communities and the people that live in them and the people that I represent.

I am very pleased to be able to stand up here and support this bill. I am very pleased that the minister has taken the initiative. I want to congratulate Dave Haggard of the IWA and Duncan Davies of FIR for showing leadership with their organizations. I think that's really important. I am pleased that the minister was able to facilitate and put in place a model that's going to work well in helping these people really move to a resolution in what is an incredibly difficult time. It is an industry in transition, and it's one where both sides share a common goal. That is a goal to make this industry competitive again, and if we can in any way assist that, we should be. I am pleased to be able to support this.

**R. Visser:** After having listened to the Leader of the Opposition — or the House Leader of the Opposition — the leader of their political party in the news today and the other member of the opposition, I think it's important that I back up and put this in context. This is the coast forest industry. These are the people that I represent, and these are the communities that I live in and come from.

When we took office a couple of years ago, we, under the Forests minister, decided that we wanted to have a snapshot or a real look at the structural problems and the structural issues that were inside the coastal forest industry. We hired Dr. Peter Pearse to write a report and to take that snapshot and tell us as government and tell the people of this province, especially the stakeholders in that industry, just what it looked like — where we were, where we are today and, if we don't do anything, where we'll be tomorrow. There was very little in that report that suggested we should do nothing. In fact, many of us argued at the time and all through this over the last couple years that actually doing nothing would be a very large disservice to the people that we represent.

[1635]

So what do we do? From that report on, we have been consulting with stakeholders. We had the industry, the unions and the truck loggers — the contractors — in a room together. We had government in that room. We worked there for 18 months trying to figure out how to restructure this industry.

They had long, hard, difficult, challenging conversations in that room, and all the time they knew they were getting down to the end of their collective agreement in June. This isn't new. This isn't a surprise that we're here today. I'm glad we're here today, but it

shouldn't come as a surprise to anybody. This is an industry that's been in crisis for the better part of a decade. That crisis was exacerbated, I believe, through ignorance by the former government. These people in this industry have some difficult decisions to make, some difficult choices to get through. It takes leadership to move forward.

I want to talk about our forestry revitalization plans for the coast — reallocating some tenures, rejigging the way we do things, including first nations, including communities, including woodlot licensees, including a broader range of folks in the discussion. All are going to lend themselves to the revitalization of this industry.

Taking an industry that focuses on the trees, on the growing of trees, on the nurturing of a forest to produce wealth, is what the legislation is about. A manufacturing industry that looks for new markets, that looks to the world, that looks for new products, that looks for innovation, that looks for opportunity — that's what the legislation was about. We've got a long road to get there. It's not going to be easy.

Behind the scenes and running quietly has been this discussion about collective bargaining. How do we get into the new world? How do we deal with a cost problem like we have on the coast of British Columbia? Gang hemlock today — a staple sawmilling item for the markets of Japan that is soft — trades at \$45 a cubic metre. It costs us \$80 a cubic metre to get it off the side hill. The union knows there's a cost problem. Industry knows there's a cost problem. Government knows there's a cost problem.

So government is going to rebuild forest policy. We're going to introduce a market pricing system for stumpage that ties the value of those trees in the marketplace to the stumpage that we collect. We're going to build the system going forward that in low markets, government's return is low; in high markets, government's return is high. The rent that those folks pay for that resource will follow the market. It's a new thing for government. It's a new way to look at it. It's going to be hard for us, but we're there because we know that's what this industry needs to be stable and sustainable over the long term.

We've been working through this project. We've been working with the stakeholders. We meet with them individually. The Forests minister meets with them individually. The Labour minister has met with them individually. The Premier meets with them individually. The IWA, the contractors, value-added processors, forest licensees, lumber manufacturers — all of them, continually. We talk with them about softwood. We talk with them about policy. We talk with them about developing new markets. We talk with them about the future.

I want to relay to the House today a little meeting that we had about this very topic. The Minister of Forests called a meeting in Campbell River, a quiet meeting. He invited me along. We had it at Painter's Lodge. It felt like we were back 30 years ago. We had the captains of the industry there. Rick Doman was there. Duncan Davies was there. Craig Neeser was there. Paul

McElligott was there. David Gray was there. Dick Jones was there. What were considered to be the stakeholders and leaders of the industry who have been through this for that time. All of the IWA presidents were there. Dave Haggard was there. Rick Wangler was there. Darrel Wong was there. Bill Routley was there. Monty Mearns was there. The others were there.

[1640]

It was a long weekend. It was a long weekend of hard discussions — discussions with the minister and myself individually and discussions in the room together. We left there without a deal, but every single person at that table tried hard. The union came a distance; the companies came a distance. Everybody came a distance and went away without a deal. We let it go. We let them try. We let them work on it for a while. I think that's great. I think they worked hard, but they came to an impasse.

On Sunday when the Premier, Dave Haggard, the president of the IWA-Canada, and Duncan Davies, the chairman of Forest Industrial Relations, stood on the podium and said, "We're going to help each other," government became — and we are today becoming — a full partner in this dispute. We do so with our eyes wide open. We do so because, as the member for North Coast said, we need to think about our communities. We need to think about those people that work in this industry. We need to think about the future of this industry. We need to be able to lead and respond and help when help is asked for, and that's what we're doing. This is tough. It's hard.

They stand up there and say: "Nobody's going back to work." I don't believe that because I talked to some of those presidents on Sunday night, and they were already calling their guys. They were already calling the companies, saying: "We're going back to work on Monday. What have you got for us?" In some cases, they won't be going back to work because all the machinery is under snow at the moment. It is wintertime. In other cases, they are going back. They're going to get the cleanup done, they're going to get ready for winter shutdown, and they're going to tie up all their loose ends. We're used to that. This is being done because before the holiday season sets in, I think the workers in this province, the industry in this province and this province in general need to know that there is some stability out there. We need to know that there is a future. We need to know that there's a path forward. Each of them came to us and said: "We want to get there. We want to bargain. We want to be at the table. We just need some help." Bill 99 provides that to us.

I am offended by the leader of the NDP saying that this is costing \$20,000 — or whatever the number she used was — to recall the Legislature. This is about a government that actually does care about those people. This is about a government that actually is willing to go out there and support those people who want to earn that first dollar that pays for everything else we do. I am proud to defend those folks. Where were those people as they wiped out whole sections of the industry with unworkable land use plans? Where was it

when they were sidling up to the environmental movement? When the NDP sidles up to the environmental movement to encourage and promote blockades and restrictions into our marketplaces, we do the exact opposite. We want to be there for those folks, we want to be into new marketplaces, and we want to find them opportunity. We want to assist, where government can assist, to give them a future. We want to stand behind those communities and stand behind those workers.

[1645]

This is a difficult and challenging time in the forest industry. We are facing complex issues in complex world markets. We have complex currency problems. We need to find a way through this. Anytime we can, we're going to be here to help. I know that the Labour minister has been there for other unions and other employers, and we've managed to walk quietly through the door to an agreement. Some of those have been in my community. This time I think we're going to do the same. We're in the Legislature today to talk about that, to debate that and to recognize the fact that we have a Premier, ministers, a government and members who are willing to stand up for those workers and this industry and get it back on its feet and moving forward.

**H. Long:** I am pleased to rise today in the House to speak to Bill 99, because I think it's one of those bills that's necessary for our small communities, our forest communities. I notice the Labour minister, for instance, comes from a small community that is intensely supported by the forest industry. When I start to think of all the different MLAs in this House today, when I look around me and see the different ones from the different parts of the province, and I see those like myself that come from a small community that's entirely forest-based, then to have the opposition members stand in this House — the two NDP members coming from downtown Vancouver — telling us that we don't care about the forest industry, the union workers and the people that live there.... It's a bloody insult. I don't think any of us should stand for it.

The forest workers in our community will stand up. They work hard. The forest companies that are in our community try the best they can to supply those jobs to those forest workers, and sometimes they do get into a dispute. Even in our own company that we do here in our transportation system, we have over 100 union workers. We negotiate our contracts fairly with them. They get a contract, and they work hard. We could not do without them, and neither can the forest industry do without the workers that do the job for them. They have more in common than any political party in this whole province has. They're together on this.

You know, I look at it and wonder just how our community and the communities on the coast impact on the Vancouver area. Most of the mills in the Vancouver area are supplied by the logs that come from these small communities, and right now it is those logging communities and those sawmills that are suffering. I want to see them get back to work. I want to see

the union members be able to supply their families and their communities with the funds they need for their living.

I believe they're looking forward to getting back to work, so much so that I think a lot of the picket lines have already come down. They've already gone home and are preparing to go back to work, because they know this legislation is coming. They're looking forward to getting back to work and doing the jobs they do best for the province and especially for their communities.

It not only impacts on the forest industry as far as the loggers and the sawmills go. We have in my riding two mills. Norske Canada, with a pulp mill and paper mill in Powell River, is supplying jobs to 722 people right in our community of Powell River. It's a major employer. We also have Howe Sound Pulp and Paper with another 500-plus jobs on the Sunshine Coast that are dependent on those loggers. They're running very short of the chips they need to produce their paper — so their jobs are at stake — and of many other things that supply them — the hog fuel for the heating and the boilers and such. So they're running very close to having to shut down and create more unemployment.

I think the companies and the union were very wise when they came to government and worked with government to put an end to this strike and have some finality. Basically, they've agreed to going to arbitration, if they have to, to settle this. Just to give you an example of how important the forest industry is, how close to — I guess I'd say close — some very tough financial times in the forest industry.... This one would be in the pulp and paper mill. I got this, in fact, today from Norske Canada.

Norske Canada, our pulp mill, has negotiated with our municipality of Powell River because of their tax base. The municipality of Powell River has agreed to reduce the taxes for Norske Canada's pulp mill — to keep them alive and to keep those jobs available — by \$200,000 annually for five years and, after five years, to reduce it by the sum of \$1 million in the ensuing years. This is a real commitment by a community to say we're going to drop your taxes, we're going to let you work, and we're going to keep your industry alive. I think this is that kind of commitment.

[1650]

If our municipality is willing to do it and the government of British Columbia is willing to work with the forest industry to help, I think that together all of us — and I'm talking about every single MLA in this House today — have a real concern and a real interest in making sure that the IWA people, all the workers in the IWA, and the small communities will have in the future the economy which they deserve. I want to wish everybody in these small communities a merry Christmas. I hope this settles it up and that they all get back to work and communities can count on them in the future.

**G. Trumper:** I rise to support Bill 99. As you are well aware, I come from a region where the basic eco-

conomic base is forestry. Over the last decade we have seen many changes, to the region's detriment, over some of the policies that were laid out by the previous government.

I want to tell one story that is apropos to today. There was a group of students that came up from Victoria when things were really tough in the Alberni Valley and on the west coast after some of the changes had been made. We were told that there would be no jobs lost due to some of the announcements made by the then Premier of the day, Premier Harcourt. We used to have 6,000 jobs in the region in forestry. We now, if we're lucky, might have 1,800 jobs. This group of students came up from Victoria, and a skit was put on by the out-of-work IWA people. One of them was a mother explaining to her son why they could not possibly afford the \$150 running shoes that you seem to see students wearing these days.

That's the same situation in my community today. Many IWA people have been out of work — some of them for nearly a year in one of the divisions — as they try to work out solutions in a very difficult time in the forest industry. If you talk to the people in the stores today, they will tell you that people are being very careful about the amount of money they spend. It's not just because of the labour dispute that the forestry workers are out. It means it has a domino effect on the whole community. It has an effect on the businesses. Then it has a larger effect on the larger community and on the province.

This morning I listened to the Minister of Mines speaking about the huge impact that oil and gas exploration has had on the province, which is excellent for us. But you know, the jobs that are in the forest industry are what keep the engine of this province going. When they're not working, there are a whole lot of other people not working.

I recently had, probably, more calls from individuals in the IWA who have asked and said: "Can't the government do anything? We need to get back to work; we need to get this settled." Yesterday when I was out and the announcement had been made, I had people who had phoned me at home come up and say they were pleased that this had taken place. This is the guy who has a family to support, who's been sitting in the rain on these picket lines for the last while. All they want to do is get back to work and be able to pay their bills.

I believe that Duncan Davies and Dave Haggard took a tremendous step — probably not easy for them. I know both individuals well. In fact, Dave Haggard, whenever he's at home, is a constituent of mine. They know the difficulties that the forest industry is in, but they were not able to get to the state where they could come up with a process to get the negotiations going. Both of them took a large step in asking us, the government, for assistance in getting things going. They both knew that if we did not get discussions going again, it might be some considerable time before we saw people going back to work in the forest industry. I want to commend both those individuals for the giant

step they did take. I'm sure it's difficult for both of them with their respective members of the union and the industry, but they did the right thing.

[1655]

We were asked to help. We have done that. It certainly is different to be involved in a work dispute in the private industry. It was the right decision. I want to commend the minister, who I know has spent many hours trying to assist both sides. I hope that with the groundwork that is laid and with the mediator in place, we will be able to move forward and that with the changes that we know have to take place in the industry, we will be able to come up with a solution which both sides will be able to accept.

**Mr. Speaker:** On second reading of Bill 99, the minister closes debate.

**Hon. G. Bruce:** Mr. Speaker, Bill 99 is the type of initiative that government can bring forward to bring parties together. This is right for small-town British Columbia. It's right for the union members. It's right for the industry. It allows us an opportunity to take the cooperative efforts of individuals and bring them together in helping them to reach a resolution.

Although this process allows, at the end of the day, for arbitration and a final settlement, I would hope that the parties themselves, in working with the mediation services of Donald Munroe as he then becomes the arbitrator, can find a way to reach an agreement. That's what's best for all of the parties in this instance — that during this time till May, they can find within the discussions a negotiated settlement.

I move second reading of Bill 99.

[1700]

Second reading of Bill 99 approved on the following division:

YEAS — 51

Falcon	Coell	L. Reid
Halsey-Brandt	Hawkins	Cheema
Hansen	Bruce	Santori
van Dongen	Barisoff	Wilson
Masi	Lee	Murray
Plant	Campbell	Clark
Bond	de Jong	Stephens
Neufeld	Coleman	Chong
Penner	Orr	Harris
Nuraney	Brenzinger	Belsey
Bell	Long	Trumper
Johnston	Hayer	Christensen
Krueger	Bray	Les
Locke	Bhullar	Bloy
Suffredine	MacKay	K. Stewart
Visser	Brice	Sultan

Hamilton Manhas Hunter

NAYS—3

Nettleton MacPhail Kwan

[1705]

**Hon. G. Bruce:** I move that the bill be referred to a Committee of the Whole House for consideration forthwith.

Motion approved.

Bill 99, Coastal Forest Industry Dispute Settlement Act, read a second time and referred to a Committee of the Whole House for consideration forthwith.

#### Committee of the Whole House

#### COASTAL FOREST INDUSTRY DISPUTE SETTLEMENT ACT

The House in Committee of the Whole (Section B) on Bill 99; H. Long in the chair.

The committee met at 5:07 p.m.

**Hon. G. Bruce:** I'd just like to introduce the staff that are with me again: my deputy minister Lee Doney; Jan Rossley, who is the legislation and policy director; and Gordon Webster, who is the policy adviser.

On section 1.

**J. MacPhail:** This bill is entitled the Coastal Forest Industry Dispute Settlement Act, and the only explanation I have of the whole bill is the explanatory note. I love explanatory notes under this government. Let me read it into the record again: "This bill settles the current coastal forest industry dispute and provides for the conclusion of a new or revised collective agreement between the parties." There are no other explanations here, so I have to ask a couple of questions about how we got here.

When did the minister first meet with Mr. Haggard and Mr. Davies to discuss this legislation?

I'm sorry, Mr. Chair.

**The Chair:** The Leader of the Opposition wants to ask another question.

**J. MacPhail:** Well, it's a different question.

When did government officials start to meet with Mr. Haggard and Mr. Davies?

**Hon. G. Bruce:** The government has been working with the parties on this issue for probably the better part of a year, trying to assist where they can on getting a resolution both through structural changes and the

interaction of the contract through that — changes necessary to be able to move ahead.

**J. MacPhail:** Better part of a year? Well, that isn't very helpful. I'm sorry; the minister answered the question I asked.

[1710]

Has there been a year of work done on this, always with the intent of this Bill 99?

**Hon. G. Bruce:** With the event of policy changes within the forestry sector, that was part of the discussions that were taking place with members of both the IWA and the forest industry. Then as you move through that, the parties were, of course, looking to get together and have discussions relative to the specifics of a contract. Those discussions have been going on for quite some time. They had, even earlier on, the same person who will be the mediator-arbitrator, Donald Munroe, who had been there as a facilitator trying to help the parties to reach a conclusion.

**J. MacPhail:** Okay. We've got legislation on December 16, 2003. The government's been working on this for the better part of a year. The person who's assigned to get us out of this mess has been involved as well. Gee, it just bodes very well that all this is going to bring resolution to the circumstances. Well, I recall that in my discussions with the Minister of Forests in this chamber, the government was working behind closed doors with people from the forest industry and the union to reduce costs per cubic metre in the forest sector. In fact, we explored some discussion that it was going to be a third, a third, a third in reducing costs — per thousand cubic metres. Sorry. Government was going to reduce costs by a third, labour was going to reduce costs by a third, and the industry was going to reduce costs by a third. Is that what the government is referring to in terms of discussions that have been going on for the better part of a year?

**Hon. G. Bruce:** There are a number of discussions that they've had relative to all aspects of forest policy change and how then, as they moved into their negotiations specific to their contract, some of those adjustments would affect them. You know, the parties have actually been working at this for some time, both in an effort to move through the issues of structural change and in an effort to reach a negotiated settlement.

