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LEGISLATIVE ASSEMBLY**
(HANSARD)

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THE HONOURABLE BILL BARISOFF, SPEAKER

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LIEUTENANT-GOVERNOR
His Honour the Honourable Steven L. Point, OBC

SECOND SESSION, 39TH PARLIAMENT

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Honourable Bill Barisoff

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THURSDAY, MARCH 4, 2010

The House met at 10:03 a.m.

[Mr. Speaker in the chair.]

Prayers.

Orders of the Day

Hon. B. Penner: On this beautiful day I call continued debate on the budget.

Budget Debate (continued)

L. Krog: I'm delighted with the warmth of the Minister of Environment's introduction to the beautiful day here in beautiful British Columbia. However, as a member of the opposition, it's not my job to comment about beautiful days.

It's my job to be critical. It is my job — in a sense, it isn't popular anymore — to take the government to the woodshed from time to time, to give them what is no longer practised in classrooms in British Columbia, and that is to give them a little corporal punishment, if you will, a bit of a spanking.

J. Rustad: Are you suggesting we bring back corporal punishment?

L. Krog: Now, my friend, one of the members from one of those northern constituencies, is suggesting that I'm in favour of bringing back corporal punishment. I would only be in favour of bringing back corporal punishment if I thought this government would learn anything from it, but we know that's a bit of a waste.

[L. Reid in the chair.]

Politics is ultimately about hope. During a campaign, the voters are hopeful they will get the government that they deserve. The various parties competing are hopeful that they will get something called high office — that they will ascend to the top of the greasy pole. But politics and elections are also about fear — hope and fear. You try to inspire hope, and you hope to inspire fear that if you're not elected, the opposition who faces you will go down to defeat.

[1005]

Once you've got office, as a result of all of that hope and some of that fear, you get to run the trains, so to speak. I know trains are not a popular topic with this government, because that might lead to a discussion around the sale of B.C. Rail, and we certainly don't want to bring up that topic. It is, after all, before the courts.

That broken promise is one that will long live in the memory of British Columbians, particularly those in the Interior.

Once you've got control of the train, so to speak, you get to play with it, and you get to decide where the tracks go. You get to decide how the people's money is spent. That, all joking aside, is a great honour and a great privilege — the opportunity to take the common wealth of the people of British Columbia and do something, hopefully good, with it, particularly for those in British Columbia who need it most, whether it's the sick, the poor, the homeless, the disadvantaged, those with mental illnesses or those who require care, help and assistance.

Governments only survive if they engage in the practice of the most basic of all things, and that is telling the truth. One of the great truths we see in politics is reflected in how governments do their budgets.

Now, truth in budgeting is a pretty basic concept. My dear old granny, a hardheaded old socialist from Newcastle, used to say: "The truth will out." It's a North Country expression. I think its meaning is pretty obvious. We've all heard that great phrase: "The truth shall set you free." When we go into court to give evidence, we're going to tell the truth, the whole truth and nothing but the truth.

When you engage in some kind of deceptive practices — when you make promises you don't keep or you break, when you say one thing one day before an election, if you will, and another thing the day after — then it is the truth that suffers. My old friend Dave Barrett, one of the great politicians in British Columbia history and a man of great passion, always used to use the term.... When he didn't care for somebody, he'd say they were a phony. He never said anything more vile than that. He just referred to them as a phony.

I guess what we have in British Columbia today, post-election, is a different truth from the truth we had before the election, which tells me, logically speaking, that if it was true before the election and it's not true after, then the reverse or the other has to be true. In other words, we didn't get the truth before, or we're maybe getting the truth after. Did we get the truth before, or did we get the truth after the election?

I guess British Columbians can make that decision on their own. When we look to the so-called truth before the election, the truth was, we're told, that the HST wasn't on the government's radar. It wasn't on the government's radar. But somehow, within a very short period after the election, the HST was not only on the government's radar, but we'd entered into an agreement with the federal government to implement the HST in British Columbia — notwithstanding that the vast majority of British Columbians were not simply opposed to it, according to polling, but were strongly opposed to it.

We were told before the election and during the election that the deficit was going to be no more than \$495

million. I think that was the figure the Premier used over and over again. Somehow, notwithstanding that everybody else in the world was seeing a global meltdown, notwithstanding that people were losing their jobs in this province, notwithstanding that every thinking consumer had shut their wallets for fear of not having a paycheque the week after, that budget deficit just magically, like Jack and the beanstalk, grew overnight to \$2.8 billion.

We were told that the implementation of the HST was good medicine for the economy. It was going to be good for British Columbians. That's what the Minister of Finance told us: medicine that would be good for the economy. That was the justification.

[1010]

Here in this budget, what are we told? Well, it's a new truth. The new truth is it's not really medicine for the economy; it's medicine for health care. We're going to give the HST revenue to health care. It's really about the general health of the population. We've been told that it's going to help the health care budget.

Now, the terrible thing about the modern world is that you can be photographed and listened to and observed in every place. You go into a store, and the video camera records you there. You pay for your gas or buy a chocolate bar after a long day in the Legislature, and you're being recorded.

On *CTV News* at six, August 9, 2009, the Minister of Finance said: "At the end of the day, the provincial government does not collect any more revenue under the HST system than we do under the current PST system." Then in the budget document, we're told on page 101: "After taking into account these policy initiatives and the temporary input tax credit restriction and other adjustment measures, harmonization is expected to be roughly fiscally neutral to government."

So what is the truth? Is the HST going to be good medicine for the health care system in British Columbia? Is it going to actually help us? Is it going to be good for the people of B.C.? I don't know, hon. Speaker. It's beginning to sound a lot more like *Mary Poppins* to me. A spoonful of sugar helps the medicine go down.

I'd like to know what the sugar is. Is the sugar the promise that it's going to help health care? Is that going to make this medicine more palatable for British Columbians? Are we all going to wake up on July 1 and with big, happy smiles on our faces say: "Oops, there's the gas tax up again, and now the HST applies to things as pedestrian" — pardon the pun — "as bicycles." So you have to ask yourself again: what is the truth?

This government, I must say, and the minister's changing excuses for the implementation of the HST are for us in the opposition the gift that keeps on giving. God bless this government.

You know, I'm reminded of something that former Premier Glen Clark said, something to the effect that

if your enemy is digging a hole, don't stop them. Well, watching the gymnastics, if you will, on the government benches, particularly the Minister of Finance yesterday in this House when he talked about its importance for health care and how this money was going to flow into the health care system....

The Olympics may be over and the Paralympics have not yet started, but there is a gold-medal performance here in this Legislature watching the gymnastics of this government try and justify its broken promise around the HST and convince the people of British Columbia that somehow more taxes, which are unfair by their very nature — regressive taxes, sales taxes — are good for people.

I'm reminded of what dear old Richard Nixon said. He's one of my political heroes. Dick Nixon came from a small town, a poor background, and rose to the presidency of the United States. He was a lot smarter than Jack Kennedy but not as good looking. He was a crafty fella, and a guy with that limited a facial appearance who made it all the way to the White House has got to be admired somewhat. Richard Nixon said so eloquently once that in politics, unlike the Olympics, there are no silver medals. There is only oblivion.

I started off talking about corporal punishment. There is only oblivion. This government, I predict, May 2013 — unless that date gets shifted — is going to find out that in politics there are no silver medals. It will happen for one very simple, fundamental, easy-to-recognize reason, and that is that we didn't hear the truth in the election of 2009. We didn't hear the truth.

[1015]

What we heard were two major promises, if you will — two promises. There wouldn't be an HST, and the deficit was going to be \$495 million. It turns out that none of that was true.

Now we have the Minister of Finance in particular and the government benches and, particularly eloquently as always, the member for West Vancouver–Capilano yesterday defending the indefensible. Watching the Minister of Finance commit his act of self-flagellation.... Well, it was actually almost funny, hon. Speaker. It was like watching one of those movies about the secret society that wears all that stuff that makes you feel pain and will somehow cleanse your sins away.

I'm a New Democrat, and my problem is that I am always sympathetic to the underdog. You know, it doesn't matter what it is. You see the underdog, and when you're a New Democrat, your heart bleeds for them. My heart is bleeding just a little bit for the Minister of Finance and the government, because it's all come home to roost — the broken promises, the fiscal mess that we're in. All the gold-medal performances that they can undertake in this chamber are not going to get them out of this one.

If anything, there's another gold medal, and not just for gymnastics, that I want to give to the Minister of

Finance, that I want to give to every member of the government, just like the hockey team. When you're on the hockey team, you get a gold medal. Every member gets a gold medal. I want to give them a gold-medal performance for grave-digging, hon. Speaker.

You know, it's a pretty sad thing in politics to watch a government digging its own grave. To some extent, my party was accused of it in the late '90s. But whatever sins we may have committed, hon. Speaker, I've got to tell you that looking at this mess now, watching this government slip, watching them disappear, is just so much good, cheap entertainment. You can turn on the TV anywhere in British Columbia, if you've got cable, and you can watch this performance. You can watch the Minister of Finance day after day, and it's going to go on day after day until the first week of June — a government digging its own grave.

