



Third Session, 39th Parliament

OFFICIAL REPORT OF
**DEBATES OF THE
LEGISLATIVE ASSEMBLY**
(HANSARD)

Wednesday, May 4, 2011
Afternoon Sitting
Volume 20, Number 13

THE HONOURABLE BILL BARISOFF, SPEAKER

ISSN 0709-1281

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

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

THIRD SESSION, 39TH PARLIAMENT

SPEAKER OF THE LEGISLATIVE ASSEMBLY
Honourable Bill Barisoff

EXECUTIVE COUNCIL

Premier and President of the Executive Council	Hon. Christy Clark
Deputy Premier and Minister of Finance.....	Hon. Kevin Falcon
Minister of Aboriginal Relations and Reconciliation	Hon. Mary Polak
Minister of Advanced Education.....	Hon. Naomi Yamamoto
Minister of Agriculture.....	Hon. Don McRae
Attorney General	Hon. Barry Penner, QC
Minister of Children and Family Development	Hon. Mary McNeil
Minister of Community, Sport and Cultural Development.....	Hon. Ida Chong
Minister of Education	Hon. George Abbott
Minister of Energy and Mines and Minister Responsible for Housing.....	Hon. Rich Coleman
Minister of Environment.....	Hon. Dr. Terry Lake
Minister of Forests, Lands and Natural Resource Operations.....	Hon. Steve Thomson
Minister of Health	Hon. Michael de Jong, QC
Minister of Jobs, Tourism and Innovation.....	Hon. Pat Bell
Minister of Labour, Citizens' Services and Open Government.....	Hon. Stephanie Cadieux
Minister of Public Safety and Solicitor General	Hon. Shirley Bond
Minister of Social Development and Minister Responsible for Multiculturalism.....	Hon. Harry Bloy
Minister of Transportation and Infrastructure.....	Hon. Blair Lekstrom

LEGISLATIVE ASSEMBLY

Leader of the Official Opposition.....	Adrian Dix
Deputy Speaker.....	Linda Reid
Assistant Deputy Speaker	Dawn Black
Deputy Chair, Committee of the Whole	Douglas Horne
Clerk of the Legislative Assembly.....	E. George MacMinn, OBC, QC
Clerk Assistant	Robert Vaive
Clerk Assistant and Law Clerk.....	Ian D. Izard, QC
Clerk Assistant and Clerk of Committees.....	Craig H. James (on leave)
Clerk Assistant and Acting Clerk of Committees	Kate Ryan-Lloyd
Sergeant-at-Arms	Gary Lenz

ALPHABETICAL LIST OF MEMBERS

Abbott, Hon. George (L)..... Shuswap
Austin, Robin (NDP)..... Skeena
Bains, Harry (NDP)..... Surrey-Newton
Barisoff, Hon. Bill (L)..... Penticton
Barnett, Donna (L)..... Cariboo-Chilcotin
Bell, Hon. Pat (L)..... Prince George-Mackenzie
Bennett, Bill (L)..... Kootenay East
Black, Dawn (NDP)..... New Westminster
Black, Iain (L)..... Port Moody-Coquitlam
Bloy, Hon. Harry (L)..... Burnaby-Lougheed
Bond, Hon. Shirley (L)..... Prince George-Valemount
Brar, Jagrup (NDP)..... Surrey-Fleetwood
Cadieux, Hon. Stephanie (L)..... Surrey-Panorama
Cantelon, Ron (L)..... Parksville-Qualicum
Chandra Herbert, Spencer (NDP)..... Vancouver-West End
Chong, Hon. Ida (L)..... Oak Bay-Gordon Head
Chouhan, Raj (NDP)..... Burnaby-Edmonds
Coell, Murray (L)..... Saanich North and the Islands
Coleman, Hon. Rich (L)..... Fort Langley-Aldergrove
Conroy, Katrine (NDP)..... Kootenay West
Coons, Gary (NDP)..... North Coast
Corrigan, Kathy (NDP)..... Burnaby-Deer Lake
Dalton, Marc (L)..... Maple Ridge-Mission
de Jong, Hon. Michael, QC (L)..... Abbotsford West
Dix, Adrian (NDP)..... Vancouver-Kingsway
Donaldson, Doug (NDP)..... Stikine
Elmore, Mable (NDP)..... Vancouver-Kensington
Falcon, Hon. Kevin (L)..... Surrey-Cloverdale
Farnworth, Mike (NDP)..... Coquitlam
Fleming, Rob (NDP)..... Victoria-Swan Lake
Foster, Eric (L)..... Vernon-Monashee
Fraser, Scott (NDP)..... Alberni-Pacific Rim
Gentner, Guy (NDP)..... Delta North
Hammell, Sue (NDP)..... Surrey-Green Timbers
Hansen, Colin (L)..... Vancouver-Quilchena
Hawes, Randy (L)..... Abbotsford-Mission
Hayer, Dave S. (L)..... Surrey-Tynehead
Heed, Kash (L)..... Vancouver-Fraserview
Hogg, Gordon (L)..... Surrey-White Rock
Horgan, John (NDP)..... Juan de Fuca
Horne, Douglas (L)..... Coquitlam-Burke Mountain
Howard, Rob (L)..... Richmond Centre
Huntington, Vicki (Ind.)..... Delta South
James, Carole (NDP)..... Victoria-Beacon Hill
Karagianis, Maurine (NDP)..... Esquimalt-Royal Roads
Krog, Leonard (NDP)..... Nanaimo
Krueger, Kevin (L)..... Kamloops-South Thompson
Kwan, Jenny Wai Ching (NDP)..... Vancouver-Mount Pleasant
Lake, Hon. Dr. Terry (L)..... Kamloops-North Thompson
Lali, Harry (NDP)..... Fraser-Nicola
Lee, Richard T. (L)..... Burnaby North
Lekstrom, Hon. Blair (L)..... Peace River South
Les, John (L)..... Chilliwack
Letnick, Norm (L)..... Kelowna-Lake Country
MacDiarmid, Dr. Margaret (L)..... Vancouver-Fairview
Macdonald, Norm (NDP)..... Columbia River-Revelstoke
McIntyre, Joan (L)..... West Vancouver-Sea to Sky
McNeil, Hon. Mary (L)..... Vancouver-False Creek
McRae, Hon. Don (L)..... Comox Valley
Mungall, Michelle (NDP)..... Nelson-Creston
Penner, Hon. Barry, QC (L)..... Chilliwack-Hope
Pimm, Pat (L)..... Peace River North
Polak, Hon. Mary (L)..... Langley
Popham, Lana (NDP)..... Saanich South
Ralston, Bruce (NDP)..... Surrey-Whalley
Reid, Linda (L)..... Richmond East
Routley, Bill (NDP)..... Cowichan Valley
Routley, Doug (NDP)..... Nanaimo-North Cowichan
Rustad, John (L)..... Nechako Lakes
Sather, Michael (NDP)..... Maple Ridge-Pitt Meadows
Simons, Nicholas (NDP)..... Powell River-Sunshine Coast
Simpson, Bob (Ind.)..... Cariboo North
Simpson, Shane (NDP)..... Vancouver-Hastings
Slater, John (L)..... Boundary-Similkameen
Stewart, Ben (L)..... Westside-Kelowna
Stilwell, Dr. Moira (L)..... Vancouver-Langara
Sultan, Ralph (L)..... West Vancouver-Capilano
Thomson, Hon. Steve (L)..... Kelowna-Mission
Thorne, Diane (NDP)..... Coquitlam-Maillardville
Thornthwaite, Jane (L)..... North Vancouver-Seymour
Trevena, Claire (NDP)..... North Island
van Dongen, John (L)..... Abbotsford South
Yamamoto, Hon. Naomi (L)..... North Vancouver-Lonsdale
Yap, John (L)..... Richmond-Steveston
Vacant..... Vancouver-Point Grey

LIST OF MEMBERS BY RIDING

Abbotsford-Mission..... Randy Hawes
Abbotsford South..... John van Dongen
Abbotsford West..... Hon. Michael de Jong, QC
Alberni-Pacific Rim..... Scott Fraser
Boundary-Similkameen..... John Slater
Burnaby-Deer Lake..... Kathy Corrigan
Burnaby-Edmonds..... Raj Chouhan
Burnaby-Lougheed..... Hon. Harry Bloy
Burnaby North..... Richard T. Lee
Cariboo-Chilcotin..... Donna Barnett
Cariboo North..... Bob Simpson
Chilliwack..... John Les
Chilliwack-Hope..... Hon. Barry Penner, QC
Columbia River-Revelstoke..... Norm Macdonald
Comox Valley..... Hon. Don McRae
Coquitlam-Burke Mountain..... Douglas Horne
Coquitlam-Maillardville..... Diane Thorne
Cowichan Valley..... Bill Routley
Delta North..... Guy Gentner
Delta South..... Vicki Huntington
Esquimalt-Royal Roads..... Maurine Karagianis
Fort Langley-Aldergrove..... Hon. Rich Coleman
Fraser-Nicola..... Harry Lali
Juan de Fuca..... John Horgan
Kamloops-North Thompson..... Hon. Dr. Terry Lake
Kamloops-South Thompson..... Kevin Krueger
Kelowna-Lake Country..... Norm Letnick
Kelowna-Mission..... Hon. Steve Thomson
Kootenay East..... Bill Bennett
Kootenay West..... Katrine Conroy
Langley..... Hon. Mary Polak
Maple Ridge-Mission..... Marc Dalton
Maple Ridge-Pitt Meadows..... Michael Sather
Nanaimo..... Leonard Krog
Nanaimo-North Cowichan..... Doug Routley
Nechako Lakes..... John Rustad
Nelson-Creston..... Michelle Mungall
New Westminster..... Dawn Black
North Coast..... Gary Coons
North Island..... Claire Trevena
North Vancouver-Lonsdale..... Hon. Naomi Yamamoto
North Vancouver-Seymour..... Jane Thornthwaite
Oak Bay-Gordon Head..... Hon. Ida Chong
Parksville-Qualicum..... Ron Cantelon
Peace River North..... Pat Pimm
Peace River South..... Hon. Blair Lekstrom
Penticton..... Hon. Bill Barisoff
Port Coquitlam..... Mike Farnworth
Port Moody-Coquitlam..... Iain Black
Powell River-Sunshine Coast..... Nicholas Simons
Prince George-Mackenzie..... Hon. Pat Bell
Prince George-Valemount..... Hon. Shirley Bond
Richmond Centre..... Rob Howard
Richmond East..... Linda Reid
Richmond-Steveston..... John Yap
Saanich North and the Islands..... Murray Coell
Saanich South..... Lana Popham
Shuswap..... Hon. George Abbott
Skeena..... Robin Austin
Stikine..... Doug Donaldson
Surrey-Cloverdale..... Hon. Kevin Falcon
Surrey-Fleetwood..... Jagrup Brar
Surrey-Green Timbers..... Sue Hammell
Surrey-Newton..... Harry Bains
Surrey-Panorama..... Hon. Stephanie Cadieux
Surrey-Tynehead..... Dave S. Hayer
Surrey-Whalley..... Bruce Ralston
Surrey-White Rock..... Gordon Hogg
Vancouver-Fairview..... Dr. Margaret MacDiarmid
Vancouver-False Creek..... Hon. Mary McNeil
Vancouver-Fraserview..... Kash Heed
Vancouver-Hastings..... Shane Simpson
Vancouver-Kensington..... Mable Elmore
Vancouver-Kingsway..... Adrian Dix
Vancouver-Langara..... Dr. Moira Stilwell
Vancouver-Mount Pleasant..... Jenny Wai Ching Kwan
Vancouver-Point Grey..... Vacant
Vancouver-Quilchena..... Colin Hansen
Vancouver-West End..... Spencer Chandra Herbert
Vernon-Monashee..... Eric Foster
Victoria-Beacon Hill..... Carole James
Victoria-Swan Lake..... Rob Fleming
West Vancouver-Capilano..... Ralph Sultan
West Vancouver-Sea to Sky..... Joan McIntyre
Westside-Kelowna..... Ben Stewart

CONTENTS

Wednesday, May 4, 2011
Afternoon Sitting

Page

Routine Business

Introductions by Members.....	6595
Introduction and First Reading of Bills.....	6595
Bill 6 — Civil Forfeiture Amendment Act, 2011	
Hon. S. Bond	
Statements (Standing Order 25B)	6596
Invasive plant control	
B. Bennett	
Mental illness awareness	
D. Black	
Community of Spuraway	
R. Sultan	
Protection of water resources	
M. Mungall	
Albert Baldeo	
N. Letnick	
Farm for a Year project in Maple Ridge	
M. Sather	
Oral Questions.....	6598
Services for developmentally disabled persons	
S. Simpson	
Hon. H. Bloy	
N. Simons	
M. Karagianis	
Panel report on impact of harmonized sales tax	
B. Ralston	
Hon. K. Falcon	
D. Donaldson	
Cabinet committee on open government	
D. Routley	
Hon. S. Cadieux	
Enbridge oil pipeline proposal	
M. Sather	
Hon. R. Coleman	

Orders of the Day

Committee of the Whole House.....	6603
Bill 4 — Harmonized Sales Tax (HST) Initiative Vote and Referendum Act	
B. Ralston	
Hon. B. Penner	
B. Simpson	
Report and Third Reading of Bills.....	6609
Bill 4 — Harmonized Sales Tax (HST) Initiative Vote and Referendum Act	

Committee of Supply	6609
Estimates: Ministry of Jobs, Tourism and Innovation	
Hon. P. Bell	
J. Kwan	
G. Gentner	
V. Huntington	
S. Chandra Herbert	

Proceedings in the Douglas Fir Room

Committee of Supply	6632
Estimates: Ministry of Labour, Citizens' Services and Open Government	
Hon. S. Cadieux	
D. Routley	

WEDNESDAY, MAY 4, 2011

The House met at 1:37 p.m.

[Mr. Speaker in the chair.]

Routine Business

Prayers.

Introductions by Members

V. Huntington: I'm pleased to be able to introduce two constituents of mine today, Mr. Cliff Matsen and Mr. Peter Veness. These gentlemen are self-described political junkies and hope that question period is its normal raucous self. May the House make them welcome.

R. Hawes: In the gallery today we have Gayle Martin, who is the chair of the Metro Vancouver park board and a councillor in Langley. We also have Wendy Dadalt, who is on staff with Metro Vancouver, and David Urban, who is on staff with Fraser Valley regional district.

They're here today to meet with members of the government caucus regarding the Experience the Fraser project, which is a project that is joint between the two regional districts and the government to build a trail along both sides of the Fraser River. Could the House please give them a great welcome.

M. Elmore: I'd like to introduce Alexandra Capistrano, who's joining us here today. She's completing her master's in immigration and settlement studies at Ryerson, and I'm very pleased that she's joining me working in my office this summer. I ask that everybody please give her a warm welcome.

M. Dalton: In the House today, visiting us from Maple Ridge, are students from Thomas Haney secondary school. They're accompanied by their teachers Steve Hussey, Jan Godfrey, Mark Biggar, Chris Connelly and Scott McCafferty. This is their sixth trip to Victoria. Every year they find this to be a real hit. My oldest son graduated from this school. It's an excellent school. It's based on self-paced learning. Would the House please make them feel welcome.

B. Bennett: I'd love to introduce my wife, Beth, but I can't because she's not here. But what I wanted to say is that today is our 37th wedding anniversary. I met my wife 43 years ago on a blind date, and all of our friends say she must have been blind. She's going to be reviewing this later, so I send her all my love.

Hon. M. de Jong: Pam Gardner is here from Burnaby. She is an orthotist and operates Burnaby Orthopaedic Source Inc., a Rotarian and someone who has contributed mightily to community service in her community. I hope all members will make her welcome.

S. Fraser: I don't know who they are, but whenever we have this many young people in the audience, I want to acknowledge them.

Thanks for coming today, whoever you are, and welcome.

Introduction and First Reading of Bills

BILL 6 — CIVIL FORFEITURE AMENDMENT ACT, 2011

Hon. S. Bond presented a message from His Honour the Administrator: a bill intituled Civil Forfeiture Amendment Act, 2011.

Hon. S. Bond: I move that the bill be introduced and read a first time now.

Motion approved.

Hon. S. Bond: I am very pleased to introduce the Civil Forfeiture Amendment Act. The proposed amendments create a new administrative forfeiture process. With these changes, British Columbia will be the first province with civil and administrative forfeiture processes, giving us the broadest range of tools for combatting unlawful activities in our province.

Since 2006 the existing civil forfeiture process has proved to be an overwhelming success, resulting in the forfeiture of nearly \$17 million in illicit property and cash. During this time it has become apparent that in nearly one-third of the cases individuals do not contest or even respond to the notice of forfeiture.

This new process will allow forfeiture of personal property and cash valued at \$75,000 or less and will apply only in those cases where no one responds to the notice of forfeiture. It does not apply to real estate.

This process will enhance the capability of the civil forfeiture office to remove the economic incentives stemming from unlawful activities more efficiently and to specifically deal with the low-value property commonly seized from drug dealers, gang members and other organized-crime groups. It will also result in reduced legal and administrative costs, which will result in additional moneys being available to fund crime prevention and remediation efforts and ensure safer communities for families in British Columbia.

Mr. Speaker, I move that the bill be placed on the orders of the day for second reading at the next sitting of the House after today.

Bill 6, Civil Forfeiture Amendment Act, 2011, introduced, read a first time and ordered to be placed on orders of the day for second reading at the next sitting of the House after today.

**Statements
(Standing Order 25B)**

INVASIVE PLANT CONTROL

B. Bennett: I'm speaking today about one of my favourite topics: weeds. I need to make clear that I'm not talking about the Kootenays' famous — or infamous, depending on your point of view — consumer product but about that nasty leafy pestilence whose implacable tentacles reach right into the very heart of B.C.'s wilderness.

Wherever a horse defecates, an ATV rides, a logging truck drives or soil is disturbed, this green scourge can be inadvertently advanced hither and thither, leaving in its wake a colourful but toxic pasture that chokes out our natural plants and reduces our once diverse natural grasslands to feckless, fruitless, futile fields filled with foreign freaks.

The public needs to understand that this is a serious environmental problem. Last week government made a very positive announcement about the creation of a \$3 million Take Action program focused on prevention. While I applaud that decision, I urge those ministers with responsibility to continue funding the annual invasive control done by the various regional invasive plant councils around the province. This government set up the invasive plant councils across the province in acknowledgment that the spread of these vile plants is a profound environmental problem.

Some of these weed species cannot be eradicated. They just can't be. They can only be controlled by annual treatments, and their propagation rates rival Charlie Sheen. Some seeds can germinate after 60 years of dormancy. Missing a year of treatment or even treating too late in the summer is fatal to our long-term attempt to control the massive, diverse infestation underway today.

Let's not allow the insidious, relentless march of invasive plant species across our beautiful landscape to take the "natural" out of "Super, natural B.C."

[1345]

MENTAL ILLNESS AWARENESS

D. Black: This week is the 60th anniversary of Mental Health Week in Canada. The next time you're in a lineup or at the supermarket or a bus stop, look around and consider these facts. Two of every ten people in our country have or will have a mental illness. Mental illness can affect anyone at any time. It is the leading cause of hospital stays. Suicide is the second-leading cause of

death for B.C. youth aged 12 to 18. Depression is ranked as the leading cause of disability worldwide.

The Canadian Mental Health Association, founded in 1918, is one of the oldest voluntary organizations in Canada. The CMHA advocates for those with mental illness to reduce the stigma and to encourage equality of opportunity and inclusion. My community of New Westminster has been well served by the CMHA's Simon Fraser branch.

To mark Mental Health Week, they're holding a Miles for Mental Health Run on Saturday, May 7, in Queen's Park. I'll be joining participants to walk in support of those facing mental health challenges. I'm also collecting donations through the event's website at mentalhealthrun.ca. I want to thank my colleagues who've already supported me in this. The proceeds from the walk will help fund housing, employment training and community outreach programs.

I encourage the members of this House and all British Columbians to use Mental Health Week as a reminder to each of us to reach out to those who are living with mental illness. They, like everyone else, have the potential to participate in the workforce, depending on their own abilities, experience and motivation. It's up to all of us to help ensure their full potential is realized in our society.

COMMUNITY OF SPURAWAY

R. Sultan: Last month I helped constituents celebrate the 100th anniversary of Spuraway, a large home on the banks of the Capilano River and a hub for a complex of 176 strata homes. This quiet corner of my community is close to trails, parks and shopping.

Spuraway is multicultural — British lumber money, Asian roofline, B.C. log house walls, Japanese carpentry and an aboriginal fireplace. It's one of the oldest buildings in West Vancouver, having served as a farmhouse; an equestrian centre; and a family home to the Mahons, the McDermotts and the Gibsons.

The centenary committee compiled Spuraway's rich history. The birthday party featured top hats; the Peirsons' 100-year-old Rolls-Royce; and stories from Val McDermott, Gordon Gibson and others who grew up there.

There's a connection to this Legislature. Gordon Gibson Sr., one of the owners, was a hard-drinking logger elected B.C. Liberal MLA in 1953. He's famous for his speech in these chambers declaring that money talked in the granting of forestry tenure. For that, the Lands and Forests Minister spent 28 months in what we used to call the crowbar hotel.

He was also famous for losing both his logboom and his float home, with his wife still in it, heading off to Japan in a violent storm. He had to make a choice. He chose the logboom.

Gordon Jr., his son, a scholar and author and also a B.C. Liberal MLA and leader of our party, lived in

Spuraway. Gordon Campbell asked Gordon Jr. to recommend a new voting system, and he did, authoring our epic Citizens' Assembly.

So Spuraway and its residents have many tales to tell. I ask you to salute its next 100 years.

PROTECTION OF WATER RESOURCES

M. Mungall: "We are more influential than we think." These are the words of CBC Radio 3 host Lana Gay at my *Women and Water* talk show on March 22, World Water Day.

[1350]

Over the course of an hour my guests — Gwen Barlee, Azita Ardakani, Karen Sander and Lana Gay — talked about the importance of water in our everyday lives. There was certainly a lot to talk about, including the importance of drinking water.

From May 1 to 7 it is Drinking Water Week here in B.C. Several municipalities have also made special proclamations for this week, including the town of Creston. During this week organizations like the B.C. Water and Waste Association invite British Columbians to get to know your H₂O.

For example, Gwen Barlee at *Women and Water* noted that most Canadians think they use 60 litres of water each day. The truth, however, is much larger. The average Canadian uses 329 litres of water every day; the average British Columbian — now brace yourself — 490 litres of water every day. In the Kootenays we use even more. So we do have a lot to learn about when it comes to our H₂O.

More often than not, we take it for granted, but it is not an infinite resource, nor is its travels to our taps and away from our drains a matter of simple engineering. To help people get to know their water issues, my staff and I have put together a top ten list of things you can do to protect water. That list is available on my website and on womenandwaterforum.ca.

On the list you will find drinking tap water over bottled water and sweeping your driveway instead of watering it. I should also warn members of the House that the number one item on this list of top ten is to write your elected representative. So during this first week of May have a glass of cool, refreshing water and think about where it comes from. Enjoy.

ALBERT BALDEO

N. Letnick: Mr. Speaker, in every community across this great province there are men and women whose love for service above self leads the casual observer to find remarkable their dedication for their fellow man. Rev. Albert Baldeo of Kelowna was such a man. Originally from Trinidad, Albert could brighten up a room with his enthusiastic yet mischievous smile.

Not one of the thousand-plus friends who gathered to celebrate Albert's life on Sunday would have been surprised if he popped out of the casket and said: "Just kidding." As my friend Bill Redmond put it, Albert was a leader of leaders who taught our community how to live and how to die. His faith in Christ was equal to a child's faith in their mother — limitless and without reservation.

After the firestorm hit Kelowna, he took broken pieces of pottery around town and gave them to people, saying we would be whole again. His goal was always to leave people laughing, and he used the simple power of gifts to express friendship and love.

One of Albert's many funny stories included the time he met a blind beggar with an outstretched arm, asking for change. Albert gave him that change and came back a week later to find the beggar with two outstretched arms. When he asked why he had two outstretched arms, the beggar said that business was going so well, he thought he would open up a new branch.

Reverend Baldeo was an example for all British Columbians, a man who lived a life of thanksgiving. On Easter Monday he smiled to his wife Beryl, said thank you and passed away.

The people of British Columbia owe the people of Trinidad a debt of gratitude for lending Albert to us for so many years. In his final newspaper column he wrote: "Death is not an end. It's just a bend in the road of life." Today the people of Kelowna join his family to celebrate that life and his passing through the bend safely.

FARM FOR A YEAR PROJECT IN MAPLE RIDGE

M. Sather: The farming industry is comprised of an aging population these days, with the average age of a farmer in Canada being 60. There is a crucial need for young people to enter the field as more farmers are set to retire, and the opportunities to learn from a seasoned grower are diminishing. In an era of climate change, peak oil and rising prices it is necessary to localize food production, and young farmers will play a key role in this transition. That is why it is a breath of fresh air to know there are young people who have taken a risk and begun to farm.

A group of five people, average age 30, have started a project called Farm for a Year. Chris and Julie Moerman, Matt and Chantalle Moerman, and Chantalle's sister Jocelyn Durston are working hard to convert 2½ acres in Maple Ridge to the status of an active farm. These young people join many other landowners in Maple Ridge who are converting their acreages into productive farms.

[1355]

This picturesque property is being operated on the principles of permaculture for healthy, pesticide-free produce. On their farm you will find a chicken tractor,

a mobile chicken pen that allows the chickens to fertilize different beds. The farmers have a special interest in heritage and endangered chickens, such as the Russian Orloff and Chinese Silkie.

Because of its name, Farm for a Year may sound like a fleeting attempt at a hobby farm, but Chris assured me their family is invested in the property for years to come. Judging by their long-term projects — including planting fruit trees, evacuating a pond for fish and focusing on specialty crops such as garlic and mushrooms — they will be getting their hands dirty for a while.

One can only imagine the active rural childhoods that baby cousins Kai and Canaan will be fortunate enough to have. Don't hesitate to check out their colourful website at www.farmforayear.com.

Oral Questions

SERVICES FOR DEVELOPMENTALLY DISABLED PERSONS

S. Simpson: Yesterday in question period the Minister of Social Development tried to tell this House that the community sector was supportive of the B.C. Liberals' direction with Community Living B.C.

Nothing could be further from the truth. The B.C. Association for Community Living issued an immediate alert, repudiating the minister's comments, and their executive director, Faith Bodnar, sent him a scathing letter.

Ms. Bodnar's words in her letter sum up better than anything else the situation that the developmentally disabled are facing in this province under the B.C. Liberals. "We must ask ourselves if we are prepared to risk all we have accomplished in the last 55 years because our government lacks the vision to invest responsibly in the supports and services they need and deserve."

My question to the minister: when will he stop ignoring this crisis with Community Living B.C., with our developmentally disabled and take some action to provide those families and people some hope?

Hon. H. Bloy: I appreciate the British Columbia Association for Community Living's ongoing support for Community Living B.C. — to its staff and its advocacy on behalf of individuals with developmental disabilities. In my meeting with BCACL they did recognize how innovative Community Living B.C. has been over the years.

They also expressed to me concerns about service levels, and I can tell you that I take those concerns very seriously. But also, that's why our government has strongly supported Community Living B.C. with regular funding increases, since its creation in 2005, year after year after year.

Mr. Speaker: The member has a supplemental.

S. Simpson: What did the B.C. Association for Community Living and Ms. Bodnar say about the work that this government has done? This is what they said: "The reality that this legacy is in serious jeopardy should be of grave concern for us all. Insufficient funding to Community Living B.C. has meant reacting to crisis only and the real danger of relegating people to lives of isolation and subsistence as their supports and services are cut."

That's the B.C. Liberal reality with Community Living B.C. There have not been funding increases and general lifts. This minister tries to tell us that, but he could read this letter as well.

Again, what did Ms. Bodnar say when it came to the \$13 million that he'll stand up and tell us about in a minute? They said: "It's targeted at a pilot project that will have no impact on wait-lists. This is why so many new families are coming to us in desperation, having been told that there are absolutely no supports available to them, with no light at the end of the tunnel."

That's the reality. Will the minister take some action, close the binder and do something for people who need your help?

[1400]

Hon. H. Bloy: Community Living B.C. is building on decades of progress and hard work with families and advocates towards full inclusion of people with developmental disabilities, and I can tell you, hon. Speaker, it's working.

Each year Community Living British Columbia has succeeded in providing more services to increasing numbers of families, with Community Living staff and over 3,200 service providers providing services to more than 13,000 families in this province. In fact, we had 766 new families coming into the system that all received service. On top of that, we had over 1,000 families that received new services that were already in the system last year.

Mr. Speaker: The member has a further supplemental.

S. Simpson: It's those 3,200 service providers who are represented by the B.C. Association for Community Living who are telling this minister that he is failing in his job. That's the reality.

This minister's credibility is failing fast. His statements in this House have been repudiated by the people on the ground in the community, by the service providers, by the families, by the people themselves, and he has not offered one single word. This minister has not offered one single word of concern or hope for these people who are desperate.