**J. MacPhail:** Come on. The minister is going to have to be much more specific than this. It was him that introduced this legislation, saying this was going to resolve all problems. So far he's told us he's been at that for the better part of a year, and we're still where we are. So far he's damning himself with faint praise. He's been at it a year, brings in a sledgehammer, brings in the same people who've been involved for a year. And we're supposed to take hope from this? No, I don't think so.

I'm trying to find out when the sea change occurred, because we're getting flooded with e-mails and telephone calls from IWA members and small coastal employers as well. All of this is coming as a surprise to them — all of it. If the minister and his staff have been at this for a year, they need real help with their communications. Maybe they could take some of those dollars the government is wasting on health ads and actually have a communication strategy here.

Let me ask some very specific questions, then. When the Minister of Forests told us in opposition here in the Legislature — it's part of the public debate — that each party — government, employer and union — was working on putting forward position papers to share amongst each other to reduce costs by a third each.... Is that what the minister is referring to — when the talks started around labour costs? Where are those reports?

[1715]

**Hon. G. Bruce:** What the member opposite had first mentioned was "when the minister" — and I think was referring to me — and then changed to "when government...." Now the member opposite is once again referring to me as minister. From the standpoint of the specifics of this legislation and the dealings of all that, of how we've come to this part, we are always — and again, I'm now talking as the Minister of Labour — watching the issues that are under negotiation in the economy. Sometimes there are little things that, if they're having trouble, we can help on, and we do. Other times they just find their own resolution by themselves. Certainly, as this one was unfolding, I believe the facilitator at that time, Donald Munroe, came into play. I think that was in September. That was the mediator of choice between the parties — the industry and the union.

**J. MacPhail:** Who? Sorry.

**Hon. G. Bruce:** Donald Munroe.

It was then that, as we got into a work stoppage, there were a number of different moves and counter-moves made by the two parties. Then we got into the situation where we had work stoppage. I had asked the parties to come and speak with me, which they did. They indicated at that point that they were concerned about what wasn't now happening in respect of the fact that they were into a work stoppage and that they required some assistance to try and find a way through this. We had been working in an attempt to see whether there was something that could help the parties get there.

**J. MacPhail:** I'm sorry. I missed the part where the minister was saying something about how I am referring to him as the minister. Mr. Chair, my questions have to do with government actions. So whether it be his officials, him, his cabinet colleagues or the Premier's office, this minister is answering questions on that basis. I don't think I can tolerate, nor can my colleague,

the minister playing cute — that he met with certain people — and avoiding answering the questions about other government actions. Whatever I ask for, I want government actions — including his officials, including other ministers, including other ministry officials, including the Premier and the Premier's office. It's an all-inclusive.

What happened to that agreement amongst the three parties to reduce costs in lumber production, each taking responsibility for a third reduction? Where is that at? The government put resources into that, actually put tax dollars into putting those papers together. Where are they?

**Hon. G. Bruce:** With the greatest of respect, that has absolutely nothing to do with this bill. This bill is about two parties that are trying to find a way to reach a resolution and that asked for some assistance. We have fashioned what is in fact Bill 99. It is before the House for debate because the parties were looking for a way they could get, first of all, to a mediated and then perhaps to a having-to-be-arbitrated solution.

**J. MacPhail:** Let me connect the dots for the minister. What does he mean: "It has nothing to do with this legislation"? The reason why the employer and the union leadership — and let's be clear, leadership — are turning to this government for assistance is because the employer is asking for concessions, because they need greater flexibility to increase their productivity in order to be competitive. That's their argument. That's what they're saying.

I'll actually read it here from the document of the three largest coastal forest employers, if the minister would like me to read it. That's what they need. The union membership understands that changes have to occur. They thought they were working on a cooperative process. That cooperative process was touted by this government in this chamber as working. The government was investing money in that cooperative process. It had everything to do with labour productivity and employer productivity.

[1720]

That's what the collective bargaining process is about as well. The collective bargaining process broke down when the employer imposed a new contract on the union that reduces its labour costs. What I'm trying to find out from the government is why this has come as a shock to them that they have to introduce legislation now. What possible good is legislation going to do, and what failed in that process which happened earlier this year with the three parties committing to contributing a third, a third and a third to greater competitiveness in the forest industry? There's the link. Why did that process fail, or has it failed?

**Hon. G. Bruce:** I'm not sure to whom she is referring that was shocked, but here's what you have. You've had a situation where they have been working away at this. They then end up in a work stoppage. They come to a meeting — the parties. They're very

concerned that each of their positions will become more intransigent, more firm. They're very concerned about just the psychological change that takes place between a situation that's before Christmas and then after Christmas.

Asking for assistance. The member opposite speaks about a cooperative approach. I'm not sure how much more cooperative you can get when both parties come looking for some assistance. They can't put the whole thing together by themselves. They're asking government to get involved with this. They know that there needs to be — just as the member opposite mentioned — some structural changes within the forestry sector. They know that eventually they'll get to a collective settlement, albeit the concern they were expressing was that it could be well into the new year. Both parties mentioned to me as long as perhaps the summertime.

So the end of this, if you like, is the fact that a piece of legislation clearly states that by May 31, 2004, there will be a collective agreement in place. It does allow, though, for the parties, through the good management of the mediator, to be able to work their way through and perhaps negotiate a collective agreement on their own, without having to utilize the arbitration tools of the arbitrator himself in writing that collective agreement. It seems to me to be a fairly cooperative approach for what is a very difficult and challenging time for all those participants in respect to the forestry sector.

**J. MacPhail:** Well, this is going to be a really useless debate if the minister just keeps repeating that, because that doesn't justify legislation at all. In fact, what he's saying is — I mean, I can't believe, actually, that the minister is admitting to this — that they've been working at it for a year with the same parties. They haven't been able to do anything for a year, and now they think legislation is going to resolve the matter. Well, gee, I'm not sure the IWA or the companies are going to be very comforted by that.

Just for the minister's edification, certainly the news coverage today is far different from what the news coverage was on Sunday. There are IWA members out there publicly asking: "What the heck is going on here?" What I'm trying to get at here is what the government thinks it's going to be able to achieve by this legislation. I'm asking very specifically: what were the results of the consultation on reducing costs in the forest industry that this government put a lot of time and effort into — as did the union, as did the companies, as were tax dollars used? What was the result of that? Have those results been made public?

And here's why. I understand there is a paper that shows how labour costs, productivity achievements, are available — contributing their third — which could be put out there for public consultation, which perhaps the members could take to the bargaining table and work with, and not have a contract imposed on them. That's why I'm asking. So where are those papers that the government was waving around with such glory,

saying: "Isn't that great — how hard we're working?" Where are they? Why haven't they been made public?  
[1725]

**Hon. G. Bruce:** It's actually a little bit perplexing, I guess. When you deal on these issues, as I know member opposite would have in her role in this capacity before, you have parties that are trying to find their way through a difficult time. When they actually asked, I guess I could say: "Go pound sand. Forget about it. You don't really mean much to the economy in this province."

To the people that live in those small towns throughout British Columbia, such as my community and the rest of coastal British Columbia and all of those aspects, I probably could have said: "Well, I'm not prepared to help." But I listened to what they had to say. I thought they dealt fairly and openly and were forthright with me, so I tried to work out a process that would be acceptable or where they would understand that they could accept parts of it but not all of it. That's why we're here.

If they could have accepted all of it, completely, then we wouldn't be here. But they couldn't, so the request was: "Listen, Mr. Minister, we're in a difficult situation. We're into lockup. Christmas is coming. We are concerned that if we get into the new year, we're both going to get ourselves in pretty rock-hard positions, and we won't be able to move out of there. We think" — this is the parties saying to me — "that it's government that needs at this point to try and find a way to help us put something together so that we can get resolution." I think we've been pretty open in this. I mean, it allows them the....

Interjection.

**Hon. G. Bruce:** In fact, yes, I have, but that's okay. I mean, I don't know if you want to go through the phone book.

Interjection.

**The Chair:** Order, please. Let the minister finish.

**Hon. G. Bruce:** The fact of the matter is that with this, it allows them to continue in a negotiation. They do know that they've got to get to an end. They know that at the end of this period, by May 31, if they haven't reached a negotiated settlement, the arbitrator will bring down that collective settlement. Hopefully, knowing that they've got to get there.... They both understand the need for structural change. The difficulty they're having is the specifics of how to get there. I fully appreciate the challenge that's there for both the parties to try and reach that. Hopefully, this will get them there.

**J. MacPhail:** Does the minister not know what happened to those papers that the company, the union and the government produced, in terms of reducing costs in

the industry? Does the minister not know? Is that why he's refusing to tell me what happened with those papers and why they haven't been made public? They have been done. The Minister of Forests admitted to that in the House. Does he not know what happened to them? And is there some reason why he's keeping them secret from the people in the forest industry, including the workers, the communities and the smaller companies?

[1730]

**Hon. G. Bruce:** I'm going to take the member opposite at her word in that what she's actually trying to do — I'm not sure — is get from this some background perhaps. The only report that I know of is the GELB report. All of the parties had it, and all of the parties had asked that it be kept confidential. If that's what the member opposite is referring to.... The pertinence of that, with the parties having that, to what this legislation is.... This legislation comes back to the fact that the request was there and that they were having difficulty reaching a negotiated settlement. We actually had a work stoppage going on in the province. The concern was that if it was left very long into the new year, there would be much more in the way of firm positions taken.

I think people can understand that, and I think people were very concerned that it could spill well into the new year, well into summertime. Then to try and move out of that would be even more difficult. The impacts on everybody's lives through that process would be quite horrific.

**J. MacPhail:** Okay, let's be clear, Mr. Chair. We understand that two men came and asked the government to fix their problems, both of them agreeing on what the problems were, both agreeing on what the solutions were, both fully understanding what was needed to be done. We understand that. We get that.

That in no way requires legislation — absolutely no way requires legislation. In fact, I'm surprised that the minister is besmirching the ability of those two parties to actually do their job. Duncan Davies makes hundreds of thousands of dollars a year. He's the head of FIR. Mr. Davies can't do his job? Dave Haggard is one of the most powerful union leaders in this province. He doesn't hesitate to call a spade a spade. He knows what needs to be done. I can't believe, actually, that the government is saying that these two men, powerful men, came grovelling to the government. I simply don't believe that. I do not believe that. Certainly that's not what the IWA members out there think they needed in help, and it's not what the small companies think. I'm sure that there will be a lot of very troubled feelings with the minister describing the ineffectualness of those two parties.

That aside, I'm trying to find out what work this government has done in terms of getting what this industry needs to get itself back on its feet, instead of taking away the free collective bargaining rights of workers — which is what this legislation does. What

other efforts, heroic efforts, has the government put into this?

The minister just referred to a report that's been done. In fact, our tax dollars were used to do that report. "We're going to make the industry more productive, and all three of us are going to take responsibility — government, industry, workers." The report's done, and this government is keeping it confidential. In fact, the minister says all three parties are keeping it confidential. Why? How dare they? If the minister is now dragging in the companies and the union on that, then I say to them too: how dare they keep it confidential?

[1735]

That report deals exactly with the issues that are on the bargaining table right now — exactly. What's going to happen, because of this legislation, is that we'll never see that report. We'll never see what kind of agreement has been reached. We'll never see potential solutions. All we see now is that the very same parties who have been involved in collective bargaining — including Mr. Munroe, who has great skill — are the ones that are going to carry on till May 31.

Well, let me see. What can I predict will happen? A collective agreement will be imposed, and working people and the companies will have no right to say whether they accept it or not. This legislation does nothing except take away the right of people to vote on the eventual proposed solution — nothing. The same people are involved; the same issues are involved. Nothing is changed by this legislation except denying people a right to say whether they accept or reject the proposals of their negotiators. Absolutely nothing changes.

Who came to the government? Could he name names, please? He's trying to be open and accountable. Name names. When did the information start about planning for legislation for binding arbitration?

**Hon. G. Bruce:** Mr. Chair, I take exception to the comment about besmirching the efforts of the people that were trying to reach a negotiated settlement.

**J. MacPhail:** I wasn't besmirching them. Tell me when I was besmirching them.

**The Chair:** Order, please.

**Hon. G. Bruce:** No, the member opposite was inferring that I was.

**J. MacPhail:** Oh yeah. That's true. I was inferring that.

**The Chair:** Order, please.

**Hon. G. Bruce:** As I say, I take exception to that. The parties have worked hard on this issue — all of the members on both sides of the issue. That's why we're actually here. This isn't a flippant, frivolous endeavour here. This is a major concern for everybody — communities and families, union workers, unions, companies

and the entire province. What the parties have agreed to is a process, not a solution.

As I've mentioned and I'll mention again, we've tried to allow in that process a manner in which, if the parties can reach a mediated solution, they can vote on that. It's my wish and the wish of this government — and I think it's a wish of the parties themselves — that they, hopefully, can get there. They do know the necessity of having the arbitrated end because of the difficulty that they had experienced to this point of not being able to negotiate that settlement. I think all of the parties know that the best result for all — industry, the union, communities, government — is that they would have an opportunity to work it through to accept an agreement they can vote on. That, at the end of the day, is what's best for all the parties. That's still possible to be achieved in this process.

**J. MacPhail:** Could the minister repeat what he said about people having the right to vote?

**Hon. G. Bruce:** I want to be clear that if the parties can get to a mediated solution, they can vote on it. They do know, though, that if unable to achieve that, they then flow into the arbitration process, which would mean that there would be an imposed settlement. But I'm hopeful that they'll be able to work their way through this and understand the changes that are required on both sides and that they can get a mediated settlement which would then allow for a vote.

[1740]

**J. MacPhail:** Let me just ask this. We have the same issues beforehand from the industry. We have the same issues from the union. We have the same mediator. The legislation doesn't provide for anything other than allowing for the employer's point of view to prevail in terms of economic activity. In the minister's discussions with the parties, what was it that they were going to mediate that hasn't already been mediated? What possible bargaining power do the union members have in these circumstances now?

**Hon. G. Bruce:** I think the dynamic at the table changes when you know there can be an arbitrated settlement. It puts much greater pressure on both parties to reach a mediated settlement, because they actually both know, deep down, that is what's best for them.

It's difficult challenges that you have. You have diversity within the union side; you have diversity within the industry side. You have some commonality of where people think they need to get to. The great difficulty is figuring out how to get there. As I say, I think the dynamic changes at the table now. The parties are there. They know there's now a time frame for them, and they know there can be an imposed settlement. That does change the way discussions take place at the table. No two ways about it.

**J. MacPhail:** Well, tell me how. What's the pressure on the employer now, knowing that workers can't strike? What's the pressure on the employer? The minister had the conversations with Mr. Davies, a wonderful business person, a very skilled business person who's done a lot for British Columbia. What did Mr. Davies tell this minister or his staff or the government in terms of how the dynamic would change?

**Hon. G. Bruce:** Both parties were having difficulty in being able to accept what changes needed to be undertaken. What they were able to do was understand a process — and that's what this is — in getting them to a settlement. Knowing they've got the skills of a very proficient individual such as Donald Munroe at the table to help them through that and knowing that he also has a good background in the forestry issues, at the end of the day, if they can't find their way to reach that negotiated settlement, then he'll be writing what that settlement ought to look like. When he moves from facilitation, which is back and forth between the parties and a little bit of encouragement here and there, to sitting there at the table with the parties knowing that ultimately he can actually write what needs to be done, I think the dynamic changes quite substantially at the table.

**J. MacPhail:** Well, you see, Mr. Chair, there's no reason for us to be here — none whatsoever, absolutely none — if the minister is just going to carry on this way. He's not in any way explaining how it's fair and balanced to reach a collective agreement. What he's also done in this legislation is say that communities aren't going to be affected by it at all and that the economic well-being of the industry has to be taken into account. That's it. Here we are in a situation where the minister has introduced quite slanted legislation and is saying that the big threat of binding arbitration is going to make the parties come to their senses.

[1745]

He won't reveal any of the past efforts. He's keeping secret the reports of past efforts of these same groups and the government making proposals on bringing competitiveness to the industry. He won't reveal that; he's keeping that secret. Yet he's somehow saying that this legislation that denies workers a right to vote is going to be good for the industry. He won't tell me on what the employer....

Let me ask very specific questions, then. Did the employer guarantee that at no time during mediation would they bring forward their imposed collective agreement that they foisted upon the members on November 17?

**Hon. G. Bruce:** I'd like to be very clear. What this legislation does is say that for the members to go back to work, they will go back to work under the contract and agreements that were in place at the expiration of that agreement, which was in June of 2003. In fact, the industry had imposed a new agreement on them, and that's what caused the work stoppage. That is no

longer in effect with the passage of this legislation. People, as they go to work, will be working under what the contract had been. People had been working, and there hadn't been a work stoppage while the parties were trying to negotiate a settlement.

**J. MacPhail:** No, no, Mr. Chair. My question was: had the employer agreed with Mr. Davies's asking the government for legislation? The minister is saying this will bring everybody to their senses and focus them. Did the government get agreement from Mr. Davies, as head of the FIR, to not put on the table the revised terms of the collective agreement that he imposed on the workers on November 17 and which caused the strike? The minister said things have changed as a result of this legislation. I want to know what changed. Did the minister get agreement that that would not be part of the bargaining proposals? I assume that must have been discussed, because you had the union there agreeing to binding arbitration. Did the minister get that commitment from the employer?