The great thing about being a Liberal is that they think they wrote the dictionary, particularly when it comes to the definition of "cuts." You see, when a Liberal says it's not a cut, then it's not a cut. But everybody else understands it's a cut. But when a Liberal says it, it's not a cut. I heard the member for West Vancouver–Capilano yesterday going through the budget and saying: "Look, this is an increase, and this is an increase, and this is an increase."

You know, hon. Speaker, I don't want to suggest that the members on the government side have a lack of respect for the people of British Columbia. I don't want to suggest that. But the people of British Columbia, who balance their famous chequebook every month, who pay for their groceries.... They understand it. When your costs go up, say, 5 percent and you only get a 2½ percent increase in revenue, guess what. There's a difference. It's not hard math. It's a cut.

When the cost of delivering services to the people of British Columbia, who so richly deserve them.... When the cost of those services rises and this government fails to meet that increased cost, it's a cut. We understand that. We get it. The thousands of British Columbians today who are on wait-lists for elective surgery, who are waiting for tests — they get it. The people sleeping in the streets not more than a few hundred yards from this very building — they get it. They understand it's a cut.

This government can stand up, and it can say over and over again how it's increased the funding year after year for education and health care, but the people of British Columbia don't buy it. They don't buy it because of what I said earlier. They didn't get the truth in the last election. They know it wasn't the truth. Everyone understands it.

So as a judge in a courtroom is entitled to conclude, when you've determined that a witness has lied once — and I'm not referring to the government, hon. Speaker.... When you've determined that a witness has not told the truth, then you're entitled to disbelieve them on every other piece of evidence that that witness gives in a courtroom.

[1020]

What we have here is a government that is no longer believable, a government that has no credibility with the people of British Columbia. We know that we didn't get the truth, and we know what the consequences are. Nice big headlines. Hydro rates compounded, next three years, 29 percent. I wonder how the person living in Fort St. James is going to feel about a 29 percent increase in hydro — over three years, 29 percent. Now, that is not a cut. We know that's not a cut. Boy, that's an increase. How are they going to feel about that?

We know that this government has vision. I heard the member for Cariboo-Chilcotin in this very House yesterday say that this is a government with vision. Well, I must say to you that it may be the government's vision, but it's the taxpayers' nightmare. As I said, a 29 percent increase in hydro rates.

We've got the Ministry of Environment cut by nearly 40 percent from the 2008 budget. Don't you remember the green budget? Well, I must tell you, I'm not sure what you call that faded colour of green. Is it puce? Somebody's going to help me here. It's a much faded colour.

L. Popham: Chartreuse.

L. Krog: Chartreuse, maybe, the member for Saanich South suggests. Maybe it's chartreuse.

J. Horgan: It's less green.

L. Krog: It's less green, the member from Malahat–Juan de Fuca says. It's much less green.

L. Popham: Brown.

L. Krog: Indeed, the member for Saanich South, with her usual quick wit, suggests that it might be brown.

In a few minutes a class from my constituency, grades 4 and 5 kids from Departure Bay Elementary, is going to be here. You know, you go into a classroom today.... We spend a lot of time here talking about economics, money. They talk about the environment. They're concerned. They see pictures of the disappearance of polar bears. They see horrible scenes from those parts of the planet that are feeling the effects of climate change the most. And here in British Columbia in 2010 this government announces a budget that represents a drop of 40 percent since 2008 in the very ministry charged with protecting the environment.

Now, I come from a logging family, what my friend from Nelson-Creston used to refer to in his wisdom, my good friend Corky Evans.... He was a tree-killer. He killed trees for a living. Gosh, for 100, 150 years this province made good revenue from killing trees. Now, we didn't do a very good job of it. We didn't reforest the way we should have. We did a lot of damage.

But every British Columbian, no matter how brown or green they were, recognized that it was the one truly sustainable industry. It was the one thing that we could rely on — gone. Worst crisis in the forest industry in this province's history, bar none, and we've got a 23 percent cut from the pre-election budget. Back to truth: what do you say before the election? What do you say after? If they're different, you don't have much credibility left. You don't have much credibility.

You've got to admire a government that keeps wanting to make these promises, because in fairness, they got elected in 2001 and broke the promise around B.C. Rail. They got elected in 2005, and they got re-elected in 2009. There may be some merit in breaking promises. I don't know. But I'm going to quote my dear old granny again today. I'm feeling sentimental.

[1025]

My dear old granny said to me that retribution comes in this life, not the next, and she'd lived long enough to know. She died three weeks short of 102. I have the sneaking suspicion that retribution will be coming, and it will come in that swift and sad form of standing there on election night — and I've been there; I've lost an election or two — when you've got to pick yourself up and walk across town or drive yourself and go into the office of the winning candidate and shake their hand and wish them well.

I just want to say to all those New Democrat candidates out there, potential candidates and those in this chamber: try to do it with a decency and a grace that reflects the best in you when that comes to pass in May of 2013.

I don't want to stop talking about what the cuts are, because the Liberals say they're not cuts. So let's go to ICBC. You know, you've got to love a party that hates socialism, that says the free market is everything, that hates the interference of government in the economy, that finds it repugnant, but goodness, gracious, when it comes to cleaning up the cash, they don't mind dipping into Hydro's vault. For all those people who drive vehicles in British Columbia, they sure don't mind dipping into that vault either.

Good old ICBC. We're told now — what is it? — that it's overcapitalized. Does that mean you've been too successful in capitalism when you're overcapitalized? So we're going to dip into ICBC as well.

At a time when the motorists of British Columbia would have looked forward perhaps to a break on their ICBC rates — you know, some bit of genuine good news.... When they see their hydro rates going up 29 percent over three years, when they see the cost of everything else rising, when they see the lengthening waiting lists in health care, when they see rising fees and licences and increasing MSP premiums, you might have thought they could have expected a break from the Insurance Corporation — because, after all, they own it.

They own it through government. It's their collective public auto insurance company. But we're not going to give those people who pay insurance premiums year after year a break. We are certainly not going to give the hard-working employees of ICBC or the many independent insurance agents across this province who deliver the services when you go in and renew your insurance.... We're not going to give them any increase — oh no, oh no — because this government needs the cash. This government....

Interjection.

L. Krog: I've excited the member. I'm delighted. He'll get his chance.

This government, instead of thanking the people who made the profits for them, is going to take the money. The talons are out.

Let's talk about something closer to home — the wonderful consciousness around the hundred-mile diet, about the importance of food security. We've got a 25 percent cut in the Agriculture budget. Now there is another sector of the economy that's sustainable. You know, you might be able to go a lifetime without a car, you might be able to go a few days without warm clothing in the winter, but you can't go very long without food.

I would have thought that this government at this time would have made agriculture a priority, that it would have looked at what's happening around the planet with the rising cost of transportation and said: "You know what? We've got to be forward-thinking. We've got to look to the future. We've got to consider that the more food we produce closer to home, particularly in organic ways, is good for the environment. It's good for our health, and it's good for the economy, and when the economy is good, there's revenue." And when there's revenue, we can deliver the services that this government has so sorely failed to do in the last nearly nine years.

[1030]

Why do I say that? Let's just go to my critic role, Attorney General, legal aid. The demand for legal aid is up, and what do we have? In 2008-2009 the government contribution to the Legal Services Society: \$77.9 million. In 2010-2011: \$71.4 million. That is a cut. That's a cut that even this government won't pretend isn't a cut. That is a cut.

It is a cut to people in a crisis mode, generally speaking, who require legal services, who are desperate. That's a cut. But let's just move on for a moment to an area where I heard a lot of — how shall I say? — discourse in the Legislature yesterday. That was about the budget for the public affairs bureau — what I affectionately refer to as the propaganda ministry, something Dr. Goebbels would have been proud of. They got a 2½ percent increase.

Now, what we're going to hear is that, in fact, it's really not an increase because there was the pre-election promise and then there's the post-election promise, and now we're in 2010-2011, and the numbers are all skewed. But no matter how you cut it, it looks like an increase to me. If it's not an increase, and in fact, it's neutral, I guess I have to say I would have thought this government might have considered some other part of the budget to cut.

Sadly, at the end of this day the government doesn't appear to have learned any lessons from its broken promises, from its unrestrained enthusiasm for free markets and deregulation and tax reduction. It hasn't learned anything. We are in a sorry state in this province, and the price for that unrestrained enthusiasm, for its ideological base, is a price to be paid by British Columbians, and it's paid every day.

It's paid by seniors sleeping in beds in hallways in hospitals across this province. It's paid for by people on waiting lists for surgery. It's paid for by minimum-wage earners who have no hope of climbing out of poverty. It's paid for by people on assistance who have no hope of climbing out of poverty. It's paid for by the homeless who crowd our streets in numbers unprecedented in this province's history. It's paid for by special needs students who can't get access to the assistance they need. It's paid by people with mental illnesses who don't get the help they need.

It's paid for by British Columbians who don't occupy this chamber today. Those are the people who pay the price. Those are the people who the opposition speaks for. Those are the people that I am proud to represent. Those are the people who deserve to be heard in this chamber. Those are the people who have said, through the opposition, to this government over and over again that when times were good you had every duty and every opportunity to help all those people I've talked about, and you didn't. Now, when things are worse, you turn to them and tell them that they've got to do more. Forget it. This government deserves to go. I look forward to it going.