What are they saying? He talks about the funding that just keeps getting shaved away and shaved away. So what does the B.C. Association for Community Living tell us about that? This is what they say about those families: "Families who have supports and services are being pitted against those who have none and express real fears

of retribution if they voice their concerns. Surely this is not what we want for people with developmental disabilities and their families in British Columbia."

Well, that's not what we want on this side. Will the minister tell us: what does he want, and what's he going to do to deliver it?

Hon. H. Bloy: I want to reiterate. You know, last year we serviced 766 new families with services. Last year we were able to serve an additional 1,000 individuals within the system with new services.

We are changing the way we are providing services to allow for the greatest community inclusion and independence for people with developmental disabilities. These changes continue toward the goal of greater inclusion and independence for people with developmental disabilities.

N. Simons: This is just another example of the government saying one thing and doing something else entirely — all words and no action.

In 2004 community living was first introduced. The minister responsible said the following: people with disabilities would "be able to look forward to a safer, healthier and better quality of life." The minister is the current Premier.

Things have not gotten better. They've gotten significantly worse. The B.C. Association for Community Living has said the following: "Families are coming in to us in desperation, being told that there are absolutely no supports available to them."

Will the minister recognize that there is a crisis, and will he tell this House what he's planning to do about it?

Hon. H. Bloy: To the members across the way and to all British Columbians, we have increased our budget year after year after year. We have over \$700 million, and I want to reassure all British Columbians that our first concern is for the health and safety of individuals. Again, I'll reiterate about bringing 766 new individuals into the client base, and they're all receiving services.

Mr. Speaker: The member has a supplemental.

N. Simons: The budget is actually \$681 million, and frozen for the next four years. So I'd like to know.... The slogans of "Family first" certainly don't apply to families with members who have a developmental disability in this province.

[1405]

The executive director for the association says: "Providing a good life in the community for people with developmental disabilities and their families is being challenged in fundamental ways on all fronts." This flies in the face of this rhetorical flourish, as the minister gives us, and I think the minister needs to take a good look

and speak to the people involved and the people who actually are impacted by these service cuts.

Will the minister promise to speak to those involved and take what action is necessary to ensure that people with developmental disabilities in this province get the services that they need?

Hon. H. Bloy: I want to assure all British Columbians that we're going to work with everybody within Community Living British Columbia. Our first goal is to provide health and safety concerns for individuals with developmental disabilities. I can tell you that my personal goal and our government's goal is to assist these people to the best of our ability that we can.

B.C. Association for Community Living, when I spoke to them, expressed some concerns, and I'm looking forward to meeting with them further.

M. Karagianis: The minister says that the community living association has expressed some concerns. Well, let me say that maybe the minister would take this more seriously if he spent one day as a caregiver, and then he could see exactly what kind of impact these B.C. Liberal callous cuts to community living — the kinds of effects — are having on individuals.

Faith Bodnar writes: "So many new families are coming to us in desperation, having been told there are absolutely no services for them, no light at the end of the tunnel" — no services for these individuals. So I say to the minister, perhaps the minister should step out of the message box over there...

Interjections.

Mr. Speaker: Members.

M. Karagianis: ...and step into the shoes of families experiencing these cuts. What is the minister going to do to undo these reckless cuts and restore dignity and security for these families?

Hon. H. Bloy: I want to reassure the members on the opposite side and all British Columbians that we have made no cuts to this ministry, to this community. I find it hard that providing services to over 13,000 people with a budget of over \$700 million.... We're looking after these individuals to the best of our ability, serving those first on health and safety concerns.

Mr. Speaker: The member has a supplemental.

M. Karagianis: Well, the minister has got his facts wrong once again. Some \$22 million in cuts, huge waitlists for vulnerable individuals in this province — is this how this government is putting families first in British Columbia?

Interjections.

Mr. Speaker: Members.
Continue, Member.

M. Karagianis: Is this how the B.C. Liberal government is putting families first in this province? Is that the result of this?

So I would ask again for the minister to do the right thing: to step out of the message box, do the right thing, restore services to these families, restore security for these individuals and do that now — make the statement today that he is going to undo the cuts and he is going to restore resources to these families on wait-lists so that individuals all over British Columbia who live with developmental disabilities have a future ahead of them. I want the minister to say that now.

Hon. H. Bloy: I want to respond to the member across the way and to all British Columbians that we are increasing services. We provided services to 766 individuals and their families last year, new people in the system. We provided services to over 1,000 individuals already in the system last year. We expect to provide services to those....

Interjections.

Mr. Speaker: Minister, just take your seat for a second.
Continue, Minister.

[1410]

Hon. H. Bloy: We're going to continue to serve as many individuals with developmental disabilities in this province. We're now servicing over 13,000 individuals every year. This is clearly active — that we are growing and our budget has never been cut. Our budget has been increased every year, year over year over year.

Interjections.

Mr. Speaker: Members.

PANEL REPORT ON IMPACT OF HARMONIZED SALES TAX

B. Ralston: One of the ways B.C. Liberals have unsuccessfully tried to sell the HST since July 2009 is by talking very loosely about the jobs it might create. The last Minister of Finance hired Jack Mintz, who dubiously claimed it would create 113,000 jobs over the next ten years. We heard that refrain from every Liberal MLA in speeches here in the Legislature and out in the public.

The panel report released today estimates it will create just 24,400 better-paying jobs over the next ten years.

Interjections.

Mr. Speaker: Members.
Continue, Member.

B. Ralston: Of course, the report doesn't mention the number of lower-paying jobs that the HST will destroy as opposed to the better-paying jobs, as the restaurant and tourism industry has pointed out most notably.

Will the minister agree that he and every B.C. Liberal MLA misled the public about the job creation effects of the HST?

Hon. K. Falcon: What the Minister of Finance will say is that whether it's 24,000 jobs or whether it's 113,000 jobs, any new job is good for families in British Columbia.

I can tell you that the business community certainly speaks with one voice when they think about what will destroy jobs in this province, and that is the new Leader of the Opposition and his tax trifecta, which will be not only returning to a corporate capital tax but raising small business taxes by 80 percent, by raising general corporate taxes by 20 percent and by going back to the very, very inefficient PST plus GST system.

That's what they want to do. We want to grow the economy on this side of the House.

Interjections.

Mr. Speaker: Members.

Interjection.

Mr. Speaker: Member.
The Member has a supplemental.

B. Ralston: The authors of the report admit it's very difficult to make economic predictions, particularly over the period of ten years. Given that difficulty, will the minister admit that the one clear effect of the HST will be to make life easier for big business and harder for families and small business?

Hon. K. Falcon: I have been as clear as I could possibly be on the fact that HST.... For 80 percent of consumer purchases, there's absolutely no change. The 7 percent PST they were paying before plus the 5 percent GST is 12 percent. There's no change. But I have acknowledged that on 20 percent of consumer spending, you do pay the additional 7 percent. I acknowledge that, and it does generate significant additional revenues for government, particularly in the out-years.

[1415]

But every day in this House we listen to the members opposite — we just heard it in the previous questions — talk about how they need more money for virtually every single part of government, and then they want to oppose

a tax that generates additional revenues that support health services, social services and education.

D. Donaldson: Well, even their own handpicked panel can't back up this government's grossly inflated claim about the benefits of the HST. Their claims are so over the top, it reminds me of an old west movie with the snake oil salesman saying: "Get the HST. It's good for you."

This serious drop in job creation prospects with the HST as categorized in today's report doesn't even include the lower-paying jobs, as in the restaurant and food industry. Just today the Restaurant and Foodservices Association says there's been a 15 percent drop in sales in the last year due to this government's policies, including the HST.

To the Finance Minister: will he admit this government is continuing to mislead the public on how the HST is affecting jobs in B.C.?

Hon. K. Falcon: I acknowledge that there is an impact on the restaurant sector. We always have. There's nobody that's not saying that there is not some impact on the restaurant sector, but I think that it might be interesting for the member if the member looks at Stats Canada numbers that were just released. If the member looks at Stats Canada numbers that were just released today, there are 8,600 more jobs in the food and accommodation sector than there were back in July of 2010.

I think it's also very interesting to note that the Conference Board of Canada just last week came out with a report that showed that the highest levels of consumer confidence in the country are right here in British Columbia.

Mr. Speaker: The member has a supplemental.

D. Donaldson: First of all, they weren't going to bring in the HST. Then, a few weeks later, they said it was going to save the economy. Next, it was more than 100,000 jobs created. Now it's less than a quarter of that. They just can't be trusted on the HST, on what they're saying about it.

The fact is that the burden of the HST is on the backs of B.C. families. The report today says that the average family will pay more than \$350 per year, and that doesn't even include big-ticket items such as repairing a leaky roof.

The public deserves to know the truth about the HST. Again to the Finance Minister: will he admit they deceived the public about the HST in the first place, and will he admit the job creation prospects previously touted by this government are completely false?

Hon. K. Falcon: I'm glad the member is quoting from the independent panel, the same independent

panel that just mere weeks ago they were saying was a complete waste of time. Now they've at least come around to acknowledging that it's produced some very good information.

You know, one of the reasons why we're now engaged in a process of listening to British Columbians on how we might improve the HST and look at how we might ameliorate some of the impacts of the HST — which, the member correctly points out.... The report points out that on average, the typical family will be spending an additional \$350.

Part of why we're listening to British Columbians now through telephone town halls, through our on-line surveys, is how we might improve the HST and ameliorate some of that impact. But I am always fascinated by an opposition that can stand up and criticize a tax change that moves from a GST and a PST, from two duplicative systems that impose burdensome paper requirements on small business, and moves to a system that generates anywhere from 24,000 to 113,000 more jobs and be opposed to it.

[1420]

Only the NDP would be opposed to 24,000 to 113,000 more jobs for the economy of British Columbia.

CABINET COMMITTEE ON OPEN GOVERNMENT

D. Routley: I think it's important for British Columbians to get an early measure of progress for this new Premier on her commitments, given the Liberal record on keeping commitments.

My question is for the Minister of Citizens' Services. This new Premier campaigned on a promise of opening government up. Given the B.C. Liberal record, it's important for us to examine that. First she created a cabinet committee on open government. Good job. Next, she made that cabinet committee on open government exempt from freedom of information.

Now, forgive me and forgive British Columbians for judging the Premier's progress a little short. Does the Minister of Citizens' Services responsible for freedom of information support the decision of the Premier to close down the cabinet committee examining public scrutiny from public scrutiny?

Hon. S. Cadieux: I am proud of our government's commitment to opening up government, and I'm very pleased that one of the first actions was to create a cabinet committee on open government.

As the member would well know, all cabinet committees are subject to the freedom of information laws like every other committee of government.

Mr. Speaker: The member has a supplemental.

D. Routley: Thank you, Mr. Speaker, but forgive me. The Premier making the cabinet committee on open government exempt from freedom of information seems like a backwards step to me. I would expect that any British Columbian expects the Premier to live up to her commitments. One of the commitments the Premier made during her campaign for leadership was: "Make sure that open government is something that's a reality, not something we just talk about."

Well, it seems like Liberal doubletalk to me that now the minister flip-flops. I'd like this minister responsible for freedom of information to commit to the people of B.C. to open up the cabinet committee on open government to open scrutiny.

Hon. S. Cadieux: Well, I'm surprised the member isn't aware that all cabinet committees are treated the same way. They're all treated as cabinet committees, and the information discussed is confidential.

The true test of our commitment to open government is how we're going to engage with British Columbians, and that work has already begun with open town halls across the province, with tele-town halls on the HST, where 30,000 people participated in Surrey alone.

We're opening up government. I'm proud of our commitments, and I hope that the members opposite will be as excited about the things that are upcoming as I am.

ENBRIDGE OIL PIPELINE PROPOSAL

M. Sather: Last Friday the Rainbow pipeline in Alberta burst its seams and spilled 4½ million litres of crude oil into the environment and also harming local communities there. The spill was discovered on Tuesday. That's four days after it actually happened.

Now, the minister will know that Enbridge is proposing a pipeline all across central British Columbia, a tar sands pipeline that will cross many streams and rivers, including the Upper Fraser River.

I'd like to ask the minister: how long would it take British Columbia to respond to a spill in the headwaters of the Fraser River?

[1425]

Hon. R. Coleman: The member opposite may or may not be aware that it's a 50-year-old pipeline that's existed in northern Alberta for an extended period of time. It is an older pipeline that is a lot different than the technology that would be used on any new pipeline that would be brought into British Columbia.

We are actually in contact with Alberta to learn from any lessons they may learn from this particular incident.

Interjections.

Mr. Speaker: Members.

The member has a supplemental.

M. Sather: Well, the minister might want to talk a little bit more to Enbridge. He may recall that they had a big spill of their own just last year in the Kalamazoo River in Michigan. This pipeline will carry twice as much oil as the one in Alberta and over a lot more difficult terrain than we have there.

I'd like to ask the minister, then: how much is it going to cost? How much would it cost to have a quick response to an oil spill — which will happen, I'm afraid to say, but it will happen. Can the minister tell us how long it would take and how much it would cost?

Hon. R. Coleman: The member might not be aware that the significant investment that would be made in liquefied natural gas in British Columbia would establish a market for thousands of jobs and billions of dollars of investment in British Columbia.

I know that the member opposite isn't interested in any of the environmental assessment work that's done, any of the engineering work that's done, any of the technology that might exist. All he's afraid of is being a naysayer about anything that would be good for the future of the economy of British Columbia.

[End of question period.]

Interjections.

Mr. Speaker: Members.

Introductions by Members

P. Pimm: I'd like to take this opportunity, and it seems quite fitting. We had a presentation today from Spectra Energy, and I have some of their folks here today. President Doug Bloom; vice-president Gary Weinger; John Turner, one of my constituents from Fort St. John; Sarah McCullough; and Jay Hill are all here. I'd like the House to make them welcome, please.

Orders of the Day

Hon. R. Coleman: In this House we will be debating, in committee stage, Bill 4, intitled the Harmonized Sales Tax (HST) Initiative Vote and Referendum Act, followed by — if we get done on the committee stage — the estimates of the Ministry of Jobs, Tourism and Innovation.

In Committee A we will be debating the estimates of the Ministry of Labour, Citizens' Services and Open Government.

[1430-1435]

Committee of the Whole House

BILL 4 — HARMONIZED SALES TAX (HST) INITIATIVE VOTE AND REFERENDUM ACT

The House in Committee of the Whole (Section B) on Bill 4; L. Reid in the chair.

The committee met at 2:37 p.m.

On section 1.

B. Ralston: This is a very brief bill, given that there are only two sections, but I do have a few questions of the minister. In section 1(1) it refers to section 13 of the Recall and Initiative Act, and that would be the section that would mandate an initiative vote, as it's called, in September. This bill will cancel that scheduled initiative vote in September.

My question is to the minister. Section 13 of the Recall and Initiative Act and the accompanying sections in that division of the Recall and Initiative Act that's referred to here in section 1 have certain rules about the conduct of third-party advertisers. Can he confirm that third-party advertisers under section 13 of the Recall and Initiative Act must be registered, must disclose advertising expenses, must comply with the \$5,000 limit and must identify the sponsor in the advertisement itself?

Hon. B. Penner: I've just had a chance to peruse section 13 of the Recall and Initiative Act, and I don't see any mention in that section regarding third-party advertising.

B. Ralston: Well, I appreciate that, and I have the section in front of me, but I'm referring to the division. The section does refer to regulations. The regulations may "specify what provisions of the Election Act apply" and "adapt any of the provisions of the Election Act with changes that the regulations may provide." It also gives, in section 13(2), the Lieutenant-Governor-in-Council — that's the cabinet — power to make regulations concerning and respecting an initiative vote.

[1440]

Is the minister saying that under the Recall and Initiative Act there is no restriction on third-party advertising at all?

Hon. B. Penner: I am advised that it's our view that the regulation-making authority under section 13 does not give the government authority to set spending limits for the conduct of initiative votes.

B. Ralston: Will the minister then confirm that under the Recall and Initiative Act there was no proposed limitation? Had this initiative vote proceeded, assuming that this piece of legislation passes, there would be no

restrictions on third-party advertising whatsoever — no registration, no disclosure of advertising expenses, no \$5,000 limit at all?

Hon. B. Penner: If the member had continued reading a little further in the Recall and Initiative Act, he would have eventually got to section 74(1), which does set out expense limits for both proponents and opponents of a certified initiative vote. Continuing to read further in the act, he would have eventually got to section 93, which does authorize limits for advertising for anyone who is not a proponent or opponent.

B. Ralston: Well, I accept the minister's answer, of course. Those were the sections that I was referring to. I'm not sure that the form in which the question was answered is particularly helpful.

[1445]

This is an important point, though, because the Recall and Initiative Act, particularly the referendum that's going to commence as a mail ballot in June, was the result of an initiative by citizens across the province in the hundreds of thousands who signed petitions, to bring the petition to that stage, to the Legislature, to the legislative committee, and then was referred to the Chief Electoral Officer to set a vote. This is a departure from the public procedure that was envisaged at that time.

Part of what is envisaged by the act is some control on spending under section 13 and the other sections that have been referred to. Is it the intention of this particular piece of legislation to make sure that there are no spending limits on third parties?

Hon. B. Penner: The legislative effect of section 1, should it pass, is that the referendum related to the future of the HST will be conducted under the authority of the Referendum Act as opposed to the Recall and Initiative Act.

I should state for further clarity that it's the combination of this provision, should it pass, and the order-in-council that cabinet has already passed under the Referendum Act triggering a vote which we've now stipulated will be a mail-in ballot... Those two things together mean that the mail-in ballot will be conducted under the legal authority of the Referendum Act as opposed to the Recall and Initiative Act.

B. Ralston: But will the minister agree that the legal effect of cancelling the initiative vote under the Recall and Initiative Act — unless the cabinet were to decide to pass separate regulations, which so far they've chosen not to — would be to sweep aside the legislative provisions controlling and limiting third-party spending, requiring registration and the other provisions of the act in the sections that the minister referred to? In other words, by passing this legislation, that limitation, if I can

put it that way, that control on the spending of third parties is cancelled.

Hon. B. Penner: Just to add to my previous answer, the legal effect, should the Legislature give passage to section 1 of this bill and should the rest of the bill pass and come into force, is that none of the provisions of the Recall and Initiative Act will apply to the mail-in referendum that is going to be conducted this summer.

B. Ralston: I thank the minister for agreeing with my position that none of the legislation applies, but particularly the sections that I'm concerned with are the regulation and limitation of third-party spending. All of that is swept aside, should this section pass.

[1450]

Can the minister explain why that is a good public policy decision?

Hon. B. Penner: As I indicated during my second reading remarks and also during my first reading remarks, in order to move to a different date, the government did see fit to trigger a referendum to be conducted under the auspices of the Referendum Act. And we made a further decision that instead of holding a traditional "walk up to the ballot box" kind of vote or an in-person vote, we would conduct it by way of a mail-in ballot.

That decision saves taxpayers at least \$18 million while also accomplishing the goal, which I thought the opposition supported, of moving the date up so that the vote would be concluded sooner.

In fact, as we discussed at second reading and during first reading in my remarks, people can expect to start seeing their ballots arriving in the mail during the week of June 13, and Elections B.C. tells me they expect the vast majority of British Columbians will receive their ballots prior to June 24. They can then mark that ballot and return it to Elections B.C. at that time or wait a number of weeks.

I just caution people not to wait too long. I just was asked by an esteemed member of our legislative press gallery a few moments ago, before commencing committee stage debate, who continued to express some curiosity about whether or not the ballots had to be received back by Elections B.C. at 4:30 p.m. on July 22 or just postmarked on July 22. The answer is that they must be received either by a Service B.C. centre by July 22 at 4:30 or by Elections B.C. Simply postmarking it on July 22 will not be adequate in order to have your vote count.

So again, I'm repeating a message that was in the information bulletin, her news release as well as my first reading remarks, my second reading remarks and now during committee stage: do not wait until July 22 to put your ballot into the mail, because then your vote will not count.

B. Ralston: I am mindful that debate at this stage is relatively narrow. But in the spirit of the response that the minister just gave, would the minister agree that under the Referendum Act there is authority in section 6 regulations whereby the Lieutenant-Governor-in-Council — that is, the cabinet — could make regulations to limit third-party advertising, to require registration following, in this case, the Election Act that's specifically referred to?

Would he agree that if this section should pass and this act should pass, taking away the control on third-party advertising, it is possible under the Referendum Act — under which the mail-in ballot is being conducted — for the cabinet to make regulations pursuant to section 6 that would have the same effect as those in the Recall and Initiative Act?

Hon. B. Penner: The legal advice that the ministry has provided to government is that section 6 would not give the cabinet that authority.

[1455]

That is the interpretation by the lawyers in the ministry — that, in fact, that would not give cabinet the authority to set those kinds of spending limits.

B. Ralston: Well, I appreciate that the minister may regard that report as a cabinet confidence, but can he broadly explain the gist of that legal advice? I appreciate there was a court decision by Mr. Justice Cole on provisions in the Election Act where there was an effort to limit third-party spending outside the writ time, that is, outside the 28 days in a provincial election, and that was struck down and not appealed by the Attorney General.

So can he explain, perhaps in a summary form, the gist of that legal advice?

Hon. B. Penner: All I can do at this point is reiterate the conclusion of the legal advice, which was that section 6 does not give us that authority. Further, I can correct the member and the record for other members who are interested. I'm advised that the case that the member just referred to is, in fact, under appeal by the provincial government.

B. Ralston: I appreciate the minister making that correction. I think it was that the leave provision was denied and, therefore, it became academic in the 2009 election. I think that was the effect of that, but I do appreciate that correction. I apologize to the House if I misled anyone on the current status of that particular case.

Just for greater clarity then, the minister has referred to section 6, and I haven't referred to the other sections of the Referendum Act.

Is the minister saying that no section of the Referendum Act gives cabinet the authority to make any regulations that would control third-party spending in a referendum, however it's conducted?

Hon. B. Penner: I can confirm for the member that section 6 is the only section in the rather short Referendum Act that establishes any regulation-making power under that legislation, and it is our legal advice that it does not give government the legal authority to impose spending limits.

B. Ralston: Madam Chair, I don't want to stray too far from section 1, but I do regard it, with respect, as related to the issues that have arisen here in debate. I'll accept your guidance, of course, but I just wanted to explain as a preface before I asked a question that might be perceived as straying somewhat a little bit afield.

Under section 13 and the other sections of the Recall and Initiative Act that are referred to in section 1 here of the bill, if this section passes, there would be no restriction on third-party spending of any kind. Does the minister have a concern about that, given that one of his predecessors in title — the hon. Wally Oppal, obviously, a former judge here at the Court of Appeal in British Columbia and the Attorney General — did, in debate here on May 5, 2008, quote Mr. Justice Michel Bastarache of the Supreme Court of Canada, speaking about third-party spending, saying: "Without the limits, a few wealthy groups could drown out others in debates on important political issues"?

[1500]

He went on to say — that is, the Attorney General, Mr. Oppal: "We agree with that, and that is why we are setting reasonable limits on what third parties can spend."

Is the minister not concerned that by the combined effect of Bill 4 here before us and the provisions of the Referendum Act that the government has chosen to rely on, that indeed there are no reasonable limits on what third parties can spend, as Mr. Justice Oppal.... It appears to be a flat contradiction of what he said not too long ago.

Hon. B. Penner: If I cast my mind back to the late 1980s, when I first had the opportunity to haunt these hallways, which was just a couple of years after our learned Clerk, Mr. MacMinn, joined us here — maybe more than a couple more....

It was around that time that I believe the Legislature gave passage to the Referendum Act that you have before you, or that you're referring to now. The Legislature at that time did not see fit to add those provisions that the member is mentioning, and since then referendums have been conducted under this legislation three times, at least that I'm aware of, in British Columbia.

The first, in 2002, at least in my memory, related to treaty principles for the conclusion of agreements with First Nations in British Columbia. The second time was in 2005 following up on the citizens panel on electoral reform. Members of the public had a chance to express their views, if they agreed that we should move to a sin-

gle transferable vote or ballot system. Then again in 2009 there was a follow-up vote along the same lines.

All three of those votes were conducted under the auspices of the Referendum Act, which meant that there were no limitations on third-party advertising. I can also further confirm that of those three, two were conducted in the traditional fashion, which is when people were marching up in person to the ballot box, and the first, in 2002, was conducted by way of a mail-in ballot.

B. Ralston: Well, I'm going back to section 1 of this bill. It is clear that what we're dealing with here is an issue of taxation, very unlike the previous referenda that the minister referred to. So does the minister agree with the Supreme Court of Canada: "Without the limits, a few wealthy groups could drown out others in debates on important political issues"?

Hon. B. Penner: No doubt taxation is important, but I would submit that what's even more fundamental to democracy is how we vote and how we elect members to represent us in this place.

[1505]

On two occasions in the last six years British Columbians have voted about what kind of electoral system they would like to have in British Columbia, upon which our democracy is based, and they did so under the auspices of the Referendum Act without limitations on third-party advertising.

B. Ralston: Well, I want to give the Attorney General another chance to answer my question. The principle that's set out by the Supreme Court of Canada by Mr. Justice Michel Bastarache upholding third-party campaign spending limits, when he said, "Without the limits, a few wealthy groups could drown out others in debates on important political issues" — does he accept that principle or not?

The Chair: If I could draw the member back to consideration of section 1.

Hon. B. Penner: I can only add that we have, as I've said already, conducted three referendums under this kind of provision. I haven't heard any complaints about how third parties got involved in those campaigns. I note that in 2008 the member himself voted against spending limits that we put in place under the Election Act for the conduct of general elections in British Columbia, so obviously he wasn't that persuaded by the opinions of the justice that he's quoting because he voted against spending limits when he had the opportunity.

B. Ralston: Well, I wouldn't want to get into cross-debate on irrelevant issues, but I think it is appropriate that I correct the record. As the minister will remember from

that debate, the bill that was being debated was seeking to impose spending limits for 120 days before the election to comment on the Speech from the Throne, the budget and the run-up to the election.

That's why Mr. Justice Cole struck those provisions down. They were amended to 60 days prior to the writ time. That's what I spoke against in this House, and that's why my vote was recorded in the way that the member has referred to.

I do want now to turn to subsection (2) of section 1. Can the minister explain the purpose of subsection (2)?

Hon. B. Penner: I note that we are probably straying somewhat from section 1. However, if people are interested in this debate, they may be interested to know that the case that the hon. member is referring to and quoting with some favour is actually entitled *Harper versus the Attorney General of Canada*. If you're wondering, that is in fact a reference to the now Prime Minister Harper, who at the time was challenging the federal government's spending limits for general elections.

When the Supreme Court of Canada and the justices made their comments that the member is referring to, they did so in the context of electing members to parliament, and you can, by extrapolation, suggest that that applies, also, to electing members to provincial legislatures. But it was not specifically about people participating in referendum.

B. Ralston: I did ask the minister: what was the legislative intent of section 1(2)?

Hon. B. Penner: Section 1(2) can probably best be described in the way that my first-year legislative drafting professor at the University of Victoria would have described it, which is a belt-and-suspenders provision. It's, just in case and for greater clarity, making sure that if called upon, a court will know what the Legislature's intent was. So strictly speaking, it might not be necessary, but for greater certainty, it's there.

B. Simpson: I want to be clear in my opening comments just on my question that I am supportive of getting on with the referendum. What I have to say has to do with clarity. This two-clause section of the act does two things. The minister's already talked about the second part. I like the phrase "belt-and-suspender clause" to make sure it's understood. But what it's really doing is cancelling the initiative vote that was a result of over half a million signatures by British Columbians.

[1510]

It cancels it outright — takes the date of September 24 off of the calendar — and replaces it with a referendum under the Referendum Act in which the government has some leeway, although the regulation states that they want to hold this around June 24.

I have an amendment standing in my name on the order paper which, depending on the questions I have for the minister and his answers, I may bring forward. That amendment has to do with the fact that there may be an interruption in the mail-in ballot. So my question to the minister is: has he discussed the possibility of a postal strike interfering with the mail-in ballots that the government currently has scheduled starting June 13?

Hon. B. Penner: I thank the member for his question, which is a good one. We have had a number of discussions between the Ministry of Attorney General and the office of Elections B.C. regarding various scenarios, including what could happen if there was a disruption in postal service. I'm aware that contract talks are ongoing between the union and the employer, with Canada Post.

Section 280 of the Election Act gives the chief electoral officer a number of powers, including — and I'll quote here — to do those things that are "...necessary because of an emergency, a mistake or extraordinary circumstances in relation to proceedings..." in relation to the referendum.

And reading further: "...the chief electoral officer may make orders extending a time period or establishing a new date in place of one set under this Act" — or the Referendum Act — "and giving any other direction the chief electoral officer considers appropriate in relation to this."

[1515]

B. Simpson: I'm conscious of that, and I, too, have had some dialogue with Elections B.C. The difficulty here, because of the structure of this act, is that the guilotine, if you will, of a date — September 24 — is actually being removed. That's when the initiative act was supposed to be held.

In conversations that I've had with folks about this, we may actually proceed with mail packages going out, which commences around June 13 or so. If we don't have any surety — and I don't think that surety will be given by Canada Post or by the union — that British Columbia will not be in either a lockout or a strike position any time for any period between June 13 and July 22, then that's the issue — whether or not that then interferes with the referendum process.