**Hon. G. Bruce:** I'm not there negotiating a settlement. Very clearly, what I was trying to do was help in determining a process that would get the parties to the type of resolution they could both live with and that was necessary to make the coastal industry on Vancouver Island and the coast of British Columbia a viable and productive sector again. I didn't start going down the road of negotiating a contract with these parties. That's what they're going to have to do under the auspices of the mediator-arbitrator from this point forward up until May 31 of next year. Through that — the back and forth of what's necessary and his skill — they'll either get an agreement through the mediation side, and they can vote on it, or at the end of the day they'll have an arbitrated settlement which he will write.

**J. MacPhail:** Why does the minister keep saying that? All of those circumstances existed before this legislation. The same mediator, Mr. Munroe, was involved and the same parties — Mr. Davies from FIR and Mr. Haggard from the IWA. I'm trying to figure out what is giving the minister confidence that the legislation was needed and that it's changing circumstances.

Frankly, my premise is that the grown men, parties to this dispute, agreed to everything in this legislation without the legislation. They were there, standing on a podium with the Premier — imagine — saying: "We agree that all of this needs to be done." Then the government seems to think: "Oh, by the way, we need legislation as well." There were two grown men with a grown-man Premier — everybody recognizing the issues, everybody recognizing the problems, everybody recognizing the solutions. Then they ask the government to pull the trigger on their behalf, and it just so happens that when the government pulls the trigger, thousands of people lose their right to vote on a collective agreement.

[1750]

What was the discussion between the government, FIR and IWA that gives the minister the right to say that legislation is needed and that it will work? The same parties are there, and the same mediator. Workers have now lost their right to withdraw their services. Employers have lost the right to tell workers not to come to work.

There must have been some discussion with the minister. He's got such confidence that the legislation will focus the mind. Is he telling me that with those two people in the room, the issue of the imposed collective agreement that led to the strike never came up? Is he telling me that the union wouldn't have raised that matter?

**Hon. G. Bruce:** What you have is a situation where you had a work stoppage. You had a great deal of concern by the parties directly and concern expressed by people who live in the communities that were actually living through the work stoppage. You have the situation where both parties were concerned that if it were to go much longer, the positions would become very hardened and they wouldn't be able to move through that. The impact, not only on their members and the industry as a whole but on the communities throughout small-town British Columbia, would be very, very significant.

What's changed is that there is a piece of legislation here that says: "Listen, folks. You at the table, here's a process. It's not the agreement. Here's a process. We want you to follow this process. The change is that at the end of the day, which is May 31, if you don't follow through and work out a negotiated settlement, there will be an arbitrated settlement." That's the difference. It's significant — absolutely.

**J. MacPhail:** You bet it's different. In fact, that's the only thing that's necessary in this legislation, because nothing else has changed, absolutely nothing else — same parties, same mediator, only oppressive legislation now that doesn't for a moment take into consideration the communities that this government says it is concerned about. Not one iota of the effect on communities is even listed in this legislation.

Of course, I can't believe that the IWA wouldn't have said to the employer: "Well, you better not be bringing that imposed collective agreement back to the table." But the minister can't give that reassurance to IWA members out there. In fact, he refuses to give that assurance. When IWA workers are actually back at work, which there is no guarantee by this legislation that they will be, there's every conceivable possibility that we'll be right back to where we were — same mediator, same imposed collective agreement proposals by the employer and the union with no right to strike and no right to vote on what their future is going to be.

Could the minister please name names of the people who worked on convincing the minister that this legislation was necessary?

**Hon. G. Bruce:** Who specifically?

**J. MacPhail:** Hey. This is like who's on first. I'm asking the minister who from FIR and who from the IWA convinced this minister that this legislation was necessary.

[1755]

**Hon. G. Bruce:** As the member opposite is fully informed, I'm sure, I had meetings last week with both of the parties in my offices and spoke to them about where we were at. I've relayed, in part, some of the general discussion that transpired by those parties and, from that, had been working through on this process....

**J. MacPhail:** I guess I'm not going to get names, and fair enough, although I don't know what the minister is embarrassed about. There was a news conference, so I guess it was just Mr. Haggard and Mr. Davies. Maybe there wasn't anyone else. I gave him the opportunity to say there were other people working with him, convincing him of the importance of this legislation, but he won't name names. So let's assume that it was just Mr. Haggard and Mr. Davies. Did they say: "Give us binding arbitration, please, in legislation"? Did both parties ask for that?

**Hon. G. Bruce:** Both parties agreed to the process of arbitration, and both parties agreed to the mediator-arbitrator — namely, Mr. Donald Munroe.

**J. MacPhail:** Yes.

**Hon. G. Plant:** I move that the House stand recessed until 6:35 p.m. and thereafter continue to sit until adjournment.

Motion approved.

The committee recessed from 5:57 p.m. to 6:36 p.m.

[K. Stewart in the chair.]

On section 1 (*continued*).

**J. MacPhail:** Before we recessed, we were talking about what difference this legislation will make. Perhaps the minister could tell the Legislature how much bargaining took place in this dispute prior to the imposition of this legislation.

**Hon. G. Bruce:** The actual contract expired in June, and bargaining had been going on. They weren't making any progress. Of course, about three weeks ago they ended up in a work stoppage, the concern being expressed that this could turn into a very protracted dispute.

**J. MacPhail:** Well, that's not exactly accurate. The dates are accurate, but I know it's always surprising to.... I hear the Liberal MLAs mocking the legislative

channel all the time, saying that two or three people watch it. Well, it turns out that there are so far at least hundreds of IWA workers watching the legislative channel, as we are.

Here's what I was told about bargaining in this dispute. There were very few days actually spent bargaining. The industry, the employers, spent months and months at the Labour Relations Board trying to change the rules of bargaining, but they probably met with the IWA at the bargaining table less than a dozen times. In the southern interior the same IWA workers tell me that the IWA and the employer spent months and months at the bargaining table — not at the Labour Relations Board with one party trying to take away the rights of the other but at the bargaining table — before they got an agreement in the southern interior, the interior agreement, that both parties were prepared to take to their members.

In fact, the last time bargaining occurred in this dispute was when the employer, on Remembrance Day, called FIR, Forest Industrial Relations, for an emergency meeting of bargaining and demanded a proposal from the workers two days later. Then when the workers, the union bargaining committee, couldn't achieve that two days later, they went and imposed the new collective agreement on the workers that had all sorts of concessions in it. That's the history of bargaining with these two groups.

[1840]

Instead of the government saying, "Smarten up. Act like adults. Get back to the bargaining table and stay there. Oh, by the way, you've got Don Munroe as your mediator, your facilitator. Get to the bargaining table...." No. What does this government do? They join the other children and say: "Okay, we'll make a complete mockery of this legislative chamber with our overwhelming majority, and we'll let you carry on with your ridiculous bargaining patterns." That's what this government did.

It didn't change anything else. Oh yes. They changed one other thing. They said to the workers: "Oh, you're not going to get a vote on the future." So did the government, in meeting with Mr. Haggard and Mr. Davies, tell them how much they were going to have to bargain until May?

**Hon. G. Bruce:** Of course, that's what the mediator will do. He'll bring the parties together, and they'll start the process and talk through it. Again, I want to emphasize the fact that both parties had indicated their concern as to this dispute and the lockup that they were very, very concerned about, and the impact that may occur well into the new year, and the impact as it would then expand from there on small communities, on people living in those communities, union members themselves — the overall aspect of other sectors that would start to be implicated as well.

What we're talking about is an arbitration process, and I'm not sure, quite frankly.... Like I say, I was somewhat perplexed at the Leader of the Opposition's tack or debate in all this. Probably it would be useful to

move on through the actual bill itself. This is not new. No one is reinventing the wheel here with respect to arbitration.

The member opposite has known and knows about arbitration. In fact, her government brought in arbitration. I think it brought in arbitration in the Educational Programs Continuation Act in 1993, the Education and Health Collective Bargaining Assistance Act in 1996 and the Public Education Support Staff Collective Bargaining Assistance Act in 2000.

You have at this point a number of communities throughout the province, individual families and people concerned about what their future may be in respect to their work and their livelihood as it pertains to the forestry industry and those in and around it who provide services to that. You've got a situation where both parties are asking for some help. They're asking that it be done sooner rather than later. With that, you take that advice and you then try to build a solution that will work.

What we came back with was a process we felt would be the best way that would still allow for the parties to try and reach a collective settlement on their own — which is good and what we want to occur — but knowing that at the end of the process the arbitrator has the authority to put in a collective agreement. We know that is stated here within this legislation. So with those aspects of things together, we feel this is the best way to proceed, given the circumstances before us and the very large impact this has on so many British Columbians' lives.

**J. MacPhail:** Well, let me just clarify for the minister what my position is, what the opposition's position is, on this legislation. I'm thrilled that he brought up those other examples so I can show how he alone is bringing in unprecedented legislation.

Our position is that there is absolutely no necessity for this Legislature to be recalled to take away free collective bargaining in this dispute — number one. The only things that have to change to resolve this dispute are some different policies of the government that actually enhance the forest industry rather than crippling it. I've made that clear in my second reading remarks and in this debate. Third, the examples the minister just made of the previous government....

[1845]

Once again I love this government's defence: "We're no worse than the previous government." You always know that they're on the ropes when their only defence is: "Oh my God, we're no worse than the previous government." Actually, the government is worse, and the public is cottoning on to that, but I love it when they use that defence.

Every single one of those disputes that the minister labelled was a public sector dispute. Secondly, the parties weren't joining the Premier of the day on the stage, saying: "We thank you for this. We ask you for this. We agree with this." In fact, they were pretty upset. They were very upset, both parties — public sector unions and public sector employers — so the minister

shouldn't for a minute in any way compare this legislation to that.

What this legislation is, is two grown men leading two huge organizations, working with a government to impose collective bargaining conditions that take away worker rights in a private sector dispute. I mean, how more Kafkaesque could it get than that Sunday news conference? Big Duncan Davies, a man I respect greatly, and big Dave Haggard, a man I respect greatly, and the Premier there — all agreeing on what has to be done in a private sector dispute. No legislation was required, and nothing has been achieved by the legislation — or nothing that the minister has so far come clean on achieving.

I've asked him how bargaining will change. He doesn't know. Has the employer agreed to not put forward the proposals that provoked the strike in the first place? He doesn't know. What discussions occurred when the two parties came — and the minister admits that the two parties came, Mr. Haggard and Mr. Davies — and asked for binding arbitration? What are the rules for collective bargaining? How many times will they meet? They've barely been at the table so far. I just gave evidence of that. The mediator is exactly the same.

What's changed? The minister keeps saying: "Oh, everybody wanted this." Well, it turns out everybody doesn't want it. If he watched the news, if he's getting his e-mails from IWA, everybody doesn't want this. In fact, while the minister claims he's perplexed about my comments, he'll be even more perplexed when he sees the reaction of union members. What I'm trying to get out of the minister is: how has he reshaped bargaining so that it will work by this legislation? He can't tell me.

That's all I'm asking. What are the rules of bargaining now that are so different? Same parties, and all the faces are the same. So what has changed? How many meetings are scheduled? Are they mandatory? What's the range of proposals? What's the evidence upon which bargaining success will be determined? Are there productivity factors that are up for negotiations? What did Mr. Haggard and Mr. Davies talk about when they came to him and said: "Please give us binding arbitration"? Just a few details for those on the picket lines or those that haven't been recalled to work yet.

Just a few things, because if the minister doesn't have any evidence of a changed bargaining structure or bargaining parameters, then all this is about is binding arbitration in a private sector dispute where workers have their vote taken away from them — and companies as well. That's all this is about, unless the minister can give some evidence of how he and that Premier hugged Mr. Davies and hugged Mr. Haggard and said: "We're changing things for the better." What happened during that group hug? Just tell us.

[1850]

**Hon. G. Bruce:** I want to assure this House that as much as I respect those individuals, I wasn't hugging any of them, and I didn't see any of them hugging any of us. You take the three bills.... And let's not draw any

comparisons between your government of the past and this government of today, and I'll try not to go down there, because there isn't any comparison. What your government did to this province was unconscionable. The member knows full well the destruction not only to the mining industry but to the forestry industry....

Interjection.

**The Chair:** Member, member.

**Hon. G. Bruce:** The difficult challenges that our government today has before it are to restore this economy and to provide good, meaningful, well-paying jobs to people in the province of British Columbia.

There was a significant difference between those acts of the NDP of arbitration in public sector unions and this act that we brought in with private sector parties. Those acts that the NDP dealt with — they brought them in and imposed that upon the players. Nobody asked for it. Nobody asked them to come and do that. In this particular instance, we've got a situation where the parties have asked for some assistance, so we've built a process that gives them the opportunity to follow through.

It does change. I've said it again, and I'm not sure what the member is having difficulty to hear. There is a difference in this instance, and there will be a conclusion. It is an arbitrated conclusion, but there is time through that at the table when the parties can negotiate a settlement. If they get to that point, they can vote on that, but there is a definite change.

The concern about communities, the concern about members and the concern about those who support those sectors and the industry are being expressed in this particular piece, in that we are concerned about what may happen if there were lockup. It was expressed to me by the parties that we very well could be into a long, protracted dispute that neither of the parties wanted. They didn't want that. They were clearly saying that. Both parties understood the need for change, but both parties were also telling me the difficulty they were having in achieving those changes, in getting to what needed to be there.

Here we have a process which puts in the middle of all that now.... They had a facilitator, and I've heard the member opposite speak with respect about this facilitator, who's now the mediator-arbitrator. I don't think there's any disagreement on the skills of that particular individual. There's certainly no disagreement by the two parties in having that individual there to help them through that process.

Now you have an individual that sits with some authority — rather than a facilitator — who can push the players along with all of them knowing that at the end of the day, the very best they could do is get a negotiated settlement. That's the best for everybody. Failing that, there will be an arbitrated solution that the very person they've agreed upon will write in respect to what that contract will be. I think we should try and

give these two parties as much encouragement as we possibly can to work their way through to get this negotiated settlement, knowing there's a time line there before them and that by the end of May 31 of next year, a new contract would be in place.

**J. MacPhail:** I don't know how many times the minister is going to make that speech to avoid answering a question. All of those elements were in place before this legislation except for one: the binding arbitration. Workers out on the line are completely taken aback by binding arbitration. They did not want it, and they know the consequences of it. Yet the minister has admitted that both Dave Haggard and Duncan Davies asked for binding arbitration.

[1855]

What I want to know is: when they both asked for binding arbitration, what commitments did they make to the minister which give him such great confidence that with the same mediator, the same employer group and the same union group, bargaining is going to be different? Otherwise, what the workers are saying.... By the way, Mr. Chair, the small companies who have had their right to vote taken away are also saying: "How is this anything but binding arbitration in a private sector dispute?"

What has changed? What is going to be different from December 17, when all these Liberal MLAs vote a private sector dispute, an imposed arbitration? What's going to be different? The minister can't say anything. He can't give me one detail that's going to be different other than the threat of binding arbitration. Duh. That's exactly right, and that's why the workers out on the line are so upset. It's because they don't have any confidence that there's going to be anything different. They're not going back to work. The employer is not allowing them back to work. There are no rules for bargaining except for binding arbitration.

All right, let me ask this, then. The minister can't tell me how bargaining will be different except the threat that everybody fears. Let me ask this question to the minister: do all employers who were running operations prior to the strike commencing have the obligation to take those workers back to work tomorrow?

**Hon. G. Bruce:** We're now — which is good — progressing into sections. Perhaps we could go to the bill and start speaking through and dealing with each section, and we can refer to each of those items as it comes up. I think that would be very, very useful.

**J. MacPhail:** Could the minister please answer my question? I have no idea what questions are appropriate under what sections. Perhaps he could just answer the question. He's so proud of this bill.

**Hon. G. Bruce:** With the greatest of respect, Mr. Chair, I think the member opposite has full knowledge of how one goes through this process. I know that with her competency and the years she's been here, she would know that.

It amazes me in some of the discussion that's taken place here. Are we not to pay attention to the leaders of the organizations when they come and speak? On the one hand, the member opposite talks about whether there's respect for them, and yet I'm supposed to ignore what they have to say. The member opposite has said, "What's changed? What's the difference?" and then says the only thing that has changed is that this is binding arbitration in a private sector dispute. That, in fact, is correct. It's binding arbitration in a private sector dispute that allows for a process of mediation to be able to get to a negotiated settlement if they can. Failing that, it means that the arbitrator — and an agreed-upon arbitrator — will write what that contract will look like.

**J. MacPhail:** My question was completely related to the minister's opening comments in second reading. He said this puts IWA workers back to work. I'm just asking him for evidence of that. Where is the evidence that I'm asking him for?

I gave him evidence that Weyerhaeuser's Chemainus mill has said that it's not going to call workers back to work until after the statutory holidays are past. Where in the legislation can the workers go to Chemainus mill, to Weyerhaeuser, and say: "Listen, Chemainus mill. We were operating before the strike. You, Weyerhaeuser, had no plans for a shutdown. You, because of this legislation, have to recall us right now." Where is it in the legislation that it says that? I couldn't find that.

**Hon. G. Bruce:** As a result of this action being taken — I believe it was at 4 a.m. yesterday — Terminal Forest Products Ltd. recalled its team. I think that in fact, through their operations, it resulted in 100 employees returning to work with good cooperation. They're actually at work. I believe that Interfor....

**J. MacPhail:** Chemainus mill. I said "the Chemainus mill" — Weyerhaeuser's Chemainus mill.

**The Chair:** Through the Chair, member.

**Hon. G. Bruce:** Interfor and Weyerhaeuser.... Do you know who owns the Chemainus mill?

**J. MacPhail:** Weyerhaeuser.

**Hon. G. Bruce:** Very good.

**The Chair:** Through the Chair, please.

[1900]

**Hon. G. Bruce:** Mill operations are waiting for this legislation to pass, Mr. Chair, and they claim that they will immediately call their workers back to work. The management of Weyerhaeuser advises that the mill operations will begin immediately. They will not necessarily run at full capacity, due to a shortage of log supply. Most manufacturing facilities will return to work in accordance with the requirements of their op-

erations and what's on their order books. Because there's been a shutdown, it takes a while to get them back up.