Hon. Speaker, if I may, I ask leave to make an introduction.

Leave granted.

Introductions by Members

L. Krog: I hope they're in the gallery by now. Debra Ryckman, a teacher from Departure Bay Elementary in my constituency, is here with a group of grades 4 and 5 students and several adults. I hope they had an opportunity to hear some of the debate this morning. If they're not, it will be in the record. A fine group of young students looking forward to a better British Columbia — I ask the House to make them welcome.

Debate Continued

Deputy Speaker: The member for Kelowna–Lake Country. [Applause.]

N. Letnick: Thank you, my colleagues, for such a great round of applause to start this speech — my first speech in the House since we got back after the Olympics. I'm so proud to be Canadian, along with all my colleagues here. I just want to say best wishes to all the Paralympians who will be competing right here in B.C. in a short time.

It is indeed a pleasure to stand in this House today and speak to Budget 2010. First, I'd also like to thank all my constituents in Kelowna–Lake Country for trusting and choosing me to be their voice in Victoria. It is an honour to represent them here in the Legislature. Not a day goes by that I don't remind myself of this privilege granted me by the people back home.

[1035]

I would also like to thank my constituency assistants Shelley Gilmore and Stephanie Hurlburt, and my legislative assistant Ryan Shotton, who work tirelessly to serve our constituents and try to improve their quality of life. To them I say thank you.

This is also a good opportunity to publicly acknowledge my family for their support, love and understanding as I travel to and from Victoria each week — like members here in the House, especially during this session — as we are moving into an apartment back home without assistance from me and as we prepare to renovate our house to reduce its carbon footprint.

I'm sure my family is no different than most families of other MLAs in this assembly and sacrifice in many ways for what we collectively hope will lead to a better future for all British Columbians. My respect and appreciation goes out to every one of them.

It is to that question — how can we best achieve a better future for all British Columbians? — that I will address my comments on the 2010 budget today. It is not simply a matter for members on the government side to support the budget and members of the opposition to oppose.

If we are to best serve the people of B.C. as leaders of this province, I believe we must rise above simple rhetoric and truly debate the fundamental differences of philosophy that define who we are and how we best believe the fiscal affairs of this province should be managed.

We must get past the usual name-calling, which leads to an inevitable race to the bottom and serves only to discredit all politicians who, I believe, are for the most part good and hard-working people, and focus on how best to leave this place of unique beauty and wealth in better financial condition for those following behind than we received it when it was entrusted into our care.

It is incumbent upon us to help and inspire the youth of British Columbia to achieve their goals and aspirations, both for themselves and also for the province as a whole. People like Ryan Pineo, age 23, whose hometown is White Rock, B.C. Ryan's personal goals and aspirations are to have a family he can raise and a career he can grow into. His goals for the province are for B.C. to be Canada's leader in economic growth and job creation as well as a jurisdiction that is a world leader in balancing environmental stewardship with economic development.

Another young person is Brittany Auvinen, who has lived across this wonderful country, from New Brunswick to Ontario and now in British Columbia. Brittany came to beautiful British Columbia to take advantage of the wealth of opportunity that exists for our young professionals, who are the future of this province. She said that the province offered the perfect opportunity to build her career, with B.C.'s wealth of opportunities in so many sectors. She told me that with B.C.'s innovation and strong fiscal management, she figured that B.C. is the perfect place to build a life.

We owe it to Ryan, Brittany and all British Columbians — those who are laid off, those who are starting their careers and the millions who rely on government services such as health care — to do our best to increase awareness and confidence in B.C., which leads to higher investment, job growth and provincial revenues to maintain and improve our quality of life. Leveraging off the vastly increased awareness of B.C. by investors around the world due to the Olympics, we have the budget that does just that.

Government does not create wealth. Let me repeat that. Government does not create wealth. But it certainly has an impact on the confidence of those who do. We all know that capital knows no boundaries, and it is imperative that if we are to attract investment to B.C. to drive the quality of life of our province, we must continue to seek out and implement fiscal policies, measures, that at their core are tax-competitive, promote growth and serve to attract capital and jobs. That is where our two political parties diverge.

Given the global economic situation we find ourselves in, the Finance Minister has made the fiscally prudent decisions to help us through it. Combined with the economic boost that the 2010 Winter Olympic and Paralympic Games has brought to our province, the Conference Board of Canada projects that British Columbia will stand poised atop the country's podium, receiving a gold medal for economic stewardship as we emerge from this global recession.

A strong economy, job growth, investment, prudent expenditures and a competitive tax regime are the foundation of this government's fiscal responsibility. That is what British Columbians have come to expect from this government. It's been a long road since the '90s for B.C. to re-establish itself as a place to do business. The

province has come a long way from the 1990s when businesses, people and investments were leaving the province under the watchful eye of a previous government, which included some of the current members who sit opposite.

[1040]

The opposition often criticizes our fiscal decisions on this side of the House, but they don't have to be held accountable for spending. We do, and we take it seriously. It makes business leaders nervous to think how this province's finances would suffer if the members opposite were thrust into a position of decision-making once again.

Perhaps one day in question period they could surprise all of B.C. and take a break from opposing and take the time to offer some ideas on what they would do if they were in power. But why bother? We already know what they would do.

The member for Juan de Fuca advocates for higher costs on resource exports. He said: "We should be looking at our exports, whether it be coal, whether it be natural gas, and saying to purchasing countries that we're going to do our bit in British Columbia. We're going to be tacking on additional costs to these commodities as they arrive in your communities."

The NDP would run higher deficits. "I believe that most British Columbians would not mind a larger deficit in order to maintain education and health care," says the member for Skeena — Terrace.

They would raise the carbon tax so that it hurts people in the pocketbook. "The carbon tax is ineffective because it's neutral. In order to make a change, we need to have a price point that damages a pocketbook, not complement it with cuts in other directions," says the member for Juan de Fuca. The member for Juan de Fuca didn't stop there. Shortly after, on CFA with host Joe Easingwood, the member said that if his party was in power, they would do away with the HST and "find revenue to offset that from other taxes."

Between these statements and those of some members opposite who sit with me on the Finance Committee, relative to increasing taxes on corporations and middle- and high-income earners to pay for the NDP's spending program, the fundamental difference between our two parties is clear. It has always been clear. If the opposition were in power, they would move public policy in B.C. to the left, thereby moving business investment out of this province and, with it, the reinstatement of the brain drain and quickly followed by B.C. becoming once again, under the NDP, a have-not province.

Well, I would offer a better conclusion. Let's decide to have a have-not province — a have-not-NDP-in-power province — and thereby continue to lead Canada over the next generation.

The late Adrian Rogers said: "You cannot multiply wealth by dividing it." NDP policies of increasing the tax

burden on success will only serve to stifle success and act as a millstone around the collective necks of British Columbians, adversely affecting their ability to maintain a high quality of life and leave a positive legacy for our children.

I'm beginning to think that they don't care, but I hear speeches like I heard just a few minutes ago, and I know they do care. They just have a different philosophy of getting to the same place. The NDP would rather have the poor poorer, as long as the gap between the poor and the rich was smaller. I don't agree with that philosophy.

The whole discussion reminds me of a story I heard a few years back. Perhaps members have already heard this, but it's worth repeating for those who haven't.

Ten men decide to have a business lunch once a week. They always met in the same restaurant, and the bill was always \$100 for all ten men. If each man was responsible for his own share of the bill, they would each pay \$10; \$100 divided by ten is \$10.

The men decide to divide the bill based upon their ability to pay, inspired by the government's progressive approach on collecting tax income. The formula they eventually agreed upon was the following arrangement. Persons 1, 2, 3 and 4 paid nothing. Person 5 paid \$1, person 6 paid \$3, person 7 paid \$7, person 8 paid \$12, person 9 paid \$18, and person 10 paid \$59, based on the progressive tax model.

After a number of weeks, the ten people reliably frequenting the establishment, the owner of the restaurant said they deserved a reduction, and he offered a discount to the total cost of the lunch by \$20. This created a bit of a problem among the people because the four people who paid nothing felt cheated that they were not sharing in the windfall.

The others complained that if the \$20 were distributed proportionately based upon the amount each paid, person 10 would receive over half the total discount. So the restaurant owner proposed this solution. Persons 1, 2, 3 and 4 still paid nothing. They were unhappy at being excluded, but the benefits of the reduction.... A discount from zero is still zero, so they went along with it for that time.

Person 5 also paid nothing. His contribution went from \$1 to zero, so he received a 100 percent discount. Person 6 now paid \$2, receiving a 33 percent discount. No. 7 paid \$5. No. 8 paid \$9. No. 9 paid \$14, and No. 10 paid \$50, receiving a 15 percent discount.

[1045]

When they completed their meal, they left. They went outside, and outside an argument ensued. Men 1 through 4 were displeased with everyone because they didn't get any benefit. Man 5 was upset because he only got a dollar. Man 10 got \$9. They severely insulted man 10, the one who was paying the majority of the bill.

When the men returned to the restaurant the following week for lunch, man 10 was a no-show. Go figure.