So I appreciate the minister indicating the clauses in 280(1), (2) and (3) in the Election Act about the referendum. But is it the minister's understanding that there is a possibility of a strike or a lockout occurring sometime during...? Let me rephrase it — that a possibility exists that a strike or a lockout could occur anytime during this window that's scheduled for the mail-in ballot?

Hon. B. Penner: Obviously, that's a hypothetical question. I did do a little bit of digging and found that

the frequency of labour disruptions at Canada Post has decreased significantly in the last decade or so, maybe a decade and a half. There's been a lot more stability there. Thankfully, labour disputes are not as common as they were in the 1970s and early 1980s.

I think a lot of us remember that those disputes often seem to really come to the forefront around Christmas time, just before people were attempting to send packages to their loved ones. It seemed to be about the time that we couldn't count on the postal service due to a labour dispute. But happily, the record has apparently improved significantly in the last ten to 15 years.

B. Simpson: Maybe the minister needs to take a look at what's happening in Wisconsin, because in many respects what's happening between Canada Post and the Canada Post union is an attempt by Canada Post to pull back across-the-board benefits, pensions, wages, terms of work, etc. It may be the first instance in Canada where there is an attempt to go after a public sector union, which may be what we'll see here, which is exactly what is happening in the United States.

The minister indicates that I asked a hypothetical. Yes, I did, but one of the aspects of good government is to be prepared for what-if scenarios. In this case there is a potential what-if scenario because CUPW has a 97 percent strike mandate.

Now, they are continuing negotiations. I would hope, as most Canadians would, they're able to successfully deal with their issues at the negotiating table. But the possibility sometime between June 13 and July 22 of a strike or a lockout, whether rotating or otherwise, does seem to me to exist. That possibility exists.

As such, does it not make sense that we have contingency plans in place? So my question to the minister is: is he comfortable in his dialogue with Elections B.C. that Elections B.C. would be able to offset any interruption and make sure that this referendum by mail-in ballot is aboveboard, incontestable — unable for anybody to take a run at the outcome of this referendum if at some point during the referendum window there's a three-day lockout or a two-week lockout or a strike of some kind?

[1520]

Is the minister convinced that Elections B.C. has a contingency plan in place to make sure that the outcome of this referendum will not be contested in the event of a postal strike of some kind?

Hon. B. Penner: In answer to the member's question, yes, I am confident that Elections B.C. is working hard to keep the lines of communication open with Canada Post so that they're apprised of any developments as soon as they become available, if something were to happen that was not positive.

Further, I can just advise the member that in the order-in-council that cabinet passed a number of weeks

ago, section 4(2) of the HST Referendum Regulation specifies that the close of voting in the referendum is 4:30 p.m. local time on July 22, 2011.

But if you refer to schedule 2 of that same regulation, it incorporates section 280 of the Election Act, where it says: "The chief electoral officer may, by specific or general order, make exceptions...." And in sub (2): "...the chief electoral officer may make orders extending a time period or establishing a new date in place of one set under this Act..." or the Referendum Act.

So it's our view that that gives the Chief Electoral Officer flexibility, if need be, to extend the voting period so that people would have an equal amount of time to vote. Even if mail service were disrupted, for argument's sake, for five days, this would give the Chief Electoral Officer the authority to extend the close of voting time by an equal number of days.

B. Simpson: I appreciate the minister's forbearance on a hypothetical, but as I said, it is a very hotly contested issue, as the minister knows. The report that came out today I think captured it well when it said that there was no public consultation. The result was confusion, anger, political discontent and a petition signed by hundreds of thousands of people. I'd hate to see that anger and confusion and discontent continue.

My question to the minister is.... I understand that the Chief Electoral Officer can move the end date from July 22. As the minister has indicated, if it's a five-day strike or lockout, then move it five days, or whatever the case may be.

I'm not a lawyer. I have been apprised by some folks, though, that if there is an adjustment of that nature done by the Chief Electoral Officer where there is an interruption in the flow of mail — where people don't have certainty that their mail isn't backlogged somewhere or held somewhere, that they don't get it in on time because of a backlog in the mail.... So it's not just the five days that the strike occurred; it's whatever the backlog is that's required.

[1525]

But given that the Chief Electoral Officer may take that into consideration, does the minister have an opinion about whether or not this opens us up to litigation regardless of the outcome? So the fact that it was interrupted, the fact that the elections officer had to extend the dates and somebody doesn't like the outcome and decides to contest that change, does the minister have an opinion on whether or not that will simply continue to confound this issue into the future?

Hon. B. Penner: It's worth noting, perhaps, at this juncture in debate that the Chief Electoral Officer is an independent officer of the Legislature. I would not attempt to direct him or the staff in his office about how they should conduct themselves. However, I do have

confidence that he and his staff will apply the appropriate judgment and utilize whatever legal mechanisms are in place in an appropriate fashion to deal with whatever circumstances may arise.

On the face of it, it does appear to me that section 280(1) and, in particular, section 280(2) do give the Chief Electoral Officer the authority to do exactly the thing that we've been talking about, which is extending the time period in a manner that the Chief Electoral Officer considers appropriate.

Again, to further indulge in a hypothetical, if the Chief Electoral Officer were to be advised by Canada Post that it might take a number of extra days to clear up a backlog, I have confidence that the Chief Electoral Officer would take that kind of advice into account before extending and setting a new time limit for close of voting.

B. Simpson: Part of the difficulty with this — again, in conversation with people — of course is that this is now occurring into the summer as well, and there are questions around whether the summer is the best time to be involved in a mail-in ballot and all of the questions that opposition members asked during second reading about the mail-in process and whether or not it's disenfranchising some people.

A final question to the minister. The minister has indicated that he believes that section 280 does give the Chief Electoral Officer the right to act. I take the minister's point. I'm not asking the minister if he would interfere with an independent officer of the Legislature. What I'm asking for, because there are some legal minds over there, is: are there any incidences where these kinds of things have happened and, as a result, the outcome of the vote or the referendum then becomes legally contestable because of the change from the regulations and because of the discretion used by the Chief Electoral Officer?

[1530-1535]

Hon. B. Penner: I apologize for the delay. I was just obtaining some materials to help me expound upon my forthcoming answer.

In British Columbia, as in most provinces, it's possible for people to attempt to bring a civil case, and in most cases a court registry will accept pleadings, except in a few limited circumstances. The test used to be.... It may have been changed now with the new civil court rules, but unless something was clearly frivolous and vexatious, the court registry would allow someone to at least initiate a proceeding. But that doesn't mean and didn't mean that you would necessarily be successful ultimately.

Can I guarantee that someone will not attempt to file a pleading and attempt to challenge the outcome if some hypothetical situation unfolds? No, I can't give that assurance. But in reviewing the provision, as I did

a few minutes ago in my last answer, section 280 of the Election Act does appear to give the Chief Electoral Officer fairly broad power. It appears to be fairly clear, on its face, that he has the discretion to extend the time limit that's set out in the regulation that we promulgated a number of weeks ago.

Further, and this was of interest to me in looking into this bill, the Supreme Court of Canada has ruled that section 3 of the Charter of Rights and Freedoms does not apply in the same way to votes that take place involving referenda. Just for the record, I'll read section 3 of the Charter. It says: "Every citizen of Canada has the right to vote in an election of members of the House of Commons or of a legislative assembly and to be qualified for membership therein."

It's actually fairly clear that what was contemplated in the Charter is a protection for taking part in votes for people to legislatures and parliament.

My understanding is that following the 1995 referendum in Quebec, an individual who had recently moved to Quebec was not permitted to participate in the referendum that took place about whether or not Quebec should seek some different arrangement with a country called Canada. That individual was displeased that he was not allowed to participate in that referendum and sought to challenge the provincial government's decision not to allow him to vote on the basis of his section 3 right to vote rights laid out in the Charter.

That challenge ultimately turned out to be unsuccessful on the basis that that's not what that section is about. That also relates back to the answer and the debate I had a bit earlier on with the Finance critic for the opposition.

B. Simpson: I guess I'm having a reaction to the minister's comments about the fact that the vote for a member of a legislative assembly is protected and a vote in a referendum isn't. Therefore, if some people don't get a chance to vote in the referendum, then that's okay, is what it felt like. I'm sure the minister is not indicating that. But I get the point. It's not protected.

I guess my line of questioning, to go back to the minister's own comments about part 2 of this section, is: where's the belts-and-suspenders part that guarantees that the people who signed an initiative in this province actually get their say before September 24? The very portion of the act that the minister is pointing to gives the elections officer the ability to actually say: "Look, it doesn't look like we can hold this in the spring. Summer is not a great time to hold it. Maybe we'll wait and make sure that the window is clear, and we'll hold it later in the fall."

It does give the Elections B.C. officer that opportunity to delay it further, and the act actually only stipulates that we as MLAs would be given a report as to the nature of that decision after the fact. I take the

point that the minister has indicated — that the Chief Electoral Officer has the leeway under the act to move this around. I'm not comforted, necessarily, that that addresses the issue.

Let me ask the minister this, because the September 24 date is kind of the end date that's being cancelled, and that's more what I'm concerned about. The resolution to this, under the current circumstances, is definitive: September 24.

[1540]

Does the minister believe on balance, based on the information he has available to him and discussions he's had with Elections B.C., that this issue will be resolved before that September 24 date one way or the other?

Hon. B. Penner: That is the basis that we're proceeding on.

Sections 1 and 2 approved.

Title approved.

Hon. B. Penner: I move that the committee rise and report the bill complete without amendment.

Motion approved.

The committee rose at 3:41 p.m.

The House resumed; Mr. Speaker in the chair.

Report and Third Reading of Bills

BILL 4 — HARMONIZED SALES TAX (HST) INITIATIVE VOTE AND REFERENDUM ACT

Bill 4, Harmonized Sales Tax (HST) Initiative Vote and Referendum Act, reported complete without amendment, read a third time and passed.

Hon. P. Bell: I call committee for the estimates of the Ministry of Jobs, Tourism and Innovation.

Committee of Supply

ESTIMATES: MINISTRY OF JOBS, TOURISM AND INNOVATION

The House in Committee of Supply (Section B); L. Reid in the chair.

The committee met at 3:44 p.m.

On Vote 33: ministry operations, \$236,513,000.

Hon. P. Bell: Thanks so much, Madam Chair, for being here again today. Looking forward to going through the estimates of the Ministry of Jobs, Tourism and Innovation. The critic has generously volunteered an array of topics that we'll be canvassing today, and I look forward to following through with the individual items.

The ministry has broad areas of responsibility, including economic development for the province and international trade as well as marketing initiatives around the globe. We also have responsibilities for rural economic development. Other key areas of importance, of course, include tourism and innovation along with trades training.

[1545]

We have some very interesting areas that I think we will be wanting to canvass today. I will say that having been in the portfolio for seven weeks now, I find it very, very exciting and stimulating — the opportunities associated with this ministry — and we intend to bring a very focused effort at our international marketing efforts, perhaps learning from some of the accomplishments that we've had through our forest innovative investment attempts in China and how we've been able to develop that opportunity.

With that, I know I'll have many questions, and I'm looking forward to hearing them from the critic.

J. Kwan: Thank you to the minister for his opening remarks.

We do have a number of areas, as his ministry, as he knows, actually covers quite a range of areas in the Ministry of Jobs, Innovation and Tourism, better known as JTI — sort of like Darth Vader and Jedi. So we'll see whether or not you're the dark forces or if you're really the Jedi. But we'll see about that.

As the minister mentioned, his MA touched base with me, and I provided him with a list of areas to which we'll canvass for the purposes of, hopefully, orderly estimates debate. Just to reiterate and just to make sure that we've got the list correct, because there's been some flux in terms of changes with people's schedules and so on, I expect to go in this order with the items.

We'll deal with immigration, provincial nominee issues, and then we'll be into the ITA labour market development matters, and then we have more or less of a local contract related to the Delta community. Then for the rest of the estimates.... I guess we're starting at four, so I lost a couple of hours.

Then we'll be dealing with tourism, PavCo, casino-related issues, and then we'll segue into what I call rural issues and pretty well all the various trusts, the mountain pine beetle issue, the economic development policy issue along with equity hiring policy.

We'll then segue into.... Related to some of those issues are forestry-related matters, and then the green initiative as well. Then we'll move forward to the FII under

the ministry, particularly the Dream Home Canada initiative, and then I'll touch on a range of the trade and investment matters. They range from the Asia-Pacific initiative, the Asia-Pacific Business Centre.

I'd like to touch on the venture capital tax credit programs, what the ministry calls economic competitiveness, and then I'd like to touch on CETA, which is also under the minister's responsibility, and then broadly speaking, into some of the boards and agencies under the minister's responsibility and particularly the Premier's Technology Council and the B.C. Innovation Council. Then we'll finally close with small business.

It's a long list of things, and I don't anticipate that, given that we have a truncated period of time in this session of the House, we'll get all of our questions on record. So I would look forward to arranging with the minister at another time to set up perhaps more detailed question sessions with his staff so that we can canvass more thoroughly some of the other items that didn't make it on the floor for this set of estimates.

With that, let's begin with our first set of questions. On behalf of my colleague, actually, who is the critic for immigration policies, immigration matters, who could not be here to ask these questions.... I'm asking on her behalf and as the member for Vancouver-Kensington, touching on the provincial nominee program and particularly the temporary foreign workers issue.

As the minister knows, there are some 45,000 individuals that entered B.C. as temporary foreign workers in 2010. Migrant workers are employed as farmworkers, janitors, cleaners, caregivers, construction workers, cooks, food service assistants. They work in a variety of sectors, whether it be farming; the food and restaurant businesses; the food courts at the airports, hospitals, private homes; and so on.

[1550]

The Coalition for Migrant Workers Justice is a coalition of 12 organizations. They include Amnesty International Richmond; the Agriculture Workers Alliance centre; the B.C. building trades council; Canada-Philippines Solidarity for Human Rights; Justicia for Migrant Workers; KAIROS, Vancouver and Richmond; Longhouse Council of Native Ministry; Migrante B.C.; Missionaries of St. Charles Scalabrinians; Red Latina Legal group; St. Joseph's Langley Mexican Farm Workers Outreach group; and finally, the West Coast Domestic Workers Association.

The coalition held a press conference back on April 19 to address issues of injustices, vulnerabilities, poor working conditions and barriers to the temporary foreign workers. Many of the temporary foreign workers, particularly in the lower-skilled professions, are in some ways treated as though they're second-class citizens to workers in Canada, and with non-temporary status with respect to their rights and benefits.

Their temporary status renders them invisible and precarious at best and often disposable if they speak up

for their rights or speak out against poor working conditions. Many experience their employment relationship as indentured servitude.

These are challenging times, for sure, for these temporary foreign workers. So my first question to the minister is.... Many of the temporary foreign workers pay some \$3,000 to \$5,000 to recruiters to work in Canada, which we know is illegal. It is illegal to charge a recruitment fee to workers.

What provisions or regulations — enforcement mechanisms, if you will, Minister — are in place to ensure that the temporary foreign workers are not illegally charged thousands of dollars as a recruitment fee so that they can come here to work as temporary foreign workers?

Hon. P. Bell: I was remiss in not introducing staff that I have here with me today. To my left is my deputy minister, Dana Hayden. Immediately to my right is the ADM, Shannon Baskerville, responsible for labour market and immigration. Also, one of our executive directors, Ian Mellor, is to her right.

The critic should be aware, I think, that the temporary foreign worker program is actually a federal government program. This ministry has responsibility for the provincial nominee program, but temporary foreign workers are controlled by the federal government.

If there was an issue with regards to temporary foreign workers paying a recruitment fee, that would fall, likely, to the Ministry of Labour. There is specifically, as I understand it, in the legislation a restriction against that being done. But that would fall to the Ministry of Labour, not this ministry.

J. Kwan: Yeah, I was just talking to our critic about that, and she had in fact spoken with some folks from Immigration. They had said that it would fall under this ministry. Perhaps that's misinformation that was delivered to the critic on that front.

That said, maybe it's the Ministry of Labour to which.... We'll try our hand at the Minister of Labour with this set of questions as well.

Let me ask this question. If in fact, then, illegal fees are being charged, recruitment fees are being charged, will the minister, with his government, along with his colleagues, be prepared to raise this issue? If in fact it is solely the responsibility of the federal government, will the minister work with his colleagues to ensure that this issue is brought to the federal government's attention and dealt with effectively?

[1555]

Hon. P. Bell: While the temporary foreign worker program is a responsibility of the federal government, I actually didn't mean to intimate that we wouldn't like to have delegated responsibility for it. I think that

would actually be a fairly attractive opportunity for British Columbia.

However, having been in the portfolio for seven weeks and the federal government having spent five of those seven weeks in an election process, I've been unable to contact the minister to see if they'd be interested in engaging in that discussion.

That all said, it would always concern our government, or any government, if there was an abuse of workers in this province. Although the responsibility for that clearly would be aligned with a Ministry of Labour, as the minister responsible for the provincial nominee program, if I were to discover that something of that nature would be occurring, I would definitely raise it with the federal government and ensure compliance with the laws.

J. Kwan: Okay, so we will bring this issue up with the Minister of Labour during that set of estimates, for sure, to follow up with that.

[D. Black in the chair.]

Now, so there's something to say on that issue around work permits related to temporary foreign workers. Would that not also be a matter dealt with by this ministry, then? That's also the Ministry of Labour?

Hon. P. Bell: Madam Chair, welcome to your lower-Chair position instead of your upper-Chair position.

The issuing of permits for temporary foreign workers would also fall to the responsibility of the federal government, not the provincial government.

J. Kwan: Why I raise this issue, of course, is this. The temporary foreign workers pay, of course, employment insurance premiums, and they're unable to collect EI because of their status.

Because their work permits are employer-specific and not occupation-specific, it actually causes them a problem, in the sense that if they are subject to mistreatment, they will have no recourse. They're stuck with that specific employer. They have no recourse. If there's a system where that work permit could be transferred to a different employer, it could give them some protection at least, in some ways, to address some of these kinds of abuses and practices. That's why I asked this question of the minister.

Again, I guess it's the federal government, although as I said, the critic who talked with Immigration people on the federal level side had said that these are the kinds of questions that could be put here. In any event, maybe there's just confusion and miscommunication all around because of the federal election, amongst other things, so we will try to figure out where we go. We will certainly try these questions with the Minister of Labour in her set of estimates and then, of course, raise it at the federal level as well.

I want to ask this question. Maybe this is also the Ministry of Labour's bailiwick, but I want to bring this to the minister's attention as well. It's about work conditions, ultimately, and trying to get some access to support and information when they're in tough situations.

Temporary foreign workers have many challenges, as I've identified earlier, and there is an urgent need for front-line services to help these workers. They are prohibited from accessing settlement services, and there are few places for them to turn to when they're in need of assistance.

In Alberta, actually, they do provide services. There are a 1-800 hotline and storefront services to assist these vulnerable workers. I don't know whether or not, for the Minister of Jobs, this would fall into the minister's bailiwick — that he would look into providing assistance in this regard, similar to that of the Alberta model, for workers that would be in urgent need from potentially being exploited by their employers or who've run into trouble and need some assistance.

[1600]

Hon. P. Bell: The ministry does have some assistance available for temporary foreign workers — or some information available, I should say — as does the Ministry of Labour. We have translated that into four languages, or we have it in four languages, because one of those four is English. So I guess there'd be three translations. Those would include Chinese, Punjabi and Spanish. Those are available on the Welcome B.C. website and also through the employment standards branch, as well as WorkSafe B.C. While we don't have a specific 1-800 number, there is information available to these workers should they require it.

J. Kwan: Yes, I appreciate that there are documents and access to website information which foreign workers could look into, but it's a little bit different, though. Having been an advocate in my previous life before I landed here, it makes a difference, though, when you talk to a real person who can actually assist you as you're going through your problems, and as you're stating what the problems are, he might be able to give you direct advocacy work and support. It's very different, I think, than what the minister is talking about.

Given that there isn't a 1-800-number-type hotline service in place, and given that there aren't really front-line storefront services available, could the minister advise whether or not there's something that he would be considering, something that he would think is worthwhile putting in place to provide support and assistance to temporary foreign workers who could be in very trying situations?

Hon. P. Bell: The Ministry of Labour does have the resources that go out and visit sites and enforce existing labour laws in British Columbia. The Ministry of Jobs,

Tourism and Innovation doesn't have those resources; they aren't located within this ministry. While government does provide that, it's not provided through this particular ministry.

In terms of the issue of foreign employment, immigration and that sort of thing, the primary area of responsibility that this ministry has is for the provincial nominee program.

The questions that I think the member is asking probably are best canvassed of the Minister of Labour.

J. Kwan: Okay, then we will canvass these questions with the Minister of Labour.

I certainly hope that around the cabinet table the minister would advocate for these kinds of changes and in support of the Minister of Labour when she brings these matters up. For the Minister of Jobs, these folks in the community, when they are faced with challenging working conditions.... I think it does fall into this minister's and this government's overall responsibility to look into and to provide the various supports that are necessary so that there are fair working conditions in place for all people who are here — people who are Canadians, people who are immigrants and most certainly people who are foreign workers as well.

I understand that the provincial nominee program just expanded a little bit. I wonder if the minister can provide us with some information about that. How much does the provincial nominee program cost? How many people have applied to be participants in this program? How many have been processed, and how many have been successful?

[1605]

Hon. P. Bell: For the provincial nominee program, the provincial contribution to the budget is \$3.4 million. There is a user fee associated with the provincial nominee program that generates an additional \$2.4 million for a total budget to run the program of \$5.8 million. The \$2.4 million does fluctuate, depending on the number of applications in any given year, but that was what it was for 2010.

There were just over 4,000 applications received, and all would have been processed. The member opposite broke down her question into applications processed and successful, and the applications processed from our perspective would have been the same number. It could be that the member opposite is thinking, perhaps, inquiries or something. I don't think we track that number.

So in terms of the number of applications that we've processed, we're just over 4,000. There were 3,526 nominations recommended and put forward, so out of the 4,000 were 3,526.

J. Kwan: Does the minister have a breakdown of what sector, in terms of what the applicants have applied for?

For example, is it in the health care sector? Is it in — I don't know — engineering or whatever the case may be? What sectors have these applicants accessed the programs in?

Hon. P. Bell: Madam Chair, just if I may for a moment deviate from my response to the member opposite.

[1610]

I'd like to take the opportunity to introduce to the House some people that are joining us from a fair distance — actually, probably not that far away if you went straight up the coast. But noting that they have a bus driver with them, I'm guessing they may have driven. I hope they didn't because I've been up and down the hill into Bella Coola before.

I'm seeing nods that, yes, you drove. That's an accomplishment, so congratulations to the bus driver, Mr. Leonard Kozak, for that.

I would like to take the opportunity to introduce to the House a group of students, teachers, a principal and, of course, their bus driver, who are visiting us from Sir Alexander Mackenzie School in Bella Coola through our government's Year of Science program.

There are ten grade 11 and 12 students here. They're travelling to Victoria and Vancouver to visit science facilities and post-secondary institutions to help develop an awareness of the opportunities that science can offer. They're accompanied by their principal, Jeremy Baillie; teachers — and I hope get this right — Elysebeth Revell-Roy and Sara Germain; and their bus driver, Leonard Kozak.

As well as the tours of UBC, UVic and Camosun College, their journey will be taking them to Science World, PNE's physics day, the Museum of Anthropology, UBC's advanced molecular biology lab and a visit to the Royal B.C. Museum.

I'd ask that all members of the House please join me in welcoming the students and teachers from Bella Coola.

So we are in a highly anticipated and exciting process — every year — of what is called estimates.

G. Coons: I seek leave to continue an introduction.

Leave granted.

Introductions by Members

G. Coons: I would also like to welcome my constituents from the Bella Coola Valley. I was just there a week and a half ago and attended quite a few functions in the arts festival. As the minister mentioned, they're from Sir Alexander Mackenzie School, which is getting its gym redone.

I would like to one-up the minister and introduce the students: Jordan Hunt, Francois Jacques, Ben Fernandez, Jasmine Edgar, Chantelle Mack, Brody Tuck, Dylan

McFaren, Felicia Harris, Francis Phillips, along with Sara Germain, Elysebeth Revell-Roy, Jeremy Baillie and especially the driver, Leonard. Thank you so much for making it down here.

In a few minutes, after they partake in estimates, we are going to go down to the legislative dining room for our afternoon snack, so I'm really looking forward to that. Would you please make my constituents welcome.

Debate Continued

Hon. P. Bell: I was just going to let the member for North Coast's constituents know that it is normal tradition that the MLA representing the constituents always buys downstairs in the dining room. So I would strongly encourage you to eat well, eat heartily, because I'm sure your MLA will offer to pick up the tab when it's done.

I also just wanted to let you know that right now we're in something called estimates, which is a review of the budget. The ministry that I have responsibility for is called Jobs, Tourism and Innovation, so highly relevant to the work that you're doing around science. We had responsibility for the Year of Science, so the funding that brought you down here we were able to provide for you.

This process will be iterative between myself and the critic. The critic will be asking various questions about the budget. I have staff here. These three individuals are staff who help provide me with accurate information so that we can provide that to the critic. These can go for any length of time, and usually the critic likes to keep me in here for ten or so hours. So we'll see how that goes. With that, I will respond to the question. So welcome.

Interjection.

Hon. P. Bell: It was 18 last time. I know. I think I set the record.

The response to the critic's question in terms of what the breakdown is for applications. This is from 2008-09 to 2010-11, so I think a good representative period. About 70 percent of the nominated individuals are in skilled professions like registered nurses; doctors; computer information systems professionals; post-secondary instructors; skilled trades like carpenters, chefs and that sort of thing. Then the remaining 30 percent, or actually about 28½ percent, are entry-level or semi-skilled positions, and 1½ percent is the international post-graduate pilot project. So that is the approximate breakdown.

[1615]

J. Kwan: For a minute, I thought you were going to be running in Bella Coola.

I want to ask one last question because time is of the essence, and we're fast running out of time, even though

I know we just began the set of estimates. One last question I want to ask the minister of this program. Of the 3,500 or so folks who entered into this program, how many of them — does the minister know? — actually were able to have employment? And then how many of them are able to be gainfully employed in the profession in which they were trained in their home country?

Hon. P. Bell: One of the rules in the House is that you're not allowed to use props. So you're not allowed to hold up anything on camera to show that there's a wonderful card that I received from the students in Bella Coola. So I'm really not holding up this card right now.

One thing I do want to tell the students from Bella Coola, though, is that within a day or two if you go and google your name on the website or on Google, you will now find your name as introduced in this House today by the member for North Coast, and for the teachers and bus driver by myself. So you'll be forever famous in Google as well.

The answer to the member opposite's question is 94 percent.

J. Kwan: Sorry, the answer was 94 percent of the people find employment in the sector in which they were trained?

Hon. P. Bell: I'm sorry; I only answered one question. The question I answered was the second question, which is that 94 percent continue to be employed in the sector that they have specific skill sets in. The answer to the question of how many originally are employed in that sector is 100 percent, because it is the nature of the program that the person has to be sponsored in order to qualify for the program and has to be sponsored by an employer.

So when the employee arrives, when the nominee arrives, they become employed. It's part of the contract that's required. We did an analysis. We just completed a five-year review of all people that had been sponsored by the provincial nominee program. Of the five-year window that we looked at, 94 percent of the people that originally came under that specific skill set continue to be employed in that skilled trade.

J. Kwan: I'd be interested, actually, in getting that analysis from the minister — if he will, please — and then, at a later time, in following up further with the minister's staff around these issues. So if I could get a commitment from the minister on that, then I'm going to wrap up my set of questions in this area.

I know it sounds very strange. Estimates have just begun, but we have a very truncated period of time in which we can ask questions on the detailed spending of ministries across the government. I think somebody

from our caucus did a calculation of that. At the rate at which we're going, with the limited time that we are able to sit, we have to actually, basically, pass estimates spending to the tune of some \$400 million a day.

You could imagine that \$400 million a day really should warrant a lot more questions than what we're doing here, but we don't have the time because the sitting is much truncated. We've only sat for four days since February, until last week. We have, basically, one month to get this work done.

So if I could get the commitment from the minister to ask these questions and to get that full report from him at a later time, I would appreciate it.

Hon. P. Bell: I'd be happy to ensure that that occurs.

[1620]

However, I will advise the member opposite that the great news is that this is free time, because we're only in the big House in this particular situation. That was not calculated, I believe, by the member opposite's calculation in terms of the number of hours that were available for estimates. So this should be considered bonus time for estimate review.

J. Kwan: I'm tempted to enter into debate about that, because it's not bonus time, I've got to tell you. I already lost an hour to Bill 4, and I'm counting every minute of the day.

Interjection.

J. Kwan: No, actually. Not all my people.

In any event, that's not here nor there, but I think the minister gets my meaning in terms of needing to expedite and to get the answers for the spending for the ministries. So with that, I thank the ministry staff for this short canvassing of the minister's responsibility.