Regarding logging operations, as was stated on Sunday, they may very well not start right away. There has been some snow in the hills. Seasonal shutdowns do occur in the normal sense at this time of year, just because of the weather conditions that the logging side finds itself faced with in one area to another.

**J. MacPhail:** No, I'm asking the minister.... I have no idea what he's reading from. It's different from what the manager of the Weyerhaeuser mill at Chemainus is telling his workers today, so I have no idea what he's reading from. It would be great for him to circulate that to every IWA worker — fabulous.

The Chemainus mill manager told the workers today that they wouldn't be recalled until after the stat holidays. They were working flat out prior to the strike, and there was no planned shutdown for any reason. Where in the legislation does it allow the workers to go to the Chemainus mill and say, "Sorry, you're in violation of the legislation. The minister said this legislation was putting us back to work"? I couldn't find the section. Name the section.

**Hon. G. Bruce:** We confirmed this with the senior management of Weyerhaeuser. There are startup problems. Now, I don't know exactly.... I haven't gone down and counted the logs in the water or in the dry-land sorts, but there is a supply requirement to actually start a mill, to make sure it has logs. There is a setup that takes time to get the whole aspect of transition to take place — and I would fully expect, in many of these different areas — as quickly as they can, from what has been expressed here.

Here's one other that I mention right now, as I will again: Terminal Forest Products Ltd., which is up and running, and there are 100 people back working. I would hope that the member opposite, just like the rest in this House, would think it's good news that there are 100 other people with their families that are back to work, receiving a paycheque and looking forward to a future that perhaps, as we work this through here, can help restore and rebuild the forestry sector so that there's a very bright and prosperous future in the coastal forestry sector in British Columbia.

**J. MacPhail:** Can the minister please answer my question? What section demands the company to put IWA workers back to work?

**Hon. G. Bruce:** That would be section 4. It speaks to lockouts and strikes.

**J. MacPhail:** Oh, I see. The union will have to go to the Labour Relations Board and declare that Weyerhaeuser's Chemainus mill is locking out its workers. Well, that's a real step forward. Isn't this legislation wonderful? That's a real good sign that collective bar-

gaining is going to take place and everything's going to be fine.

TimberWest have said that they're not going to be calling their crews back. Interfor and TimberWest sent letters last week — one dated December 9 and one dated December 12, mere days ago, after knowing full well that the government was going to bring in this legislation — cancelling agreements with their workers.

Is the minister telling me that his statement about getting IWA workers back to work that he made in second reading meant: "Oh, only if the company agrees to put them back to work; otherwise, IWA is s.o.l. and has to go to the Labour Relations Board"? Is that what he really meant to say?

[1905]

**Hon. G. Bruce:** The strike is off with the passage of this.... The work stoppage is off with the passage of this legislation. There are a hundred people, even without this legislation being passed, but....

**J. MacPhail:** Yeah. So what do we need it for?

**Hon. G. Bruce:** Absolutely.

There are a hundred people back to work. I'm not sure if that grates the member opposite. Just as incredible. But I would think that's good news for those 100 families.

Weyerhaeuser senior management have said they will be working to get their operations up as quickly as they can, as supply allows. TimberWest, as I think the member opposite referred to, will have 80 workers back immediately, another 300 workers on January 5. They are primarily harvesting operations and are faced very much with snow and seasonal issues. I would expect that through the line as we go, more of them will be firing up, if you want to put it that way, or moving into operations as they can with their own log supply and whatever seasonal constraints they're faced with.

**The Chair:** Leader of the Opposition on section 1.

**J. MacPhail:** I'll tell you, Mr. Chair, what grates me. People working in the forest industry is excellent news. What grates me about this government is that it's their failed policies that have devastated the coastal forest industry so much. It's their behind-closed-doors work with people, behind-closed-doors work that they've done on making the industry more competitive, which they won't release. It's not changing one iota the method of bargaining. They won't even say that workers have the right to go back to work without accusing the employer of a lockout. Isn't that good news? Haven't we come a long way with this legislation?

No demand on the employer to return people to work, despite the minister saying that. In fact, the minister makes a mockery of his own legislation by saying: "Oh, people are back to work without this legislation." Duh. Exactly. The big, responsible people who are run-

ning this industry, either union or employer, know full well it's on their shoulders to get this industry going, and yet.... And they're back. The only people who are not getting the industry going are the employers, who are going to try and jack around by avoiding paying the members their statutory benefits and their wages, and this government's doing nothing about it — absolutely nothing about it.

Let me ask this. On December 9 and December 12 respectively, Interfor and TimberWest sent a letter to their workers cancelling the agreements under which they work. Now, those letters were written with the full knowledge.... Mr. Davies — Mr. Interfor — was in the office working with the officials of this government and putting in place binding arbitration, and he still wrote that letter. Do Interfor and TimberWest now have to rescind those letters they wrote to their workers?

**Hon. G. Bruce:** None of those people that I've mentioned would have been back to work without this legislation. There was, in fact, a work stoppage taking place. With the introduction of the legislation, the goodwill that's there by some.... Again, I would think the member opposite would like to acknowledge that at least in that respect, even though the bill hasn't been passed, that particular company took it upon itself to get its operation going, and a hundred people are back to work.

As I mentioned, TimberWest has listed another 80 and 300 into the new year. They wouldn't be working if there was a work stoppage. Weyerhaeuser have spoken about the fact that they will be getting their systems up and running as quickly as they can from log supply for the milling side. Other contractors out there, again on the seasonal side, in the actual harvesting side will be getting their operations up and going. Clearly, without this legislation, those things would not be happening because we are in a work stoppage. Now there's an opportunity for these people to get back to work and for us to move through this process to get a mediated, arbitrated solution.

**J. MacPhail:** The legislation had nothing to do with the return to work of those workers, because the legislation hadn't even been introduced. It was workers and their employer agreeing to return to work. That's the way it happens.

Interjection.

**The Chair:** Minister, through the Chair.

[1910]

**J. MacPhail:** This government has no justification for this legislation whatsoever. All right, there's such an urgency. Let me just put this question to the minister. Here we are — tens of thousands of dollars of tax money to recall the Legislature, to ram this legislation through because of the great harm it was doing because IWA workers weren't working. How many will

be going back to work out of the workforce as a result of the passing of this legislation, and how many will continue on layoff, as they were before?

**Hon. G. Bruce:** I take it, then, that we just say to those 100 families and those other people: "To heck with you." Is that what we say? We say that the \$20,000 or whatever you want to say it cost to bring this House back, to get the largest sector of our industry back and running.... To heck with them? Why don't you go call a couple of those people that are working. You got all these other e-mails. Give them a call. Ask their mom or their dad whether they think it's good that they're back at work. Ask them whether that's a good idea. Ask them if this Legislative Assembly is meant to try and bring the parties together and, given that we've been able to do that and find a way and they're back to work, whether we should bother spending the \$20,000. Give me a break — the cost of it. What's the impact on the overall lives of people? What is that impact right across this entire province? Are you saying to me that the forest industry as a sector is so minuscule, we could just leave it alone — that the parties have had difficulty trying to come to a solution...

Interjection.

**The Chair:** Members.

**Hon. G. Bruce:** ...and when they ask for help, we say no? What is the problem here?

Interjection.

**The Chair:** Leader of the Opposition....

**Hon. G. Bruce:** What's the problem here? Is the problem here the fact that leaders of the respective parties came together and asked for some help and that government took that and said: "Okay, we'll put something together. You're going to have to help us. You may not agree to all the parts and pieces, but in the concept of what needs to be done, you're agreeing"? Is that what's bothering the member opposite — that people are actually working together to try and find a solution and that knowing the difficulty they have because of structural changes we're faced with on the forestry side, knowing there are major changes here and the difficulty they have, they would then agree to a binding arbitration process at the end if that's what they need to get that collective agreement?

What is it? We don't like the arbitrator? Is that the part? We don't like the arbitrator? We don't like Donald Munroe as the arbitrator in this process? But they both agreed to that. Should I throw out Donald Munroe? Should I throw out the arbitrator? Is that the problem with this process?

I mean, is it that I should ignore the president of the IWA? Should I ignore the chairman of FIR? They're both elected officials of their own organizations. Are you telling me that you have no respect for those indi-

viduals, that they're to blame, that they're wrong? What is it? What is it that bothers the member opposite? The member opposite brought in arbitration, albeit in public sector issues, but that was imposed. We're asked by the private sector of the largest part of our economy, which has incredible implications for every single British Columbian's life.

The concern being expressed is: "We're asking. If you don't do something, this thing is going to lock up and could be going on for the next six or eight months." Have you ever lived through a lockup? I've lived through a lockup. It was during the member's time here in government. It was the pulp strike, when they used to just pick one industry, one mill, and say: "Shut 'er down, and then we'll let the rest of everybody carry on." The former administration, the NDP administration, said: "To heck with that part of the community, the Cowichan Valley." That's what you said. You said: "To heck with them." For ten months we lived through that. For ten months I drove by that picket line. I knew the men and women on that picket line as friends, as people that live in my community. I knew the managers of those mills as people that participated in our community. The NDP, the opposition, sat there and said: "To heck with you. You don't count."

[1915]

Then, combined with that, you watch the small town, the town that I live in.... You start to see the small shops close because of your indifference as a government, your total and complete indifference to even trying to find a way to reach a resolution. Well, we're not going to do that. We're not going to do that here. We're trying to find a way to work with parties that have asked for help...

Interjection.

**The Chair:** Leader of the Opposition.

Interjections.

**The Chair:** Members.

**Hon. G. Bruce:** ...to get to a resolution. We've built them a process that allows them to negotiate it with the arbitrator they've agreed to, that gives an end result — if they can't get a mediated solution, to vote on it. But, okay, to heck with it, then. To heck with the hundred families that are already back at work. Give them a phone call and say: "To heck with it. As the Leader of the Opposition, I'm voting against this legislation. I don't want the government to pass this. Let's put everybody else back on strike. Let's continue with the work stoppage, because I've got a problem with how this whole thing has developed. I've got a problem with the leaders of this whole organization actually building this thing or working something through."

That, you see, is the whole aspect of what took place in that former administration. It was never about trying to work and help people reach agreement and bring people together. It was always dividing and class

warfare. It was all of those types of things that took what happened to be the strongest economy in the country and trashed it. We became tenth. You did that single-handedly in ten years — destroyed this province just like that.

Good for you. You took the forestry sector, and you beat it right back. You beat it right back. Great. You took the mining industry, and you chased half the mining industry right out of this province. You did that. That was great. Good for you. In every single sector there were good, strong union jobs. The IWA is a once-proud union. Where did it grow from? It grew from my community. That's where it started — a once-proud union of 30,000-plus being reduced because of the member's administration and what they did to the economy of the province.

Well, we're not doing that. What we found here is a couple of parties that are having difficulty in a very challenging time in restructuring an industry. They asked for help, and we're trying to find a way to help them.

**J. MacPhail:** You know, I'm not quite sure. Maybe the minister needs therapy, and he feels like.... He's asking for forgiveness from his own constituents. But a couple of facts, Mr. Chair, and I had to tell the member who was sitting here. When this government took over, the forest industry was contributing \$1.8 billion per year in tax revenue to the government revenues — \$1.8 billion a year. Now they're less than \$1.2 billion a year, after just two years under this government. A third less and falling — and this minister says it was the previous administration that ruined the forest industry. Give his head a shake.

The forest industry has dwindled away by over a third in two short years under this government — two short years — and the number of people who are on layoff has increased by 15,000 because of this government. There are 15,000 more forest industry people on layoff than there were when this government took over. He talks about a hundred families. Yes, actually, I did talk to those families. Maybe the minister would like to listen. I did talk to those families of the workers who have gone back.

I said to them that the member for Vancouver-Mount Pleasant and I will be opposing this legislation, and the leadership of that local, which is now back at work, said: "We fully understand. We fully understand why you want to oppose this, and we're back not because we agree with it but because we're going to be going on EI. It's better to be on EI and collecting employer-paid benefits than not."

[1920]

The minister may not know that's what is happening. Perhaps the minister would like to actually answer my question, rather than his cathartic, therapeutic justification of unnecessary legislation. Perhaps he could actually give some facts rather than rantings of rhetoric. How many people are going back to work in the industry as a result of this legislation, and how many are on layoff?

He's claiming that's why he's doing this legislation — to put people back to work. Our evidence is otherwise, from talking to the people who are affected by this strike — that they're not going back to work. The employer isn't going to let them go back to work, and the minister gives the workers great confidence: "Oh, take the employer to the LRB." Gee, there's a real step forward. Many of them are saying: "We're on EI. The master agreement isn't going to affect us at all because we're not working."

The minister claims to know exactly what's going to happen as a result of this legislation. So tell us now: how many will be working out of what size of the workforce?

**Hon. G. Bruce:** I would suspect it will be the same number of workers going back to work that there would have been working at this time last year had there not been a work stoppage. The legislation is not passed, but I've laid out already one company that has brought people back. I've mentioned two other companies that are looking to gear up, and I suspect we will hear through the numbers of others that are looking to get their operations back up and back to work.

**J. MacPhail:** Why doesn't the minister know? That's the purpose of this legislation — to put people back to work, he said. How is it that the minister can't know? He had Duncan Davies, the head of FIR, sitting in his office for the better part of two weeks. At the same time Duncan Davies was working with the government, he was sending a letter out to his workers saying their contract no longer applies. That's making some workers pretty suspicious. Surely the minister must know. In the industry, how many are back at work and how many will remain on layoff?

**Hon. G. Bruce:** I just would like to be very clear that in respect to this legislation, all the industries and the employees go back to work under what was the master agreement that expired in June, and whatever MOUs — memorandums of understanding — in specific areas apply, and whatever local agreements, because there are then even some local agreements that apply. What was in effect in June of 2003 is what the employees would be under going back to work now.

**J. MacPhail:** Boy, when the minister can't do his flight of fancy with rhetoric that's based on nothing, he has no answers either. The only thing that this legislation offers to working people is a return to work under the master agreement until May. Then the minister has made it quite clear that he has no solution other than arbitration. He's not done anything to improve the bargaining process — nothing. So the only solution will be binding arbitration. He's offering to working people on the IWA lines: "Oh, you're back at work under the master agreement." Well, it turns out we're hearing from hundreds of IWA workers: "That's meaningless to us because we're going to be laid off."

How many people are working after this legislation, and how many are on layoff and will have no upside whatsoever as a result of this return to the master agreement? The minister should know. He brags about it all the time.

[1925]

**Hon. G. Bruce:** Again, I want to be clear, because there are, through the rhetoric of my respected opposition member, kind of little things that get lost. First of all, I'm going to state again — I know there are members out there concerned about that, because I had calls — that the master agreement, which expired in June of 2003, applies. The MOUs, the memorandums of understanding, also apply, and the local agreements also apply. I've said that, and I'm going to say it again and again and again as is required and necessary so that there is not that type of misinformation put out in the public. Without this legislation, nobody's going back to work.

**J. MacPhail:** You just said 100 families were back at work.

**Hon. G. Bruce:** No, I said without this legislation.

**J. MacPhail:** So when did they go back — at three today? Did they go back at 3 o'clock today?

**The Chair:** Members, through the Chair.

**Hon. G. Bruce:** Let's be clear. There's no point in being silly about this. The fact of the matter is....

**J. MacPhail:** Yeah, the deal had been cooked.

**Hon. G. Bruce:** I find that very offensive. I really find that offensive. I mean, I can appreciate the fact that you don't like my politics.

Interjection.

**The Chair:** Leader of the Opposition, would you allow....

**Hon. G. Bruce:** What I really find....

Interjection.

**The Chair:** Member, would you allow the minister to answer the question, please.

**Hon. G. Bruce:** I really find that offensive. You know better than that. The member opposite, quite frankly, knows better than that.

**J. MacPhail:** I know I'm accurate.

**Hon. G. Bruce:** Okay, then, let's hear what that....

**The Chair:** Leader of the Opposition, could you please allow the minister to try and answer the question.

**Hon. G. Bruce:** Let's hear what that means. With all the....

**The Chair:** Minister, minister.

**J. MacPhail:** Answer the questions, then. Just tell us what went on behind closed doors if the deal wasn't cooked.

**The Chair:** Order. Leader of the Opposition, allow the minister the same opportunity he allowed you. Minister, continue.

Interjection.

**The Chair:** Leader of the Opposition, would you allow the minister to answer your question.

**Hon. G. Bruce:** The respected members of the two parties met with me and indicated that they needed help. I tried to find a process that I thought would work, tried to leave room for them to work through a process so that they could get to a negotiated settlement through mediation. If they aren't able to do that, they know they're then faced with an arbitrated settlement by the arbitrator that they've both agreed to. It's actually really all very much right upfront. There it is. If you wanted to move through the legislation section by section, it becomes clearer. At the end of the day, we are looking for a new collective agreement for the coastal forestry sector.

**J. MacPhail:** The minister says he finds offence that I'm saying the deal is cooked. Well, he can't give any evidence contrary to that. He won't tell us what the discussions were about how bargaining is going to be better. It's still Don Munroe, Duncan Davies and Dave Haggard doing the bargaining. He won't tell me if certain proposals are prohibited. He won't tell me whether bargaining is demanded.

Interjection.