When the bill arrived for \$90, the remaining nine men discovered they couldn't afford to even pay half the bill. The analogy is a great illustration of today's progressive tax system. Current statistics show that 80 percent of the tax burden is borne by the wealthiest 20 percent of the population.

Based on the rhetoric employed on the tax issue today that I've given to you, the NDP are represented in the story as men 1 through 6. Man 10 didn't want to get treated unfairly again, so his decision not to show up next week is analogous to him moving his companies elsewhere, presumably where someone appreciated what he had to offer, leaving the poor now even poorer. But in the NDP world that's okay, because based on social determinants of health theory, the poor may not feel as poor because the gap now is closed between the relatively rich and those who remain.

In the short term, the NDP tax and spending increases.... The province may not feel the pain, but over time, as businesses and entrepreneurs leave this province, just like man 10 — and many others never come here in the first place — NDP policies will lead to increased debt, higher taxation, lower credit ratings and generally a repeat of the 1990s.

In stark opposition to this, this government has worked hard to strengthen our province by reducing personal and business income taxes. We have the lowest taxes in the country. By consistently advancing prudent budgets like this, that builds stability in our province, builds stability in the international financial sector and investment sector and will continue to advance the needs of all British Columbians as we bring in those investments and those jobs right here in B.C.

It is the constant progress that this government provides that has increased the public's confidence in our ability to manage British Columbia economically. Our recent privilege of hosting the 2010 Olympic Winter Games will infuse economic benefits into our province for years to come. It will take time to measure the entire impact of hosting the world, but it can be said with certainty that the Olympic Games have provided an unmatched marketing opportunity for British Columbia and all regions within it that recognize and seize that opportunity.

We did not only host the greatest athletes in the world, but we also had a chance to showcase Vancouver and all British Columbia to business people and investors from across the world, and we'll do that again with the Paralympic Games.

We are a government that embraces capitalism and its ideologies, which keep a social conscience front and centre. The private ownership of land, businesses and goods allows people the scrutiny and ability to have a level of control in their affairs. This control is empowering and is naturally coupled with responsibility — a responsibility for oneself, for their families and for others.

On the other hand, the less private ownership and free enterprise we all know socialism promotes turn countries' economic growth stagnant. The efficiencies, lower prices and better products that are cornerstones of capitalism cannot thrive in a high-income-tax, high-corporate-tax NDP environment, which not only impedes economic investment but also saps the very lifeblood of any growing market economy — that of innovation and entrepreneurship.

Where the rewards to succeed are reduced, the drive for individuals to innovate, work harder and smarter fades away. When work is uncoupled with reward, what reason do people have to work hard and achieve their full potential? The result is that the economy weakens, standards of living drop for everyone, and society ends up suffering. One only needs to look at Greece to see the impact that a high-tax and high-spending philosophy can have on an economy.

B.C. deserves better. This government, through this budget, continues to show that it is prepared to do what is right, even if at times some aspects of public policy like the HST may be in the short term unpopular.

When people are driven to succeed, it is in everyone's best interests, and this is why capitalism is the world's dominant economic system. That's what we believe here in British Columbia — that when people succeed, we all succeed. While we do believe in the ideology of capitalism, we as a government have a social conscience as well, investing more in programs like health care and education than B.C. has ever seen in its history.

[1050]

During our last winter session I found myself sitting in the estimates process scratching my head at some of the contradictions I witnessed. The requests for more funding, more grants and more money by the opposition never stopped. Then I would sit in question period and continue to hear the demands and criticisms about funding. But where does the opposition expect this money to come from? The repetitive pattern of asking for more and more is unsustainable.

We all know where they would find it and how they would raise it — by increasing taxes, of course. They would take the money out of hard-working taxpayers' pockets. British Columbians would be hit in the wallet. In contrast, this government is aiming to keep the money in the pockets of hard-working people in British Columbia through competitive taxation rates.

This comes right back to the idea of allowing people to make decisions with their money, allowing them to succeed and having it positively affect their families, community and the economy of British Columbia. Budget 2010 promotes the same pursuit of success we instil and strive for in British Columbians while enhancing and supporting the vital support of public services they rely on every day.

From education and health care, this budget focuses on promoting these essential core services while keeping our fiscally responsible goals of returning to a balanced budget in 2013 right in sight. In health care, this government has approved the largest share of Budget 2010 to B.C.'s health care system with \$447 million of new funding. Within the next three years, total health spending will reach \$17.9 billion, or 42 percent of all government spending.

This budget is focused on sustaining front-line service delivery as well. It has also supplied the regional health sector funding in acute care, community assisted-living and other health services in the amount of \$1.3 billion. Just locally, in our area in the Okanagan, in the last few years alone we have seen either investments or investments announced that total over a billion dollars locally. [Applause.]

Go ahead. That applause was led by the hon. Minister of Agriculture and the hon. minister from West Kelowna.

What we have here is a major investment, and I would say that not only in Kelowna, of course, but in Penticton, on Westside, over in Vernon, what we're seeing is a major investment in health care in our area with improvements to the Vernon Jubilee Hospital and the improvements to Kelowna General Hospital, which will serve all of the Interior Health Authority areas.

The announcement of over \$400 million in a new cardiac surgical centre right here in the Okanagan.... Again, this is all part of a sustainable, positive health care plan that we can look forward to through the right taxation methods.

Also for families, new commitments have been made to families in Budget 2010. With families across British Columbia dealing with the global economic crisis, this government has recognized where families need help, and we have taken steps to improve their situations. The property tax deferral program introduced will help alleviate the stress of running a household with children under the age of 18.

The substantial costs that surround raising a family have been addressed by this government, and action has been taken. With Canada and British Columbia's Olympic accomplishments fresh in the minds of the world, this government has taken the opportunity to allocate \$60 million over the next three years for a 2010 sports and arts legacy program, and \$30 million will be dedicated to visual arts, music, theatre and dance to help enhance opportunities for all British Columbians.

The other half is being allocated to athlete and coach development in youth sports. This funding will help to enrich British Columbians culturally and increase the number of youths participating in sports. With this support, there is no doubt B.C. will continue to contribute to the athletic excellence displayed by numerous B.C. athletes over the 17 days in Vancouver.

To support families, Budget 2010 has taken aim at creating more jobs; more affordable housing, including an increase in the homeowner grant of \$200 for northern and rural regions; and more support for children, which will result in stronger, happier and more livable communities.

An additional \$26 million over the next three years will be provided to student child care programs that assist low- and moderate-income families with the cost of child care. This type of assistance will make life better for families facing financial issues.

[1055]

In the area of education, Budget 2010 is continuing its commitment to education by providing all-day kindergarten for five-year-olds. As we know, the program is prepared to be launched and phased in this coming September. Soon thereafter, in 2012, the annual funding will rise to \$129 million. With these kindergartens giving five-year-olds a head start on our great B.C. education system, it also allows parents to find time to earn more income to support their own families.

In classrooms around B.C. we can be sure that our children are receiving the type of education they deserve, with the highest per-pupil funding ever in British Columbia. Budget 2010 raises this funding to \$8,301 per student — an additional \$150 million to offset teachers' wages and benefit pressures on school districts and an investment of \$110 million for the annual facilities grants to March 2011.

Bringing it back locally again, in the Okanagan, school district 23 chair Rolli Cacchioni says that from his look at the budget he is cautiously optimistic. Rolli says he was very pleased to hear that the government is reinstating the annual facilities grant as part of the budget. He says other positive news from the budget includes the province following through with funding the next round of teacher salary increases, funding for sports teams and travel, and an increase in per-student funding.

Rolli says he is encouraged with the news of capital funding, which he hopes will include money for the district. He says the number one capital project is a new elementary school in West Kelowna. "We do need a new elementary school there between Rose Valley and Shannon Lake Schools. We have 16 portables. There's enough population to warrant a new elementary school." Through this budget, government has set out the conditions for the economic growth necessary over time to generate those capital funds to make Mr. Cacchioni's request come true.

UBC Okanagan and Okanagan College have received great assistance from the people of British Columbia to expand the great program that we offer in the Central Okanagan, which not only benefits the students from the Okanagan but all around the interior of British Columbia.

We also have transportation infrastructure that's continuing to be invested in the Okanagan. The W.R. Bennett

Bridge, of course, is built. The six-laning of Highway 97 is a great addition to infrastructure. We're currently looking at the four-laning of Highway 33. Construction is happening there.

A passing lane up Walker Hill has been asked for, for a while. It's being put forward because of the programs put forward in the past and in this current budget. Moving of Highway 97 away from Wood Lake through the Lake Country is a great benefit for safety in our area — and countless other smaller initiatives, because of the prudent policies taken over the last eight years from this government.

Locally, in my area, we are seeing the benefits of prudent decision-making that not only this budget has had but governments over the last two governments have made, and I'd like to say thank you to all those involved in those processes.

[C. Trevena in the chair.]

Also benefiting the province, and I hope the Okanagan, is a budget provision for tax incentives, for international companies to locate to B.C., including digital media, green technologies and carbon trading companies, bringing along with them thousands of jobs. Put it all together, and we have a budget that is prudent, fiscally responsible, right for the times, and is in the best interests of young Ryan and Brittany and all those students that just showed up in the gallery — hello to the students — and over four million other British Columbians spread across this wonderful land — one of the world's best places to live, work, invest and raise a family.