I'm going to move into another area, equally important within the ministry, and that is around the ITA, the industrial training piece within the ministry. The minister knows that we are actually faced with a crunch in terms of the labour market. We have people who are aging, the baby boomers who are moving on into retirement, and yet, of course, we have situations where people are not producing as many children. So therefore we have this thing called the labour skills shortage crisis.

Things are sort of happening. We're anticipating this to take its course. So now I'm just going to cut to the quick. I have a whole lot of preamble, but I'm not sort of going to the preamble too much.

The government is, according to their service plan and to the government's budget.... It shows that it is cutting nearly \$2.4 million from this year's budget in this area and that they're planning a \$4.8 million cut next year. This comes out of the minister's service plan 2011-12 and 2012-13. So I wonder if the minister can explain

how the government could justify this cut in the ITA by \$2.4 million this year and \$4.8 million next year, given that the government themselves have acknowledged and expressed concerns about the upcoming shortage of trained workers in B.C.

Before I take my seat, I'm just also going to preface by saying that I'm asking these questions on behalf of my colleague who is the critic for this area but who is not able to ask these questions today, and that's the member for Nelson-Creston.

Hon. P. Bell: I'm joined by Kevin Evans, who is the CEO for the Industry Training Authority now.

Certainly it's a good catch, I think, by the critic. The issue, actually, is that \$4.25 million to the ITA is provided through the Ministry of Advanced Education, which keeps its total budget at \$108.587 million. So good catch.

I asked that question myself when I was looking at the budget, and the money had already been pre-agreed to come over from Advanced Education.

J. Kwan: Okay, so the minister has responsibility for this. Formerly it was in Advanced Education — this area, ITA. So that money is going to now flow to this ministry. Is that what the minister is saying?

Hon. P. Bell: This is a one-year agreement, and it was as a result of the transitions that were made. So for next year's budget, we would go forward and apply accordingly.

[1625]

J. Kwan: So is the minister saying that he's not expecting a budget cut, then, for next year because of these transitions? There's this gap. Part of the money that was for this program is in a different ministry. That's why the books read accordingly. Or has there been an actual cut in the dollars? Maybe the minister can clarify that for me, because I'm not clear.

Hon. P. Bell: I'll go into a bit more detail for the member opposite. The funding for the Industry Training Authority is broken down into a number of components. One of those components is the provincial contribution, which annually is \$94.4 million. That number continues to remain consistent through the three-year budgetary period.

The reason why there appears to be a budget shortfall or reduction — I shouldn't say shortfall; a reduction — in the 2012-13 year is because of a labour market agreement that we have with the federal government. They contribute the incremental funding, roughly \$14 million, that tops up the \$94 million to \$108 million in funding for the Industry Training Authority, and that number, as a result of the labour market agreement with the federal government, gets a bit smaller next year.

That is an ongoing negotiation and something that we'll be talking to the federal government about, as they re-engage post-election, to see if we can mitigate that. But the provincial funding envelope remains consistent at \$94.4 million, and what appears to be a reduction in the '12-13 fiscal year is a result of a labour market agreement with the federal government.

J. Kwan: So there is a reduction, then, in the budget, though from the federal stream. Given that that's the case, though, for us there are implications — right? There are implications for this program.

What are the effects of this funding shortfall for the ITA? What does it mean in terms of the number of workers being trained in the province? Would there be implications for that, and if so, what are the minister's projections?

Hon. P. Bell: I understand the reason for the question and why the member is asking this question. But it should be noted that this debate is about the estimates for the '11-12 fiscal year. While the blue book shows the budgetary lines for '12-13 and '13-14, this actual estimate process is here just to discuss '11-12.

The '12-13 fiscal year is a projection, from our perspective. We are in negotiations with the federal government on an ongoing basis about ensuring that that's fully funded. So I wouldn't want to presuppose that we won't be here a year from today discussing this budget, discovering that the federal government has agreed to fulfil that budgetary line.

[1630]

It is an important issue, and it's not one that I minimize the member opposite's concerns over. It will be at the top of my priority list as we re-engage with the federal government after cabinet appointments are made.

J. Kwan: In this set of estimates, of course, we're here to deal with the service plans, to which the government had committed to bringing in three-year service plans. These numbers are a part of that service plan.

I just want to say this to the minister, because we're actually getting on fairly amicably here. Hopefully, we can follow in that tradition here and not repeat what we did last year, where I was with the minister for 18 hours trying to get some basic answers that were not forthcoming. I don't want to play that, so hopefully we won't go down that road.

The minister is saying that because it's the federal government — because they had an election and don't know what they were doing and now they know what they're doing because they are now in a majority.... Of course, he's going to go and negotiate these dollars. Hopefully, he will be successful, because I think that there will be huge implications to have a loss of some \$2.4 million in this sector, as we are already projecting a labour skills shortfall, and we know what's coming.

There's an aspect of me that says.... The Liberal government like to pride themselves in saying that they're always ready, that they're good managers of our economy and that this Minister of Jobs, in preparation for jobs, would ensure that there are skilled workers in our communities. Then he would be, I think, working on a backup plan, just in case the federal government says, "We're so broke that we don't have the money because of the economic downturn," and so on and so forth — that there would be no money forthcoming and that there would be a plan of some sort to deal with that.

I would have thought that the minister might have something to that effect. That would be, I guess, prudent planning in anticipation of. Of course, it would be great to have the full funding in place, but in the event that it doesn't come into play, what will we do? Hence, I would assume that's what those service plans are meant to do. You do these projections so that you think ahead.

I actually do remember the current Premier out there saying, when she was the Minister of Education going on and on ad nauseam, how she wants to make sure that the education sector would have the opportunity to plan ahead so that they know where their funding is coming from. Of course, little did we know.... That never did materialize. There was no planning, and funding cuts came on an ongoing basis for the education sector when she was the Minister of Education.

That's why I ask these questions. I think that for prudent planning and forward-looking purposes there would be some sort of contingency plan. Maybe there isn't one. Maybe we're just waiting for those negotiations to wrap up, and then we'll find ourselves in the middle of somewhere, whether or not we'll find those moneys. We'll wait for that answer from the minister then.

Now, I want to ask the minister about some changes related to this program. Recently there have been significant changes to the foundation skills courses for trades training. Many of the programs have been delisted so that EI recipients are no longer eligible to access the courses. Programs that remain listed as eligible for EI recipients have fewer dollars attached to them and a maximum tuition level. Some of those questions were actually raised, I know, in the House in question period by former critics.

None of these changes help B.C. to address the 160,000 shortfall in B.C. tradespeople as predicted by the Conference Board of Canada. One employment service provider, who does not want to have their name mentioned because they're actually in fear of retribution by the government.... From the people on the ground, though, they say: "These changes have made it much more difficult to upgrade skills, and the whole situation is a complicated mess when it doesn't need to be." These are folks in the community directly saying that this is the situation as a result of these changes.

I'd like to ask the minister: what analysis was done prior to the changes, and why make such changes?

Why did the government go ahead with these changes that actually, in effect, are complicating people's lives in terms of their ability to be retrained and to get back into the workforce?

[1635]

Hon. P. Bell: This is going to be a role reversal, because I'm going to ask the member opposite a question as well. I think the two questions I heard were that the member opposite believes there are some programs that were delisted. I think the other question I heard was that EI recipients now are only able to acquire funding at lower levels.

At just an early scan from my staff here, we're not aware of any of the programs under the Industry Training Authority that have had those sorts of impacts. So if the member opposite could explain just a bit further, then hopefully I'll be able to answer the question accurately.

J. Kwan: The foundation skill courses that have been delisted.

Hon. P. Bell: If the member opposite.... I'm not trying to be cute. We're struggling, trying to make sure we get an answer for the member opposite. If the member opposite is referring to the pre-apprenticeship programs, we're not aware or don't believe that there have been any reductions made in those programs or any reductions in the percentage of funding available. So it could be that we're just misunderstanding the question, and maybe I could just ask for a bit more clarity.

J. Kwan: My understanding is that there are various courses which people are eligible to get retrained in, and a number of those courses have been delisted. That is to say that access to a number of different courses under this program is no longer available.

Hon. P. Bell: We don't have any knowledge of that. Because the member opposite has suggested that the person that's advised her of this doesn't want their name to be disclosed, we will be unable to go back and ask that person. Perhaps the member opposite could ask the person tonight for a bit more detail on that, and then we could review that tomorrow. But we're unable to identify any areas as described by the member opposite.

J. Kwan: So why don't we do that. I'll see about how we can sort of get that information to the minister without jeopardizing the folks who are in fear of retribution. That's always the tricky situation when we are dealing with those kinds of circumstances. So we'll follow up with the minister, then, on that.

I actually see my other critic is here, and in the meantime there's also a local issue. Let me just quickly ask these questions, and then I will suggest to the min-

ister, too, that what we'll try and do with this area is to again set up, I think, a time where we could meet with the minister's staff so that we can ask some of these detailed questions in that setting.

Could the minister please tell us, if he could shed some light, because I'm a bit confused about this? There was a report by the Auditor General. The Auditor General's office had been critical of the ITA and had recommended that it report to the Minister of Advanced Education. So here we are. It was put back, and then it was taken out again and put into this ministry.

I wonder if the minister could shed some light on that as to why that is the case. Why is it the case that the government has decided to go against the recommendation from the Auditor General's report?

Hon. P. Bell: I think the member opposite is referring to the 2008 report by the Auditor General. The Auditor General made 11 recommendations. One of those recommendations was that the Ministry of Economic Development and the Ministry of Advanced Education work more closely together on issues as they relate to the Industry Training Authority.

[1640]

I don't have the recommendation here with me, but my understanding is that it was not worded specifically that the Industry Training Authority should be located in the Ministry of Advanced Education. It was just that the two ministries needed to work more closely together to deliver those services. So of the 11 recommendations, all of those have been acted upon and complete.

Again, my understanding of the recommendation as associated with where the ITA was located simply was a function of the two areas of Economic Development and Advanced Education working more closely together. The decision to put it in Economic Development clearly relates to our ability to influence the necessary trades for economic growth.

J. Kwan: Quick question for the minister. Does the minister think it's a good fit?

Hon. P. Bell: I don't know. I've been here for seven weeks. I'm joking. Yeah, I think it's a great fit. It does make sense that we should locate it there, but it's in early days. We're still making sure everything fits well.

J. Kwan: Always good to keep the back door open.

Okay, a quick last question, and then we're going to wrap this segment up. Then we're going to move on to the Delta local question, and then we'll move into tourism, etc.

The industry training organizations, the ITOs.... On the website, actually, it provides for various service plans, training summary, information, etc. It has various links that you can get into it. But the website shows that the

service plans are for '08 to '09, training plan summaries of these various ITO organizations, '08-09. Some of them even go back to '07-08. In other words, none of them, it appears to me, are up to date.

I'm wondering: is it the case that they're not up to date, or is it the case that this is a computer sort of glitch in the sense that the websites weren't updated or what is the problem? Is it that there are no new service plans, no new summaries, and they've just sort of ended when they were posted, or is it just that new reports have not been posted?

Hon. P. Bell: The accountability framework for the ITOs has changed. That's why the websites and service plans are no longer current. The Industry Training Authority purchases services from the ITOs on a fee-for-service basis. There is a contractual arrangement that is entered into.

The measurements relate to the specific service that's being provided and an accountability measure around that is calculated and determined. If that link still exists to the ITO websites, it probably shouldn't, because those service plans are not the model that we use for accountability any more. It is a fee-for-service model.

J. Kwan: Just to follow up on that, though, on the website it says industrial training organization, etc., and then it says that ITOs are established by industry and are accountable to and co-funded by the ITA. One would assume that they would be reporting to the ITA in terms of the work that they're doing, the summary and their service plans. Have they stopped doing that altogether, even to the ITA?

Hon. P. Bell: The model of accountability is simply different. As opposed to preparing a service plan ahead of time, they enter into a contract with the ITA that articulates the service that they will be providing and the accountability measures that they will be held to account for, and then they're measured against that. So it is not a service plan-related model that was historical. The confusion here, I suspect, just simply relates to some links that probably should have been deleted from the website.

[1645]

J. Kwan: The minister is saying that these are old. They're not relevant anymore. The accountability model that the minister is now following is completely different. My question, then, to the minister... I'm sorry, that was supposed to be my last question. Of course, as we know, these things generate more questions.

Why did it change? Why did the accountability model change? And the way in which they're reporting out, then, to the ITA — where can we access that information? Is that information made public?

Just to follow up with that, if it's not made public, will the minister provide that information to our critic?

Hon. P. Bell: The answer to the last part of the question — will we ensure that the critic has all of the relevant contracts and information? — is yes, we will. In fact, in an endeavour to accomplish the commitment that our new Premier has made to a more open, accountable government, I have also just recently — in fact, as recently as 12 or 15 seconds ago — directed the CEO of the ITA to post those agreements on his website.

G. Gentner: Recently in an article in a local newspaper, the *Delta Optimist*, there's been discussion of a foreign trade zone perhaps even coming to a municipality near me. On February 22, 2011, the then Ministry of Tourism, Trade and Investment issued an RFP for a feasibility of a B.C. foreign trade zone program. I'm wondering how much has been earmarked for such a study and where I can find it line by line in, perhaps, the service plan. I didn't find it.

Hon. P. Bell: The contract for this particular project actually rests with the Ministry of Transportation and Infrastructure. But I can tell the member opposite that the contract amount was for \$76,785, and the contract completion date is July 31 of 2011.

G. Gentner: Well, I have a request for proposal in my hand, *Feasibility of a British Columbia Foreign Trade Zone (FTZ) Program*, Ministry of Transportation and Infrastructure and Ministry of Tourism, Trade and Investment. Maybe the minister can correct me, but this request for proposal was a joint venture by both ministries. Am I wrong to assume such?

Hon. P. Bell: We always work collaboratively with other ministries, and I'm happy to answer whatever questions, certainly, that I'm capable of answering relative to this issue.

G. Gentner: I'm intrigued by it all because why would it be issued in partnership along with the Ministry of Transportation and Infrastructure, which deals with free-ways and the like, and yet this request for proposal is about opening up trade as a free or foreign trade zone?

Hon. P. Bell: I should also identify a new staff member that has joined me, Don White, who is an executive director in the trade, investment and innovation branch.

I think the answer to the member's question is reasonably simple. The Ministry of Transportation also has responsibility for ports. Foreign trade zones typically are developed in and around port areas, so it would be an area that would be collaboratively developed.

[1650]

G. Gentner: Now we're getting somewhere, because now we know that the foreign trade zone is coming to a port near you. I thank you for bringing that to our attention. It's very much important, if you understand what's happening in my community and in the member for Delta South's. We're seeing extreme development proposals hitting us in both ways.

Now, the request for proposal closed on March 10, 2011. Has there been a candidate chosen?

Hon. P. Bell: There has been a successful proponent. There were two proposals received, one from a company called InterVISTAS Consulting Group and the other from a company called CPCS Transcom Ltd., which was a Quebec-based company. The contract was awarded to the B.C.-based company, InterVISTAS.

G. Gentner: InterVISTAS — is that a company that is part of the greater Vancouver gateway committee?

Hon. P. Bell: No, they are, as I understand it from my staff, independent of that group.

G. Gentner: Has the provincial government been in discussions with the federal government relative to changing existing federal foreign trade zone programs?

Hon. P. Bell: I can assure the member opposite that since I've had responsibility for the portfolio, there have been no discussions between myself and the federal government, or staff members and the federal government, as I understand it, around foreign trade zones.

I can't assure the member opposite that at some point in the past there hasn't been some level of discussion around this, but it is an area that I personally find intriguing and one that I am eager to try and get more information on and what the benefits and challenges may be that would be associated with something of this nature.

G. Gentner: Intriguing indeed. Why would the province be encouraging a location-specific foreign trade zone in B.C. over a provincewide — now that the minister has admitted that it's going to be located by a port?

Hon. P. Bell: The contract that was issued was not specific to any given geographic location in the province. In fact, my understanding is that the federal government programs specifically exclude geographic locations for foreign trade zones. It's not an area that... The three programs that I understand may be available through the federal government would not in any way identify a specific zone as a foreign trade zone.

G. Gentner: Yet regarding the requirements, in response, for the RFP, it specifically says that the study will analyze and make recommendations, including advan-

tages and drawbacks of establishing a location-specific foreign trade zone in British Columbia. So is it not going to look at this? Is it or isn't it?

Hon. P. Bell: The answer is both. The contract allows for providing advice both on a specific location, if there was one geographically identified — or just the notion of a geographically identified area, wherever that might be — as well as a program that would involve no specific geographic locations but be available on a broader range. So the answer to the question is both.

G. Gentner: Obviously, the port is from the Kootenays all the way to Prince Rupert.

The consultant is expected to liaise with the steering committee, and that steering committee is the foreign trade zone coalition — this consortium. What does the province have and mean when it says "liaise"?

[1655]

Hon. P. Bell: I should point out to the member opposite that foreign trade zones are often associated with airports as well as seaports. So, in fact, when the member said all the way from the Kootenays, I think he said, to... I forget where his other location was. He's quite correct, actually. You could have a free trade zone around an airport, even in my home community of Prince George. That would be quite possible.

The purpose of having the contractor liaise with this group is simply information-sharing. They are individuals that have expertise when it comes to ports and how you might develop a foreign trade zone.

G. Gentner: Who or what entities make up this special foreign trade zone coalition steering committee?

Hon. P. Bell: I'm not sure whether this is a complete list or not, but I think it presents a flavour of the sorts of individuals that would be on this steering committee: Diane Gray, who is the president and CEO of CentrePort Canada; Claude Mungeau, who is the president and CEO of CN; David Miller, who is also at CN; Jane O'Hagan, who is the chief marketing officer for CP Rail; Michael Moore, president and CEO of Global Container Terminals; Lori Janson, who is also with Global Container Terminals; Bob Wilds, who is with the Greater Vancouver Gateway Council; Lloyd McCoomb, who is with the Greater Toronto Airports Authority; Karen Oldfield, who is with the Halifax Port Authority; Robin Silvester, who is with Port Metro Vancouver; Duncan Wilson of Port Metro Vancouver; Don Krusel, who is with the Prince Rupert Port Authority; Eric Waltz with TSI Terminal Systems Inc.; Larry Berg, who is the present CEO of Vancouver Airport Authority; and Barry Rempel, who is the president and CEO of the Winnipeg Airport Authority.

G. Gentner: How can the government or its coalition partners assess the detriments of a foreign trade zone when the entities already support it?

Hon. P. Bell: The contractor has the responsibility to consult not just with this particular group of individuals but also with other groups of individuals. This is simply an analysis of whether or not there is value to moving forward on a more detailed level of work to determine if a foreign trade zone would be called for, and if so, if it should be a specific location or a non-described geographic location, perhaps something more industry-specific.

So it is an early piece of work that I think is important to do. The member opposite may oppose economic development initiatives and not be interested in creating jobs and wealth for the province. That is not the position of this minister or this government.

G. Gentner: And it's certainly not the position of the opposition. The opposition supports sustainable growth.

Now, when did the province begin its consultation with the federal government regarding the potential changes to the foreign trade zone? My understanding is, according to this proposal, we have customs and excise tax exemptions in two parts of Canada, but we're certainly looking at a change in that type of program. When did this discussion actually begin with the federal government?

Hon. P. Bell: I'm tempted to refer the member to the *Hansard* response that I provided him earlier, but I clearly said earlier that we've not engaged with the federal government at this point.

G. Gentner: Looking at the requirements and responses of the RFP, in its rationale for a foreign trade zone it states that the visiting foreign.... It's supported because "visiting foreign delegates and numerous port-related companies have commented on the lack of foreign trade zones in British Columbia."

I'm just wondering: can the minister name which companies have suggested to the government that we need a foreign trade zone?

Hon. P. Bell: As I think the member opposite knows, I have spent a fair bit of time travelling to China over the last three years or so, and I can assure the member that in some of the discussions I had there's an interest in part of Chinese industry to work with us collaboratively on a foreign trade zone.

[1700]

I should also assure the member opposite that regardless of what it says, I am keenly interested in what benefits may be brought to British Columbians in the development of a foreign trade zone. Until I have the

information fully explained to me about what both the benefits and challenges are, I would be unable to make a good decision on behalf of British Columbians in terms of whether we should move forward on this or not.

I am eager to see the results of the work that is going on, and if the results indicate that this has something that would be positive, then certainly I'll want more information in order to make a good decision.

G. Gentner: The current federal program includes the export distribution centres, the duty deferral programs, but in the proposal here it says, "there may be room for improvement within," which refers to the notion of changing the federal jurisdiction on foreign trade zones. How does a province see this change to benefit the province?

Hon. P. Bell: I'm in an awkward place here. Both the federal and provincial governments have responsibility for different policy and taxation levers. The question that we're asking of the contractor is: are there things within the realm of provincial responsibility that could be brought to bear to encourage investment in a foreign trade zone, and if so, what would be the advantages and disadvantages of a decision of that nature? Until we have that information, it would be impossible to know whether or not this is an economic strategy that we would want to follow, but it is information that I'm keenly interested in having.

G. Gentner: The jurisdiction of foreign trade zones comes under the purview of the federal government. So why is the province pushing this when the minister has admitted he has yet to converse with the federal government?

Hon. P. Bell: As is so often the case, the member opposite is wrong. The provincial government has many tools in its tool box that it can use to incent business activity. Whether you call it a foreign trade zone or anything, for that matter, is irrelevant. What the information is that we're looking for is how we build on the federal government programming that currently exists.

Part of the information that I would expect to acquire from this report also would be if there is a need to change some of the federal government policy in order to create something that does make sense for British Columbians, for high-paying jobs for families here in B.C. I would be interested in knowing that so I could make that presentation to the federal government.

G. Gentner: Maybe I missed it. Can the minister remind me when exactly this study, this report, will be available?

Hon. P. Bell: The report contract completion date is July 31, 2011.

G. Gentner: So when will a copy be available to the opposition?

Hon. P. Bell: Once we have received the report and had an opportunity to review it, I'll be happy to provide the member opposite with a copy.

G. Gentner: Will that be a week or two after completion of the report and the minister's had it in his hands?

Hon. P. Bell: I'm not prepared to make a specific commitment around timing, but I will provide it at the earliest convenience, once I've had the opportunity. I don't know the size or scope of the report at this point in time, but certainly, it's something that I'd be more than prepared to share with the member.

G. Gentner: Exactly how much does the report cost again?

Hon. P. Bell: It's \$76,785. I think I've provided that number already.

G. Gentner: Improving the existing foreign trade zone, according to the document, means developing an effective foreign trade zone model. Can the minister explain to me what is an effective foreign trade zone model?

[1705]

Hon. P. Bell: I'm hoping to find that out via this report.

G. Gentner: It's really wonderful to know what direction the government knows it's going — putting the cart before the horse, so to speak.

"The value in enhancing" — I'm going according to the report — "mechanisms to avoid the costs of duties on manufacturing inputs that will be fully phased out by 2015." Can the minister elaborate what that means? Looking at the foreign trade zone models throughout the rest of the world, does that mean 100 percent foreign ownership in comparison to non-free-zone areas, and does it also mean a zero percent corporate tax for a certain period of years?

Hon. P. Bell: Maybe I'll just take a couple of additional seconds, if I may, on this answer. This report is intended to provide us with a preliminary view of how a foreign trade zone may work in British Columbia and if it is in the interest of British Columbians and British Columbia families to have something called a foreign trade zone.

Foreign trade zones vary hugely globally. In fact, to my understanding, there are well over 200 foreign trade zones in the United States. I didn't know that prior to having a bit of a briefing on that, so it was interesting to me. I knew of foreign trade zones or had heard of

foreign trade zones in China, and you hear about them having some success in terms of economic development for different regions in China.

But this report is a preliminary report to provide us with some thoughts on what it is that we might do as a province to enhance the current federal government regulation and how that could work and if — or if not — it would provide economic benefits.

So the depth of questions that the member is asking I actually think at this point we don't have the answers to, because we don't have the report. I'm not even convinced that the report will answer all of the questions the member is asking.

The member just referred to a potential rule around foreign ownership in foreign trade zones. That is a question, clearly, that you would want to ask. What level of foreign ownership would you allow?

I know the member opposes NAFTA and opposes free trade, and we've heard that on many occasions in the House. But we actually embrace the notion of other countries investing in British Columbia. We'd like to be able to invest and have our British Columbia entrepreneurs invest in other jurisdictions as well.

We're not a closed economy. We're an open trading economy. It's something that we clearly differ on. I understand that. The member opposite doesn't share that view. But it is a point of difference.

To answer all those questions, we expect the report on a very early level to start to give us some information, but even this report I don't expect would put us in a position that would allow us to really fully understand all the details around what a B.C.-made foreign trade zone might look like.

The one thing I know is that foreign trade zones are hugely different, depending on what jurisdiction you're in. Each one is crafted in a way that I suppose meets the needs of the local community, or one would hope that is the case. Should British Columbia decide to move forward on foreign trade zones, we would clearly want to develop one that would meet the needs of British Columbia families.

G. Gentner: The minister obviously is suggesting that the foreign trade zone does not necessarily exclude 100 percent foreign ownership, zero percent corporate taxes, unrestricted repatriation of capital and profits, zero percent import or re-export duties or zero percent personal income tax, no currency restrictions, no labour restrictions or regulations on the hiring of foreign employees, the facility to mortgage owned premises on leased lands, or a company established in a free zone that has built its own facility may mortgage its premises to any bank.

So I get it that the minister is looking at all these possibilities. But before I leave this, since the government is indulging in this effort, can the minister explain to the

House exactly how a foreign trade zone is going to benefit the province of British Columbia?

[1710]

Hon. P. Bell: We won't be restricting alien aircraft from landing in foreign trade zones too, and I know that's a concern of the member opposite. You know, the member just read out a whole realm of things, none of which I've said.

Hansard will duly show that he continues to fabricate at a level beyond the imagination of most members of this House and appears to be very good at that constant fabrication. However, the record will speak for itself, and we'll allow him to do that, because I haven't suggested any of those things.

In fact, what I have suggested is that we're eager to create a program, if it makes sense for British Columbians, that can work collectively for British Columbian families. I don't know what that looks like today. I won't know that until I've seen this report, and we've done much more work on it.

G. Gentner: Just a few remaining parts here under the proposal requirements. I'm quoting the documentation. "The proponent may identify additional research elements it believes would be necessary to achieve the objective of evaluating the benefits of the establishment of foreign trade zones in Canada or British Columbia and for consideration by the sponsoring ministries."

Can the minister explain to me what additional research will be needed if the proponents need greater evaluation in the benefits of the estimation of the foreign trade zones? Who or what agency will receive additional research, will be given the capacity to show the detriment of establishing the foreign trade zone in British Columbia?

We know where this study's going. It's foisted upon us by the proponents, but where are the safeguards and the counter-perspective in all this?

We know what the terms of reference are. It clearly shows, looking at.... The government is certainly in conjunction with the view that there is a need for a foreign trade zone. Where are the safeguards built in this, and does that mean there will be additional money to search that out?

Hon. P. Bell: This report is something that we asked for. Now, I know the member opposite may not want any information on what good economic development strategies might look like, and that appears to me to be what the member opposite is suggesting.

I am actually interested in building the economy of British Columbia and trying to create jobs and value for families and making sure we have the fiscal resources necessary to support important social programs like health

care, education and other programs that are critical to all of our collective constituents.

This \$76,785 report will not be the only level of information that's required in order to make decisions around whether a foreign trade zone might or might not make sense. If it does, if it should or should not be geographically specific or if it should be available on a broader-ranging basis and how that might be delivered.... There will be lots of time for information on foreign trade zones.

Clearly, the member opposite does not want that information, for whatever reason, doesn't want to know whether or not foreign trade zones should be considered. That is his choice. It is not my choice.

G. Gentner: We know what deregulation means. It seems to be quite the hollow onion when you look at it. You can deregulate, you can deregulate, and you can deregulate. We saw the deregulation and what happened when we sold the B.C. Rail and the derailment on the Squamish because of that lack of oversight.

We know that in 2007 the Minister of Transportation and Infrastructure took members of the B.C. Rail Co., which was being decommissioned to Dubai, to look at a free trade zone. Consequently, the vice-president of Dubai port later became the CEO and president of Global Container Terminals in south Delta.

So we have some grave concerns about this. It seems to me that the minister doesn't really know where they're going with this, but they've certainly directed it towards more deregulation and a lack of labour oversight relative to jobs. We have grave concerns.

[1715]

That's about where I'm going with this. I will give it to the member for Delta South, who may have other questions on the matter.

V. Huntington: I just want to assure the minister that I'm not, on first blush, opposed to the concept of foreign or free trade zones in the country or in British Columbia. But I am concerned about the potential for an adverse impact on Delta.

So I would like to just canvass a couple of questions to get a better sense of where and why and how the province may be proceeding in this. Just for my edification, my understanding is that a foreign trade zone would basically be a tax-exempt zone. What you're looking at for economic development is primarily the job opportunities within the zone. Is that correct, Minister?

Hon. P. Bell: The foreign trade zones can be a wide variety of different sorts of incentives or initiatives. The member opposite describes one that I believe may be used in Asia or in China. I think that example may be the case.