**The Chair:** Members, please allow the Leader of the Opposition to ask her question on section 1.

**J. MacPhail:** I hear a frantic little voice from the background. I'm not quite sure what he's trying to prove.

We don't know how many bargaining meetings or what the nature of the bargaining proposals are limited to. We do know that there will be binding arbitration, and that's what the IWA workers are upset about.

Well, let me ask something very specific of the minister, then — very specific. The CEOs of TimberWest, Interfor and Weyerhaeuser, just prior to this legislation being introduced, were doing a tour of the various

communities, arguing that the IWA needs to give up 20 to 30 percent of its labour costs. That's what they were out proposing to communities. Here's the document right here. Here it is. It's called *Embracing a New Vision: Rebuilding B.C.'s Coastal Forest Industry*, and it's Craig Neeser, Paul McElligott and Duncan Davies.

[1930]

They were going around to communities saying that IWA had to reduce their labour costs by 20 to 30 percent. These are companies that are making a profit.

Interjection.

**J. MacPhail:** You know, it's very interesting, Mr. Chair. No matter who's making a profit, these members think they have to interfere with it. They think they have to bring in legislation to interfere with it. They don't have a clue what they're doing — not a clue. They've destroyed the tax revenue that we get from that industry. There are 15,000 fewer workers working in the industry now than when this government took over, and they're catcalling from the back benches.

**The Chair:** Members, if we can....

**J. MacPhail:** They're catcalling.

**The Chair:** Members, if we can continue the questioning of the minister on section 1.

**J. MacPhail:** I'm sure that the public has the greatest of support. I'm sure that public support, public opinion survey support, is giving the member from Trail or the member for Kamloops-North Thompson great comfort. Not.

But anyway, here we are. Companies who are now meeting with this government.... The government won't tell me what the companies are asking for, but they're out on the road saying they need a 20 to 30 percent reduction in labour costs. Did the minister or his officials discuss this document with Mr. Davies and say that this isn't on? Or is this document, demanding 20 to 30 percent cuts in IWA labour costs, on? Is that still on the table?

[H. Long in the chair.]

**Hon. G. Bruce:** In the mediation-arbitration process there are terms of reference or criteria that are laid out, and the mediator-arbitrator will work through with both parties in trying to bring them to a negotiated settlement. He will take what each party puts before him. Perhaps he'll work things through a little bit differently and try and find ways to get common agreement. That's actually how the mediation process works. At the end of that, where he can't get the common agreement, he'll arbitrate and make the decision based on what he's heard and what he thinks is right.

**J. MacPhail:** Okay. Just so none of us believes a deal was cooked up, could the minister actually tell us

in detail what he discussed relating to bargaining with Duncan Davies and Dave Haggard? Could he tell us what the parameters of negotiation are, now that we have this legislation? And please, Mr. Chair, don't let the minister just say, "Mediation, then arbitration," because mediation or facilitation has already been tried with Donald Munroe, Duncan Davies and Dave Haggard. What we got was a strike, because the employer imposed wages and working conditions that were massive rollbacks. That's why the workers went on strike. That's why.

Did the minister discuss with Mr. Davies or Mr. Haggard the terms of bargaining that wouldn't have us just back where we began except for binding arbitration, which the parties could have agreed to themselves but were too afraid to?

**Hon. G. Bruce:** Well, the member opposite just actually said what the problem was — that the members could have agreed to the binding arbitration process, but they couldn't. So we built a process and said: "Here are the pieces." Now, if you want to go through the legislation of what all....

**J. MacPhail:** Are you tired?

**Hon. G. Bruce:** No, I can go all night.

**The Chair:** Would the member let the minister finish his comments, please.

**Hon. G. Bruce:** I can literally go all night if we have to — and probably will.

The member's....

Interjection.

**The Chair:** Would the Leader of the Opposition please come to order and let the minister finish.

Interjection.

**The Chair:** Will the Leader of the Opposition please come to order and let the minister finish. Thank you very much.

[1935]

**Hon. G. Bruce:** The process as such is in this bill. It lays out just how the terms of reference criteria that are there.... The fact is that at the end of the day, through this process there will be a collective settlement. That's what we've been saying right from the very beginning. There are no devious backroom deals or anything else that the member opposite is expressing concern about. It's all very straightforward and upfront. I can reiterate all the steps, but I know the member opposite doesn't want me to do that.

That, on face value, is exactly what the situation is, and the mediation-arbitration process is not a brand-new type of process. It's been used before. In this particular instance we're hopeful, certainly, of the aspect of

seeing some movement now that there is no work stoppage or strike, because this legislation ends that work stoppage or strike. The very fact that FIR had imposed a new settlement which was offensive to the members of the IWA, to the people working in the forest industry.... We took that back, and we said: "That does not stand."

Part of the give and take, if you like, of this process was just that — that you go back to what the master agreement was in June, what the MOUs were in June, what the local agreements were in June. That allows you to go back to work. Here's the mediation-arbitration process, and as we move through the bill, here are the criteria that lay that out. Here's the time frame that you've got to work through on that. Here's the process that allows for some mediation, which may get you to a negotiated settlement, knowing that you get to an arbitrated settlement if you cannot get to a mediated settlement. Here's the individual who is the mediator-arbitrator, which you as parties have agreed to.

**J. MacPhail:** Highland copper valley is about to go on strike.

**K. Krueger:** Highland Valley Copper.

**J. MacPhail:** Highland Valley Copper. Thank you very much to the member for Kamloops-North Thompson. They're about to go on strike. Is the minister contemplating interfering in their collective bargaining process too?

**Hon. G. Bruce:** Eurocan was on strike up in Kiti-mat, and there was concern being expressed during that because it had a fair impact on the community. I asked one of my officials to go up there and have a look to see whether there was anything he could do to help with the parties. Perhaps they weren't hearing one another correctly. Sometimes people in a situation like this are actually saying the same thing but start to lock up into positions. He went into that situation and came back and reported: "They are in a situation where they are not looking for any help."

About a month and a half later there was a phone call from the parties: would we be prepared to send that same official back there to give them a hand to reach a negotiated settlement? After speaking with both parties personally, hearing from them of their intent to really reach an agreement, I agreed to send that official back in there. He went in with the parties, and they reached a negotiated settlement. So to the extent we can help, I'm prepared to have my officials work in that capacity. I think that's a very appropriate manner of trying to assist parties to reach a negotiated collective settlement.

**J. MacPhail:** That's what the current law of the land dictates. It's called the Labour Relations Code. That law already exists. God, the minister likes to make himself so strong and brave — the man going in there to re-

solve disputes. That's the way it's been done for decades in this province. You don't need special legislation on top of the Labour Relations Code. Yet here we are today with special legislation.

**K. Krueger:** Are you proud of your record? It was pathetic. Are you proud of your record?

**The Chair:** Order, members.

**J. MacPhail:** Actually, to the member for Kamloops-North Thompson, I would take the record of the 1990s in labour relations over the record of this government any day — any day. I'd also take...

Interjections.

**The Chair:** Members, order. Order, members. Order, members.

[1940]

**J. MacPhail:** ...the record of the economy any day from the 1990s to this government.

Interjection.

**The Chair:** Would both members come to order, and we'll go back to the question on section 1 of Bill 99.

**J. MacPhail:** I would take it over any day, Mr. Chair. The member for Kamloops-North Thompson.... I expect that his own constituents will be asking for a change real soon too — real soon.

Interjection.

**The Chair:** Order, members.

Interjection.

**The Chair:** Order, members. I think it's time we got back to section 1.

**J. MacPhail:** I think the minister may be forced to eat those words real soon — real soon. Maybe within hours he'll be forced to.

**The Chair:** Would the Leader of the Opposition please come to order.

I think we should get back to section 1 of Bill 99, and all the members will adhere to the rules of the House.

**J. MacPhail:** Thank you, Mr. Chair. I think that's excellent guidance.

Here we have a situation where we have two men agreeing on what needs to be done, and they need the Premier to make them do it. Well, gee, doesn't that bode well for the industry? I wonder whether Mr. Davies, the head of FIR, knows the precedent he is setting. It's something that he, in the private sector — free en-

terprise — is absolutely capable of doing without government interference. He went and asked the Premier to interfere. What does that actually say about Mr. Davies?

Interjection.

**The Chair:** Order, members. Order, members. The Leader of the Opposition has the floor.

**J. MacPhail:** I find the Government House Whip very helpful to this debate. I can hardly wait for him to stand and enter it on behalf of his constituents. I can hardly wait. I can hardly wait for him to stand up and say that Highland Valley Copper will never have to face similar legislation, but he just sits there barking from his chair.

Here we have a private sector forest industry giant asking for government intervention in an area that he is fully capable of meeting and achieving himself. Well, isn't that a nice precedent that Mr. Davies, on behalf of the whole forest sector, is setting. It's very convenient that he has his own government to do his bidding — and this minister. But Mr. Davies and the FIR and all the members of FIR.... What a dangerous precedent that organization has just set — begging for government intervention, legislated intervention in a private sector dispute where both parties agree on the problem and both parties agree on the solution. Dangerous, dangerous, dangerous.

Section 1 approved.

On section 2.

**J. MacPhail:** In past disputes in the forest sector the Labour Relations Code has been used. Why wasn't it in this particular situation?

**Hon. G. Bruce:** The Labour Relations Code does not have the authority to put people back to work.

**J. MacPhail:** But both parties agreed that they should be back at work. The union agreed; the employer agreed. What they were having trouble with was the bargaining process. This government hasn't done anything to change the bargaining process. Going back to work was not an issue. In fact, they're going back to work now. That's why the minister had the Premier and Dave Haggard and Duncan Davies saying exactly the same thing. The Labour Relations Code allows an industrial inquiry commissioner to be appointed. In fact, Donald Munroe has been an industrial inquiry commissioner in this sector before. What was wrong with that?

[1945]

**Hon. G. Bruce:** I think it's important to note that the IWA members weren't going to go back to work under the imposed settlement. That's what the dispute was all about. What this legislation does and what the Labour

Relations Board could not do was turn over that settlement. We have ended a work stoppage, and we have provided that members going back to work will go back to work under the master agreement of June with the attendant MOUs — the memorandums of understanding — and the local agreements intact.

**J. MacPhail:** In those private meetings, was it the union who said: "Oh, we'll only go back to work with legislation"?

**Hon. G. Bruce:** Both parties asked me in the discussions we had. They needed assistance to get to a settlement. They hoped they could get through a negotiated settlement. They had been unable to achieve it at that point, so they were looking for some way to move the process ahead. They were concerned about the lockup that they felt was going to extend well into the new year and the impact it would have on their members and their families and the companies and their communities.

With that information they had given me and the discussions we had, we built a process that allowed both the opportunity for them to work through a mediated process that could be voted on if they can get that and, failing that, then an arbitrated settlement. Both parties were very, very concerned and urged that in respect to government involvement, if there were to be any, it be sooner rather than later — before Christmas rather than after.

**J. MacPhail:** Well, I'm confused, because if you have the union and the employer saying exactly the same thing, who was it, then, that said: "We'll only do this if we have legislation"? Who was it? Which party said that? Otherwise, the minister could have used an industrial inquiry commissioner. Don Munroe has expertise in that area. The industry is used to it. The difference is, though, that at the end of an industrial inquiry commission, the parties get to vote in a democratic way on their terms of agreement. Which party, the union or the employer, demanded legislation so that an industrial inquiry commissioner couldn't work?

**Hon. G. Bruce:** Without this, you wouldn't have an end to a work stoppage. To affect the work stoppage, in fairness, you had to return it to what it had been prior to the imposed agreement put in by FIR. It would take legislation to achieve that. That's in fact what we've done here in this process.

**The Chair:** I'd like to remind the Leader of the Opposition that we've had a lot of laterals on section 1 on this issue and the same questions arising, but I would like you to try and keep your questions to section 2.

**J. MacPhail:** Thank you, Mr. Chair. That's excellent advice.

Section 2 is about application of the Labour Relations Code, under which an industrial inquiry commission is permitted — and, in fact, is the way to go when

you don't have a big legislative sledgehammer being brought down on people. I'm sorry. That's the direction I'm going in here, Mr. Chair.

Just to be clear for the audience, the government....

Interjection.

**J. MacPhail:** Watch that headband.

The government is saying that even though those two men running big organizations absolutely agreed on everything, they insisted on legislation leading to binding arbitration. Is that correct?

[1950]

**Hon. G. Bruce:** The difficulty for the parties going through this was how to agree to end the work stoppage. We put in place the fact that the work stoppage was to be returned to the.... As I mentioned before, the legislation would end the work stoppage, and it would be returned to the contract that had expired in June of 2003.

**The Chair:** The Leader of the Opposition with a new question on section 2.

**J. MacPhail:** Well, Mr. Chair, these are new questions. Unfortunately, the minister has a little message box that he's been told to just repeat over and over again. So I absolutely take your advice and the intimation that we're not getting anywhere here.

In those discussions that have been going on for about two weeks behind closed doors and between FIR, the IWA and the government about this legislation, did anyone say that regardless of the mediator's report, we want our members to have a vote on it — either the employer or the union? Did anyone insist on that?

**Hon. G. Bruce:** We're trying to move this along, and both parties have been at this for some time. Clearly, you needed to have a process that would lead to finality, and that's what this does. So as we listened to both parties and where they were going and what they were looking for, we were trying to build a process and then a mediator-arbitrator that they could agree to and that would help us get to that final decision. What we've got is a process where they can work it through.

This is binding arbitration. We have said that there will be binding arbitration at the end of the day. You, the parties, agree who that mediation-arbitration commissioner will be — which they've done. Here's the process that we've set out. Here are the criteria. We have said that if at the end of the day you cannot reach that agreement through the mediation process, there will be an arbitration ruling by the arbitrator of your choice.

**J. MacPhail:** Would the minister answer my question, please?

**The Chair:** The Leader of the Opposition has a question on....

**J. MacPhail:** I asked whether any of the parties, either the employer or the union, asked vociferously for a vote on the final settlement on behalf of its members.

Interjection.

**The Chair:** Shall section 2 pass? Leader of the Opposition on section 2.

**J. MacPhail:** Well, the minister is yelling across that he answered the question. I guess the answer is no. Neither party asked for that. That's the only way we can interpret it — neither the IWA nor Forest Industrial Relations asked for a vote for its members — because the minister refuses to answer that question in the affirmative. He just goes back to saying, "No, we gave them binding arbitration" — which denies them a vote. The only difference between this legislation and any other settlement to a dispute, even putting people back to work, is that either the employer members or the union members don't get a vote.

Does Mr. Munroe have a history as an industrial inquiry commissioner that recommended him to this minister?

**Hon. G. Bruce:** Let's be clear. Since the questions are repetitive, the answers will be repetitive. I said that this process has been designed so that through mediation, they can get to a vote. The parties can actually get to a vote. They asked for help. We weren't about to impose our wish on that collective agreement. What we were saying to them was: "Here is a process." We've built that process, and they can go through the criteria here — which they can negotiate through mediation.

Then we have said: "Given that you don't get to a mediated settlement that can be voted upon, there will be an imposed collective agreement designed and constructed and written by the arbitrator. The arbitrator will be selected by you both, not by government. The arbitrator will be the person that both parties agree to." They both agreed to Donald Munroe. He is the person that we then appointed on their behalf in that instance as the mediator-arbitrator.

[1955]

**The Chair:** I would ask the Leader of the Opposition to be relevant to section 2, please.

**J. MacPhail:** Mr. Chair, my questions are to do with an industrial inquiry commission under the Labour Relations Code. This is the only section — I'm sorry — I can figure out to ask those questions. Yeah, I know; we did introduce this legislation — what? — a couple of hours ago. I am ragging the puck; that's true.

Can the minister answer my question about Mr. Munroe's expertise in the forest industry as an indus-

trial inquiry commissioner and what was the result of that?

**Hon. G. Bruce:** Mr. Munroe is presently involved in private law practice exclusively in the arbitration and mediation of labour relations and commercial disputes. He's a member of the Arbitrators Association of British Columbia and served as the chair of the Labour Relations Board of B.C. from 1978 to 1981. He's also a member of the roster of arbitrators, B.C. international commercial arbitration centre, for international commercial arbitrations as well as domestic commercial arbitrations and securities disputes. Mr. Munroe acts regularly as an arbitrator or mediator in the airline industry, the forestry sector, construction, health care, education, telecommunications, insurance, municipalities, universities and colleges — just to name a few.

**The Chair:** Leader of the Opposition on section 2.

**J. MacPhail:** Does the minister not know the answer to my question?

**The Chair:** Shall section 2 pass? Leader of the Opposition on section 2.

**J. MacPhail:** How ridiculous that the minister won't answer this question. He claims that he has changed things in bargaining so they're going to work better and that we won't end up in binding arbitration, and that's how members will get a vote. That's what he just said.

I'm trying to figure out what thought he as a minister and his government put into changing bargaining over the next month so that we don't end up with the situation of an imposed binding arbitration, which is upsetting IWA members for sure. I wanted to know why he chose Mr. Munroe. Did he just sit in his office — or the Premier sit in his office — and say: "Whatever you men want me to do, I'll do. By the way, let's use the Legislature to let your wishes be our command"? Or did he actually explore what he was doing?

Mr. Munroe is one of the most respected labour relations experts in North America. We all know that. I want to know what this minister asked Mr. Munroe about his experience the last time he was an industrial inquiry commissioner in the forest industry and whether he asked Mr. Munroe if he would do things differently this time.

Oh no, the minister clearly didn't do that. He won't even admit that Mr. Munroe was involved as an IIC in a forest dispute.

**The Chair:** Order, member. I think we should get back to section 2. This has nothing to do with section 2. I would ask the member to get to section 2.