As long as we continue to have prudent and responsible budgets like Budget 2010, I will always continue to support this government and these budgets, and I will do so when it comes time to vote.

L. Krog: I ask leave to make an introduction.

Leave granted.

Introductions by Members

L. Krog: I introduced them earlier, but they're now actually in the gallery. I'm delighted to welcome to the Legislative Assembly Debra Ryckman, a teacher from Departure Bay Elementary, accompanied by several adults and 22 inquisitive grades 4 and 5 students who I had the pleasure of talking to this morning. Would the House please make them welcome.

Debate Continued

D. Thorne: I am pleased to once again address this House on behalf of the constituents of Coquitlam-Maillardville and respond to the March 2010 budget. My

riding includes what is known as central Coquitlam and the historic community of Maillardville, which is where the city of Coquitlam was founded in 1891.

[1100]

Many of the first residents were French-speaking workers recruited for Fraser Mills, so it is fitting that I represent one of the most diverse ridings in the province, where residents speak an astonishing 52 different languages. We have a large Asian population with people of Chinese, Taiwanese, Vietnamese and Korean descent. This adds great richness to our community and makes our schools some of the most multicultural in British Columbia.

Before I begin, I'd like to point out that you are going to hear a theme repeated in the budget areas that I plan to re-cover. That theme is the HST, a tax that more than 80 percent of the people in this province oppose, and well they should.

The HST will hit everything from education to housing to health services and will be particularly felt by non-profit organizations already struggling with slashed budgets at a time when more people need services and fewer people can make donations. Don't think for a minute that rebates will cover this increase, because they won't. Ultimately, our most vulnerable and needy citizens will be paying the price for this unfair and reprehensible tax grab. Many of these vulnerable citizens will be our children.

Yet once again B.C. has the worst child poverty record in the country. Based on Statistics Canada data, B.C.'s child poverty rate was 30 percent worse in 2007 than in 1989. I'm proud to say that in Newfoundland and Labrador, where I hail from, they even had a 35 percent improvement in child poverty over this same period. I think that really points out that a rich province like British Columbia is shown up by those statistics.

Mary Ellen Turpel-Lafond, this Legislature's independent Representative for Children and Youth, calls the problem significant and says she worries that children aren't able to eat healthy food. They load up on cheap calories — not the fruits, vegetables and whole grains that help them grow physically and mentally and pay attention in school.

Some of the blame is on low social assistance rates, and some goes to this province's low minimum wage. Another gold medal that we hold in Canada: the lowest minimum wage in the country.

We have a growing gap in this province between the haves and have-nots — in the whole province, not just in my riding. It is appalling that in a rich province we have children without enough nutritious food, without warm winter clothing and who feel pressure to drop out of school and go to work while still being teenagers.

While we discuss the needs of children, I'd like to talk a bit about education. In my role as deputy critic for Education, I am not pleased with this budget. It is true

that tradition is a wonderful thing in its place, but one tradition I wish to see the end of is the ritual where British Columbian parents worry that their child's teacher will be laid off, that their neighbourhood school will close and that programs will be cut because their local school district is once again strapped for resources.

In its first term this government shifted the education funding formula from a needs-based model to one that relies heavily on per-student funding formula. This change is one of the greatest causes of the ever-escalating yearly cash crunch that is faced by our school districts.

The Liberal government's basic per-pupil funding formula, which is intended to cover core services, does not increase at the real rate of inflation. If the core grant had increased at this real rate of inflation, this province's school districts would now have an additional \$123 million to work with.

The government claims to be increasing education funding by \$50 million in this year's budget. Compared to the pre-election budget, that is really a \$50.2 million drop in education funding for the year 2009-2010. It's very, very disgraceful.

This budget fails to address the pressures created by the devastating cuts that they have made to the annual facilities grant last year. A partial return of this grant money — which, by the way, is spread out over two years — will never make up for the cancellation of the grant last year and the chaos that it caused.

[1105]

There's no money in this budget to cover the cost of carbon offsets and the use of the SmartTool. Costs such as heating and transportation continue to rise, and this government is routinely heaping new costs on districts with an increase in the Medical Services Plan premiums and expanded mandate for literacy, early learning and special education.

In their submission to the Finance Committee, the board of education of school district 43 — my district, the third-largest in British Columbia, which covers Coquitlam, Port Coquitlam, Port Moody, Anmore and Belcarra — says: "While each of these initiatives is laudable, the absence of funding to support them detracts from our ability to provide a quality education to students. The combination of underfunding and increased mandates has the potential to undermine the provincial and board goal of creating an educated 21st-century citizenry that will allow them and the province to prosper."

Even in districts that have seen increased enrolment, marginal lifts in funding are always outpaced by increasing costs. It is clear that this government has failed to deliver on its election promise to protect education.

In school district 43, once again we are looking at increased costs in many areas. The full impact of the HST remains to be seen. This government has once again retreated and says it will provide rebates for school districts. Of course, these rebates, while certainly a relief to

this province's school districts, which were looking at an estimated \$32 million each year in education costs, will not cover the accumulated effects of the cuts of the last few years.

Also, is this how we want to fund education — on a piecemeal basis with one-off rebates? The Minister of Finance says school boards must look for efficiencies. Maybe he needs to be reminded that in September 2009 his government slashed education funding to the bone.

They cancelled the annual facilities grant, as I just mentioned. School districts across this province had to cancel planned building upgrades. Where work had already been contracted out and completed, districts were forced to make cuts in other areas of their budgets in order to pay their bills. The elimination of the annual facilities grant last year cost \$5.3 million to school district 43.

Parent advisory councils were also slashed to the bone. They went from \$14 million to \$7.6 million. Per-student funding dropped from \$20 per student to \$10 per student. That, of course, means less money to spend on supplies, playground equipment, software, books and activities in schools. I would hardly call these items luxury items.

We also had \$130,000 eliminated from B.C. School Sports, and no word in this budget as to whether this will be funded again.

Supplemental funding for transportation has not increased in this province since 2001-2002, which is leaving districts on the hook for rising costs. One example this year is the Central Okanagan district, which has reported that rising transportation costs have left the district with a shortfall of \$1.4 million. Last year busing cost the Langley school district \$582,000 more than the district had received in its transportation grant. Once again, a small rise in money; a huge rise in costs. Getting bigger, bigger and bigger every year — the gap between credits and debits.

These budget shortfalls affect children, of course, as school districts struggle to find ways to offer the same educational opportunities at lower costs. Some school districts have attempted to cut costs by adjusting their schedules, such as four-day school weeks and shorter school years. Surrey, for example, cut costs last year by shaving six days off the school year.

Between 2001 and 2008 the number of specialist teachers in the province has also declined significantly. There are now at least 604 fewer special education teachers and 192 fewer teacher-librarians than there were in 2001. Between 2001 and '08 the number of ESL teachers declined by 22 percent. You only have to visit a school to know that the need for ESL classes has not decreased by 22 percent.

[1110]

Meanwhile, more than 175 schools have closed across B.C. with more closures expected this year. Classrooms are already crowded, with an arbitrator review of class

size and composition finding that one in four classrooms did not meet the class-size and composition mandates by this B.C. government's own law. According to the government's annual class-size report, 3,229 classes across British Columbia were over the 30-student limit this year.

What that number doesn't tell you is that between this year and last there were actually 1,000 more classes with four or more special needs students. This is significant for both those special needs students and their parents because when there are more than three special needs kids in a classroom, there's a true danger of them not getting enough care or attention.

I have nothing but admiration for teachers coping with larger classes with several special needs children who still manage to make the school day meaningful and fun for all children.

Now on to a new topic: all-day kindergarten. Predictably, this government is still re-announcing the same funding commitment for all-day kindergarten. While I support this concept, I am concerned that initial funds are only allocated for introducing the program for half the province. So which school districts will get it first? The wealthy school districts that have the space and that can use their own resources to top up the program, or the poorer school districts, which are the ones that really need it?

The numbers are confusing. This government announced \$44 million to set up all-day kindergarten last September and then \$107 million over the next two years. Now they are announcing \$22 million for 2012 to '13. So is this program expected to be more expensive than previously thought? If so, where is the money for careful planning and building capacity?

This brings up a lot of questions that are not answered, and I think a lot of school districts are quite confused and in the dark and wondering where they stand in the all-day kindergarten milieu.

For a government that claims to promote literacy, it is embarrassing and unacceptable that as of 2006 as many as 66 percent of B.C. schools reported fundraising for library books, 57 percent reported raising funds for technology and 12 percent reported raising funds for textbooks. Is this how we prepare our children to take their places in the world?

Along with education, my deputy critic areas are literacy and early education. It will come as no surprise that this government has not done well in any of those areas. Public libraries lost 22 percent of their provincial funding last year, and this budget freezes library funding for the next three years, which means.... Well, we know what that means. There will be no new money for libraries until three years from now. This is a devastating situation for libraries.

Interestingly, the last increase for public libraries came in 2007-08. What this means is that libraries across the

province are looking at three more lean years. At some point soon, if it hasn't already begun, we'll be seeing cuts that will impact on library patrons — fewer resources, shorter staff hours, fewer programs. There are only so many ways libraries can deal with cuts to already tight budgets.