As I understand it, there are, I think, about 250 foreign trade zones in the United States that have varying degrees of incentives, from relatively minor incentives to larger incentives. Generally speaking, the common thread behind all of those is to try and get companies who have the choice of assembly of a product in a variety of jurisdictions to assemble that product and add the value to that product in, in our case, British Columbia.

That's a general theme, but the incentives can vary widely from very little in the way of incentives to a much broader incentive. The one that the member opposite describes is, I think, probably more applicable to what some of the Chinese do.

Just to be really clear for the member opposite, we believe — and I suspect the member opposite shares this view — that we need to consider all of our options in terms of economic development opportunities. While this notion has come up specifically around Delta, there are other areas of the province that may feel differently about this issue. I would share with the member opposite that a community like Prince Rupert may feel differently — or Terrace; or Kitimat; or Prince George, which has a large, potentially, international airport.

So I think it's our responsibility as a government to get all of the appropriate information and ensure that if there is an opportunity that exists around something called a foreign trade zone, we consider that, we incorporate that into our long-term strategy.

I wouldn't want the member opposite to think that Delta is being considered as a primary.... It would be potentially one of the locations that could be considered. That is a decision that is well down the road and one that would have to incorporate local individuals in the decision-making process.

V. Huntington: Thank you for that answer. As you can imagine, my concern is the land base in Delta. So the locations.... Given that you have Deltaport there, I think it's reasonable to think that that would be a location that would be considered by the province and steering committee, if there were benefits attached to going forward with an FTZ.

However, what I'm trying to canvass is whether there are sufficient benefits available to, for instance, a local government such as TFN or even for Delta to consider using local land for an FTZ. And if there are no benefits to the local government from a taxation point of view, then what happens? Does the province start looking at its land holdings in the agricultural land reserve in a place like Delta?

I'm extremely concerned about a free trade zone that develops and further industrializes the agricultural lands in Delta. The province, through B.C. Rail, holds a lot of land along that Deltaport corridor.

I'm wondering if the minister has any sense of whether local government benefits enough that it could be in the

industrial area being considered by TFN or whether we end up gobbling up agricultural land should Deltaport become a prime location.

[1720]

Hon. P. Bell: The types of questions the member is asking are exactly the type of information I'm hoping to garner from the report. I share the member opposite's concern. I had responsibility for the Agricultural Land Commission for three years. I know that Delta is a hot spot always around decisions that are made, and I'm well aware of the decisions that were made around Tsawwassen First Nation. So I understand the concerns.

This report, by itself, will hopefully start to answer some of those types of questions. Would there be a benefit to the local community? If there is, how would you then make that decision to move forward?

I think it's highly premature to assume that there would be a foreign trade zone established at all in British Columbia. We don't know the answer to that question. The work that has been commissioned here hopefully will start to answer that question, but I actually don't expect that just this report will provide all the answers.

It may get us to a no. It may get us to a place that we say: "No, we don't want to pursue this initiative. It's not worth pursuing." It will not get us to a yes. It will either get us to a maybe — "Let's do more work" — or a no. Those likely would be the two outcomes from this report.

I don't want the member opposite to be concerned that there's anything imminent that would be happening around this. It is simply work that needs to be done in order to understand whether there is any value in this sort of initiative or not.

V. Huntington: Just my final comment. Let it never be thought by anybody on that side of the House that I'm worried about any nefarious interest in further land development in Delta on behalf of the province. No, I would never think of that.

I would have liked to see — not that I've seen yet the terms of reference, other than the RFP.... But I would hope that the province would seriously consider, when it's reviewing this report, that agricultural lands should be off the table in the consideration of location on an FTZ. I think that Delta's taken its fair share in that regard and that the province wouldn't consider using BCR land or expropriating further land for such an objective. That's all.

S. Chandra Herbert: I will be moving to the next phase of these estimates. I'd like to start with the B.C. Pavilion Corporation, if we can do that.

Well, it's been well noted in the media — and I'm sure the minister's aware of it: floatplanes, a floatplane terminal at the convention centre. It's been a tough

situation, with the operator of that floatplane terminal and, of course, the floatplane pilots, the companies like Harbour Air and others at loggerheads.

I'm just curious if the minister might be able to provide me an update on where the floatplane issue is at. Have they come to agreement? I don't think so. I haven't heard about it, but I would hope to do that.

May I first just start by welcoming the minister as the new minister for tourism, PavCo and other areas. You'll be my fourth minister that I take on as critic. I hope that we have an equally warm relationship as I've had with my previous ministers.

[1725]

Hon. P. Bell: I should introduce two gentlemen. The gentleman immediately to my right that shares a similar hair cut to mine is Warren Buckley. The gentleman to his right is John Harding, who is the chair of PavCo and the third John Harding that I know. So I now have three John Hardings in my address book.

The member for Vancouver–False Creek constantly reminds me of the importance of the floatplane terminal and is a strong advocate to ensure that we have high-quality, affordable service for all British Columbians — and, for that matter, foreign visitors — with that particular opportunity.

I can tell the member opposite that we've been pretty actively engaged in this file. I would not want to disclose in the House the level of discussions we're having, because it is at an important point from a commercial perspective at this point. I would hope that within ten days or so we will have some sort of a decision around this. But there has been active engagement, including myself and others, on the issue of the floatplane terminal and the affordability and finding a successful way through the challenges that have been presented.

I hope to out-survive the critic opposite, and I can assure the critic that there have been, at times, critics that haven't survived my tenure in various ministries. I'm hopeful that we'll get him to his 30th birthday before he has to...

S. Chandra Herbert: Well, that's two weeks from now, so I hope that I survive that long as well.

Interjections.

S. Chandra Herbert: I'm blushing, yes.

On the floatplanes, it's good to hear that we're moving along. I know, certainly, that constituents in Coal Harbour are interested in the issue as well. I'm glad to hear the member for Vancouver–False Creek has been involved in this too.

I'm interested in the process that got us to this place. Obviously, I had a conversation with Mr. Buckley some time ago. Looking at the amount of rent potential for that site, it's not a lot of money, but it's taken up a lot of

time and brought a lot of people to great concern — or anguish, in some cases.

Just curious: is there any thinking within the ministry to develop some sort of a lesson plan or some sort of a document of what not to do? Clearly, a proposal where one company gets a site and invests their money in creating a place for floatplanes to land and then discovers down the road, once it's nearly built, that no, those floatplane operators don't actually want to land at that site and would prefer to have their own....

You could have the possibility of a white elephant, so to speak, of a couple of million dollars. Is there any thinking for the ministry to develop a strategy so they don't find themselves in this situation again?

Hon. P. Bell: I think there is always value to reviewing things that haven't gone as well as we would like them to. Certainly, we will want to do that here.

There was a review done and considered a number of years ago on this in terms of the original procurement process, but I think the member opposite's point is a good one. I think it is opportune to have a look at this — perhaps not a formal, all-out, multi-million-dollar review but a good internal review — so that in the event we do get in a situation where we're dealing with a relatively small number of users that are confined to a specific location and a landlord that would take over that location, we have a better procurement process around that.

[1730]

S. Chandra Herbert: I'm glad to hear that an internal review of some kind will be done on this. I would hope that the critic — that the general public, more positively — would be given the option to read that report or to understand where that's coming from. Once that's completed, I hope I might be able to get a copy.

I'd like to move from floatplanes to B.C. Place. Lots of work going on at PavCo these days. On the B.C. Place redevelopment, roof replacement — however you want to put it — I have a couple more questions which I didn't get the chance to ask in previous estimates. One of them is.... I noticed in a document that the roof itself, the movable membrane, will need to be replaced in 20 years. What is the cost of that movable membrane?

Hon. P. Bell: The part of the roof that the member opposite refers to is the retractable portion. The fixed portion of the roof, it is believed, will last for 40 years. The member opposite most certainly will be around to witness that. Whether I will be or not is uncertain at this time. That is because I would be 94 at that time, so I'm just speculating that that may or may not be an opportunity for me to look at B.C. Place again. My colleague from Prince George–Mount Robson would be just slightly older than 94 at that time. Not much; just a little bit.

Hon. S. Bond: She has a lot more hair.

Hon. P. Bell: She does — so far.

In any event, the retractable portion of the roof is the portion that it is believed will be about a 20-year life span. The replacement cost in today's dollars, we understand, is about \$16 million, and that has been factored into the business plan for B.C. Place.

S. Chandra Herbert: I guess for the non-retractable part, I'm understanding the cost of that would be.... Maybe the minister can help me out with the cost of the non-retractable part that will need to be replaced in 40 years.

Hon. P. Bell: I'd hate to sound frivolous, Madam Chair. It's not intended to be. But I guess the member opposite would have to ask me in 40 years. I have no idea what.... I'm not sure that you wouldn't entirely rebuild the stadium.

The investment that's being made today is intended to have a 40-year life cycle. There may be some other form of system or design or building or whatever that one might want in 40 years, just as this is completely different than what was originally built 25 years ago. It wasn't anticipated at the time that we would have some other sort of a support system for the roof.

S. Chandra Herbert: No, it was not my intent to ask what it would cost in 40 years, because you would need a time machine or a time jumper or something. But no, I was just curious what it was today, but I guess I'll leave it with the total cost of \$563 million.

[L. Reid in the chair.]

One thing that I hear in the media sometimes — I know that Mr. Podmore is fond of saying it — is that this project is on time and on budget. According to my reading of the previous minister's statements — maybe it's two ministers ago — it was supposed to open pre-Olympics, and then it was supposed to open July 1, and now it's been moved to September 1.

[1735]

According to the previous minister from Kamloops, it was supposed to be July 1. I'm just curious. When they say "on time," it really is just a shifting of whenever the latest time was announced. Is that correct?

Hon. P. Bell: The member has thrown out a few different dates. Perhaps they were suggested at one time or another for completion of this program. I think the most appropriate time to kind of determine what the commitment was in terms of when the project would be completed was on the signing of the contract with PCL.

The contract was signed with PCL in September or October 2009, and the time frame for completion of the project — for substantial completion, which is the measure that's usually used; still, work goes on — was the summer of this year, of 2011. That date will in fact be met for substantial completion.

Any work between then and opening day for B.C. Place, which is actually September 30.... I heard the member say September 1, but September 30, actually, is the day, which is when the B.C. Lions are hosting Edmonton. I might, if the member is nice to me today, even offer him tickets for that game. Anyway, we expect that that date will still be met.

S. Chandra Herbert: I don't know if I'd want to get into the offer of free tickets. I think, if we think back to pre-Olympics....

Hon. P. Bell: Oh, did I say free? I'll have to check the *Hansard*.

S. Chandra Herbert: Yeah, free tickets.

Anyway, in terms of the dates, I just asked the question because in reading the request for proposals on the casino property, there was a suggestion that it would be completed, at least from my reading of it, earlier than that. So "on time" is kind of a relative term, I guess, depending on who has made the latest announcement of when it would be complete. But from the minister's answer, I do take it, though, that it would be on time if it was July 1, but it'll be a little bit late into the fall when it'll be complete in its entirety.

The next question I had is: as the decision to change when the roof was.... Sorry, let me just go back here. What is the cost of having the stadium closed during the renovation process?

I'll just be a little bit more specific. What is the loss of revenue, the cost while the stadium is closed? Is that factored into the \$563 million total budget?

[1740]

Hon. P. Bell: I'm trying to kind of get as good an answer as I can for the member opposite. The annual revenue, typically, for B.C. Place is about \$9 million, and it's been closed for a year, so it would be pretty close to \$9 million. That \$9 million is part of the service plan, and it is part of the Treasury Board approval but is not part of the \$563 million.

S. Chandra Herbert: I guess I understand it, in trying to grapple with the numbers. The cost, then, instead of \$563 million, if you wanted to look at the total cost of the roof replacement, would be more like \$572 million. Would that be correct? Instead of the much-quoted \$563 million number, the cost would be \$572 million, if I understand that correctly.

Now, the minister mentioned the Treasury Board. I'm curious. My next question is in regard to what the financing breakdown is for the B.C. Place roof replacement project. I've seen a couple of different estimations in the media of how it's being paid for. If I could just get a breakout of what the debt is, what the grant is, that would be helpful.

Hon. P. Bell: The breakdown. There are four different elements to the funding of the program. There was \$277 million from the provincial government in the form of a grant provided to PavCo. There was \$150 million provided to PavCo from the provincial government in the form of a loan. There was \$96 million of PavCo's own funds used in the project, and then government provided a further \$40 million to fund deferred maintenance that had been put off at B.C. Place over the years. The provincial contribution included the \$277 million grant, the \$40 million for deferred maintenance, the \$150 million loan and PavCo's own funds at \$96 million.

S. Chandra Herbert: How much of that is supposed to be paid for from the use of the lands around it, including the site of what was the proposed casino there?

Hon. P. Bell: I'm not sure that I'm going to fully answer this question, so we may have to get a little clarity of whether or not I've done that. The \$150 million loan is expected to be paid back through a number of revenue streams that will occur as a result of this project. One of those revenue streams would be funds from the lands that the member refers to but also things like naming rights for the stadium, reduced energy consumption costs for the stadium and the like. That would be one of the streams that are expected to pay for that element, and the member may have further questions on that.

[1745]

S. Chandra Herbert: I'll just go to the PavCo's own funds. I believe it was \$96 million that was mentioned. Am I right in thinking that that was the money that ended up not being used on the convention centre? I think that played a part in it. And would those funds in the end have come through Treasury Board at some point and so have been taxpayers' funds in the end?

Hon. P. Bell: The \$96 million of PavCo-owned funds comes from a variety of sources. One of those was the sale of Bridge Studios. There were some funds from that. There was money left over from the convention centre development, as well as other sources. But PavCo is a Crown corporation, so all of the money is approved through the Treasury Board process, and decisions around that \$563 million were all made as a result of that.

The breakdown of the funds — the grant funds, the loan funds, the PavCo capital and the \$40 million — all

went through the Treasury Board process and have to be considered as one pool of money, most certainly — which, I think, is where the member is going to.

S. Chandra Herbert: Yes, that is where I was going with that question. I was just still trying to get an idea on... Back to the earlier question I'd asked about revenue for B.C. Place Stadium and, with the shutdown, \$9 million revenues. Of course, there are also expenses. Is that revenue minus expenses, or is that revenue just after expenses?

Hon. P. Bell: The \$9 million is gross of expenses, so that would be the normal revenue stream that B.C. Place would acquire in a year.

S. Chandra Herbert: The minister mentioned naming rights. It's an issue that I've raised with previous ministers. I know one of the ministers said that he didn't want B.C. Place, the name, to be sold off. I tend to agree with him. If taxpayers, British Columbians, are putting in \$563 million and somebody else could come in and put in \$20 million and their name goes on it instead of the great province of British Columbia, it just feels a little bit odd to me.

Can the minister give me any indication of where that process is at, for naming rights, and how it's being considered?

Hon. P. Bell: We are actively seeking potential opportunities for naming rights, and \$20 million might not be much to the member opposite, but to some of us in the world it would be a substantial amount of money. We'll see where it lands, whether or not we're able to get to a place where people do believe that there's value for allowing B.C. Place to be called something other than B.C. Place.

S. Chandra Herbert: No, it was not my intent to suggest that \$20 million was not a lot of money. I know the minister takes great glee in some of these witty remarks. I will call them witty remarks, but I'm sure they...

Interjection.

S. Chandra Herbert: Or not so witty, as the fellow minister from Prince George....

Interjection.

S. Chandra Herbert: I'm trying my best, Minister. I've asked this question of previous ministers, and I'm not sure if I'll get an answer now. But when the project was announced, Mr. Podmore said in an editorial, actually, that the project would "pay for itself." I often wonder about paying for itself. Is there a busi-

ness case which shows by what year it will have paid for itself?

[1750]

Hon. P. Bell: I can't tell the member opposite precisely whether this project is going to pay for itself or not. What I can tell the member opposite is that B.C. Place historically generated about \$65 million in economic benefits to, largely, the member opposite's riding or the region around the member opposite's riding and to a lesser extent the broader province of British Columbia.

Our analysis is that that will grow to about \$100 million in economic benefit with the new stadium for all the reasons I'm sure the member opposite is aware of, in terms of the new opportunities that are associated with it — the soccer franchise and the like. That incremental \$35 million in benefit to the city, to jobs, to the community will spin off into various associated taxes back to the province. But I can't assure the member with any degree of certainty that that incremental \$35 million per year in economic benefit will pay off the stadium.

I support the stadium. I think it was a good decision. I think we're all going to be very proud of it on September 30 and on November 21 when British Columbia hosts the Grey Cup and wins the Grey Cup for the first time this decade, the second time in two decades, the third time in the history of the B.C. Lions.

S. Chandra Herbert: Yes, one of my early memories is of a Grey Cup game at B.C. Place, and I believe it was one of the first times they used lasers on the roof. I don't think those lasers at that time were the reason why the roof eventually was weakened, but who knows? Stranger things have happened.

I'd like to move on to right beside B.C. Place. Of course, the minister will well know about the city of Vancouver's unanimous decision regarding the casino. I'm just curious about the request for proposal process which brought us to the casino. I've had conversations with Mr. Buckley about this as well. Fifteen days, I believe it was, that the RFP was out, and there was similarly 15 to 20 days for the request for expressions of interest. That's an incredibly short timeline by anyone's standards, especially for a project that was for about \$500 million.

I'm just curious if the minister can give me some feedback on why the ministry decided and why PavCo in particular decided to do such an abbreviated process.

[1755]

Hon. P. Bell: I just wanted to review the dates with the member opposite because they're slightly different than the timelines the member identified. The council originally enacted the bylaw, which is when proponents

would become aware that there was an opportunity to do a development, on November 25, 2008.

About three and a half months later, on March 6, 2009, the request for expressions of interest was issued, to which there were 14 responses. About six weeks later, on April 20, 2009, the RFP was then short-listed to three. Then on May 22, 2009, it was closed — so March 6 to May 22 from the time the request for expression of interest was issued until the RFP was closed.

Then about a month later, on June 20, Paragon was selected as the preferred proponent, and then there was a nine-month process to sign the master development agreement. I'm not sure if those times line up exactly with what the member opposite outlined. While it does appear to be an abbreviated process, it doesn't seem unreasonable, from my perspective.

S. Chandra Herbert: I should have clarified. I was speaking business days — not seven days of a week but five days. Give a day here; take a day there. It's still very short. Does the minister have any concerns that the process itself may have been unfair, may have been too quick, may have given a leg up to one over another — any concerns about that at all?

Hon. P. Bell: I need to correct a previously incorrect statement. The Grey Cup is actually on November 27, 2011, not November 21, which happens.... Well, I guess I better not say that that's my colleague from Prince George—Mount Robson's birthday or everyone will know that.

I think the test of this is that of the 14 initial proponents who entered the process, no one has suggested or complained that they did not have sufficient time — that I'm aware of, anyway. This is prior to me taking responsibility for the ministry. But with Mr. Buckley and Mr. Harding here and able to share with me, they're not aware of any of the proponents identifying that time was an issue for them. They were able to complete the work that was necessary in that period of time.

S. Chandra Herbert: Just going back to the minister's earlier statement, I believe he said November 25, 2008 — forgive me if the day is slightly wrong — that council's decision was finally proclaimed, or however councils do that kind of a business. At that point proponents would know of the possibility that they could sight on that and apply potentially and look at it and get a business case for it. I guess I'm just trying to understand.

So PavCo was in a process with, I guess, council through some means. Council would know about what they were interested in for that site and thus, only by the time of November 25, 2008, would the wider business community know about this possibility. Is that correct, or would others have some idea that this was going to happen beforehand?

Hon. P. Bell: I think one would want to add two or probably three months to that timeline at which there was a public process going on around the official development plan for the city, which was broadcast publicly. There were media reports.

[1800]

Anyone that was likely in the business that was interested in developing that parcel, one might think, would have been tracking that information, perhaps back to even August or September. We don't know exactly when that process started here but clearly two or three months prior to the November date.

S. Chandra Herbert: I guess I'm curious. In reading through the council reports of the time and hearing from — I think it was — a former city councillor of the time, Peter Ladner.... They indicated, through the process at city hall, that councillors were not aware that there was a casino in the package that they approved — or the possibility — because it was an appendix near the back. So they maybe, because they were in the middle of a municipal election, didn't read through the whole package. It wasn't mentioned as a major decision point in the early part of their package.

I'm just curious, because the records that I've seen have shown that nobody approached the council, nobody approached in the public consultation sessions, to urge for a major casino development. So I'm just curious how that happened or any idea what happened in that process.

Hon. P. Bell: I suspect we're straying just a touch, maybe, from the scope of what the normal estimates process would contain, but I'm happy to continue down this line for a while.

I also need to correct my previous statement that the Lions have won three Grey Cups. I'm advised that it's five Grey Cups, which I find strange, because I went to many of their games at Empire Stadium as a young lad.

In any event, probably the reason why council and other individuals did not note any specific development plans around a casino through the ODP process was because there wasn't one, nor was there one from PavCo. That wasn't necessarily part of the development. It was brought forward as part of the RFP process by Paragon in their application or for consideration as part of their development plan.

The interest, both on the part of the city and on the part of the province, was to make sure that this was a vibrant entertainment district. That was always the intent — I'm sure one that the member opposite agrees with as well. So it simply was a proposal that came forward as a result of the RFP process.

S. Chandra Herbert: Okay, so PavCo wasn't involved earlier in the casino, and that's why council didn't

know about it. There wasn't a plan before the RFP; the RFP helped select the casino. Am I understanding that correctly?

[1805]

Hon. P. Bell: We're really digging back into the historical references here, and hopefully we won't get this too wrong. But our understanding is that when the city originally issued the permit for the Edgewater Casino in 2006, they notified the Edgewater Casino folks that it was a temporary permit and that they would have to relocate — of course, we know that it's the case today that they will have to relocate — and apparently were guided towards this general location as an entertainment district in 2006.

There was, I guess, some reference on the part of the city at that point in considering this option, but from our perspective and from PavCo's perspective, this property.... Our interest is in supporting the city's objectives of developing a vibrant entertainment district. The notion of the casino came forward as part of the RFP process and was not.... It was a development consideration as part of that process.

S. Chandra Herbert: Thank you to the Chair and the minister for providing me a little bit of leeway. Obviously this has been an area of a lot of public interest, and so it's always helpful to get it out there — what happened, where it went.

My understanding, based on the minister's statement, is that the city guided Edgewater to look somewhere in the entertainment district down there, but PavCo's only interest was just in whatever could happen there, and they weren't going to prejudge anything like that. They would just do the RFP, see what came in and then make a decision. There was no preplanning, based on the minister's statement.

A question about.... What is the revenue loss per se to PavCo, given the city's decision? Obviously, it's going to push back development on that site a fair bit. Any thoughts on that?

Hon. P. Bell: The budget line that we had in place for this particular piece of property was a lease arrangement of \$6 million per year on the basis of a 70-year lease over this particular piece of property. That obviously amortized out, and you can take it as one lump sum or over time or however that arrangement.... But the budget line calls for \$6 million starting at the beginning of 2014. We have three years to get to the place where we're starting to accumulate rent.

I have met with Mayor Robertson already. He's aware of that as well. We had a very, very productive discussion, in my view, around how we can move forward with development of this parcel, and I think there's lots of potential. It is probably the most prime piece of real

estate in the city of Vancouver, the province of British Columbia. To get that level of rent out of the owned properties, the two pieces of property there, I think is quite reasonable.

S. Chandra Herbert: I understand the Pace Group was hired — I don't know if it was on contract or how it was done — to provide public relations for PavCo in regards to the casino. Just curious what the value of that contract was.

[1810]

Hon. P. Bell: The Pace Group is the company that won a tender in 2007 to provide public relations services to PavCo, and they provide all of the sorts of public relations services as a result of that tender.

If the member opposite wants to know the specific dollar value of the work that was done, because it's an hourly contract that's based on hours provided.... If the member wants to know how many hours were provided relative to a component of this project or specific parts of this project, I'm sure we could figure that out. But I can tell the member that I was in Prince George and attended where the Pace Group brought the B.C. Place model around, and it was very well attended. Actually, people appreciated being able to see it from 500 miles away.

There's a variety of services provided by Pace. It was a competitively awarded contract, and they did provide some media relations as it was associated with this specific project.

S. Chandra Herbert: I would be very curious in terms of the Pace Group's contract, not so much for B.C. Place but for the casino element of it, what kind of hourly was charged for the casino area. Also curious.... I know PavCo brought in Brent MacGregor, I believe, who used to work with the city of Vancouver — assistant city manager, I believe he was — to work particularly on the redevelopment section on those parcels of land.

I'm just interested in: was he the only one, or who else was dedicated to the redevelopment of that parcel, which led to the selection of the casino? Sorry, there are two or three questions in there. There's the Pace Group contract for a casino area. Who were all the staff that were dedicated to the parcel discussion for the redevelopment for the city, including Brent MacGregor, and what was the value of their salaries, I guess, in the lead-up to this decision?

Hon. P. Bell: We are happy to provide the member opposite with the amounts associated with any of those contracts, and perhaps we can just somehow get a specific request around that. It might be more convenient if it was in a quick e-mail or something. It doesn't have to be formal. Or we can take it off *Hansard*, if that works as well, I suppose.

Brent MacGregor, as I understand it.... I need to back up half a step. There's a bit of a difference here. The member opposite, I think, is of the view that PavCo was there to represent the interests of a casino on this specific site, which is not the case. PavCo was there from the site development perspective, and the interests of the casino were really represented more by Paragon and B.C. Lotteries.

My understanding is that Pace is not part of either of those arrangements, although I don't know that, but I don't believe that Pace works for those two companies. I shouldn't say that. I'm not positive about that information. But the role that Pace played in this project from PavCo's perspective was one of representing the overall development and trying to make sure we have a development that worked for ourselves and for the city.

Brent MacGregor's process or work was done specific to the process that we needed to engage the city to move forward on the development of this site — again, not specific to the casino, but the general development applications on this specific site. We will provide to the member opposite the information that he's requested.

[1815]

S. Chandra Herbert: Based on a couple of answers the minister has given me, I guess I'm to understand that PavCo, because it was representing the general interest, was not involved in pre-discussions with the casino operator or the hotelier or somebody else. It came through the RFP process, and that's where that began. Is that correct?

Hon. P. Bell: I think the answer to the member's question is that in fact PavCo often talks to groups or is approached by groups about the development when they know there's a piece of property that.... I know for a fact, actually, that that has occurred recently. Since the city's decision, I'm aware that there have been a number of contacts made with both Mr. Buckley and Mr. Podmore on opportunities around development. I think that's just a normal expectation in the business community that that would take place.

I wouldn't want to say to the member that there was never any discussion between anyone — different hotel groups. I'm sure there were discussions with those that didn't even enter the request for expression of interest process, so I wouldn't want to in any way intimate that that isn't an ongoing, iterative process that eventually results in PavCo moving forward with an RFP that they think creates value for the Crown corporation as well as for the city and for the region.

S. Chandra Herbert: Sorry, I've got to be more specific. Obviously, PavCo will talk to all sorts of people. You pick up the phone; you talk to somebody. No, what I meant specifically was that in the process that was

engaged with the city, PavCo wasn't there involved in arguing for one kind of thing or another. It was really just making sure that the city knew that PavCo wanted to be part of redevelopment. But what that redevelopment looked like would come after the RFP. Is that correct? There weren't discussions representing somebody or somebody else?

Hon. P. Bell: I think what I want to try and do is just separate out the two timelines here. The original process in terms of the development of the community development plan in the area.... There was no discussion of specifically what might go on that site, whether it be a casino or something of another nature. It was about a general theme, entertainment district, size of building, square footage allowed — that sort of discussion. So that's kind of pre-November '08 for that time frame.

Then the second time frame. Once the request for expression of interest and then the RFP took place, Paragon became the likely proponent. The casino became a feature of it, and at that point in time, then, PavCo would at times have talked about the casino development.

I think it's important to draw a line between those two boundaries because the answer to the question could have been no and yes, but I think it's better to just say "not before this time but after the...." Once we went through the RFP, then yes, we obviously were there talking about that.

[1820]

S. Chandra Herbert: Thank you to the minister for doing his best to be clear and definitive on how the process went. [Applause.] He's getting applause for speaking definitively. Curious.

One more question. Ken Dobell, I understand, was involved in this process. What was his job? What did he do in this process?

Hon. P. Bell: We're not aware of any role that Mr. Dobell played in this project. Mr. Dobell was the chair of VCCEP, which was originally the group that was developing the convention centre. So he had that role. I'm not personally aware of any role that he played in this, nor are the two gentlemen to my right.

S. Chandra Herbert: Just one last question on this early part of it, and then I'm going to move into some more current questions on these ones. Who represented PavCo and, thus, the B.C. government in the discussions with the northeast False Creek redevelopment discussion with the city?

Hon. P. Bell: Just a very quick scan. We're aware of three people that may have been involved in the process: David Podmore; Brent MacGregor; and Howard Crosley,

being the general manager of B.C. Place. Those are certainly the three early names that we come up with.