**J. MacPhail:** Mr. Chair, should I just stop asking my questions? Should I?

**The Chair:** No, member. You can ask on section 3 or other sections. You had all the opportunity to ask, on section 1, these questions, which you did. I would like you to stick to section 2.

**J. MacPhail:** Mr. Chair, I'll take your advice. I want to ask about the experience of the arbitrator in the forest industry as an IIC. Could I have the guidance of the Chair of where I should do that?

**The Chair:** No, member. I cannot guide you on that. Therefore, I recognize the member, Leader of the Opposition, on section 2.

**J. MacPhail:** The application of the code. My point, Mr. Chair, is that this legislation is not necessary, and if the government were sincere in changing bargaining, the minister would get up and explain to me how previous applications of the code have worked or failed.

[2000]

Mr. Don Munroe was an industrial inquiry commissioner, I think, in 1986 after a prolonged strike in the forest industry. He was one of three, and his recommendations, along with the other two, were put to a vote and turned down by 98 percent. That's very similar to what the minister is promising right now. Well, it was a much longer strike. It was a total of a four-and-a-half-month strike — three months continuous.

So what did the minister discuss with either of the parties? Did he just go, "Aye, aye, captain, we'll do your bidding," or did he go to Mr. Munroe and say: "What lessons did you learn from 1986 that shouldn't be repeated in 2003?"

**Hon. G. Bruce:** I think it's important to note that you couldn't end the work stoppage without legislation. Members would like to get back to work. They clearly didn't want to go back to work under the imposed settlement, because that's what they found egregious in the first place. Part of the process of what we've done here is to say that the work stoppage ends, but you get to go back to work under the contract — the master agreement of June, the one that expired.

Mr. Munroe was the choice of the two respected parties. I think if you're really wanting to get to a solution, it's important that the parties in a process like this would at least agree to who it is that's going to lead them through that. Combined with that, he has had extensive experience in the forestry sector. So you listen to the parties as to whom they think it ought to be. They both concur that it ought to be Mr. Munroe, so you put Mr. Munroe in that position. He has had experience in the forestry sector. It's not new to him.

Nobody is saying for an instant that this is going to be easy. It won't be easy. Otherwise, they would have negotiated a settlement. It's challenging. It's not that anybody's doing anything wonderful here, except that parties have said: "We're stuck. We'd like some help. Can you build a process? Some of it we'll agree to; some of it we won't agree to."

Here's the process, and here's the person that's going to lead you through it.

**J. MacPhail:** There's no evidence that the minister did any of that — no evidence that he put his own stamp on any of this.

By the way, lots of disputes end with the parties agreeing on a conclusion. It hasn't been until this government that free collective bargaining has died such a horrible death and that people think they can just use this Legislature of their own free will. Lots of bargaining disputes conclude and people go back to work, because the parties agree that's what's right.

In this case, the parties did agree. So here we have a situation where the parties not only agree on what needs to be done, but they have the arbitrator all picked out, and the government doesn't even question it — doesn't even question the value of proceeding down that track, didn't even go to Mr. Munroe and say: "What lessons did you learn from the last time you did this?"

It is even more astounding than I could have imagined — how this government just rolled over and gave these two parties the legislative hammer to do what they themselves are unwilling to do. This government didn't do anything to shape collective bargaining to achieve a balanced and fair settlement whatsoever, and we'll be ending up in binding arbitration. I can pretty much guarantee that — a binding arbitration with no vote.

[2005]

**Hon. G. Bruce:** It's just important to note for the record that, in fact, in the year 2000 in this province, there were 80 strikes and over 400,000 days lost. In the year 2002, there were 18 strikes and 75,000 days lost. For the record, there have been 23 public sector settlements from January 2002 to December 2003. There have been numerous private sector agreements that I can quote chapter and verse of during the course of this last year, so it's a bit of a stretch by the member opposite. In fact, we have processes that are working and people trying to find new and creative ways to reach resolution in respect to their negotiations and reaching a fair collective settlement.

Section 2 approved.

On section 3.

**J. MacPhail:** Oh God, I love how this minister likes to use statistics to back up something he can't justify from his own actions. It's really quite amazing.

Now we have a situation where we're guaranteed to go to binding arbitration. This government has done no research whatsoever on how to improve the collective bargaining climate in this industry. What IWA members have been given as their reward is that the master agreement would be restored. I'm wondering

whether the minister could explain that in the context of the section that allows the commissioner, Mr. Munroe, to make interim orders. Section 6(6) — how does that contrast with section 3, which allows the commissioner to make interim orders changing the terms of the collective agreement?

**Hon. G. Bruce:** This is a very complex industry going through transition, and the commissioner may very well want to try certain things while the process is being undertaken. He may want to implement them, see whether they are getting the desired results, then be able to come to the end of it and either change them again or, in fact, stay with them.

One of the concerns that has been there, of course, is the aspect of the pension plan. It may very well be that the commissioner sees that things need to be done to protect the IWA pension. Even though there are discussions that are carrying on, he may feel that it would be prudent on an interim basis to bring things into place that would help that pension plan while he's working through on the other issues. That's one example.

**J. MacPhail:** I have no idea why the minister brought that up, because the pension plan is an item that's freely negotiated, unless.... Well, does the commissioner have the right to impose financial payments on the employer in the interim? Is that what he's saying? Otherwise, if the minister is saying that the pension plan could be downgraded as an interim order, I suspect that would get a lot of people upset. Is the minister saying that Mr. Munroe can impose financial requirements on the employer in the meantime as an interim order?

**Hon. G. Bruce:** Yes, if he feels it is necessary, as the case is made to him. You know, in respect to the pension thing, we're talking about up, not down. We're talking about trying to protect people's pensions and a way to do that. The member opposite clearly knows that the IWA pension plan needs some assistance, and we certainly wouldn't want to be in a position that risks this while this is going forward. If the commissioner were to rule on an interim basis simply.... I call it interim. He's doing that initially, and then during the months that ensue, he may come back to review that. But to give that type of protection? He can do that.

[2010]

**J. MacPhail:** That's great news to the workers, I would imagine — that their pension plan is going to be protected and that the employer is going to have to pay additional costs to do that. Was that discussed with Mr. Davies behind closed doors?

**Hon. G. Bruce:** I'd like to be clear. I'm trying to give the member opposite an example of what could be done, and there you have a real-life example — one that's positive and one that concerns us. Talking with

people in the meetings, I heard concerns expressed about the pension, so I offer that as an example. We've given the commissioner the opportunity — the right, if you like — to be able to make interim orders as he's progressing through this process of mediation-cum-arbitration.

**J. MacPhail:** Oh, I heard the minister state quite clearly that the employer could have an interim order against them to increase their financial contributions, so I'm sure Mr. Davies must have had a discussion with the minister about that.

In section 3 we're saying... I'm sorry. The government's saying — whew, that was an error — that the master agreement will be in effect to May 31 but for section 6(6), which allows for interim orders. Could the minister give the full range of interim orders available to the commissioner, and were those full range of interim orders discussed with Mr. Haggard and Mr. Davies? For instance, could they modify the contract through pilot projects that would implement various cost-saving measures? Would both parties have to agree to a pilot project, or could the commissioner just invoke, or order, an interim order?

**Hon. G. Bruce:** Under part 2, mediation-arbitration commissioner, in the act, 6(4), it says that until a new or revised collective agreement is concluded by the commissioner, the commissioner may (a) make interim orders that the commissioner considers necessary or advisable in the performance of duties or exercise of powers under this section and (b) vary or rescind any interim orders made under this section. He, the commissioner, has the right under this act to do that, and we have to again remember that he was the person both parties have agreed with.

**J. MacPhail:** Do I assume, then, that when both parties — Mr. Davies and Mr. Haggard, because so far the minister hasn't said anyone else is involved — agreed, both parties understood that interim orders could be made to vary the master agreement?

**Hon. G. Bruce:** I want to be clear. I didn't breach any of the House rules or etiquette in respect to the discussion of legislation with members. We dealt with concepts and processes and the aspect of trying to make sure we had a process in effect which would be balanced and that at the end of the day would allow the mediator-arbitrator the authority, as I've stated here, to make changes which may be necessary either on an interim basis or in the final conclusion as to how he came forward with a collective settlement if they were unable to get to a mediated settlement.

[2015]

**J. MacPhail:** Under section 3 it says the collective agreement continues. I saw it on the news, and the people who have actually gone back to work that I talked to said: "Well, the master agreement applies." Well, it doesn't. One section is taken away by another.

Under section 6(6) — and I know we'll get to that, but we're talking about it in the context of the master agreement continuing here... Section 6(6) is about the commissioner being able to make interim orders. It says: "Interim orders made or varied are, effective on the date specified by the commissioner in the order, binding on a trade union and an employer and on the employees affected, and the orders may be enforced as terms of the collective agreement." I wonder whether all those IWA workers know that going back under the terms of the master agreement means "except in the following circumstances."

The commissioner has the right to change the collective agreement. It's binding. The members don't get a vote; they don't get a say. Could the commissioner change shift schedules, for instance? Could he change statutory pay requirements?

**Hon. G. Bruce:** Mr. Chair, I'm not sure whether we're on section 3 or section 6 — I appreciate that the member is trying to flow back and forth — but this is a permissive clause, absolutely. The fact of the matter is that at the end of the day, the arbitrator, if he cannot get the parties to a mediated settlement which they can vote upon, has to write what that agreement will be. What we've given him here is the ability to work through, to make interim orders if it is of necessity or if it was something that would help on a trial basis to see whether it would work or not. At the end of the day, regardless of this part, the arbitrator, unable to reach or get the parties to reach a mediated agreement, writes the collective agreement anyway.

**J. MacPhail:** Just for the minister's edification, section 3(2) says: "A collective agreement under subsection (1) is subject to any interim orders made or varied by the commissioner under section 6..." Hence my questions under section 3. Basically, every IWA worker should be aware that their collective agreement is not the master agreement. It can be varied, and it can be varied with binding effect, where they have no say in it.

That's true of the employer too. The minister uses an example of where the employer can have an interim order foisted upon them that may have financial implications, and they have no say in it either. I find it very interesting that the minister is saying this is such great news because it was the only way that IWA workers would go back to work — if they got their master agreement restored. Well, they didn't get their master agreement restored. It's subject to change without any input from either party.

Section 3 approved.

On section 4.

**J. MacPhail:** This section says that an employer can't lock out or declare a lockout of any of its employees and must terminate any lockout. Surely the minister must know, mill by mill, what's going to happen

here, because all he did was take the direction of Mr. Haggard and Mr. Davies. The Premier didn't put his imprimatur on any of this.

[2020]

What promises did the employer make, mill by mill — who have been struck, and there's not that many of them open anymore as a result of this government plan and government policies.... Mill by mill, what are the plans to put people back to work, as the minister has said this legislation is about? Could he list the mills, please?

**Hon. G. Bruce:** Both parties want to work. That's what they said to me. I guess I'm not supposed to trust anybody, but both parties said to me they wanted to work. They wanted to run their mills, and the members wanted to be working. They needed to find a way through this and a process that would move it along so that they could get past the work stoppage. I didn't go mill by mill by mill by mill. What we talked about was the aspect of trying to find a way, with the seasonal side and supply of logs and such, that they would move as quickly as they could to get operations up and running and to get people back to work. Everybody wants to go to work. The mills want to work, and the people that work in the mills want to work.

This is about trying to end the work stoppage so that people could work. That's what we're attempting to do through this process. With this legislation, the stoppage ends, and where they can get the mills back and going, they will be up and running. As I mentioned, there's already one going. There are other commitments. The seasonal aspect of the logging side, as I've canvassed and mentioned before, is difficult, dependent upon weather — then, obviously, with that, the supply line of logs to certain mills at this point.

**J. MacPhail:** We're in an emergency session of the Legislature. I know the minister doesn't care about what that means, either the abuse of it or the expense, but we're in the middle of an emergency session of the Legislature. We've all been recalled because of the absolute urgency of this legislation, according to the government, and the government has no idea of the effect this is going to have negatively or positively. That's what the minister just admitted. He has no idea what mills are going back to work or when. He has no commitment from the employer — none. There's nothing in the legislation to enforce the employer putting people back to work.

Oh, the workers can go to the Labour Relations Board and say: "We're locked out." Gee, that's a real step forward for them, isn't it? We do have evidence, though, from IWA members that Interfor, TimberWest and Weyerhaeuser have told their workers they're not going to return them to work as they normally would. We have that evidence. There's nothing in the legislation that prevents the employer from doing that, except that the minister says: "Oh, the workers can claim to be locked out and go fight it out at the Labour Relations Board."

Did the minister not get any commitment from the employer whatsoever on this? Why are we here on December 16 with such great urgency if the minister doesn't even know what mills are going back to work? What is the urgency here if he can't even tell us the effect of this legislation?

[2025]

**Hon. G. Bruce:** The industry came because they want to get back to work. The union came because they want to go to work. What we're doing here and the urgency of this is.... I don't think the member means this in any other way, apart from some of the discussion we're having here relative to those 100 people that are already back to work, but they're back to work. The member opposite has this notion of whatever intelligence and information they have, these companies are not going to want to open their doors and operate, but we, quite frankly, have different information. I've read some of that out — both with TimberWest and Weyerhaeuser.

I guess it all depends on how you want to tackle this thing. I understand that the member opposite is voting against this legislation and doesn't think this is necessary and thinks the parties could have resolved this in another way. I appreciate that; I accept that. It's their opinion, and it's how they intend to vote.

I'm the minister responsible, and I have people in speaking to me. I've stated the concern that both parties were expressing, not because they didn't want to work but because they actually did want to work. The companies were there because they did want to operate. The union was there because their members did want to go to work. What we're doing through all of this is trying to find a way to accomplish that, and it ends the work stoppage. It allows the members to go back to work. It allows the members to go back to work under the contractual arrangements they had prior to the imposition of the other contract.

It allows for an arbitrator to have the necessary authority to work, first as a mediator and then as an arbitrator, to try and bring the parties together to get a negotiated settlement. It allows him, in the complexity of the issues before him, to try some interim measures or to be concerned about some of those other measures I mentioned that he feels need to be dealt with sooner rather than later. Then what all of this does is appoint the very person that both parties wanted in respect of being the mediator-arbitrator who actually....

You can understand why it's essential that both parties would agree to that person because of the broad powers this mediator-arbitrator has. I'm not denying that. They are there. It's a difficult task, so it's all the more incumbent that we would listen to the parties as to who they felt the most comfortable with, who would be the one doing the mediating and then, if necessary, the arbitrating in trying to bring resolution in a collective settlement to the forestry sector.

**J. MacPhail:** I expect that the minister hopes this debate ends sooner rather than later. The more we

probe into this, we actually see that the government is merely doing the bidding of the two parties for them to avoid the responsibility, and he actually didn't do any investigation into the claims made by either side — none. He stood in this House and said, "This is crippling our economy. These people have to get back to work," and he can't even tell me who's going back to work. He can't even tell me what the effect of this legislation is.

We have one employer — he read it out there, the minister himself — saying they're going to go back on January 5. January 5? What are we doing here? We have others claiming: "Oh well, there's a short supply of timber, seasonal stuff." None of that has got to do with the strike, but that's the reason the company that he read out is giving for not starting up operations.

I'm just asking the minister what the urgency and necessity of this legislation is according to his own words. He said this was crippling the economy. Where was it crippling the economy, and how will this legislation make it better? Who's going back to work? When? Did the company make any commitment to that, or did the minister just take the company at its word?

**Hon. G. Bruce:** The company we spoke about that said January 5 is also immediately putting 80 people back to work. As I mentioned, there's already a company that's put 100-plus of its employees back to work.

**J. MacPhail:** It's an industry of 9,000 employees.

**Hon. G. Bruce:** Well, I guess, then, it doesn't really matter about those....

**J. MacPhail:** That's 9,000 employees.

**The Chair:** Order, please. The minister has the floor.

**Hon. G. Bruce:** I suspect it doesn't matter, then, about the hundred that are going back to work. We could write them off — or the 80. It doesn't really matter that those people....

**J. MacPhail:** What about the 8,880? What about them? That's what I'm asking for the evidence about.

**The Chair:** Would the Leader of the Opposition please come to order. The minister has the floor.

**Hon. G. Bruce:** The member opposite should appreciate that this has an impact on each individual family. If we can get some of those families and some of those moms and dads back into the workforce sooner rather than later, I think that's good news. I'm quite prepared to carry this legislation through to just do that.

[2030]

We're talking about a work stoppage. The member says: "Well, then it's not till January 5 for some other people." Right. Without this legislation it's not even

January 5. There are startup procedures. There are seasonal aspects in there.

I guess it's just two totally different opinions of what one does in a situation. The member opposite would let them hang — just leave them out there. Never mind that they asked for help. Never mind that they've been working hard for quite some time in dealing with the restructuring in the forestry sector. Never mind that through this process, if left to go on for a lengthy period of time, it will have an incredibly negative impact on many, many people's lives.

In fact, I suspect that if you were to go to.... I don't know. Maybe you'd like to go to the community of Lake Cowichan or Tahsis or Port Hardy or maybe even some of the bigger centres such as Duncan, Campbell River or Powell River. Maybe it doesn't matter to those communities. If you went and asked the leaders in those communities whether they thought it was a good idea for government to try and be a little proactive and to reach a resolution that would help those communities, maybe they'd all tell you no. Maybe they'd all tell you it's better just to let them hang. Let them swing.

After all, what does it matter if it's another eight months? What does it matter if there's a whole pile of moms and dads and families that start to lose homes? What does it matter if a pile of businesses close? What does it matter if the pulp and paper sector starts to go down because the supply lines of chips and hog and markets are no longer flowing through? Maybe it doesn't matter.