In monetary terms, the Coquitlam Public Library, my library, lost around \$12,000 from its general provincial grant, but they also lost \$13,000 that they were expecting specifically for technology. Funding was cut for the on-line reference service, AskAway, and for a suite of databases that this province used to buy for every library in the province. Many of these databases are costly, and libraries just cannot afford them individually.

Last summer we saw cuts to reading room funding and slashed funding for B.C.'s READ Line and the B.C. Literacy Directory. As well, funding was discontinued for the 16 regional literacy coordinators who were based at post-secondary institutions around this province.

[1115]

Rhian Piprell, the director of the Coquitlam Public Library, is particularly disturbed to see cuts that could end the B.C. Books for Babies program that she started four years ago in the heady days of bountiful literacy funding, when B.C. was going to become the most literate province in Canada. Apparently, this is one goal that has been abandoned.

For three years, funding for Books for Babies came primarily from the Ministry of Children and Family Development, and in 2008 the funding was shared with the Ministry of Education. In 2009 both ministries stopped funding this program that emphasized the importance of reading to newborns and children of all ages.

If this isn't enough, I am also concerned about the funding crisis at the Canadian National Institute for the Blind library. For more than 90 years the CNIB has subsidized the costs of an accessible library service for people with vision loss. I am pleased to support their campaign for a cost-sharing partnership for library funding that would take advantage of federal funding.

Without this agreement, the visually impaired will face fewer services, increased wait times, fewer books and no access to materials through local public libraries. It's important to understand that only about 5 percent of written information is made accessible to the vision-impaired, so losing any access at all, even the smallest amount, is absolutely untenable.

There is no new money in this budget for any literacy programs, despite the Ministry of Education's service plan, which notes that almost 40 percent of adult British Columbians have difficulty understanding and using printed information in their daily lives.

I doubt if all the hullabaloo about the early education programs like StrongStart — which in and of themselves are good programs if the parents are not working parents,

because they have to be taken to the program.... I doubt if any of this increased emphasis on these kinds of programs is going to make up for the lack of funding right now, today, ongoing and in this budget, to education, to literacy and to libraries. I just can't see it happening.

Meanwhile, our health care system continues to be decimated. You can fudge the numbers any way you want, but since the last budget we have seen fewer surgeries, fewer MRIs, the usual lengthy wait times for elective surgeries and even the slashing of hospital chaplains.

Don't be expecting hospital social workers to pick up the slack. Fourteen social workers are losing their jobs in the Fraser Health district alone. Beds have been closed, medical staff laid off, youth addiction programs cut and out-patient clinics closed.

I am very sorry to hear that Fraser Health plans to transfer 12 of the beds for the most seriously ill babies from the Royal Columbian Hospital to Surrey Memorial Hospital. RCH neonatal team is consistently ranked as one of the three best in Canada, so of course this government dismantles it and ships it across the river. This will be an extreme hardship for Tri-City parents who are already dealing with a premature or a very ill baby.

Ultimately, Fraser Health says it will have 48 neonatal beds at Surrey, and we wonder in my riding how many will remain at the Royal Columbian to handle and serve our side of the river. My guess is that in ten years the answer will be none. Again and again, the least able to withstand the cuts are the ones hardest hit.

In Coquitlam we have seen the end of a wonderful medical program that has operated since 1984, the Chimo Achievement Centre, a therapeutic day program for adults with physical disabilities which was disbanded on January 31 to save its measly \$164,000 annual budget. What false economy. The men and women who have used this program say that it has cut down on their hospital visits and stays, saving the province many, many times the amount that this program cost in a year.

What is more important is that Chimo has provided a safe place where adults with disabilities such as MS can have purpose, friendship, independence and meaning in their lives. They now have nowhere to go for this kind of holistic, therapeutic approach.

I worked with Chimo supporters for the past six months trying to save the program. We finally managed to stage a public rally at the Surrey Fraser Health office in late January, just days before the program was scheduled to close.

[1120]

Very difficult getting people in wheelchairs, sick people, out to Surrey from north of the Fraser to the Fraser Health offices, but we managed to do it. We had a huge crowd. We must have had 25 or 30 of the clients of this program in wheelchairs there. It was a remarkable turnout, and they did this because they cared so

much that this program survived. What was the result? Absolutely nothing.

Any way you look at it — from a social viewpoint, from an emotional viewpoint, but especially from an economic viewpoint — this is one of the dumbest, most short-sighted decisions that this current government has ever made. As I said earlier, the Chimo program helped clients remain independent rather than ending up in hospital or residential care, and it was also a much-needed respite for caregivers. I'm just not sure how you place a real dollar value on that.

This government claims that it is all about the bottom line, but to date, the health authority has not released any value-for-money evaluation for Chimo, nor have clients or staff been contacted about participating in such a review — shameful. One year, two years or five years from now, will they follow up to see if closing Chimo was a wise economic decision, this so-called economic government? I think not.

Again in my riding I ask you to look at what happened in August when the Fraser Health Authority announced a \$75,000 funding cut to the Community Volunteer Services for Seniors program which serves Coquitlam, Port Coquitlam and Port Moody.

For 12 years this program helped seniors with grocery shopping, visits to the homebound, telephone reassurance, an information and referral program, and help for caregivers. Seniors maintain their independence and make their own lifestyle decisions, and caregivers are provided with advice and relief. The result is happier seniors, happier caregivers and way fewer hospital stays.

Surely that is a cost saving to this province. It's hard not to be cynical and see that our most at-risk population — the elderly, the ill and our troubled teens — are most affected by health care cuts. Surely this is not protecting our most vulnerable citizens, as was promised in the most recent election campaign.

In my riding, the PoCoMo Youth Services Society is an example of an innovative, award-winning group that provides desperately needed services, and they are struggling constantly with finding the funds to keep this service going. With its mobile youth centres, PoCoMo goes out into the community to meet at-risk kids where they are — in parks, SkyTrain stations, convenience stores, lacrosse boxes, skateboard parks, you name it. After-hours youth workers help youth make positive decisions in areas as diverse as drug prevention, education and crisis intervention.

This wonderful program won the 2009-2010 Not for Profit of the Year at the Tri-Cities Chamber of Commerce Business Excellence Awards in January. In 2008 it was the recipient of this government's Community Safety and Crime Prevention Award which was presented to the PoCoMo Youth Services Society by the Ministry of Public Safety and the Solicitor General.

PoCoMo saves this government, at all levels, huge amounts of money by filling a service gap, and yet they can't get funding. They can't get the money to keep the service going. I can't explain this to my riding or to my constituents. I can't explain it because it doesn't make any sense at all. You're providing a service. You're saving the government money, whether it's in health care or social services, and yet you can't get money, and money is spent on other things — wrong priorities.

I would also be remiss to not mention that we in the Tri-Cities will lose our local SHARE crisis line on March 21. Since 1972 volunteers have staffed this line, providing life-saving support for men, women and children. Volunteers use their own time for extensive training to answer calls that range from requests for information to suicide prevention.

Now we are looking at a crisis line — one crisis line — that will serve all of the Fraser Valley. Is it really reasonable to assume that volunteers from Coquitlam will trek across the bridge to the south of the Fraser? I don't think so, and I see this as another example of a false economy. It might look good on paper to unify these three crisis lines, but it won't work without the volunteer support that has kept the SHARE crisis line successful for more than 38 years.

[1125]

SHARE executive director Joanne Granek says that it is a sad loss to the community. Granek herself will be retiring in late June after 25 years with SHARE. She will be missed, and I do at this time want to thank her for her many contributions to the betterment of our community over these years. But I have to say that it's not just Joanne leaving that is going to be such a huge blow to SHARE.

Losing the crisis line will affect SHARE. It will affect the work that they do, the morale of all of those volunteers, and it's going to affect the Tri-Cities community. My colleague across the way, who is the new MLA for one of the communities in the Tri-Cities, agrees with me, I'm sure. This is another example of a false economy. I don't understand it, and I can't explain it when I get calls to my office or people stop me on the street.

I'm also saddened to see that there was not much real in this budget to meet the growing demand for low-income housing. Very little new affordable housing is being built in this province, while redevelopment takes its toll on rental availability. Just over a year ago, there were more than 10,000 households on the waiting list for subsidized housing in B.C. I am so afraid that that number will start to rise and go even higher over the next few years.

While this government says it has made a commitment to work in partnership with municipalities to bring down housing costs for families with children and to provide them with more opportunities for homes they can afford in existing neighbourhoods, it has not provided much in detail.

The only thing that I can think of offhand is the deferral on house taxes, which may work in the short term for some families, but I sense a real danger there of families who can little afford it falling deeper and deeper into debt because of that. Also, a lot of the families who need help, families with young children, live in rental accommodation. They will not be able to apply for this program in any case.

If we believe that housing is a basic human right — which I do — then we need to ask ourselves: where is the real support for low-income families, single-parent families, people with disabilities, seniors, people with addictions and mental health problems? I don't think it's in this budget — certainly not adequately.

I'd like to just talk a bit about the arts because I am concerned about the artistic and cultural strength of this province. Support for the arts isn't just about quality of life and respect for creativity. The arts are good for the economy. They create jobs. They create spending. They create tax money. They create tourism. And they revitalize the community. The simple fact is that the arts do matter.