S. Chandra Herbert: In previous estimates, I received a commitment from the previous minister to receive quarterly reports from PavCo on how it was doing in terms of meeting its targets at B.C. Place and at the convention centre. Were we up? Were we down? The minister, after being reminded a few times by me, did provide them, and I was really appreciative of that.

I'm wondering if the minister and PavCo would consider continuing this practice, just so I can continue to be made aware of the good work PavCo tries to do for all of us.

Hon. P. Bell: Just for clarity, if I can understand.... Is the member opposite interested in the ongoing operations of B.C. Place and Canada Place and just wanting kind of occupancy rates, revenue streams, operating costs? Is that what the member is looking for?

S. Chandra Herbert: What I'm curious about is the quarterly updates to the shareholder that the minister will be provided from PavCo. I know in the shareholder agreement, there's a discussion of the need to provide updates on a couple of the goals, the targets. Are we meeting occupancy rates, as an example? Are we meeting non-resident delegate-days — those kinds of things?

[1825]

Hon. P. Bell: I'm happy to provide to the member any regular updates which I have that are not commercially sensitive in nature.

S. Chandra Herbert: Maybe I'll be really kind here, and I'll ask the minister just to provide me a bit of an update on where we're at with the convention centre. Obviously, one of the big interests was: were we going to have a massive increase in delegates from around the world coming to use the place?

I guess the two questions I have are: how many of the conventions that are coming in this year alone — and then potentially in years to come — would not be able to be housed in the existing or in the former convention centre, which is now part of the bigger convention centre? Where are we at with targets? I know the former minister that I had used to go off on big.... He'd expound a long time about those kinds of things. I just need a couple of basic numbers.

Hon. P. Bell: I think the answer to the member's question.... We may have to get some more detail in terms of the exact numbers, depending on how far the member wants to probe on this, but I'm told that out of 420 conventions that have been booked over a number of

years, 91 of them would not have been able to come if we hadn't built the new facility.

One of the examples of that, as luck would have it, happens to be occurring as we speak. I'm told that there are 9,800 risk insurance management individuals over in Vancouver spending about \$23 million over four days right now.

[1830]

That, I guess, is a good example. The original goal or projection.... In the old facility they used to get about 150,000 delegate-days per year in the old convention centre, and the goal was to move that up to 450,000 delegate-days over a number of years. I'm told that PavCo expects to achieve the 450,000 delegate-days this year. They didn't last year. Last year was a very tough year for conventions, but we were still well ahead of the international community in terms of delegate-days and the percentage of business.

Out of the 450,000 delegate-days this year, we already have 95 percent of those booked in. So we're very confident that we'll exceed that measure this year.

I think the answer to the question, although I don't have the exact numbers for last year here with me.... We didn't achieve the 450,000 delegate-days, most certainly, last year, but I think we are there or will be there, certainly, this year, which was the standard or expectation. And as luck would have it, there's a great example of that occurring in Vancouver this week.

S. Chandra Herbert: Yes, I've got the number in front of me that the minister didn't have, which was that we had 37,000 fewer visits last year than was forecast, so about 8 percent less.

A question I asked about B.C. Place earlier, was.... A former minister for the convention centre also used to say a lot of the time that the convention centre will pay for itself. What day will it pay for itself by?

Hon. P. Bell: I actually think I answered that question earlier on, so I will just have to flip back through my notes. The B.C. Place.... Sorry. Did the member refer to B.C. Place or the convention centre?

S. Chandra Herbert: No, I'm speaking now about the convention centre. I asked the question about B.C. Place. Now I'm asking about the convention centre.

Hon. P. Bell: The old convention facility generally was producing about \$250 million in economic output for the region, so value to the community. And those are largely first-dollar — people coming in out of province, obviously.

Our expectation with the new facility, and it appears to be being met, is edging in on triple that — \$700 million or so. So again, I wouldn't want to do the math that would be required to determine the value back to the

hoteliers — the income taxes and associated taxes for all the different employees that are involved with the convention centre.

But I'm sure the member agrees that we've got a wonderful building, something that I hope, actually, we can take even more advantage of. I've been in early discussions with PavCo in terms of some of my thoughts of how we can make better use not just of that facility but use it as a marquee facility for all of British Columbia and lever up some of the convention facilities around the province — using that as the central marketing tool but being able to lever up facilities here in Victoria and Nanaimo, in Kamloops and Penticton, Kelowna, Prince George and so on.

[1835]

S. Chandra Herbert: Thank you, hon. question — hon. Chair. It was an honourable answer to an honourable question, I hope.

The question I have for the minister comes out of his last answer. What metrics, what studies, what evidence does PavCo have that the work it's been trying to do, as the minister says, of trying to leverage the convention centre to get people to go to Nanaimo, Victoria, Prince George, Penticton, other convention centres? What evidence do we have that that's working? Because I know that's been a stated goal, but I've never seen any metrics to show that it's actually working.

Hon. P. Bell: To the best of my knowledge, although I know there has been discussion — I've heard the comments myself — there's never been any specifically stated goal or objective in PavCo's service plan around trying to help support convention facilities in other parts of the province.

I can tell the member opposite that I've already had a few discussions with PavCo about the need to think about how we might be able to do that differently, but given that I've only been in the portfolio for seven weeks, we haven't firmed up those plans to date. I think it is logical from my perspective that we should try. We've got a world-class facility in the convention centre in Vancouver.

I've been to a number around the world in different places. There are few that I have seen that can compare to the Vancouver facility. So I would like us to lever up that particular facility and market some of the other facilities that we have around the province and create more economic benefit, but I'm not aware of any time that it's ever been included in the service plan or stated as a specific goal.

It is one that I agree with, and I can assure the member that if I continue to hold this portfolio for a period of time, you're likely to see it in a future service plan.

S. Chandra Herbert: Well, should the minister still be the minister after my 30th birthday, I hope he succeeds in that goal.

For those just tuning in at home, that's an earlier joke. My apologies.

An Hon. Member: It was funnier then?

S. Chandra Herbert: It was much funnier then.

Earlier there had been a rumour, and actually, the former minister had confirmed that there was something going on — that there had been discussions at the possibility of the B.C. government taking control of Canada Place, not just simply using it but actually taking over Canada Place.

Have there been any continued discussions on this? Any idea where that's at?

The Chair: Minister of Jobs, Tourism and Innovation.

Hon. P. Bell: That just rolls off your tongue almost like a song.

I can tell the member opposite that I've met with Canada Place Corp. I met with them at their request perhaps three weeks ago or so. They expressed an interest in us taking some sort of an ownership role. I understand that they are also talking to the federal government as well as the city of Vancouver. We haven't done any extensive work on it.

I made sure that Mr. Buckley and Mr. Podmore were aware that I'd been approached on it and said: "If you have any interest, you should go talk to them." But it isn't anything at this point that I would suggest that has any legs to it.

S. Chandra Herbert: In an earlier response to a question I asked and coming out of this question as well, there was discussion about other potential sites, other development opportunities — things like that. Where is PavCo at in terms of future? I've heard in the media that maybe we need to expand the convention centre even more. Maybe we need to do something else entirely.

Are there any other future development plans or projects or prospects that we should be aware of at this time that PavCo is working on?

[1840]

Hon. P. Bell: The properties currently controlled by PavCo include B.C. Place stadium, the two development parcels beside B.C. Place stadium, the 7½ acres and the acre and a half, and then the water lot at the convention facility. Those are the only properties, as I understand it, that are controlled by PavCo.

I do know the chair of PavCo has made some comments from time to time about a further expansion. I think there's lots of work to do before one were to entertain something of that nature. I think we want to make sure we have proved out the current business case and plan around the existing facilities before we would

entertain anything of that notion. So I think it would probably be categorized more in the area of musings than anything else this time.

S. Chandra Herbert: Well, to go to something which is probably more than a musing.... Given the casino project didn't go through — or did go through, just not as an expanded casino.... I know the minister mentioned he met with Mayor Robertson to discuss further that site. What is the next-steps for that site for redevelopment on that location or on the other parcel that the minister mentioned?

Hon. P. Bell: I think there are a wide variety of options at this point. In my meeting with Mayor Robertson we discussed the need to work collaboratively so that whatever is developed on that site meets the needs and objectives of both the province and the city.

So we will engage at a staff level and have further discussions, understand what council's interests are, what our interests are, and then figure it out from there. One of the possibilities could be the existing Edgewater Casino. That has been approved, as I understand it, by the city resolution that was passed a few weeks ago. But it may be something else, and I am open to whatever suggestions.

The critical issue for me is that the province in our budgetary process included a \$6 million budget line three years out, in terms of a revenue stream from that property. So I want to, within the constraints of good business practices, meet the needs and desires of the city of Vancouver and accomplish the goal of generating a \$6 million annual revenue stream from that property.

S. Chandra Herbert: I know some of the members are saying "noting the time" and that I should vacate my place at this moment. But I notice we've still got three or four more minutes left to go, so I will take it right up to 6:45 because we've got lots to discuss here.

The next question I had is in regards to that \$6 million. I understood it was with an escalator, that it would start at \$6 million and then over time increase with the CPI. Is that still correct?

Hon. P. Bell: The CPI escalator occurs in the tenth year.

S. Chandra Herbert: If PavCo can get a better deal from whoever is to site there — more than \$6 million a year — you'll take it, I assume?

Hon. P. Bell: That's correct, Madam Chair.

S. Chandra Herbert: I'm glad to hear it because I know when the proposal was first put out there — the RFP — I did question the timing a little bit, as it was in the middle of the worst recession since the Depression.

That timing and given that a lot of other developers were not involved and holding back projects at that point, I did question why. So it will be a fuller RFP process again. Is that correct?

Hon. P. Bell: You never know. It could even be a foreign trade zone that gets developed, noting a previous member's commentary.

No, I think it will fall back to an iterative process again to consider what the options are. But the early discussions, I think, need to happen between the city and the province to get a good handle. There's no point in having another misstart here in terms of moving down the path of something that doesn't meet people's needs. So we are a changed government that is looking to be a bigger, warmer, collaborative hugging government.

With that, Madam Chair, I move that we rise, report progress and seek leave to sit again.

Motion approved.

The committee rose at 6:45 p.m.

The House resumed; Mr. Speaker in the chair.

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

Committee of Supply (Section A), having reported progress, was granted leave to sit again.

Hon. R. Coleman moved adjournment of the House.

Motion approved.

Mr. Speaker: This House stands adjourned until 10 a.m. tomorrow morning.

The House adjourned at 6:47 p.m.

PROCEEDINGS IN THE DOUGLAS FIR ROOM

Committee of Supply

ESTIMATES: MINISTRY OF LABOUR, CITIZENS' SERVICES AND OPEN GOVERNMENT

The House in Committee of Supply (Section A); D. Horne in the chair.

The committee met at 2:35 p.m.

On Vote 34: ministry operations, \$72,166,000.

The Chair: We're currently considering the budget estimates of the Ministry of Labour, Citizens' Services and Open Government. I'll start with the minister.

Do you have an opening statement?

Hon. S. Cadieux: Yes, thank you.

First, I will introduce the senior staff that are here with me today. To my right is Kim Henderson, Deputy Minister of Citizens' Services and Open Government; to my left, Neil Sweeney, deputy minister of government communications and public engagement; Bert Phipps, chief operating officer; Brad Grundy, the executive financial officer; and Denise Champion, the director of corporate services.

I'm pleased to introduce the budget estimates for the Ministry of Labour, Citizens' Services and Open Government. The ministry is committed to providing British Columbians with a stable labour environment and excellence in services that people can access quickly and easily.

The Ministry of Labour, Citizens' Services and Open Government is comprised of four areas of responsibility. Citizens' Services and Open Government unites the responsibilities for service delivery, technology and access to information. Shared Services B.C. delivers the infrastructure and services that government needs to operate, including buildings, technology, procurement and supplies.

Government communications and public engagement lead and coordinate external communications with a goal of informing citizens about government policies, programs and services in an open and transparent manner. Labour provides a fair and balanced framework for employers and employees alike so that businesses, workers and their families can prosper in British Columbia.

We've built a budget for fiscal 2011-12 that supports the mandates of all parts of the ministry. The ministry will operate with a net budget of \$565.722 million, and I'm looking forward to building on the solid foundation and accomplishments achieved under the Ministries of Labour and Citizens' Services, formerly separate ministries.

I'm looking forward to help making government more open, outward-facing and accessible to British Columbians. This ministry is broad in scope, and I look forward to taking action on the opportunities that fall under my responsibility.

I would now be happy to answer questions about budget estimates.

D. Routley: I'll start by thanking the minister for this opportunity to ask questions, inform myself, and thereby, hopefully, I'll bring some information to the people of British Columbia and different stakeholder groups who are directly affected by the ministry. I thank

all of the staff for making their time available to this important process.

It is important to a sense of engagement and ownership of process that people feel that these estimates debates are meaningful. Therefore, I do hope that there's some positive outcome to this, and I'm sure there will be. My experience with the minister on the committee to review the act, for the act, was positive, and I enjoyed it very much.

It is an interesting ministry. It's sort of amorphous, in that it isn't easily described. Maybe that's why the title has shifted and has never really been that specific.

The ministry, although it defies description in a sense, I think can be boiled down, in many ways, to being one of the cornerstones or foundation stones of democracy, in the sense that the citizen's right to access to information, the obligation of the government to communicate its goals and its progress in a transparent and forthright manner are essential to anyone participating in a democracy at any level.

So it's with that hope of a positive and constructive process that I embark on this. For the third time now I've had this file for estimates, and I've enjoyed it very much.

[1440]

I often quote the fourth president of the United States, James Madison, who said that a people without popular information or the means to access it are but a prelude to farce or tragedy, or both, and those words are very true. We see it often in government, as government quite rightly needs to maintain the privacy of deliberation within a cabinet. But at the same time, when governments stray into protecting information that should be in the public domain, both farce and tragedy can occur because we find public interest to be abandoned by that outcome.

We also can see in the record of the privacy side of the FOIPPA aspect of the ministry's operations the tragedy, the potential for tragedy, as privacy breaches have occurred. They have been very serious and have had very serious potential impact on the lives of British Columbians.

That is kind of a general comment on my perception of what freedom of information and privacy protection is all about and the government's obligation to communicate. On the other hand, we need to examine the specific record of this government, and successive Information and Privacy Commissioners have been very critical of the government's performance in terms of open governance.

We've seen broad and bold commitments during election campaigns to the principles of open governance, but then the proof is always in the pudding. The former Information Commissioner, David Loukidelis, actually made the reference that the historical record was being imperilled by this government's performance when it comes to freedom of information.

So it's not without some concern that we enter these estimates, as well, because the current Premier has made some bold predictions about opening up government. In fact, this Premier, Premier Clark, was the co-author of the 2001 B.C. Liberal campaign documents, the *New Era* document. In that document it was promised that B.C. would be a leader in electronic government and would facilitate public participation through legislative process, improve efficiency, improve access to services over the Internet. It said that they would expand the preparation of government data and information in digital formats.

They've made a lot of commitments about openness, including open cabinet meetings, but in the end I think the rebukes, essentially, through the reports of successive commissioners have challenged the outcomes. This government has in fact not been able to meet those goals.

Premier Clark made a refusal, during her leadership campaign for the B.C. Liberal Party, to review the highly controversial \$6 million payout of legal fees for Dave Basi and Bob Virk. This is, obviously, an obstacle to open governance when, in fact, decisions by government are not open to review. The decision to form a committee on open governance and make it a cabinet committee, thereby making it exempt from freedom-of-information requests, seems also to be less than forthright.

So I would ask the minister: given all of that and the fact that we're sitting here today in estimates briefing, with a scheduled briefing from staff tomorrow, was she aware that there was a briefing from staff scheduled for this critic tomorrow?

Hon. S. Cadieux: The schedule of estimates is determined by the House Leader.

D. Routley: Can the minister tell me where her budget stands now as compared to last year and the budget forecast?

[1445]

Hon. S. Cadieux: The budget for the ministry as a whole for 2011-12 is reduced by \$15.8 million.

D. Routley: Could the minister compare this budget to the previous Premier's budget — where the ministry's budget stands versus former Premier Gordon Campbell's last budget to this current budget?

Hon. S. Cadieux: Okay. So in the former or the 2011-12 estimates blue book, the ministry budget was \$599.7 million. The revised estimates had the budget at \$565.7 million, which is the same as the most recent blue book that was delivered.

D. Routley: Well, it appears that there's been an overall decrease between those two numbers. If there is a decrease, is that all on the labour side?

Hon. S. Cadieux: I can appreciate your question. The difference in the numbers that you're probably seeing is a result of a number of changes.

The following programs were transferred to another ministry. Multiculturalism was transferred to Jobs, Tourism and Innovation. The B.C. Public Service Agency transferred to Finance.

And a number of programs also came into the ministry. The Knowledge Network came from Jobs, Tourism and Innovation. GoBC came from Forests, Lands and Natural Resources. Government 2.0 support came from Community, Sport and Cultural Development and the Ministry of Labour.

[1450]

So when you take all the numbers in and out, that's where you get to the difference.

D. Routley: In fact, the minister has just more or less answered the next question I had for her, which was: is this a result of program shifts?

Essentially, we are talking about a ministry that is responsible for open governance and transparency in government, yet the number of shifts in and out of this ministry of programs and responsibilities makes it practically impossible for ministers, perhaps even staff — certainly critics and, I would imagine, the public — to actually follow what the budget numbers mean, because they change, as do the responsibilities of this ministry, so rapidly and so frequently.

One of the differences that has been made is that the term "Open Government" has been appended to the ministry title. How is this going to affect the work of the ministry?

Hon. S. Cadieux: One of the main things that this ministry is going to be looking at is reviewing the ways that citizens interact with government and looking for new and better approaches to providing information and services, how and when citizens want them.

We've already started that shift since forming government. The Premier has hosted an open town hall in Fort St. John and in Richmond and has launched public engagement to consider options to improve the harmonized sales tax. Over the next many months we're going to be continuing to open up government through initiatives that deliver on platform commitments related to information transparency, open data and citizen engagement.

D. Routley: These initiatives will be difficult to describe in terms of accounting for their various communications functions — STOB 67 functions of advertising versus other forms of advertising. The minister mentions the open town hall on the HST. I'm wondering whether or not any communications of the ministry related to HST will be reported as advertising

supporting the HST, or how will the government account for those activities?

Hon. S. Cadieux: There are some aspects of information related to the HST process that will be borne through this ministry, and that will come out through public accounts. But at this point those costs have not been incurred.

D. Routley: At this point does the minister have a plan on open government that she can share with me?

[1455]

Hon. S. Cadieux: Our current plan for open government is all contained within the Premier's platform commitments that she put forward as part of her leadership.

[N. Letnick in the chair.]

D. Routley: Well, with the appending of the phrase "Open Government" to the title of the ministry and several commitments and obligations through the FOIPPA Act to open government, it seems that the minister and the ministry might be well served to have its own plan that would reflect the commitments of the Premier. But it seems strange that there wouldn't be a plan in place regarding open government.

Hon. S. Cadieux: As I mentioned in an earlier answer, we're working on a number of things related to open data, open information and citizen engagement, and we're working on what a workplan for that would look like, going forward.

D. Routley: There are several questions that I have about all of those aspects, but it seems to me strange that the ministry wouldn't have an overall plan that they could share in terms of its goals and its planning, in terms of implementation and conception of these plans and goals, progress markers that we might look for to measure progress.

One of the commitments, the minister knows, made by the Premier during her leadership campaign was to create a committee to examine open government, and that was embodied in the cabinet committee on open government, which of course is now exempt from freedom-of-information requests and from scrutiny of the public. Why is this? And does it not show that the Premier's words on open government were hollow during the leadership campaign?

Hon. S. Cadieux: Well, I'm sure that the member is aware that all cabinet committees are subject to the Freedom of Information and Protection of Privacy Act. Section 12 of the Freedom of Information and Privacy

Act is intended to prevent harm to government that could occur if the substance of deliberations of cabinet or its committees are revealed to the public before the decisions are implemented.

D. Routley: The minister is chair of that committee. I think it's odd that a committee to examine public scrutiny is sheltered from public scrutiny by its very formation, and this decision seems to indicate to me a lack of commitment to the very notion of open government. The lack of a plan that can be shared with us at this time seems to indicate, maybe, a lack of real commitment to progress.

[1500]

That being said, would the minister commit to providing the plan for open governance by the end of this session?

Hon. S. Cadieux: The very fact that there is a cabinet committee on open government is a signal of the importance of open government to the Premier and to this government. The platform itself presents a very bold plan for open government, unrivalled anywhere in the country.

D. Routley: Well, unrivalled anywhere in the country is our record on freedom-of-information requests, which is the worst in the country, so I agree that there's some unrivalled quality to our performance in this province.

Other troubling indications of the Premier's commitment to open government are already showing themselves as well. The Premier's refusal to review the \$6 million payout of former Liberal staffers Dave Basi and Bob Virk for their legal fees — she's refused to review that decision.

Does the minister agree that it's reasonable to refuse to review that payout? All that the Premier has agreed to do thus far is to commit to review the indemnification policy, which falls far short of the accountability that British Columbians expect and demand in this case. This has really caused a great deal of outrage in the province. How does the minister feel that this reflects on the Premier's promise and commitment to openness?

Hon. S. Cadieux: The Premier's commitments to open government in her platform are very strong. We're working on them in the ministry diligently. We believe in them greatly. As per issues that are not the purview of my ministry, I have no answer on that.

D. Routley: Well, it seems to me that what the minister is referring to are words from the Premier's campaign. They're commitments; they're words, words that have created expectations. The actions, though, have fallen far short of that. The actions have been to create a committee to examine open governance.

The minister herself sat, as I did, on a committee recently to review the Freedom of Information and Protection of Privacy Act, which made many, many recommendations. Many of those recommendations were recommendations that had yet to be implemented from the previous committee reviewing the act, six years before.

It seems to me that there's plenty of information out there for the minister and the Premier to act on immediately. The action to refuse to review the payout of the Basi-Virk legal fees from the B.C. Rail scandal also seems to be an obstacle to any kind of sense of transparency and sense of trust that people might have in the words of the Premier regarding open government.

[1505]

I would ask the minister: what parts of the Premier's platform on open government is she actually implementing? What proactive disclosure initiatives is the ministry committed to?

Hon. S. Cadieux: There is clear evidence already about the commitment to open government of the Premier and this government — the open town halls that have been held in Fort St. John and Richmond engaging with the public openly without question; the telephone town halls that more than 30,000 people participated in, in Surrey alone in one evening. On-line engagement initiatives that have been initiated already to date are things that we've worked on to demonstrate the commitment to the platform, and we're working away feverishly on policy related to open data and proactive and routine disclosure.

D. Routley: Well, open town hall meetings and communications devices like that are certainly methods for the government to present itself and to communicate its ideas. But what we're talking about here is what is under the purview of the ministry when it comes to the Freedom of Information and Privacy Protection Act. Specifically, I'd like to ask the minister more about the aspects of freedom of information — open governance, transparent governance — that are being implemented.

The minister sat on a committee reviewing the act. There were several recommendations made when it came to routine proactive disclosure of information — how to increase the effectiveness of freedom-of-information requests, how to increase the efficiency and the satisfaction of those requests. That's more what I'm interested in rather than opportunities for the Premier to present herself to the public and have a dialogue. That's all well and good, and I'm sure it serves a purpose to the Premier and perhaps to the people of B.C.

But what we're talking about here is open governance — the ability of people to scrutinize the activities of government, the ability and opportunity for people

to access information that is being used as the basis for decisions by government and thereby have the ability to make their own judgment of the efficacy of the decisions of government.

Toward that end, what is the minister's position on the B.C. Ferries model of simultaneous release of information, and how does she see this approach in relation to the proactive disclosure of information to the public?

Hon. S. Cadieux: Well, citizen engagement is a two-way conversation, and that begins with government sharing information with citizens. Proactive disclosure refers specifically to the publication of information that's been requested and actively released through freedom of information.

Proactive disclosure using on-line technology can supply citizens with information that interests them in a form that's easy to access, to search, to read and to understand. When they're armed with that information, they are empowered to engage more fully in robust dialogue with government about policy, service delivery, innovation and priorities.

[1510]

Proactive disclosure also provides citizens with the information they need to hold government accountable, and in light of recommendations from the Information and Privacy Commissioner and the Special Committee to Review the Freedom of Information and Privacy Act, we are actively considering how best to move forward with that proactive disclosure.

D. Routley: Well, we're talking about several different things. The citizen engagement will come up, I think, further along in the government communications and public engagement questions that I would have for the minister. The freedom-of-information issue is separate, I believe also, from the notion of proactive and routine disclosure of information.

But I was asking about B.C. Ferries' simultaneous release policy, which has been characterized, perhaps, as not being proactive disclosure but reactive disclosure — that as the body takes in a request for information, it reacts by sending that information out to the broad public, which is seen, particularly by journalists and anyone who's doing investigative work, as being an obstacle to freedom of information.

If they are to invest in a freedom-of-information request — which, as the minister knows through her service to that committee as well as I do, can be very, very expensive — they need to feel that they have a right to use that information without it being shared with competitors, in the case of journalists.

I'm asking about the B.C. Ferries model of simultaneous release and whether the minister feels that that satisfies the principles of proactive disclosure.

Hon. S. Cadieux: The Information and Privacy Commissioner has, as have the special committees, encouraged us to look at proactive disclosure. I am aware that the commissioner is looking at producing a report related to proactive release. That's expected to be released some time this month, and I am looking forward to reading that report when it comes out. We've made no decisions at this point about the timing of posting on our website.

D. Routley: Getting back to B.C. Ferries, though, I know that the minister can't speak for the commissioner. I hope the minister can't speak for the commissioner. She will have her own opinion of what is the best model and whether or not this is acceptable.

I'm asking for the minister's viewpoint on the simultaneous release policy of B.C. Ferries and wondering: does she feel that that is satisfying the notion, the principle, of proactive disclosure? It's been promoted or framed that way by the corporation. It's, in fact, simultaneous release of information only after a request is made, and it is being seen by many as an obstacle and a disincentive to filing freedom-of-information requests about the ferry corporation.

[1515]

Hon. S. Cadieux: Well, certainly, the goal is that citizens be empowered to engage in dialogue with government about policy and innovation and priorities. I will look forward to receiving the report from the commissioner and seeing what she has to say on this subject before making any decisions.

D. Routley: Well, okay. It seems difficult to exact a real response or opinion, but maybe in the face of that I'll offer mine.

I think it's clear in the questions that I feel it is not at all satisfying the principle of proactive and routine disclosure. In fact, it's a less than cleverly veiled attempt to disincite journalists and others from inquiring about the corporation, and I think it's a cynical abuse of the notion of freedom of information.

To that end, how does the minister see freedom-of-information policy fitting into the Premier's open government policies — not town hall meetings and not any sloganistic or communications device, but the act the minister and I sat on a committee to review? How does she see the facilities offered by that act, when it comes to freedom of information, fitting into the Premier's open government policy?

Hon. S. Cadieux: We are committed to more openness. The act does certainly allow for that, and the special committee we sat on together made recommendations on this. We are currently reviewing those. That's part of our commitment to opening up data and proactive and

routine release, but there are policy issues that we have to work out before we can do that. We're looking at that within the structure of the FOIPPA act as well.

D. Routley: This strikes me as wholly unsatisfactory, absolutely unsatisfactory. We had a review committee — led by the Minister of Transportation, I think, in the past. It made many of the recommendations that the committee that the minister and I sat on also made. So these recommendations have been lingering for many, many years.

This government has only called this House to order before this session, I think, four days out of eight months, and I am being told now that this ministry and the minister are unprepared to discuss a plan for open government. In fact, they're unprepared to share with us any plans.

[1520]

We're having estimates, then, for \$565 million of public money before there's a plan in place — before there was a briefing scheduled tomorrow as well, I might add — and before the Premier has been able to materialize any of the plans that she communicated, before any of the review committee recommendations have been planned for or implemented. We're having estimates to discuss the spending of \$565 million of tax money. It seems ridiculous to me that the minister can't share more with the public about a plan for open governance and transparency.

Another lack of transparency is the fact that before this year we could see the budget for FOI separate from other items in the ministry's budget. In the September 2009 budget there was a cut of \$4 million to the FOI budget over February 2009, from \$19.6 million to \$15.6 million. There is no separate accounting, at least that I can see, in this budget. How much of the open government budget will be dedicated to FOI services?

Hon. S. Cadieux: Okay, so this work unit is within the logistics and business services subvote, and the operational cost of the Freedom of Information and Protection of Privacy Act to the information access operations on an annual basis is approximately \$7 million. The year-over-year cost to government has remained relatively stable for FOI operations since they were centralized in 2009, despite more than a 16 percent increase in the volume of FOI requests in 2009-2010 over 2008-2009.

[1525]

D. Routley: Well, the numbers in the September 2009 budget were \$15.6 million for freedom-of-information requests, and those numbers did include, I believe, FOI and records management.

But if the minister is telling me that stable funding is \$19.6 million in February 2009 to \$15.6 million in September 2009, that's a cut of \$4 million, and if it's

\$7 million now, that's a much further cut. The minister isn't at least being clear with what is being reported as freedom-of-information funding.