Interjection.

**The Chair:** Order. Order, member. The minister has the floor at this time.

**Hon. G. Bruce:** To the member opposite, maybe little people don't count. Maybe it just doesn't matter. But it matters to me, it matters to the Premier of this province, and it matters to this government that there are times when you have to take leadership. There are times when people come in and ask for help. You listen, and you try and find a way to help to put things right again.

Will everybody agree? Absolutely not. That's the difficulty we've got here. But at the end of the day, does it help? Will it be balanced, and will it be fair? We have tried to build a process that gives as much latitude to build a collective agreement that will work for everybody. Then you've backed it up with the very person who's got great credentials and experience in the forestry sector, who both of the parties want.

I appreciate that there are two distinct philosophical, ideological differences. The one of the opposition, the NDP, that we just let them hang — let them swing — would pay no attention to the fact that you've got leaders there of the two parties, elected, asking for help. Just blow that off. They would just let them swing, but we're not going to. That's why we're here tonight. The urgency of this is simply that there are families — moms, dads and kids — and homes out

there that people would like to be able to get back to normal. They've asked for our help, and we're bringing that help to them.

**J. MacPhail:** Oh my God. I can't believe that any Liberal backbench MLA would applaud that — the very people representing the communities who are dying on the vine, regardless of this strike, because of the failed economic agenda of this government, particularly in the forest industry.

They've turned the forest industry — the policies and procedures — upside down so that nobody knows what's going on. They've quadrupled the export of raw logs from communities so that families — the moms and dads that this minister claims to care so much about — have already lost their homes and are on welfare. Actually, they're not on welfare, because this government doesn't allow them to qualify for welfare — forestry workers getting turned down because of the restrictive welfare policies of this government.

The community of Terrace — over one-third of the homes are on the market and can't be sold because of this government's failed economic policies. And this minister has the gall to stand up and say that he cares about moms and dads.

[2035]

All I'm asking the minister to prove is what he got from the company when the company came to him and said, "Hey, Premier, do our bidding, please," and the minister went: "Oh, okay."

I'm just trying to find out what questions the minister asked the company boss, Mr. Davies, the head of FIR. The minister is making all sorts of statements. It isn't ideological — the differences. It's factual — the differences between this minister and me. I'll base my decisions about the economy and collective bargaining on facts and real circumstances, and this minister bases his on just doing the bidding of two people who come to him. I'm trying to find out what he got in commitments from those two people. What did Mr. Davies say in terms of reopening mills, and when? Did the minister even ask that question of Mr. Davies?

**Hon. G. Bruce:** The policies of the last ten years that the member opposite represented as government in this province took our small communities in British Columbia and thrashed them. The member opposite speaks about Terrace. Well, let's speak about Skeena and the work they did there. I don't know. They pumped some \$450 million into a situation without giving it a second thought. They took \$500 million in a completely failed bamboozle by the ferry application. They took another \$800 million in B.C. Rail and just wrote it off. They then fought the whole B.C. Rail initiative, which will help to build this province, which has some vision to it, which has a way of allowing our small communities to participate in the marketplace — allows us to move into the American market and to the eastern market.

They took the whole mining industry and, within ten years, took something that contributed an incredible amount....

Interjection.

**The Chair:** I call the Leader of the Opposition to order. The minister has the floor. I'd like to say to both the members, the minister and the Leader of the Opposition, that we should stick to section 4 and what's relevant today — the coastal forest industry operations.

**Hon. G. Bruce:** Thank you, Mr. Chair, and I think that's very good advice. I'd be happy to move through sections 4, 5, 6, 7, 8 and 9.

**The Chair:** Leader of the Opposition, relevant to section 4.

**J. MacPhail:** In saying that workers would return under the master agreement or the restoration of coastal forestry operations, what commitment did the minister or Premier ask for from the employers, and what commitment did he get?

**Hon. G. Bruce:** This legislation ends the work stoppage, requires....

**J. MacPhail:** How do you know? I'm asking the question. Prove it.

**Hon. G. Bruce:** I did, actually. I mean, this is.... Leader of the Opposition, you know this is....

**J. MacPhail:** Oh, are you getting tired?

**Hon. G. Bruce:** No.

**J. MacPhail:** Is it a bit much to ask...?

**Hon. G. Bruce:** I can go all night.

**The Chair:** Leader of the Opposition, please come to order, and through the Chair.

**J. MacPhail:** I know. It's hard to have to justify your actions, isn't it?

**The Chair:** Order, order.

**Hon. G. Bruce:** Not at all. You're asking....

Mr. Chair, the member opposite is asking what commitments. Well, there are 100 people working right now. That's not bad. The legislation isn't even passed. The fact is that the legislation is coming in. There are 100 families back to work, 100 people back to work. That's a pretty good start.

There are 80 others that we have a commitment to, who have come through, and there are another 300 in January. The industry is there asking, as is the union, that this work stoppage be ended so they can go back

to work. Both the industry and the union want to work, and so that's what we're doing in this whole aspect — to take this work stoppage, return it so that the parties can get back to work under the terms of the agreement that were there as of June of 2003.

[2040]

**J. MacPhail:** It's clear that the minister got not one commitment from the employer. His statement about workers returning to work — he has no idea whether it's true or not. He did the bidding of Mr. Davies without getting any commitment whatsoever. Shame on him.

Sections 4 and 5 approved.

On section 6.

**J. MacPhail:** This is the section that imposes binding arbitration. It says that all of this must be in place before May 31, 2004, in accordance with this act. Can the mediator turn into an arbitrator at any time between now and May 31, 2004?

**Hon. G. Bruce:** Yes, he can.

**J. MacPhail:** We could have the mediator who actually has been in this dispute for months already and has experience in the forest sector that didn't come to fruition prior to this. We have an employer who bargained very little before unilaterally imposing terms on wages and working conditions that were concessions, rollbacks. We could have Mr. Munroe become an arbitrator at the beginning of January. Is that correct? What did the minister discuss with the parties around that? What is the great role that government is playing here in imposing this legislation to ensure that doesn't happen?

**Hon. G. Bruce:** As the member opposite can see, there are many tools in part 2, "Mediation-Arbitration Commissioner" — what that person can do. Again, the member opposite knows the credentials of Mr. Munroe and the experience he has and the knowledge that to try and get to a mediated settlement is far better than an arbitrated settlement. You can see that really, through section 6 and subsections (1) to (5), there's a number of tools which that individual can utilize to try and help him and the parties get to a settlement. I've said from the beginning that we have given the mediator-arbitrator lots of latitude in respect to trying to resolve this issue. Again I'll reiterate: both parties were happy that this particular individual, Mr. Munroe, was to be that mediator-arbitrator.

**J. MacPhail:** Well, I'm not going to comment on those two parties. What I do know, though, is we have legislation, section 6, that allows the commissioner to turn into a binding arbitrator as soon as this legislation is passed. We have absolutely no new people involved in the bargaining, including the mediator. He's been at

this for a month. Mr. Davies is going to be there; Mr. Haggard is going to be there. We now have legislation that puts absolutely no parameters on bargaining and allows arbitration to occur at any time between now and May 31.

The minister says: "Oh, but there are lots of tools available." Well, let's look at those tools. Section 6(2) says: "With or without the consent of any party..." Gee, that's really helpful toward a mutually agreed upon collective agreement. That's hopeful, isn't it? "With or without the consent of any party, the commissioner may use fact-finding, mediation, conciliation" — well, Mr. Munroe has already done all of those three — "arbitration" — he hasn't done arbitration; that's true — "or any other procedure that the commissioner considers appropriate for the purposes of subsection (1)."

[2045]

Can the minister explain what hope he has derived that 6(2) tools are now going to work when they haven't worked to date, other than arbitration?

**Hon. G. Bruce:** This has been canvassed pretty extensively at the beginning when we did a great wide-ranging debate. The fact of the matter is that as I had mentioned before, I think the dynamics change quite dramatically when a person who had been in a facilitation role now becomes an arbitrator or can then write the final contract. In his efforts bringing parties together, the knowledge of the two parties that this person has that authority changes some of the discussion and the back and forth at the table, and that's what we're hoping to try and achieve through this.

As we mentioned earlier, they are wide-ranging. They give the authority to the mediator-arbitrator, and, yes, it may be that he decides to go — we're not hiding anything like that; we've written that right out — with or without the consent of any party. The member opposite is quite right. He has tried some of those things before, and in this particular instance he's got the right to do it with your consent or without your consent. It changes the dynamic a little bit when that person has that authority.

**J. MacPhail:** I'm not sure what changes. Nothing changes in terms of fact-finding, mediation, conciliation. He had all of those powers before. The only power he didn't have is binding arbitration, where members on both sides, employer and union, are denied a vote.

Section 6(5) says: "Without limiting subsection (4), the commissioner may make interim orders that (a) add, amend or delete, in whole or in part, one or more provisions of the collective agreement referred to in section 3 (1)" — that 3(1) is the master agreement — "or (b) are otherwise in respect of or related to that collective agreement or the conclusion of a new or revised collective agreement." Where has that existed before?

**Hon. G. Bruce:** This is a facilitating section. As I mentioned, there are many different MOUs or local agreements. We're not suggesting in any way that

we're trying to hide anything behind this. This commissioner has wide-ranging powers to bring the parties together to reach an agreement, and we're trying to give him as much latitude as is possible to get there. We're also trying to be cognizant of the complexities of the industry and of the fact that there is a master agreement, but then there are lots of side agreements, as well, that go with that.

**J. MacPhail:** Maybe the minister didn't hear my question. Where has this kind of power existed before?

**Hon. G. Bruce:** I'm not aware of any other areas of this. We think it's a useful tool to be able to give them the flexibility necessary.

[2050]

**J. MacPhail:** Yeah, great. A private sector dispute, easily resolved with the parties to the private sector dispute. They come to the government and ask the government to intervene, and the government brings in powers — unheard of before — that allow a commissioner, with or without the consent of any party, to actually change a collective agreement or an MOU or a practice or a procedure, and nobody has a say in it. And the IWA members think their master agreement is protected? I don't think so. Section 6 says that at any time after today, Mr. Munroe can become an arbitrator, invoke these powers under section 6 and rip that master agreement asunder, and nobody can stop that from happening.

[2055]

Section 6 approved on the following division:

YEAS — 40

Falcon	Coell	Hogg
L. Reid	Halsey-Brandt	Hawkins
Hansen	Bruce	van Dongen
Barisoff	Wilson	Masi
Lee	Murray	Plant
Campbell	Bond	Stephens
Coleman	Chong	Penner
Orr	Harris	Nuraney
Belsey	Bell	Johnston
Christensen	Krueger	Bray
Les	Locke	Bhullar
Bloy	Suffredine	K. Stewart
Visser	Brice	Manhas
	Hunter	

NAYS — 2

Nettleton	MacPhail
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**The Chair:** We will take a brief recess while they clear the House.

The committee recessed from 8:58 p.m. to 8:59 p.m.

[K. Stewart in the chair.]

On section 7.

**J. MacPhail:** This outlines the terms of reference for the mediation-arbitration commissioner. I'm going to read them into the record.

- "7 In performing duties and exercising powers under section 6, the commissioner must consider the following:
- (a) the need for terms and conditions of employment that are consistent with the economic viability and competitiveness of the coastal forest industry in both the short and long term;
  - (b) the importance of good labour management relations in the coastal forest industry;
  - (c) the interests of the employees and trade unions."

The minister has stood here and said how he's concerned about the forest-dependent communities and those families in those communities. Why are the circumstances of communities not part of the terms of reference?

[2100]

**Hon. G. Bruce:** I think the whole aspect of economic viability and having a competitive and vibrant forest industry is very much about community. It's very much about making sure we have an industry that's sustainable, that's reinvesting and that has a long-term future.

**J. MacPhail:** I'm sure communities that are having their mills shut down because the industry no longer has to abide by an appurtenancy clause would have a different view of that. In fact, forest-dependent communities already have a different view of community interests and the future of a forest industry that is shutting down mills because of changes that this government has permitted. It is quite astounding that this minister stands up and says forest-dependent communities' interests are exactly the same as the forest industry interests. How out of touch can one be?

It says the commissioner must consider these factors. How will he do that?

**Hon. G. Bruce:** There's no doubt about it; there's change happening in the forestry sector. I think the member opposite will remember that there were probably some 20 mills that closed under the former NDP administration, and I could probably talk about another mill in my own community that they seem to lose a clause on.... Then they talk about appurtenancy and all those particular issues that they changed during their time.

What the commissioner here will have to do is take submissions from people. He'll be expected to look at other regions and other areas and see what the impact is there — what's taking place, how that affects things within our own sector and how we can go about doing

things which will make sure we're able to remain competitive.

**J. MacPhail:** Yeah, let's be very clear. The reason why this minister didn't put the interests of communities in the terms of reference that must be considered is because they've abandoned forest-dependent communities with their forest policy changes and kowtowing to Americans. They've ended the appurtenance clause. They've ended cut controls. They've said: "No longer do you have to keep logs in British Columbia. Export them at will." No wonder this government can't have, as part of the terms of reference, consideration of the well-being of communities.

Will the commissioner hold public hearings into this matter to determine the economic viability of the industry? Will he hold public hearings? What's the time frame for short term, and what's the time frame for long term?

**Hon. G. Bruce:** It's not our expectation that there will be public hearings, but as the tools that are available to the commissioner that were stated in the other sections are there, there's a broad range of tools that the commissioner can use in gathering the necessary data.

The short term is three to five years; long term, five-plus or ten years. What we're talking about is the whole aspect of the restructuring that's taking place in the forestry sector in British Columbia but particularly on the coastal side. All of the parties are clear that the need for structural change is very, very important. That, in fact, is part of the challenge for them as opposed to just the very specific collective agreement in a short period of time.

[2105]

It's broad, but again, it's meant so that as we move through this process, we'll end up with a strong forestry sector that builds communities and provides good, well-paying jobs for British Columbians.

**J. MacPhail:** There's absolutely no guarantee of good, well-paying jobs from this government. Let's be clear. This government thinks working people are the only ones that should take a cut in everything. The wealthy get more; working people take a cut. No guarantee of well-paying jobs.

Interjection.

**J. MacPhail:** The member for Chilliwack-Kent.... I just want to go on record. Not for a moment would I give one cent of my paycheque to this government to squander. So he can stop catcalling on that.

Interjections.

**The Chair:** Members, through the Chair.

**J. MacPhail:** Not one cent of my paycheque would I turn over to a government that squanders money and ruins the economy.

**The Chair:** Leader of the Opposition....

**J. MacPhail:** He can be a fool. He and his caucus backbench can be absolute fools, but we're not fools. We're not fools.

**The Chair:** Leader of the Opposition on section 7.

Interjections.

**The Chair:** Members, order.  
Leader of the Opposition on section 7.

**J. MacPhail:** I think some of the Christmas cheer has been flowing around this chamber — various people acting ridiculous from the back bench.

**The Chair:** Leader of the Opposition, can we get back to section 7 and the business at hand.

**J. MacPhail:** The short term of the industry is three to five years. Does that mean the commissioner will be imposing a collective agreement of three years or longer?

**Hon. G. Bruce:** All I was doing was trying to give you a general time frame, but it's up to the commissioner how they develop this contract — whether it's one, two, three, five or whatever. It's the commissioner. I suspect he'll first try and work hard to get the parties together to reach their own agreement and term in there. Beyond that and unable to achieve that, then he would be writing that agreement, and he would be the one suggesting whatever the time frame is to be.

**J. MacPhail:** Did the government just make up these words? I would assume that the government knew what it meant when it said "the economic viability and competitiveness of the coastal forest industry in both the short and long term." I assume they knew what they meant. When the minister says short term is three to five years, I assume that's what it is, according to him. Or will it be the mediator-arbitrator, Mr. Munroe, who will be defining short term? How will he do that?

**Hon. G. Bruce:** The member opposite well knows the credentials of the mediator-arbitrator and, in fact, has spoken glowingly at other times tonight of the credentials.

**J. MacPhail:** What's that got to do with anything?

**Hon. G. Bruce:** Well, actually, what it's got to do with it is a lot. In situations like this, you have to allow for a certain amount of....

**J. MacPhail:** There's never been a situation like this. Let's be clear.

**The Chair:** Members, through the Chair.

**J. MacPhail:** We've never had legislation like this before.

**The Chair:** Members.  
Go ahead, minister.

**Hon. G. Bruce:** You have to allow for a certain amount of judgment for the arbitrator — and common sense to apply. You're actually trying to reach an agreement. What's important is that you build a process, and then you make sure, within that process, that the very person that's going to adjudicate on the process being built — and the structures and tools and time frames — becomes critical, and the parties need to have confidence and accept that decision. The mediator-arbitrator in this instance, Mr. Munroe, has that confidence. The parties will be working with him. My belief is that the parties initially are all trying to find a way through this. It will be more a matter, to begin with, of trying to work together. We're trying to give some concept of time in all of this but still allow the arbitrator the flexibility necessary to reach the agreement.

[2110]

**J. MacPhail:** Mr. Munroe's reputation is not in question here. I don't know why the minister keeps bringing that up. The minister didn't even ask Mr. Munroe about what lessons he learned the last time he was involved in a similar dispute as an industrial inquiry commissioner, where his proposals were rejected by a substantial majority. They didn't even bother to learn from that. I assume, setting these conditions down for the terms of reference for the arbitrator, that the minister got agreement from Mr. Davies and Mr. Haggard. Did Mr. Haggard and Mr. Davies agree to these terms of reference?