This government has cut nearly half of the funding for the arts. The small rise in this budget will probably not be enough to make any appreciable difference. Most of our arts groups and amateur sports groups have been tossed into a black hole by this government. It's going to take a lot more than what we see in this budget for them to be able to dig their way out.

The lack of funding certainly is felt in my riding of Coquitlam-Maillardville. Société francophone de Maillardville did not receive \$80,000 last year, which has resulted in many staff layoffs. The Coastal Sound Music Academy did not receive \$45,000 — the impact of which will be felt by low-income families who did not receive their scholarships and bursaries.

In December I was pleased to host a meeting in my office. It was requested by the ArtsConnect, and several other groups came and outlined their concerns. I heard again and again that funding of the arts must be made a higher priority in provincial budgets. I'm afraid that that did not happen to any extent.

Cuts to heritage conservation were also substantial. Community programs were cancelled, and there is no money for grants, contracts and service agreements. It simply doesn't make economic sense to cut the arts, but that is what is happening. We're seeing the smaller non-profits, which provide....

Deputy Speaker: Thank you, Member.

[1130]

J. Thornthwaite: I'm delighted to be responding to the budget today. It is certainly timely to submit a budget that is capitalizing on the Olympic momentum that our country, province and cities have just experienced dur-

ing the last few weeks. I, for one, was quite taken aback by the emotions that this world-class event elicited from all Canadians and, in particular, what I witnessed back home in my riding of North Vancouver-Seymour.

Things started to heat up well before the torch arrived in North Vancouver on February 10. I was fortunate to be able to attend the arrival of the torch at Cates Park. I was right there on the dock when the past Tsleil-Waututh Chief Leonard George passed the torch to Ocean Hyland. There she was, waiting in a canoe with her friends and family.

I followed the torch along the beach park to the stage and celebrations that the Tsleil-Waututh had organized to welcome the torch. This was a great example of the new relationship between the provincial government and our First Nations. My riding of North Vancouver-Seymour includes two of the four Olympic host First Nations — the Tsleil-Waututh and the Squamish.

I was proud to see one of our Tsleil-Waututh youth, Dennis Thomas, who welcomed the world to Vancouver on behalf of the Tsleil-Waututh Nation, wearing a wolf pelt on his shoulders during the Olympic opening ceremonies of the 2010 games. He remarked that this is the first time ever that they've acknowledged an indigenous group as an official partner.

I was also proud to see Chief Justin George as he was introduced to the world in the closing ceremonies as well as the opening ceremonies of the Olympic Games. He was there, as well, at the torch celebrations on February 10 in Cates Park. And he's been reported in the newspaper today, where he was very, very proudly talking about the Aboriginal Pavilion — that it was "a huge blessing, to get the message out."

I heard over and over again what they said: "We are here....we saw this as a huge opportunity to educate people on who we are." He had also said that this is "a model for how we can collectively come to the table... Rather than focus on problems, focus on solutions...it's not going to happen overnight, but this can be seen as a building block for the future." I consider that a lesson for us all.

When the torch left Cates Park, it headed along Dollarton, then Deep Cove and then back to Mount Seymour Parkway, very close to where I live. I joined the torch on Mount Seymour Parkway along with hundreds of students from Windsor Secondary, Seymour Heights, and Blueridge Elementary, where my own children attend. It was amazing to witness the excitement that these students and teachers had and that, to me, really demonstrated the Olympic spirit and Canadian pride.

From there, I met the torch up near my office in Lynn Valley Centre. I'm told there were around 10,000 people there, around the huge VANOC stage. What an absolute thrill it was to see everybody dressed in red and white, and yelling and screaming and singing *O Canada*.

From there I witnessed Cassandra Brondgeest, our final torchbearer and the cauldron lighter in North Vancouver district. At 13 years old, an Argyle student, she's already established a reputation as a positive leader, a strong athlete and a fine citizen. In 2009 she received several awards, including academic achievement, outstanding service and fine arts.

My friend and volunteer Bob McCormack, who was also a torchbearer, passed the torch across Lynn Valley suspension bridge, which I'm told got worldwide coverage. Lynn Valley, my riding, is on the map.

ValleyFest, a vibrant hub of activity and festivities, was the centre of Lynn Valley during the Olympic Games and a gathering place for family, friends and neighbours to visit. We watched the games on a big-screen TV and enjoyed family entertainment and performances for a full two weeks. My office even held open houses. We greeted people in our office, giving them snacks and coffee and welcoming them to watch the games.

I would like to recognize some of the volunteers that made ValleyFest in Lynn Valley such a successful Olympic celebration. They all come from around the Lynn Valley community area. John Gilmour, Bob McCormack, Graham Pearce, Sheila Galati, David Lee, Richard Campbell, Eric Miura, Kevin Middleton, Linsey Keats, Leslie Konantz, Tracey Davidson, Shabbir Nanji, Alana Taylor, Mike Fox, Lynn Randall, Martha Molls, Sheila Montgomery, Grant Botto, Kathleen Campbell, Lynne Henshaw and Leslie Uhlenbruck — these are fabulous volunteers that helped make this wonderful event happen.

I would also like to offer congratulations and thanks to my staff — Carol Anne Dawson and Lynn Prestash. They definitely helped to greet a lot of visitors.

[1135]

I would be remiss, before moving on, not to mention that we are very proud in North Vancouver to have several of the Olympic athletes who call North Vancouver at least part of their home. In particular, Maëlle Ricker, who got our first gold medal in British Columbia and the fifth gold medal of the games. Congratulations, Maëlle.

Moving forward post-Olympics, I think the most important thing for people to realize about this budget is that it is a true definition of a balanced budget. What I mean by that is that during these tough economic times and during our economic recovery it is still necessary to be fiscally responsible and continue our belt-tightening but at the same time maintain and in some cases increase core funding in priority ministries.

We must enhance key services for those in need and at the same time put controls on discretionary spending, plus stimulate and sustain economic growth in order to ensure that B.C. is the place where investment is encouraged, companies want to set up shop here thereby promoting jobs, wealth and prosperity for everyone. That is what I mean by balance.

If there's one thing I've learned from jumping from the municipal level of government as a school trustee to provincial MLA it's that we need to ensure that the entire province is healthy financially in order that the services we hold near and dear be funded in our local communities. Health and Education are the key ministries that have been increased in this budget.

We also need to ensure that all levels of government work together in these tough economic times to ensure that the values of British Columbians in general and the residents of North Vancouver–Seymour are maintained. I'm talking to people on the streets, as well, and listening to those folks in industry who presented during our Finance Committee public meeting delegations. It is clear that health and education are the key. Therefore I believe this government has listened to the people and is acting on their priorities.

With regards to health, currently health care takes up 95 percent of all new government spending, and if we continue on the way that we are going, we will not be able to spend any money on anything else but health care. Budget 2010 provides new funding for health of \$447 million — a total budget increase of over \$2 billion since 2009-2010. This represents the largest share of all the funding increases approved in Budget 2010.

Total health spending will reach \$17.9 billion, or 42 percent of all government expenditures, over the next three years. However, we can't continue to spend, spend, spend on health care. That way is not sustainable. Everyone understands that, and I have not met one person who has told me that we have to keep spending endlessly on health care.

People want governments to spend wisely, to ensure that people get the services they need in a timely manner. So by prioritizing spending, finding efficiencies or innovatively altering the funding models, we will be able to keep health care funds where they belong — for the patients.

What about education? Perhaps because of my previous role in public education, I get a lot of feedback from my constituents on education issues. It is true that this past year has been very challenging for all school boards, and my North Vancouver school board is no different. But I am happy that there is some good news here in this budget that also proves that the government is listening to school boards.

In my role as a member of the Finance Committee, we heard from many stakeholders in education that the annual facilities grant was important to all school boards. This budget has restored the annual facilities grant to the tune of \$110 million from now until March 2011. School boards should be relieved that our government has listened to this as a priority. I'm also happy to hear that all teachers' contract wages and benefits will be fully funded by providing an additional \$150 million over three years.

Moving forward. As we know, student enrolment has been consistently declining for many years. There are not as many students filling the classrooms as there were in the past. It only makes sense that in order to try and keep school closures at a minimum that we make better use of public buildings to house students and other public services and amenities.

The first of its kind, a new neighbourhood learning centre in Revelstoke will offer the province's first early learning hub with a full range of supports for families with young children. The centre will offer seamless services to children from infancy through to school age, including not just child care but also medical, dental, literacy and community services as well.

[1140]

The school district plans to begin the construction on this site this year, 2010, with Revelstoke elementary expected to open in the fall of 2011 and Revelstoke Secondary in early 2012.

I'll quote one of my past colleagues in the school board at Revelstoke, Alan Chell:

"We are thrilled to be the first school district in B.C. to have our plans approved for our neighbourhood learning centre model schools. This project will enhance our district's and our community's exceptional early learning services that support students and their families and add greatly to our educational, cultural and recreational opportunities. These state-of-the-art facilities will benefit our community tremendously for years to come."