Hon. S. Cadieux: Sorry for the confusion. We understood your question to be specifically about freedom of information. The budget of \$15.4 million supports the FOI requests processing and the records management services, including off-site record storage. So the 2011-2012 IAO budget is indeed \$15.4 million, with \$7 million of that, approximately, supporting the FOI requests, and \$8.4 million for the records management, including the off-site records storage.

D. Routley: I will have more questions about off-site records storage, but can the minister provide me with a breakdown of the number of staff currently working on processing FOIs? And that is the retrieval of records as well as the preparing of the records for disclosure.

Hon. S. Cadieux: The IAO has 149 full-time equivalents, which is one more than last year. That increase of one is due to a transfer from Tourism B.C., when it was brought into government.

D. Routley: What is the number of staff who are doing the records management side, which essentially allows the information to actually be retrievable? We're having a large spike in "no records available" reports on FOI requests.

Hon. S. Cadieux: There are 92 FOI positions, 55 records management positions, an executive director and an administrative assistant.

D. Routley: Does the minister feel this is a sufficient number to uphold the ministry's obligations under the act?

Hon. S. Cadieux: I am exceptionally proud of the staff in this area. They are incredibly professional and handle these requests with much diligence. As of March 31, 2011, the FOI response times have increased to 93 percent on time, up from 71 percent in 2001. That dramatic improvement is while, for the fourth consecutive year, the volume of FOI requests has actually increased.

D. Routley: The volume of FOIs may have increased, but there has been no movement on proactive and routine disclosure.

[1530]

In Alberta they have more proactive and routine disclosure. Often the comparison is made between B.C. and Alberta. Perhaps if the government were to invest its efforts and commitments to routine and proactive

disclosure as well as a strong FOI system, there would be fewer requests and more ability for the ministry to live up to the commitments under the act.

As far as the increase in FOI timeliness, the commissioner also reported that timeliness in satisfying requests by the opposition was, in fact, lagging further behind than it was previously. That is a troubling indication.

Also, the opposition and other groups have noted a large increase in the number of requests that are coming back as "no records available." This essentially satisfies the timeliness but in no way satisfies the freedom-of-information request. Does the minister agree that that's a concern?

Hon. S. Cadieux: As I've stated more than once, I am very excited about the fact that we are moving forward on proactive and routine release. We're working through the policy issues on that, and it will be coming soon. I'm sure the member will appreciate that when it moves forward.

Certainly, staff know their obligations around the Freedom of Information and Protection of Privacy Act, and they do their jobs very well. If there are any instances the member would like to bring forward where government staff are not complying with the Freedom of Information Act, then I'd like to hear about them.

D. Routley: In terms of the staff complying, I'm sure that I would agree, as did then Commissioner David Loukidelis in his '08-09 report, that the staff are dedicated. His words were, "Access and privacy staff are dedicated, hard-working professionals," but he adds: "But they can only do so much. More is needed, and that means more money for more staff."

He prefaced those remarks by saying: "In the end, it's about money, plain and simple." We've heard that from the staff in briefings. I'm sure the minister remembers hearing that from staff who came to brief the committee — that there just aren't enough people to do the work.

Now, I'm sure they do comply as much as possible, but I would ask the minister: does she agree with Commissioner Loukidelis that there's a need for more resources?

[1535]

Hon. S. Cadieux: The Loukidelis comment that the member quoted in his question was before centralization of the FOI processes to this ministry. I'd like to just restate that as of March 31, 2011, the FOI response times have increased to 93 percent on time, up from 71 percent in 2008. The response times are improving dramatically despite increases in the volumes, and I think that speaks directly to the ability of staff to very professionally deal with the requests.

D. Routley: One of the reasons that the response times have increased in their compliance with the act and have, in fact, decreased in time is perhaps that there has been such a rapid rise in the "no records" response to requests. This is something that the commissioner has expressed concern about and is currently investigating — that is, the number of times the government simply says that it has zero documents. She is now investigating that trend.

I'll offer the minister, in a few moments, examples of where that has been found to be not true — that in fact records existed, but the response was given that there were no records. A "no records" response to a request satisfies the act if it's offered within the timeline. The commissioner is concerned that this is a tactic used by overstretched, overworked professionals who are trying to comply with the act but without the adequate resources from the minister and the government.

Does she agree with the commissioner that the sudden spike in "no records" responses from the government is a concern?

Hon. S. Cadieux: It's not the case that there has been a sudden spike. In fact, there was just a 1 percent increase in "no response" records in 2009-2010.

D. Routley: Well, there was sufficient spike for the commissioner to be concerned. The commissioner, Elizabeth Denham, says: "Another possible explanation for the significantly improved performance might be that ministries were simply denying access or determining that there were no records responsive to their requests. Such responses could occur quickly, thus reducing response times."

Now, the commissioner has become sufficiently concerned about that being the case that she has begun an investigation. It's clear that the commissioner feels that the finding of "no records" would assist the ministries in satisfying requests, especially if they're in an under-resourced area in terms of FOI-processing staff. I would ask the minister if she agrees that this is a concern.

[1540]

Hon. S. Cadieux: I can assure the member that this government is very committed to the Freedom of Information and Protection of Privacy Act and values the work of the commissioner. I look forward to receiving any advice she has in regards to this, any insights she might have that she cares to share. We'll use those as opportunities to improve.

D. Routley: I'll give the minister a couple of examples. One was a timeline for a request that was made by the opposition. The request was for provincial revenue forecast updates between the dates of October 1, 2008, and May 29, 2009. All these were regular reports prepared for the deputy minister of Finance.

The timeline of that request: May 29, 2009, the original request was made; June 26, a fee for \$660 was issued; July 22, 2009, the request was extended to August 4, 2009; it was extended to December 11, 2009; September 24, 2009, the opposition appealed the second extension with the OIPC; December 11, 2009, no records arrived.

After December 11 the research officer who originally made the request began a conversation with the ministry. Initially, the research officer was told a phased release was possible and phase 1 could be to them by the end of that week. However, when no records continued to materialize, the due date for phase 1 was continually pushed further back.

On January 21, 2010, the official opposition filed a deemed refusal. The ministry gave the date of March 19 as a new date, and a consent order was signed. However, the consent order was not signed until March 15, only four days before the new deadline. On March 19 — this is 2010 now — 294 days after the original request had been made and 98 days past its original due date of December 11, the records arrived almost entirely severed. On April 26, the opposition filed a severing appeal with the office, and that has still not been resolved.

So as of today it's been one year, 11 months and six days since that original request was made. For all intent and purpose, essentially the ministry can claim compliance because extension after extension after extension was granted. Finally, the records arrived almost completely severed.

It's another example of the abject failure of the government to live up to its obligations, not only to the letter of the Freedom of Information and Privacy Protection Act but to the spirit that it represents, that is, of open governance. This is a great concern to British Columbians, a great concern to anyone who attempts to bring this government under scrutiny, that hides so well behind the....

I'm not sure that the minister remembers. I believe it was Darrell Evans from the B.C. Freedom of Information and Privacy Association saying that a sophisticated culture of avoidance has developed within government, avoidance of the obligations under the Freedom of Information and Privacy Protection Act. These are examples of abject failures to live up to the spirit that could be defined as living up to the letter of the law because of the consistent and repetitive extensions granted to the ministries.

I think that's a great concern, and I'd like to know whether the minister shares that concern. I felt when sat in this room reviewing that act that the minister shared those concerns.

[1545]

Hon. S. Cadieux: I am not familiar with the file specifically referred to, but as the member also mentioned, it's before the Office of the Information and Privacy

Commissioner. I'm always happy to receive the advice and insights of the commissioner and will use that as an opportunity to learn and improve how we do things. Certainly, this government is committed to open government and to the principles of open government.

D. Routley: Pardon me, Mr. Chair, because I find this really difficult. I quite like the minister. She's a very nice person. It pains me to say it, but I feel that that is a wholly inadequate answer to a records request — which has now taken one year and 11 months to satisfy — to a government that is declared by the Canadian Association of Journalists as having the worst FOI record in the country.

This is an example where a request was made, and it has been delayed by almost two years. It's a request for routine reports that should be available to deputy ministers. Yet the minister claims that she can't offer an opinion on that because it's before the commissioner. I think that's wholly inadequate.

I think that in fact the minister would benefit the province and the people of British Columbia by accepting that that is absolutely a failure to comply with the spirit of the act. I feel that she must know that. I feel from my experience with her on the committee that reviewed the act that she would find that to be an affront to the notion of open democracy and open government that her own Premier has staked such big words and claims to.

You know, a town hall meeting is not open government. An open-line conversation with whoever gets through is not open government. Open government is the facilitation of the involvement of citizens in their own governance. It is the opening up of the information that government uses to make decisions that affect people's lives.

That was an example of an outrageous delay. I'll give the minister a couple of examples of outrageous fees. A request was made by the opposition to the Ministry of Healthy Living and Sport regarding the H1N1 preparedness and planning. The time frame for that request was September 1, 2008, to December 24, 2009. Their fee for that: preparing the records for disclosure was \$48,120, and photocopying charges were \$625, for a total fee estimate of \$48,745.

[1550]

Now, that is ridiculous. If that is the true cost to government, that is ridiculous. I know that when we reviewed the act, the notion of proactive disclosure and what that would mean to reducing the cost to government should cause this ministry to have spent the last 11 months, when we weren't sitting in this House, to be busy advancing their plans to move to routine disclosure, in order to avoid these tremendous costs, in order to avoid imposing them on British Columbians who seek to make democracy accountable.

I just don't understand how we can be standing here debating estimates of a ministry charged with open

governance, with freedom of information. All of these recommendations and work have been done in order to facilitate advancing the cause of open governance. We haven't sat in that chamber but for four days of the past — what? — eight months, and this is the best that we are offered. I think it's absolutely inadequate.

There are other examples here of outrageous fees, but I think I'd be wasting my own time. I know the minister knows about them, because when we sat here reviewing the act, we had environmentalists come and tell us about fee requests from the government that were over \$100,000 for information that was in the public interest. That, I think, is absolutely a failure.

The original second reading of the bill in the '90s, the Freedom of Information Act, was unanimously approved by the House. Part of the core principle of it was that fees would not become an obstacle to freedom of information and open governance, but they clearly have.

I'll give you an example of both delay and fees and a comparison. We made freedom-of-information requests to this government — the previous government of Premier Gordon Campbell but this B.C. Liberal government — and the exact same request to the government of the state of Washington.

The request to the office of the governor was: "I make this request pursuant to the Public Records Act" — all records related to expediting cross-border movements, border circulation analysis.

The request for the office of the Premier was: "I make this request pursuant to the Freedom of Information and Privacy Act" — all records held by the office of the Premier related to the memorandum to enhance competitiveness and prosperity signed at the joint cabinet meeting between Washington and British Columbia. It's the same request — the same meeting, same documents, same agreement.

Two requests were made on the same day but have had very different results. The office of the governor's timeline: on February 3, the office issued a fee of \$63.30, or the alternative of coming to view the records free of charge. The opposition paid the \$63.30 and received the records in full, with no severing, on March 3, 2010.

The office of the Premier's timeline: on January 13, the office of the Premier acknowledged receipt of the request and assigned a due date of February 15, 2010. That was, I believe, 12 days after the completion of the governor's timeline in Washington State. On February 11, the office of the Premier extended the due date 30 days to March 29, 2010.

It took a total of 59 days for Washington to produce unsevered records. In the office of the Premier, if it takes no further extensions or delays, it will have taken 85 days to produce those records from the same meetings — and who knows at what cost, given the fees of this province.

Those are examples of this government's freedom-of-information and open governance policies failing.

Now, we've done so much work to review the act. The minister knows that. So what can she offer to British Columbians and to me as critic to reassure us that work is being done to improve that performance, to bring us up to speed with the rest of the world in terms of facilitating open governance?

[1555]

Hon. S. Cadieux: Well, in fact, we have a new Premier, a new plan, and a new minister. I think that the plan for open government and engagement is an exciting one. I'm committed to it. I think we're going to play a leadership role in Canada with the plans that we're making. As I mentioned already, I'm committed very strongly to both proactive and routine release. I believe that that will improve access to information that citizens do want to have. We do also hope to have the policy related to that completed very shortly.

D. Routley: Well, I respectfully disagree with the minister. We do have a new Premier, but it's the same old, same old. Really, we have been treated to an insult to the notion of freedom of information by this government for year after year and a refusal to update the act.

Now, I'm sure the minister will know about a significant example of a request for records that came back to the official opposition as "No records," and that was our request for documents related to the HST. We were told, "No records," but then the Finance Minister had to admit that there had been an HST briefing note on his desk but he had never read it. Now, that is a double insult to British Columbians — firstly, that the minister wouldn't have read the briefing note on the HST; and then, secondly, that the government wouldn't turn over that note to the opposition under freedom of information.

The B.C. Freedom of Information and Privacy Association wrote to Information Commissioner Denham, the current commissioner, about the government's claims that there were no HST records. In the letter they stated: "Because the system requires confidence in public bodies carrying out adequate searches for requested records, cases like this one cast a pall over the overall functioning of FOI in this province."

Now, we're in a new era of openness here with Premier Clark. That's apparently the reality, although it appears to be just words. The Premier committed that this would be a reality, not just words.

I'm sorry, Minister; it seems just words to me.

Does the minister agree with FIPA and with the opposition that the government's refusal to provide the HST records — documents that the then Finance Minister has proven existed — cast a pall over the functioning of FOI in this government?

[1600]

Hon. S. Cadieux: As I mentioned before, we have very professional staff that look after all of the requests that come in. Staff have requirements under the act that they must follow in order to respond to the requests. I believe that people are as diligent as they can possibly be to provide all of the relevant information to respond to each request. I believe that people are doing their best.

If there are specific questions related to a specific request from a ministry, I would suggest that you take that question to that minister's estimates.

D. Routley: Well, there's been a centralized process for FOI. It's centralized in this ministry, so I think that it's reasonable to expect that this ministry can answer to FOI questions for any ministry — at least that was the notion of centralizing in the first place, that it would be made more efficient and more effective. But I would challenge that, especially given that answer.

Things haven't changed. We had a government for the last ten years that was consistently condemned by stakeholder groups, by researchers, by academics, by journalists, by the opposition in terms of its avoidance tactics in compliance with freedom of information. We're supposed to be in a new era of an open government under Premier Clark.

I'd like to give you an example of an FOI we've received since Premier Clark became Premier. On April 20 we received a response to our request to the criminal justice branch for all records regarding the B.C. Rail sale corruption trial and the Basi-Virk case. This case was no longer before the courts, so that excuse was no longer available to this government, but we were provided zero records all the same.

On top of severing every single record, the Attorney General Ministry also made this very interesting statement. "The special prosecutor was initially considering preparing a report for public release. However, in light of the significant release of materials from the B.C. Rail corruption proceedings to accredited media, they concluded that such a report at this time became unnecessary since much of the information to include in such a report was already in the public domain."

So the public was going to get a full report from the prosecutor on the B.C. Rail sale corruption trial, but because some information was made available to some media outlets, this new Premier Clark-led government, so committed to open government, has now decided that the public will not get the full public report from the special prosecutor.

Can the minister explain how such a policy can be justified, given the Premier's statements that open government was one of her top priorities?

[1605]

Hon. S. Cadieux: We do administer the act, and we process close to 8,000 requests a year, 93 percent of which we process on time. But decisions about the records that fall within the scope of the request rest with the program ministry. So for this particular item you've raised, I would suggest that you raise it with the Ministry of Attorney General.

D. Routley: Again, a wholly inadequate response to a very, very valid criticism. You know, the minister talks about the total number of requests. By far the majority of those requests are simple personal requests like requests to ICBC for information that can be satisfied at the flick of a switch or a moment's search of a file.

This is a very significant case and subject of interest to British Columbians. This is an enormous scandal in the history of B.C. That's the way people feel about it. They feel that it was....

The two examples I've given — B.C. Rail and HST. Now, those can hardly be compared to the vast majority of the freedom of information requests received by any ministry. These are essential to people's faith in government. I should expect that a Premier who has made such bold commitments to open governance would ensure that any material related to those very crucial subjects of interest to British Columbians would be handled carefully, fully and appropriately.

Returning all the information severed, saying that, "Well, we've released some to this reporter and some to that reporter, so it's all in the public domain; it's up to you to put it all together" — is wholly inadequate. That is absolutely a failure to live up to the obligation to be open about governance.

The policies of the government around indemnity in the Basi-Virk case were not followed. The defence costs were paid by the government. Even though the government could have pursued them for assets, they chose not to. This was a deal. And to the vast majority of British Columbians who I've spoken to, it's seen as a cover-up.

Any Premier committed to openness, I would think, would be going out of her way to unveil that sense of obscuring and covering up information. These cases, these situations and these instances point to a government that continues to fail to live up to those commitments.

B.C.'s Information Commissioner constantly has to seek boosts in the OIPC legal budget to cover the growing number of court challenges to her rulings by the B.C. government and its public bodies. Rulings are made; rulings are appealed. In a recent meeting with the commissioner, Elizabeth Denham, I was told that her office is the most judicially reviewed commissioner's office in Canada.

[1610]

This is in the province so committed to leading all jurisdictions into this bold, brave new world of open

governance. *New Era*, I should say. Isn't that the document that Premier Clark co-authored? Yes, *New Era* and the commitment to open government.

And as an affront to that notion and that commitment, we're told that our Information and Privacy Commissioner's Office is the most judicially reviewed commissioner in Canada.

How comfortable is the minister with being the Minister of Open Government when her own government is, in fact, taking the FOI Commissioner to court, costing the public of this province millions of scarce dollars, instead of just releasing documents they've been told to release? An IBM contract, sea lice reports, and on and on it goes. Judicial review after judicial review to avoid the rulings of the commissioner.

It's a simple question. Is the minister comfortable with being the Minister of Open Government given that record?

Hon. S. Cadieux: The government respects the orders of the Office of the Information and Privacy Commissioner and only considers a judicial review if a fundamental principle of the Freedom of Information and Protection of Privacy Act has been brought into question.

Our Freedom of Information and Protection of Privacy Act is some of the best legislation in the country and some of the strongest legislation. It's one of the cornerstones of our democratic process and one of the best tools available to provide accountable and transparent government.

Since 2001 there have been 28 judicial reviews for the commissioner's orders; of these, only seven were brought by ministries.

D. Routley: Well, Mr. Chair, I've stated previously that I feel awkward challenging and criticising the minister because I think she's a very decent person. But I think that she's reading from notes that are not reflecting any adequacy of openness and reflection on truth.

I'm sure that the minister remembers sitting at these tables reviewing the Freedom of Information and Protection of Privacy Act and hearing from so many people how inadequate the performance of the government has been; how the bill has, in fact, been stripped of many protections over the past ten years; and how recommendations for its improvement have been ignored and have, essentially, rotted on the vine.

I think if we look to.... The minister has said that the rulings are respected and they're only challenged when a fundamental principle is at stake.

Well, okay, here's a fundamental principle for you, Minister: the public interest of protecting the wild fish stocks of this province, of managing the fish farming industry responsibly. That's a pretty essential principle, an essential principle that the T. Buck Suzuki Foundation was trying to uphold when they took six years to get the

sea lice reports from the ministry, because of constant challenges of the Office of the Information and Privacy Commissioner's rulings — constant challenges.

Finally, the court decreed that the ministry must, the government must hand over the information, and they challenged again under a separate section of the act. So when one section didn't work for over five years, they switched to another section to try and avoid sharing the information.

Now, I know that the minister would like to see an improvement in performance, but how can that happen when her own government has a consistent record of challenging the authority of the Office of the Information and Privacy Commissioner? It is a consistent record.

[1615]

The officer, in a recent meeting, shared with me that her office is the most judicially challenged office by government in this country. That is a failure. I'm not going to ask the minister to comment, because I feel as though I will just hear the same answer that I've just heard — that her government is boldly embarking on a commitment to open government unmatched anywhere else on the planet, despite the record that we are constantly faced with, despite the reports from our own commissioner, despite comparisons to other jurisdictions that see us as being a failure.

In any case, I think it's time, with very little time.... I would also note that this year we have 122 hours for estimates debate, and last year we had somewhere around 200. In the '90s we had 250. We have half the length of time to debate estimates under this current government as we had in the '90s, for twice the budget.

This parliament is spending over \$26 billion a week in estimates, and this is the level of scrutiny that we're offered. So in my four hours that I have to scrutinize the \$565 million budget of the Ministry of Citizens' Services, I think it's time to move on to privacy protection under the Freedom of Information and Protection of Privacy Act.

I'm sure the minister will remember that during our review of that act we had a very interesting presentation from the interim commissioner at the time, Paul Fraser. I was really most impressed by his submission and his presentation in this room.

He was a part of the legal team that constructed the federal legislation back in the '60s. He wrote articles as the president of the B.C. bar association in the 1970s, recommending the movement towards freedom of information, using information technology to advance the cause of open governance. He is, I think, a very principled person who believes in these essential notions.

I was impressed by his definition of, or his reflection of, what privacy means as a citizen of the province. He said: "...the people of British Columbia recognize privacy as both a right and a value. Personal privacy is part of every citizen in British Columbia's DNA. It's as im-

portant as free speech, as the presumption of innocence, as the right to equality, as the right to a fair trial."

That, I think, encapsulates our responsibility as legislators in regulating the handling of people's personal information. It is a deep and onerous responsibility that has been absolutely dropped by this government.

If you look at the Wainwright scandal, the B.C. Lottery scandal, on and on — privacy breaches, thousands of people's personal information being accidentally sold at flea markets on computer disks and tapes.... These are absolute failures of our collective responsibility to live up to protecting the privacy of British Columbians.

According to Paul Fraser — and I wholly agree with him — a privacy right is as essential as the presumption of innocence and the right to equality. That's how important this is.

"Under FIPPA, privacy means maximizing, wherever possible and to the extent that is reasonable, a citizen's control over the collection, use and disclosure of his or her personal information." Now, it's been said by many of the government agencies that presented to the committee reviewing the act that we need to modernize the act, that it fails to meet the requirements of the digital age, that somehow the requirements of modern government ensuring information aren't supported by the act.

That notion is dispelled by the then acting commissioner. He says that basically, in a sense, those rules around the right to privacy reinforce the basic premise that public bodies must be appropriately restrained. Those are the principles that the act defends: the right to privacy, the notion that public bodies need to be restrained in their handling of information and their intrusion into people's personal lives.

[1620]

He also dispels the notion that technology is any reason to abandon those protections. He says: "Modern privacy legislation emerged in the late '60s when the Council of Europe began studying the effects of computer technology on personal privacy." The very basis of the legislation was in response to technological change.

He offered the example of two moose hunters who shoot a moose. They're dragging that moose out of the bush by its hind legs, and they're stumbling and falling and making very little progress. A wildlife officer comes along and demands to see their licence. They're licensed; it's a legitimate hunt. So he looks at them and suggests: "You know what? You'd make better progress if you got on either side of the antlers, wouldn't you, and pulled on the antlers?"

So they tried it, and they were making great progress. One hunter said to the other: "Hey, we're doing really well. That guy was right." The other hunter said: "Yeah, but we're getting further and further away from the truck." It was an example of how technique and technol-

ogy can facilitate a movement, but it can be a movement away from our original purpose. That is a long-winded way of prefacing a question.

The government is investing almost \$200 million in integrated case management, which will allow the broad sharing of personal information across government from ministry to ministry — personal information about vulnerable citizens. This is a great concern to anyone who has concerns about the principles of privacy protection.

Can the minister assure me and the people of B.C. today that there are adequate protections to their privacy as we embark on this new era of information-sharing?

Hon. S. Cadieux: I think the fact that our act is called the Freedom of Information and Privacy Act in and of itself explains the equal importance of those pieces. The integrated case management is a project of the Ministry of Social Development, and they are briefing the commissioner regularly on the work that they're doing.

D. Routley: The notions that we're talking about, privacy and protection, are equated by Paul Fraser, the acting commissioner at the time, one of the co-authors of the original federal legislation and broadly considered to be an authority. We are talking about rights as essential as those to a fair trial and those to equality and those to basic freedoms.

[1625]

It is a basic freedom. It is a basic right of a citizen to have privacy, particularly in a democracy — not to be intruded upon by the government, not to have their information about their health, their living standard, their way of life shared inappropriately.

There's a notion that only information that's pertinent to service delivery will be collected — only for the purpose of that service delivery and held only for the time required for that service delivery — and that that information will not be shared without the consent of the citizen. How is a citizen to know what is being done with their information if there is this broad-scale sharing of information?

We have seen examples, which I am prepared to offer to the minister, of failures within the government's current systems to protect privacy, of information being handled improperly. So it seems very, very pale reassurance to say that they're consulting with the commissioner regularly. There must be more from a government so committed to open governance. Part of open governance is to be prepared to protect the information that government holds that is personal. Can the minister not offer more?

In the most recent annual report from the Office of the Information and Privacy Commissioner it was noted:

"In our annual report three years ago former commissioner David Loukidelis wrote that it is crucial that privacy protection be built into proposed government data-sharing initiatives from the outset and that, given potential impacts for privacy protection,

any initiative to develop a citizen registry of personal information be carefully scrutinized, with meaningful public consultation. Several developments this year suggested that that important message did not have the desired impact and that the privacy risks of data-sharing have since become greater rather than smaller."

Why does the minister believe that under her government, the privacy risks of sharing data have become worse, not better?

Hon. S. Cadieux: I absolutely share the member's perspective on the importance of privacy protection. It is absolutely paramount, and as it relates to ministry projects like ICM, the commissioner is very involved with the project team on that project.

Certainly, if you've got further questions related to that particular project, I would suggest that you do raise them with the Ministry of Social Development.

[D. Horne in the chair.]

The Chair: Can we recess the committee for about five minutes, if we could.

The committee recessed from 4:29 p.m. to 4:36 p.m.

[D. Horne in the chair.]

D. Routley: Now, the last question was: does the minister believe that it's reasonable that under her government the risks of sharing data have become greater, not lesser? I think that the words of Paul Fraser in relation to the basic right of a citizen to privacy being equated with the right to a fair trial, the right to equality and the right to the presumption of innocence underlines the importance of the notion.

It seems that the report of the commissioner that indicates that the risk to privacy of data-sharing in this province has become greater, not lesser, should be a warning sign to everyone. If we're to trust that the government is able to manage such a complex system that would share people's — vulnerable citizens — personal information across government, across a single computer network available to so many people, then we'd have to look to examples of either success or failure in existing models.

I think the vulnerability of these systems to the failure of the people using them and managing them is something of great concern. When ICM was first proposed, first conceived, there was no privacy assessment done. The Office of the Information and Privacy Commissioner asked three times for a privacy risk assessment to be done, and it wasn't done until tens of millions of dollars had been spent on implementation.

I'll give you a few examples, Minister, of why this should be of great concern. The most glaring one that everyone is familiar with was the Wainwright security scandal, in which the personal information of some

1,400 income assistance clients was found in the home of a government employee. The commissioner told this government that a chief privacy officer was needed to deal with this long history of privacy breaches, that being the most publicly known.

Can the minister tell the House why the government has refused to listen to the commissioner and appoint a chief privacy officer?

Hon. S. Cadieux: Government does take the protection of privacy very seriously, and that's why we strengthened the Freedom of Information and Protection of Privacy Act to require public body employees to report privacy breaches. As the minister responsible, I'm incredibly concerned about privacy breaches.

On January 29, 2010, the government approved a series of recommendations based on results of two privacy investigations in 2009. The recommendations are now in place. We have implemented a centralized reporting information management process for government led by the office of the chief information officer. The OCIO has established a privacy investigations unit to work on privacy incidents.

Every government employee is required to take a mandatory training course on privacy and information sharing. The training started in June and is still underway and due for completion by the end of the year. Government is also implementing new security screening processes for public service employees who work with sensitive and personal information.

[1640]

D. Routley: In that case the government ministries never even noticed that the information was missing. It was only after the RCMP found the information and returned it to the government that the ministries became aware. It turned out that 26 employees of the government had been aware of the loss of the information after the RCMP returned it but never pushed that information up the chain, so the minister didn't know for some seven months — apparently didn't know for some seven months — that this breach had occurred. Then, when the notifications of the breach were made, the notifications went to the wrong addresses, further compounding the loss of privacy rights to these individuals.

One of the recommendations was for increased education for civil servants around their obligations under the Freedom of Information and Protection of Privacy Act. The minister has referred to that training. What is the budget for that training, and is it ongoing? Has the budget changed at all?

Hon. S. Cadieux: We don't have the specific number with us, but we'd be happy to provide it to the member.

D. Routley: How long will it take for me to receive that information?

Hon. S. Cadieux: We can have that for you by tomorrow.

D. Routley: Another example of a failure to guard privacy and to build these protections into systems was the e-health system used by the Vancouver Coastal Health Authority. The investigation into that situation determined that the software system was designed and implemented with wholly inadequate security. Personal information was regularly collected, used and disclosed into and out of the system without any authority under the act, under FIPPA. There were virtually no privacy management frameworks in place.

These are systems that cost a great deal to implement. It's been noted by the commissioner and by other people from that field that building protections into a system at its conceptual stage, its design stage and its implementation stage is far cheaper than trying to rework the system later.