**Hon. G. Bruce:** Just for the record, I think the member opposite should well be advised and might want to check her facts, but Mr. Munroe was not part of that IIC she refers to. In respect to Mr. Munroe, if you have other information I don't have, I would ask that you submit it to me. From the information I have, Mr. Munroe was not part of that.

**J. MacPhail:** I'm sorry. My information came from IWA members who were there at the time, so I guess they're wrong.

**Hon. G. Bruce:** Could be.

**J. MacPhail:** Yeah, that's fair enough. If the members of the IWA executive who told me that are wrong, great. It's funny how long it took the minister to come to that conclusion, though. We'll check our facts on that.

Could the minister answer my question: did Mr. Davies and Mr. Haggard agree to these terms of reference?

**Hon. G. Bruce:** Yes. They did agree to the concept of these terms of reference.

**J. MacPhail:** Well, what can one say, then? If Mr. Haggard and Mr. Davies agreed to these terms of reference, where the need for terms and conditions of employment are consistent with the economic viability and competitiveness of the forest industry in both the short and long term, who am I to object? Was a discussion of what "short term" and "long term" are a part of that agreement?

**Hon. G. Bruce:** Both Mr. Haggard and Mr. Davies understood the concepts of the wording, and they'll have to deal, in respect to the mediation process, with the "short term" and "long term" definitions. They had an opportunity to discuss what we were talking about in this respect and agreed to that.

**J. MacPhail:** Yes. What did they agree to? What is Mr. Davies's and Mr. Haggard's definition of short term and long term?

**Hon. G. Bruce:** That was not discussed in specifics. That's left to the process of them working that out in their discussions with the mediator.

**J. MacPhail:** No, the duty rests with Mr. Munroe. It says Mr. Munroe must consider.... Is the minister saying that Mr. Davies and Mr. Haggard didn't agree on what that meant and would be making submissions to Mr. Munroe on short term and long term? Why is this important? It's very important because I expect that the terms and conditions of the collective agreement will flow from whatever definition there is of short term and long term.

**The Chair:** On section 7, Leader of the Opposition.

**J. MacPhail:** Sorry. I'm waiting for an answer, Mr. Chair.

**Hon. G. Bruce:** That's true. You were right.

[2115]

**J. MacPhail:** Here we have a bargaining process where it's the same people at bargaining. If my information about Mr. Munroe was wrong from the IWA members, I apologize to him — for 1986 — but it sure was the information I was given. It was no reflection on him anyway, but clearly the minister didn't talk to anybody about past experiences in the industry with third-party intervention — nobody. Now we're going to have bargaining, and we'll have this process where the parties.... Even though both Mr. Haggard and Mr. Davies agreed to these terms of reference, we'll now be holding hearings, submissions, on what the terms and conditions of employment are that are consistent with the economic viability and competitiveness of the coastal forest industry in both the short term and the

long term. Does the minister have a time frame for all of this to occur?

**Hon. G. Bruce:** Very clearly, by May 31, 2004.

**J. MacPhail:** Well, I predict that May 31, 2004, won't see the light of day. Because of this legislation, these terms of reference — agreed to by both the parties.... So who are we to object? Mr. Haggard and Mr. Davies agreed to them, but there is no requirement for Mr. Munroe to stay as a mediator at any time. He can turn into an arbitrator tomorrow if he so wishes.

Section 7 approved.

On section 8.

**J. MacPhail:** Who is paying for all of this? What ministry budget?

**Hon. G. Bruce:** The Ministry of Labour.

**J. MacPhail:** What's the budget?

**Hon. G. Bruce:** It's difficult to know, in that it depends on how the commissioner proceeds and fact-finders and the like, but I would suggest in the neighbourhood of several hundred thousand dollars.

**J. MacPhail:** Yeah, chump change for this government, I guess. Chump change. It says: "The commissioner may retain and utilize any person that the commissioner considers appropriate to assist in the performance of the commissioner's duties or in the exercise of the commissioner's power." Is there a budget? Is there a ceiling?

**Hon. G. Bruce:** My deputy, with the commissioner, will work through putting together a budget once he's established his process on how he intends to proceed.

**J. MacPhail:** Is there a ceiling?

**Hon. G. Bruce:** There's a ceiling in, if you want to call it, practical realities, but we're not going to start trying to fetter the chair with constraints. The idea would be for the commissioner and the deputy to sit down and work out the process of what the commissioner is intending and how he's to go.

[2120]

**J. MacPhail:** Why aren't the parties paying the costs of this? The parties asked for this. The parties said this is the only way they can get going again. It's at the request of the parties that the government is doing this. We already know that this is now denying workers a vote. It's arbitration. If they'd done what every other group does in terms of binding arbitration that the parties agree to, they'd pay the costs themselves. Why are the taxpayers on the hook for this?

**Hon. G. Bruce:** The arbitrator reports out to us. The arbitrator has been put in place by us. It's the public interest that we're trying to look after in all of this. As we go through this next step of building the budget with the commissioner and the deputy.... Once he understands and has a better handle on his process he wishes to proceed with, then we'll be able to more clearly define what that budget will look like.

**J. MacPhail:** Oh, there's a new term. This minister just tosses around "public interest" in order to justify his interference in free collective bargaining. There are legal definitions and legislated definitions of public interest, and it's nowhere to be found in this legislation. Of course the forest industry is important to our economy.

Maybe the way the minister is doing this legislation is to allow these two parties off the hook for the costs — giant forest companies not paying their freight. The taxpayer is having to pay their freight — hundreds of thousands of dollars in arbitration costs that would not be foisted upon the taxpayer if this minister had merely said to those two men: "Go and do what you're supposed to do. You both agree on what's the problem. You both agree on what's the solution. Go and do what you were elected to do, both of you." The taxpayer wouldn't be on the hook for hundreds of thousands of dollars.

What an interesting concept from a private enterprise government. They intervene in a private sector dispute. They do the bidding of a private sector company because Mr. Davies asked for it, and now the taxpayer is on the hook for those costs. What a great model this government is setting.

**Hon. G. Bruce:** You know, the Labour Relations Board is involved in lots of different dispute resolutions, different to....

Interjection.

**The Chair:** Through the Chair.

Interjection.

**The Chair:** Leader of the Opposition, can we allow the minister to answer the question.

**Hon. G. Bruce:** I was going to point out that in respect to the resolution of disputes amongst parties, the Labour Relations Board is one organization that deals with that. It's public sector dollars in many instances, in a way, that are used to settle those disputes. It's not a matter of having it both ways. It's a matter that you have an issue of public interest, and this is of public interest. It's a very large issue of public interest to folks right through all of Vancouver Island and coastal British Columbia and really, in fact, right across the province. I just wanted to point that out to you.

**J. MacPhail:** Here's how the minister is trying to have it both ways. He won't use the Labour Relations Board in a dispute like this, because the two parties want something different. He won't use the Labour Relations Board. That money is still being spent at the Labour Relations Board. All that money budgeted for mediators and vice-chairs still is being spent and remains idle in this dispute. Instead, there are extra costs being imposed on the taxpayer — hundreds of thousands of dollars that shouldn't be imposed — and this government is doing that. It should be the parties who asked for the arbitration, demanded the arbitration. They should pay the costs. At a minimum the employer should pay the cost.

[H. Long in the chair.]

Section 8 approved.

On section 9.

[2125]

**J. MacPhail:** This is an interesting one. This is the dispute that will never end. I wonder if working people know this. Here's what section 9 says:

"The commissioner must (a) provide interim reports and make recommendations to the minister in accordance with any requests for interim reports or recommendations that the minister may make, and (b) report to the minister, before July 31, 2004, the commissioner's recommendations respecting (i) the impact that, in the commissioner's opinion, current coastal forest policy may have on the successful operation of a collective agreement concluded under this Part, and (ii) measures that the trustee of the BC Forestry Revitalization Trust referred to in section 10 of the Forestry Revitalization Act may take, and what the parties to a collective agreement concluded under this Part may do, to maximize funding under the trust."

Here we have a period of time to July 31, 2004, where the commissioner now turns into — I don't know — a forestry policy expert and makes recommendations to the minister about whether the collective agreement he has imposed months before complies with current coastal forestry policy. What's the intent of that?

**Hon. G. Bruce:** In the context of what's there in forest policy by government, it is a continuing work in progress — the changes to forest policy or the application of new forest policy. We've been clear from the beginning that it's very complex, and there may be things in respect to land tenure, forest tenure, that start to change in takeback arrangements and so on, which could actually impact on how different operations work and where you have two and three operators on a particular land tenure, forest tenure. Because it's a work in progress, as that commissioner finishes his work, we would like to be able to take advantage of what he has found and the implications or impacts that may be felt with the forest policy changes in some of those areas I've mentioned.

**J. MacPhail:** What forest policy changes? Are these forest policy changes that will take place after May 31, 2004? Is the government planning on bringing in new forest policy that will be contemplated after the arbitrator does his initial work?

**Hon. G. Bruce:** No, it's in respect of the forest policy that's there, but we're now into the implementation phase. As the member opposite knows well, there's a fair degree of complexity in respect to a number of the issues, and we want to make sure we can glean from the commissioner, in the working through that he does in developing a new contract, what the impacts are of that contract with the implementation. If there are things that can be learned or shared from that, we want to be able to take advantage of that.

**J. MacPhail:** So this isn't permissive. The commissioner has to do this. Talk about lack of stability in the forest sector. I heard one forestry analyst rightfully saying tonight that part of the reputation B.C. has is instability in the industry in the last couple of years because of all the changes this government is bringing into forest policy — most of it ineffectual, most of it not implemented yet. There's going to be more as a result of this section.

[2130]

The commissioner must make recommendations on forestry policy and how it will affect collective agreements. That's what it says. Then what is the minister going to do with those recommendations? Was this discussed with Mr. Davies and Mr. Haggard?

**Hon. G. Bruce:** We — that being government — would take this information and be looking at the implications of such, relative to the implementation of the forest policy. You know, we would want to be doing that in making sure there is consistency in how we move forward. This is for government in this respect as we move ahead.

**J. MacPhail:** It's very interesting. The minister says he's doing all of this legislation because the parties asked him to do it, and yet now he's saying: "Oh, gosh, we need Mr. Munroe to tell us how our forestry policy is going to impact collective bargaining." Doesn't the government know that? Are they so unsure of the massive, chaotic change they've brought to the forest industry that they had to put this in place? What would they have done if Mr. Davies and Mr. Haggard hadn't come and asked for the legislation?

By the way, the only reason I keep referring to Mr. Davies and Mr. Haggard is because the minister won't admit who else was there. That's only who I know was there, and they're both speaking publicly on behalf of the government as well.

Will these reports be made public, and will the two parties — FIR and the IWA — make submissions about the work the commissioner must carry out in this area?

**Hon. G. Bruce:** We as government want to be able to access the information that's gained from the commissioner in these particular fields. We want to make sure there's consistency in application. It is complex. We're not looking for the commissioner to be rewriting forest policy or anything of that nature. What we're talking about is that through his work with the parties and with the implementation of new forest policies, there are things within the contract that can be impacted by the changes within the forest policy with the implementation of the forest policy.

We're trying to make this whole thing work for everybody. Seeing as we're paying for this — the taxpayers, as the member opposite brought out and mentioned were there — we want to make sure we can glean from him that which is pertinent to the implementation in both of these particular instances. I can't stand here and say to you that tomorrow it will be made public as such, but it's information we're looking for that can be useful for the improvement in the whole forestry restructuring on the coast of British Columbia.

**J. MacPhail:** Did the minister say they wouldn't be made public? Why wouldn't they be made public?

Interjection.

[2135]

**J. MacPhail:** Would the minister confirm that these recommendations will be made public by July 31, 2004? Secondly, if he won't confirm that, why not? It's taxpayer dollars. Let me ask those two questions.

**Hon. G. Bruce:** It may very well be that they'll be made public. At this point, what I had said was that I wasn't going to say they were or they weren't. We're looking for that information. When the information is gathered, as is public information, will it be made public on July 31, 2004? I can't stand here and say that's the case, but the fact is that we're looking for that information.

**J. MacPhail:** Oh, that will come as great reassurance — that hundreds of thousands of tax dollars that shouldn't be spent are being spent on this arbitration, and the public ain't going to get to see what the result of it is.

Is it possible that the minister could receive recommendations from the commissioner on July 31 that would change the terms and conditions of a collective agreement that's imposed by May 31, 2004?

**Hon. G. Bruce:** No.

**J. MacPhail:** What if the commissioner makes recommendations that say current coastal forest policy is contradictory to a successful operation under the current collective agreement, which is part of his mandate? What happens then?

**Hon. G. Bruce:** That would not change the collective agreement.

**J. MacPhail:** What's the purpose of the exercise, then? If the minister says that's what the language says in 9(b)(i), what does the language mean, then — that the commissioner could point out to the minister that his government's coastal forestry policy doesn't jibe with the collective agreement and interferes with the successful operation but, oh well, whatever? Is that what's going to happen?

**Hon. G. Bruce:** I'll go through the type of information we're looking for. You could have a tree farm licence, and you could have takeback occurring that we brought in so that more players can have opportunity for fibre. When you do that, you may have also had units that were working in and around those lands. The implications of that, beyond the collective agreement.... He may very well have some advice as to how we could better bring about that implementation.

It gets somewhat complex, but what we're trying to do is be able to garner the information and use it in the best way possible to make sure the implementation of the forest policy, in moving ahead in the steps we're taking, can be done with consistency and done in a manner that's good for the restructuring of the forestry sector on the coast.

**J. MacPhail:** It's clear from this legislation that this legislation is completely unprecedented, that the minister has no understanding of any commitment made by the employer out of this legislation and that there's absolutely no guarantee that binding arbitration won't occur within days, let alone months. There's absolutely no guarantee that the master agreement won't be changed unilaterally through interim order. There's no guarantee that members of the coastal forest industry will return to work. It's unprecedented intervention in a private sector dispute, requested by a private sector employer. I expect that Forest Industrial Relations will rue the day they asked for this.

On that basis, the opposition will be voting against this legislation at third reading.

[2140]

**Hon. G. Bruce:** Not to belabour it, but it's not unprecedented. There have been arbitration processes in the past. I think it's important for the record that we not leave this unchecked. We have a process where both parties — and I'm going to state this again — have asked for assistance and the aspect of bringing a solution, a process, so that the parties can work it through themselves. If not, then an arbitrator will rule on it. It's not unprecedented.

From the aspect of agreement on who that arbitrator will be, an agreement to the process so that we can move forward on this all speaks and comes back to the fact that we have a situation here where, as I've mentioned before, the members themselves — both sides of

this dispute — were asking and concerned about this dispute locking up and going on much, much longer.

From that end, what we have here is a process where the parties, with the assistance of government, are going to work through an agreement...

Interjection.

**The Chair:** Order, members. Order.

**Hon. G. Bruce:** ...hopefully mediated and hopefully voted on — in the end result, unable to do that, an arbitrated collective agreement for the parties so that we can move this forestry sector issue ahead and so that we can protect communities and put people back to work.

Sections 9 to 11 inclusive approved.

Title approved.

**Hon. G. Bruce:** I move that we rise and report completion of Bill 99.

Motion approved.

The committee rose at 9:42 p.m.

The House resumed; Mr. Speaker in the chair.

[2145]

### Report and Third Reading of Bills

Third reading of Bill 99 approved on the following division:

YEAS — 41

Falcon	Hogg	Halsey-Brandt
Hawkins	Hansen	L. Reid
Bruce	van Dongen	Barisoff
Wilson	Masi	Lee
Thorpe	Murray	Plant
Campbell	Bond	Stephens
Chong	Penner	Orr
Harris	Nuraney	Belsey
Bell	Long	Johnston
Christensen	Krueger	Bray
Les	Locke	Bhullar
Bloy	Suffredine	MacKay
K. Stewart	Visser	Brice
Manhas		Hunter

NAYS — 2

Nettleton	MacPhail
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[2150]

Bill 99, Coastal Forest Industry Dispute Settlement Act, reported complete without amendment, read a third time and passed.

**Mr. Speaker:** Hon. members, I've been advised that Her Honour the Lieutenant-Governor is in the precinct, so I would ask everyone to please remain in their seats.

### Royal Assent to Bills

Her Honour the Lieutenant-Governor entered the chamber and took her place in the chair.

#### Law Clerk:

Coastal Forest Industry Dispute Settlement Act.

In Her Majesty's name, Her Honour the Lieutenant-Governor doth assent to this act.

**Hon. I. Campagnolo (Lieutenant-Governor):** I do hope that all of you will be able to come to the annual levee to be held at Government House on New Year's Day from ten until noon. Later in the day there will be a following levee starting at 4:30 in the afternoon in Barriere, British Columbia. If any of you are in the region, do drop in. Happy New Year.

Her Honour the Lieutenant-Governor retired from the chamber.

[Mr. Speaker in the chair.]

**Hon. G. Plant:** I move that the House at its rising do stand adjourned until it appears to the satisfaction of the Speaker, after consultation with the government, that the public interest requires that the House shall meet or until the Speaker may be advised by the government that it is desired to prorogue the fourth session of the thirty-seventh parliament of the province of British Columbia. The Speaker may give notice that he is so satisfied or has been so advised, and thereupon the House shall meet at the time stated in such notice and, as the case may be, may transact its business as if it had been duly adjourned to that time and date. In the event of the Speaker being unable to act owing to illness or other cause, the Deputy Speaker shall act in his stead for the purpose of this order.

Hon. G. Plant moved adjournment of the House.

Motion approved.

**Mr. Speaker:** The House is adjourned until the call of the Chair. Once again I wish everyone a very merry Christmas.

The House adjourned at 9:54 p.m.