I believe that our North Vancouver school board and our North Vancouver municipality will embrace this idea, similar to Revelstoke, and come on board looking at new ways to deliver public services so that buildings and services can be shared in order to renew neighbourhood hubs for all residents in the community.

Imagine kids sharing an art room during the day with a senior program in the evening. Imagine students getting state-of-the-art gymnastics equipment due to a partnership with a local sports club. Imagine people of all ages sharing a building that is used all of the time as opposed to going fallow for half of the day or weeks or months of the year.

Our constituents deserve to have access to their public buildings in a more efficient way. It is these partnerships between the provincial government, the school boards and the municipalities that can make things happen for people and their communities.

I know that North Vancouver has benefited from multilevel government partnerships recently announced, such as the Capilano University film school that we announced in August 2009, and the Windsor Secondary School artificial turf and track project that we announced in November 2009, which was a partnership between the provincial and federal governments, sports associations, the school board and the district of North Vancouver, plus an industry partner, Canexus.

I think this is the wave of the future and how the residents of B.C. and North Vancouver–Seymour will get

more out of their tax dollars, because we all know that there is only one taxpayer.

I'm also confident that our school board will work with us to find savings in administration that will redirect valuable funds to the classroom and directly to students. I've been told by the chair of our school board, Susan Skinner, that it is the designated responsibility of local boards of education to administer the funding that is provided by the provincial government, and the North Vancouver board of education accepts full responsibility for setting the budget direction and priorities for the school district. To this end, they provide extensive public consultation opportunities to inform its decision-making.

I'm also quite pleased to hear that the British Columbia School Trustees Association has also come on board to work with the government to develop the innovations, improvements and efficiencies that will contribute to the success of public education.

Today's students demand much more specialized services and programs from our education system than I ever did in my day in school, so our valuable education dollars should be going to them rather than funding a redundancy of services or funding half-empty older buildings.

I'm also happy to see that government is fulfilling its commitment to provide full-day kindergarten for five-year-olds, and it will be fully funded. The program is being phased in starting this September, and as it becomes fully operational, annual funding will rise to \$129 million by 2012.

Speaking of early education, I would be remiss if I did not mention the StrongStart centres. The StrongStart centres success will continue, and there will be new partnerships formed between the public and private daycares in order to give our youngest residents the best start in life in their own neighbourhoods.

Currently we have seven StrongStart centres in North Vancouver, and three of them are in my riding alone: Lynnmour, Seymour Heights, and Lynn Valley. We also have a vibrant private day care industry. Let's capitalize on the expertise of our child care providers and invite them into our schools that have empty classrooms due to declining enrolment. The key word here is partnerships.

[1145]

One of the things that we don't hear enough of, I don't think, is the school investments, the money going into schools, such as new schools, renovations and seismic upgrades.

The total capital investment so far since 2001 for the North Vancouver school district... We have 15 capital and seismic projects worth \$90 million. Lynn Valley, almost \$5 million, was a replacement school, a brand-new school; Windsor — a renovation and a seismic upgrade for this secondary school — another \$5 million; and Carisbrooke, a recent announcement that we made — \$7 million — another seismic upgrade.

Those are the three that are in my riding alone, but that's on top of brand-new schools in the North Vancouver school district: Sutherland Secondary, Westview Elementary. We're working on Carson Graham Secondary now, Ridgeway Elementary now, Queen Mary next, and Canyon Heights had a seismic upgrade. These are really positive steps and prove that there are a lot of investments going into the province and, in particular, North Vancouver for our education system.

These investments are not only vital to our children's education, but they also provide spinoffs in the way of jobs for families. Students, parents and staff deserve more than band-aid fix-ups of old schools that are half-full. If, after consulting with the community and partner groups, the school boards, the municipalities and the provincial governments, we discover that we can consolidate, say, two old schools into one brand-new, environmentally and technologically superior school, I believe that is what our taxpayers want. That's what students deserve, and that's what parents are demanding.

[Mr. Speaker in the chair.]

Students appreciate the increased choices and options in programs. They appreciate the newness and the cleanliness of a new school, the safety of a seismic upgrade, the individualized services and building layout that appreciates all students' individual challenges, and the state-of-the-art programs that today's students need in order to become successful in today's competitive world. This is what I believe parents want. They want the best for their children and to give them the best start in life.

Moving on to other Olympic legacies, I heard from people last year during our Finance Committee public consultations, as well as the numerous letters and e-mails to my constituency office, that sports and arts were a priority. I'm happy to see that \$60 million will be provided to sports and arts, \$30 million to each respectively in this budget. Half of this funding will be targeted to enhancing youth participation in sports and athlete and coach development. The other half is to build art onto the Cultural Olympiad.

My three children have benefited immensely from soccer, gymnastics, volleyball, piano and choir. So I'm definitely a supporter of this and happy to see that this investment is continuing.

Carrying on with children and family as mentioned in the throne speech, the government's focus is in trying to make things easier for families. Currently B.C. has the lowest income tax in the country for those earning up to \$118,000. For most taxpayers, B.C.'s personal income taxes have been reduced by 37 percent or more since 2001, and 325,000 low-income British Columbians now pay no provincial income tax at all. Other low-income earners have seen income tax reductions of more than 70 percent.

All of this allows families better control of their own finances so that they can make their own choices as to how much and what to spend their hard-earned dollars on. I believe this is the best way to assist families in their day-to-day lives. If they so choose, families with children will be able to defer their property taxes for as long as they own their homes.

This option has been available to seniors in the past, but now it will be extended to families. This has the potential to add thousands of dollars a year to a family budget, helping them pay for sports or music lessons or maybe even a home renovation or a holiday. People's choices are theirs. Their options are theirs.

To maintain B.C.'s leadership in addressing climate change, Budget 2010 commits \$100 million to climate action and clean energy. These are initiatives that will support new jobs and investments in B.C. while lowering greenhouse gas emissions, and I'm very pleased to see that there will be an additional \$35 million invested in the successful LiveSmart B.C. efficiency incentive program.

[1150]

I'm very interested in the independent power producers and the run-of-river projects, clean energy projects that our government has supported in the past. In fact, I was able to visit two of our facilities in January of this year to actually see with my own eyes the benefits that they do bring to the province of British Columbia.

Regarding the economy over the past eight years, this government has created a stellar business environment. Since 2001 B.C. has eliminated the general corporation capital tax and reduced the corporate income tax rate by one-third to give B.C. one of the most competitive tax regimes in the country.

B.C.'s corporate tax rate is among the lowest in North America. For example, B.C.'s top marginal corporate income tax rate is 30.5 percent, compared to California's 41 percent. Our corporate tax reductions planned for the next three years will give B.C. a combined federal and provincial rate of 25 percent, among the lowest corporate income tax rates of the world's major industrialized economies.

The small business tax rate was reduced from 4.5 to 2.5, a 44 percent reduction, for an estimated total savings of \$401 million for small businesses. By April 1, 2012 that tax will be reduced to zero.

Small business growth in B.C. is leading the country — and I have many small businesses in my riding — 8.8 percent between 2002 and 2007. This will double the national average. By 2012 B.C.'s corporate and small business taxes will be the lowest in the G7, and the province raised the small business corporate income threshold from the current \$400,000 to \$500,000, the highest in Canada. This will save small businesses a total of \$20 million a year.

As part of the province's long-term vision for economic growth, changes to greatly increase B.C.'s potential as a

hub for international companies include adding digital media, publishing and distribution, certification and trading of carbon credits and clean technology to the types of businesses that qualify for tax reductions under the international financial activity program.

A couple of nights ago I was very pleased to attend an event that was put on by the Investment Industry Association of Canada. They put it very succinctly: global business is searching for a home, and B.C. is at the forefront in driving national consensus to promote recovery. We want to encourage business to set up shop in British Columbia to improve the lifestyles of all of our citizens in British Columbia, and we know that building business creates jobs for families.

The new tax credit has also been introduced for the international digital media, and enhancements to provincial film tax credits.... This, of course, is welcome news to the Lions Gate film studios in North Vancouver.

So in summary, Mr. Speaker, I'm pleased to be able to speak to this budget and the efforts of our government to balance the needs of the most vulnerable people in our society but maintain health and education funding by spending more smartly in order to keep our families' dollars in their own pockets.

Budget 2010 takes action in three critical areas. It enhances support for vital public services, it refocuses government spending to ensure we get the most out of every tax dollar and remain on track to return to balanced budgets in 2013, and it moves forward with a range of initiatives to stimulate and sustain economic growth and re-assert our role as Canada's job creation leader.

Noting the hour, I would move adjournment of the debate until the next sitting of the House.

J. Thornthwaite moved adjournment of debate.

Motion approved.

D. Routley: I seek leave to make an introduction.

Mr. Speaker: Proceed.

Introductions by Members

D. Routley: I would like the members gathered in the House to help me welcome students, teachers and parents from North Cedar Intermediate School. They've come all the way down from Cedar, which is, for those of you who don't know, just between Ladysmith and Nanaimo, to visit their House in order to see how things are done here and to appreciate the history of this place. Please help me make them welcome.

Hon. I. Chong moved adjournment of the House.

Motion approved.

Mr. Speaker: This House stands adjourned until 1:30 this afternoon.

The House adjourned at 11:55 a.m.

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