So what provisions and what steps have been taken to ensure that all data-sharing initiatives by government have adequate privacy protections in place?

Hon. S. Cadieux: I believe that technology solutions can be implemented in a way that both protects and enhances the security of information for individuals. On projects like ICM, privacy impact assessments are done and shared with the commissioner for comment, and that's where we can look at whether or not things are going to be designed in a way that protects privacy.

[1645]

D. Routley: Yes, I would agree that is a way that privacy protection can be designed and ensured, but it is far from saying that it will be, and you could only say that it will be if the government were to act on the recommendations of the review committee, which recommended, after having been persuaded by the information that was put before it — and the Chair was a part of that committee as well — that these privacy assessments should be done at the conceptual, design and implementation stages, so that there is an assurance that those steps will be taken and these exorbitant and unnecessary costs of redesigning systems and the risks to privacy and damage to people's lives, if there is a breach, could be avoided, would be avoided if that were to be added to the act.

Is the minister's government going to take steps to ensure that privacy risk assessment is done at all of those stages?

Hon. S. Cadieux: I can say I agree with most of the feelings of the member on that issue and that the

recommendations of the committee are under active consideration.

D. Routley: Well, I appreciate that the minister agrees with those concerns. Active consideration is not an adequate answer, though, because active consideration can mean a whole lot of things, especially when we look at the six-year period — seven years now — since the last review committee before the one that the minister and I sat on, and the fact that most of the recommendations of that committee were never implemented and, in fact, have been added to the recommendations of our committee.

So it's not a very strong reassurance to me or to the people of B.C. that there are any real steps that will be taken.

The B.C. Liberal government did not call this House to do the business of the province more than four days in eight months. If the ministry and the minister — this minister or the minister previous — can't take advantage of that time in order to take concrete steps to implement the recommendations of the committee, then I think that's an indication of failure to the people of B.C. and to the notions that we're talking about.

The commissioner, when it comes to building these protections into systems, says:

"The conventional wisdom and, indeed, the reality is that building or baking into software systems privacy concerns is to do it better, do it first, do it cheaper, rather than wait for a system effectively to show that it's inadequate for whatever purposes and have to be retrofitted later on or retrofitted in circumstances where people draw to the attention of the people operating the software that privacy concerns have been ignored."

Now, when it comes to integrated case management, the government hired Deloitte. They engaged in a process that spanned somewhere between two and three years. The government purchased an off-the-shelf software system, which is now in the process of being implemented.

The train is on the tracks. It's already going down the track, and we're spending tens of millions of taxpayers' dollars without doing adequate privacy assessments. That is the opinion of then acting commissioner Paul Fraser.

Three times the office requested that the government perform these audits around personal information security, and three times there was no response. I think it's a cavalier way to manage public money and the interests of people in terms of their personal privacy.

The reality is that these impact assessments need to be done early on in the process. We've already learned that lesson with the Vancouver e-health disaster. Do we have to learn it again with ICM? Is the integrated case management to be a financial and fiscal disaster like the Vancouver e-health experience?

[1650]

Are we find out later that we're going to spend tens of millions more dollars fixing a system that fails us? Or

will the government and this minister take seriously the recommendations of the then acting commissioner and of the committee that the minister and I both sat on and act to make sure that all data-sharing initiatives receive privacy impact assessments at the conception, design and implementation stages?

Hon. S. Cadieux: I agree with the member's comments that it needs to be done at the beginning. The integrated case management system is being designed with information and privacy as a cornerstone. A full privacy impact assessment for phase 1 was completed prior to implementation. The commissioner did review that prior to implementation, and the full privacy impact assessment will be completed ahead of every phase of the integrated case management system.

D. Routley: Too late. Too late to do an assessment ahead of every stage of implementation. There was no assessment at the conception phase. There was no assessment at the design phase, and the implementation is already underway. So yes, there's an opportunity to do an assessment now, but again, it may be an example of too little, too late.

If we're to take these words seriously, then we would make a commitment, the minister would make a commitment, the Premier — Premier Clark — would make a commitment, similar to her commitment to open governance, to actually ensure that these assessments are done ahead of all of those stages of data-sharing initiatives.

Hon. S. Cadieux: I would apologize and ask the member to repeat just the question portion of his comments.

D. Routley: Does the minister agree that we should be performing these privacy assessments before implementation, in fact, as recommended by the commissioner and by other stakeholders who presented to the committee that we sat on — that these assessments must be done at the conception stage, at the design stage and along the path of the implementation? Multiple assessments.

Hon. S. Cadieux: I would agree that absolutely the privacy impact assessments need to be done as early in the process as possible once the initial idea has been developed far enough along to understand the privacy impacts.

D. Routley: Well, presentations from the various ministries encouraged us to relax the controls when it comes to privacy protection. The committee members disagreed with that, and the recommendation was not to change the protections for privacy within the act.

We agreed with the commissioner, and his words were: "...we can't be at risk of throwing the baby out with the bathwater, if you'll let me say that, and abandon, somehow in the name of expediency and good manage-

ment, the privacy concerns that are at the centre of all that we do in terms of protecting that privacy as citizens of this province."

So going back to his comments around the importance of privacy — equating it with the right to a fair trial, the right to a presumption of innocence, the right to equality; it's a basic right of a citizen — if we allow these projects to proceed the way integrated case management has proceeded, without privacy assessment at the conception, design and implementation stage, then we are risking an abandonment of those principles.

So I would ask the minister: does she agree that privacy assessments must be done at the conception, design and implementation stages?

[1655]

Hon. S. Cadieux: I would agree with the member, with the caveat that I mentioned earlier that the privacy impact assessment should be done as early as possible in the process. The definition of conception may be the challenge point there.

D. Routley: Well, Commissioner Denham says that the five phases of privacy assessment of ICM won't be completed until 2013. Presumably, that's after most of the implementation has occurred. According to the recommendations that were made to the committee and by the committee, that is inadequate.

We are talking about a system that is already reported to cost nearly \$200 million. In the experience of other jurisdictions such as Ontario, the ultimate costs were much higher than the anticipated costs. We're talking about a massive investment of public money in a system that may or may not have integrity. I think it's important for us to make a commitment that is far more defined than the words "early as possible."

After the Wainwright scandal one of the recommendations of the commissioner was to appoint a chief privacy officer, and that hasn't been done. Can the minister tell me: is the appointment of a chief privacy officer planned?

[1700]

Hon. S. Cadieux: At this point we believe that privacy issues are handled adequately through the office of the chief information officer, who is responsible for the things that we're doing relating to centralized reporting, mandatory training courses and the new security screening measures. At this point we are pleased with the work that he's been doing in this regard.

D. Routley: Does the minister not feel that there's an inherent conflict between being the chief information officer charged with overseeing Government 2.0 strategy, broad-scale data-sharing and the partnered responsibility to protect privacy? Is there not a competing interest represented by those two responsibilities?

Hon. S. Cadieux: The CIO has responsibility for both the protection of privacy and for information, and for government he is the policy lead on both of those things. Technology certainly requires the protection of privacy — in fact, very diligently — and we're committed to ensuring that happens.

D. Routley: Well, I don't doubt the minister's personal commitment to that notion, but I do challenge the government's record in adhering to that notion, and any prospective expectation of the public that that might change needs to have firmer ground to stand on other than the assurances of the minister.

When you look at the record.... In 2006 the B.C. Liberals spent \$2 million in taxpayer dollars to refresh a ten-year contract with EDS Advanced Solutions — it had been secured just two years earlier — that allowed the company to collect public money other than taxes for government.

[1705]

It was later found that one company employee had spent months browsing through personal information in the MSP database and sharing it with others. The then Privacy Commissioner, David Loukidelis, confirmed that the system had permitted one woman's private information to be accessed by her ex-husband, compromising her safety. That's just one more example of the government's failure to manage people's personal information adequately.

There have been a series of recommendations offered by successive commissioners as to how we might improve that performance. One of the most basic recommendations is to perform privacy assessments at all the stages that I previously mentioned: the conceptual stage, the design stage and the implementation stage.

There seems to be a resistance on the part of the minister to commit to that, saying what the word "conception" means when it comes to a program is in question or needs to be defined. Well, one of the recommendations after the Wainwright scandal was that there be a chief privacy officer appointed or created that would be solely responsible for protecting people's personal information.

It was also noted that there is this inherent conflict. The chief information officer — the task by virtue of the title is to facilitate the sharing of information, and we need government to share information adequately but appropriately. The job of ensuring that the appropriateness is in place would be that of the chief privacy officer.

Will the government commit to appointing a chief privacy officer? And if the minister can't make that commitment, can she tell me that the chief information officer's budget has been increased adequately to provide the chief information officer the resources to be able to improve the protection of privacy within government?

[1710]

Hon. S. Cadieux: Thank you, Chair. Thank you for your patience on that.

Yes, indeed, the office of the chief information officer was increased by \$1 million in order to add investigation security operations and cross-government support of privacy initiatives.

D. Routley: Well, the duty of the chief information officer when it comes to data-sharing seems to have run in conflict with the notion of privacy protection. I think that's where the recommendation to appoint a chief privacy officer comes from.

I mean, there is also a recommendation from the Office of the Information and Privacy Commissioner that government should not proceed with any more data-sharing initiatives until a meaningful public consultation process has occurred and the outcome of that process is an enforceable code of practice for data-sharing programs.

That seems to be a great opportunity for the implementation of the recommendation for a chief privacy officer who could oversee that process and implement best practices. So whatever investment it would take to create that office surely would be regained by avoiding these huge costs like the Vancouver e-health disaster.

The integrated case management and the presentation by government ministries encouraged the committee to agree to changes to FIPPA that would have allowed, essentially, broad-scaled data-sharing at the whim, really, of senior levels of bureaucracy.

I think that in the end that would be a complete abandonment of the principle that a person must consent to having their personal information shared. Even under the current description of ICM, I find it hard to know how a citizen would know what's being done with their information once it's given.

There's been the suggestion that the recommended model for health authorities is to construct a wall around the provider and out through that wall only information that is approved and consented to by the citizen would pass.

Does the minister agree that there should be such a provision, a protection, so that any service provider, any health authority, any doctor's office essentially has a wall around it and that the citizen would have the right to consent or not to consent to their information being shared within a broad-frame data-sharing initiative?

[1715]

Hon. S. Cadieux: I, we, remain absolutely committed to the protection of privacy. It's a complex policy area, though, that the member is referring to, and we're working away at that. But the matters that he's raising would relate to both policy and potential legislation, which we wouldn't canvass here.

D. Routley: In fact, the job of the ministry is to oversee the Freedom of Information and Protection of Privacy Act. Recommendations have been made by a special standing committee to make changes to that legislation and to improve the functioning of the ministry.

I am asking questions of the budget and whether or not the minister has made provisions to implement the recommendations of the committee and of the commissioner. I'm also discussing the record of the government in protecting personal privacy and asking the minister if steps are being taken within this budget to improve their performance.

Let's go back a bit. In 2005, 31 tapes — 19 of which contained personal information, three of which contained social insurance numbers, names and addresses of up to 250,000 people — disappeared from a government data centre run by TELUS. Then—Labour and Citizens' Services Minister Olga Ilich claimed that the government had decided against making the incident public because it was "pretty confident there's been no breach of security."

[1720]

In March of 2006 it became apparent that the B.C. Liberal government had accidentally sold off 41 high-capacity data tapes containing private information of thousands of B.C. residents, including 30,000 refugees. In 2009 we had the theft of 1,400 income assistance client files by a government employee. We in 2010 had the Vancouver Coastal Health Authority and their disastrous privacy failures related to their computer system called PARIS.

This is a record of failure. There have been many recommendations in order to rectify these situations and improve future performance. One of the basic recommendations was the appointment of a chief privacy officer. This government has resisted doing that, and now I'm told that the chief information officer's budget has increased in order to facilitate the chief information officer doing a better job of protecting privacy.

Then my information based on my reading of the budget shows that the budget of the chief information officer was severely cut in 2010 — 22 percent cut from the September budget and over 30 percent cut based on the February 2009 pre-election budget.

So despite the Wainwright privacy breach and despite all these other privacy issues, there has in fact been a cut to the office. Is that correct?

Hon. S. Cadieux: I'm happy to clarify that for you. The office of the chief information officer had net new money in of \$1.7 million. The reductions for that same period of time were \$2.243 million, and they were reductions in completion of the connecting communities program grants resulting in a reduction of \$1.5 million, savings of \$231,000 resulting from attrition and recruitment lag, a reduction of \$404,000 in expenditures

related to contracting and general office expenses, and a decrease of \$126,000 in salary benefits charged back as a result in the change of the rate determined by the Ministry of Finance.

D. Routley: Another recent privacy breach was the B.C. Lottery Corporation's launching of the PlayNow site, and it crashed shortly after being implemented. At first the minister responsible, the Minister of Housing and Social Development, said that the site had crashed because it was so popular. Too many people logged on at once, and it crashed. We found out about a week later that in fact the government had shut the site down, at a cost of \$150,000, because of privacy breaches.

This is an essential issue of trust. The government told the people that the site crashed because of overuse, because it was so damned popular. Then we found out a week later that in fact it had failed and that people's personal information, their financial information, had been shared with others. In fact, some people played with the money of others. That is not only a breach of privacy but a breach of trust when the government isn't forthright with the people about what's happened, particularly around this essential right to privacy protection.

[1725]

I've noted how the acting commissioner equated it with the right to free speech and a fair trial, yet the government seems fairly cavalier in its dealing with a failure to protect that privacy. This is another example.

So don't these examples all add up to enough reason for your budget to include a provision for a chief privacy officer?

Hon. S. Cadieux: As I mentioned before, we are confident in the chief information officer's ability to balance his role in terms of information and technology with that of protection of privacy. In fact, it was his office that in January of 2010 did recommend a number of changes to policy and recommendations, which we have now implemented, including that centralized reporting and information management process for government, the privacy investigations unit to work on incidents, the mandatory training course on privacy and information-sharing, and the new security screening process for B.C. public service employees who work with sensitive and personal information.

I think that, as I've stated before, the protection of privacy is paramount — committed to that. As we do with all areas of government, we look to constantly improve and review whether or not the practices that we have in place are adequate and whether or not we should be doing things differently.

D. Routley: Thank you, Minister, but the problem with that answer is that it doesn't address the reality. The reality is that since 2001 there have been successive

breaches of privacy, and they have become increasingly costly and increasingly damaging to individuals.

We have seen the careless disposal of computer tapes and disks that has resulted in privacy breaches. We've seen the Wainwright scandal, where the system did not properly recognize the seriousness of the breach, and for months and months people were put at risk. We've seen the Play Now B.C. scandal, which cost the government money and also cost people their private information and their money. We've seen the Vancouver Coastal Health Authority PARIS disaster, which was very costly to the public and also put at risk people's private information. We've seen EDS Solutions, where an employee was able to freely sift through people's personal information.

That is a backdrop to successive commissioners making recommendations to this government, successive recommendations from stakeholder groups. Yet the government pushes on with integrated case management without committing to the recommendations around a privacy commissioner, without committing to the recommendations around privacy assessments clearly identified at clearly specified points in the conception, design and implementation stage of these processes.

All we get back is: "We'll do it as early as possible." That sounds like my 15-year-old daughter and the dishes. It's just not good enough; it's a recipe for failure. "I'll do my best" is "I'm predicting failure."

[1730]

I think that the government, in light of this poor record, has an obligation to the people of the province to do better than that.

Darrell Evans, the executive director of the B.C. Freedom of Information and Privacy Association, stated in a letter to former Premier Gordon Campbell that the ICM system "will involve massive and unprecedented matching of personal information by the provincial government, which...has not demonstrated adequate policies, care or even competence at protecting privacy."

How does the minister respond to those criticisms? How can she reassure Darrell Evans, the people of B.C. and this critic that she is taking adequate steps to protect privacy?

Hon. S. Cadieux: As I said before, the integrated case management system is being designed with privacy as one of its cornerstone objectives. A full privacy impact assessment for phase 1 is posted on the ministry website and was completed prior to implementation, and the Privacy Commissioner reviewed that privacy impact assessment prior to implementation. A privacy impact assessment will be completed for every phase of the project prior to data being shared.

D. Routley: Moving on from privacy to communications — or perhaps propaganda — what are the differences between PAB, the public affairs bureau, and

Premier Clark's new government communications and public engagement unit? I haven't decided whether to call it GCAPE or GCPEU yet, but what is GCAPE?

[1735]

Hon. S. Cadieux: The primary differences now is government communications and public engagement saw a restructure to ensure that the new engagement initiatives promised by Premier Clark could be delivered on, especially using new technology and new skills sets required to do that, as well as to provide HR training and support to communications directors — all for the same reasons.

D. Routley: Is the organization of this unit the same as PAB, and can the minister provide me with an org chart?

Hon. S. Cadieux: There have been some changes to the structure, and we'd be happy to provide you with that, with the org chart.

D. Routley: How long will it take to receive an org chart?

Hon. S. Cadieux: Momentarily.

D. Routley: What is the total number of staff currently, and is there room in the budget to hire more?

Hon. S. Cadieux: The current staff complement is 185 people, and the forecast utilization of FTEs is 197.

D. Routley: Okay. Well, the presumed purpose of the unit is to communicate, and that means advertising. The advertising budget for government is always a contentious issue. It tends to be spread here, there and everywhere, and we're told to wait until public accounts to see a total. But can the minister tell me whether all of the government's advertising budget will be located in the government communications and public engagement unit, or will the line ministries have their own budgets?

[1740]

Hon. S. Cadieux: The total government budget for advertising is \$19.39 million. The amount for our ministry specifically is \$4.077 million.

D. Routley: At this point I'd note that I think the rules allow for a deputy minister to answer a question directly in estimates — the rules that created these committees. I don't expect that will happen, but I think the rules do allow for that.

What ad campaigns are booked in this budget?

The Chair: Well, the member is right. Deputy ministers are able to take questions. Practice has been for ministers to answer them as of late.

Hon. S. Cadieux: Of the \$4.077 million in our ministry's advertising budget, very little of it has been formally booked to date for what it will be, but the things that traditionally are funded through our ministry are things like forest fire prevention advertisements, cold and flu season, and those types of public service programs.

D. Routley: How much was spent last year?

Hon. S. Cadieux: Last year's budget for advertising in this ministry was \$3.366 million.

[1745]

D. Routley: I'm sorry. Could the minister repeat that last number?

Hon. S. Cadieux: Sorry. To clarify for the member, last year's budget was \$4.077 million, but the expenditure was \$3.366 million and change.

D. Routley: What is budgeted this year for the HST campaign?

Hon. S. Cadieux: I would note that the Minister of Finance is in charge of the budget for the HST campaign. I know he's eager to make those figures public as soon as possible. It's not here in this ministry.

D. Routley: First, a point of clarification, Mr. Chair. We are able to go until approximately seven o'clock tonight. Is that correct?

The Chair: Until 6:45, Member.

D. Routley: Thank you, Mr. Chair.

Is the minister, then, saying that no moneys will be spent by the government communications and public engagement unit related to HST?

Hon. S. Cadieux: The HST advertising will be handled through the Minister of Finance. This ministry may have some incidental expenditures but not advertising per se, and at this point I couldn't say as to what those would be.

D. Routley: Was any money spent by the public affairs bureau last year related to communicating HST?

[1750]

Hon. S. Cadieux: Yes, there were funds spent out of PAB last year, and it was approximately \$900,000. We could do a better tally here.

D. Routley: Could the minister break down those expenditures for me and what they represent?

Hon. S. Cadieux: There was a household mailer. It was creative and production services, \$200,166; radio, creative and production services and ad placement of \$373,170; and another radio campaign, creative and production services and ad placement of \$328,040.

D. Routley: Would that be the householder that was never distributed?

Hon. S. Cadieux: Correct.

D. Routley: That householder cost how much?

Hon. S. Cadieux: To clarify for the member, the creative and production for the mailer were out of our ministry, \$200,000. The total cost for the mailer was \$689,597.

D. Routley: What happened to those mailers?

Hon. S. Cadieux: They were under the control of the Minister of Finance. You'd have to ask him.

D. Routley: Who directed that those pamphlets not be mailed out?

Hon. S. Cadieux: On July 28 of last year Minister Hansen advised the media that the province would not issue the mailer.

D. Routley: Is the minister confirming that then-Finance Minister Hansen directed that \$689,597 worth of pamphlets not be mailed out. They were produced to promote the HST, but then in the face of opposition they were not mailed out?

Hon. S. Cadieux: That is correct.

D. Routley: I'm a bit speechless. I know that people are aware that a mailer was produced and then never mailed out. But we all represent constituencies, both the opposition members and government members, where schools are going wanting of services and repairs, where people who live on assistance can't make ends meet, and where basic essentials that should be provided by government are failing to be provided.

[1755]

Yet we are now hearing again the grim news that \$689,597, public taxpayer dollars, were spent producing a propaganda item that, because of the public backlash against the decision to implement the HST, was never actually even put in the mail.

So it seems like an absolute waste of public resources at a time when we can least afford it. Does the minister agree with me?

Hon. S. Cadieux: With all due respect, this is not new news. This was announced last July. It was a decision made by the Minister of Finance, and if you have further questions, I would suggest that you direct them to the Ministry of Finance.

B. Ralston: It's just as shocking now.

D. Routley: Yes, I agree with my colleague that it's just as shocking now. It was only a year ago, but yeah, just as shocking now, and the minister responsible for freedom of information is directing me elsewhere.

Who was the agency who produced the pamphlet, and who printed it?

Hon. S. Cadieux: The creative was done by TBWA and the printing by Queen's Printer.

D. Routley: Was this work tendered, the private side of that work?

Hon. S. Cadieux: TBWA is an agency of record for government, and the processes are followed as such.

D. Routley: Was not a principal of TBWA a key member of the B.C. Liberal provincial campaign team? I might add for clarification that I believe her name is Andrea Southcott.

[1800]

Hon. S. Cadieux: For the member's information, TBWA became an agency of record through a competitive, full and open process led by the procurement services branch. Indeed, they have just requalified through another open process.

D. Routley: Are there any transfers of funds from this ministry to the Premier's office for advertising?

Hon. S. Cadieux: No.

D. Routley: Is there any direction taken from the Premier's office in terms of the priorities of the government communications and citizen engagement unit?

Hon. S. Cadieux: The priorities of government are set by the Premier and cabinet and executed on by ministries.

D. Routley: I think that at TBWA the principal is Andrea Southcott, a key member of the B.C. Liberal provincial campaign team. The company is currently under receivership, has lost the B.C. Lotteries contract, and the minister tells me they have just requalified as an agent for government business. Is that correct?

Hon. S. Cadieux: In fact they did requalify prior to going into receivership.

D. Routley: Are there any transfers of funds from the ministry to the Premier's office for polling and market research?

Hon. S. Cadieux: No.

D. Routley: How big is the public engagement side of the unit? What does it do, exactly, and how big a budget does it have?

[1805]

Hon. S. Cadieux: There is not a budget broken down specifically the way the member is asking for it, but what I can tell him is that there are ten FTEs assigned to the public engagement portion of the ministry.

D. Routley: Can the minister describe the function, obligations and duties of the public engagement unit?

Hon. S. Cadieux: This unit would do writing and editorial services, strategic planning, advertising and marketing, and liaising with Labour, Citizens' Services and all the other government ministries on citizen engagement projects.

D. Routley: What exactly does the minister mean by writing and editorial services?

Hon. S. Cadieux: That would be things like news releases, speech preparation.

D. Routley: Speech preparation for whom?

Hon. S. Cadieux: In the past this has primarily been for members of cabinet and assisting comm shops, specifically for large announcements.

D. Routley: Well, there are a couple of potential problems with that. They're being asked to prepare speeches, which could be seen as an obligation of the partisan caucus staff rather than public servants. It seems that there could be a problem with a conflict in that obligation or that duty.

I'd also ask whether or not there's any.... Actually, what I'll ask is: are these appointments orders-in-council, or are they public service appointments?

[1810]

Hon. S. Cadieux: I would just firstly clarify for the member that the writing done through the ministry here would only be for government-related projects, not for caucus or partisan projects or issues.

As for the question about whether or not staff is public service or OICs, all of the staff under GCPE are OIC appointments.

D. Routley: And OIC appointments allow for a political screen versus a public service appointment, which would presumably be a merit-based appointment. So we can assume that there's a possibility of a political screen being applied, and these are the people responsible to communicate government initiatives.

Would they be responsible for communicating information on the HST?

Hon. S. Cadieux: Writing services are not being engaged for the purposes of the HST programs.

D. Routley: Does this unit perform work for the Premier's office?

Hon. S. Cadieux: As I mentioned before, this group has written speeches for cabinet, including the Premier.

D. Routley: Was this unit involved in the communication of the parking meter announcement yesterday?

Hon. S. Cadieux: We're not sure, and we'll be happy to find out and get that information to you shortly.

D. Routley: When can I receive that information?

Hon. S. Cadieux: By tomorrow.

D. Routley: Was this unit involved in the recent performance or presentation of the Premier working in a coffee shop for the new minimum wage?

Hon. S. Cadieux: There were no speaking notes and no news release, so there would be no purpose for our staff to be involved.

D. Routley: So no staff from the ministry were involved in the announcement of the minimum wage or the performance by the new Premier as a coffee shop worker?

Hon. S. Cadieux: To clarify, my comments in my last answer were related to your question about the Premier's activities on Saturday, I believe it was. As for the minimum-wage reference, that was a government announcement. So yes, they would have been involved.

[1815]

D. Routley: So the government communications and public engagement unit were involved in the performance that showed the Premier working for the new minimum wage or...? No. Was the unit or the ministry involved in the recent announcement of gaming grant restoration that took place at a playground?

Hon. S. Cadieux: The answer to that would be yes. That was a government announcement, so they would have been involved.

D. Routley: This unit is engaged in social media strategies. What is the budget for the social media strategies?

Hon. S. Cadieux: To the member: the writing and editorial services group is not involved in social media. The social media and on-line communications group handles all of the social media amongst a variety of other tasks, including on-line and web projects. That's a total of approximately nine FTEs. But we don't break down the budget specifically for social media.

D. Routley: Back to the involvement of the ministry and the unit in those announcements made by Premier Clark, have the estimated costs of those announcements and the involvement of ministry staff been...? Is there any contemplation of declaring those as election expenses in the by-election that is currently underway? And has the involvement of the public servants been cleared as being acceptable by the Chief Electoral Officer?

[1820]

Hon. S. Cadieux: I'm somewhat troubled by the question, as the Premier is fulfilling her obligations as Premier, making announcements for government that are provincewide and for the benefit of all British Columbians.

D. Routley: Well, I think it will be for the Chief Electoral Officer to decide whether that's the case or not. The park meter announcement has Shane Mills as the contact person, and of course Shane Mills works in the Premier's office.

I wonder, as there's heavy involvement of public servants in events that are promoting the Premier to the voters of B.C., has this been cleared with the Chief Electoral Officer? This is occurring during the by-election.

Hon. S. Cadieux: This ministry distributes all of the news releases on behalf of government.

D. Routley: The announcement recently of the by-election was issued by Chris Olsen. Chris Olsen works in the Premier's office, and the contact information about the by-election was referred to Elections B.C. Isn't there an intermingling of the partisan role of the Premier, in trying to be elected in a by-election, with the civil-service, public-service functions of public servants? It seems to me that at the very least this should have been cleared with the Chief Electoral Officer. Does the minister agree?

Hon. S. Cadieux: As I've mentioned before, we distribute all of the news releases on behalf of government, and government business does continue.

[1825]

D. Routley: Well, Mr. Chair, it seems that during a by-election.... The by-election, I believe, was called on April 11. These announcements were after that date. We've had confirmed here that ministry staff were involved in those performances. We had the Premier with the parking meters and a very broadly broadcast announcement that does find its way into the minds of the voters in that by-election.

We have the involvement of public servants in producing those events and arranging them, and it just seems like a very basic consideration that the Chief Electoral Officer would have been consulted as to whether this is a reasonable use of taxpayers' money or whether it strays into a partisan use of taxpayers' money.

Of course, these opportunities are not available to the opponent of the Premier in that race, so I think that every precaution ought to be taken by the government, by the Premier not to allow the perception that public servants are performing partisan tasks. Does the minister agree?

Hon. S. Cadieux: As I said, government continues, and this ministry is responsible for the dissemination of government news releases.

D. Routley: Well, we've had a variety of answers here. "We're just involved in writing up news releases." "We're just involved in writing speeches." "We're just involved in setting up these appearances by the Premier."

This is a highly sensitive time, isn't it? We're involved in a by-election. There are strict controls over communications, over third-party support, over the role of public servants in that process. It certainly seems as though this ministry has been involved in those events, and clearly, the Premier's staff are involved in those events. We've seen Shane Mills as a contact person; we've seen Chris Olsen as a contact person, both of whom work in the Premier's office.

I'm asking.... I realize that the business of government continues. That's obvious. We're here. But the business of government is separate from the business of the B.C. Liberal Party and the election ambitions of Christy Clark. Has this activity been approved by the Chief Electoral Officer, and if so, can the minister or can the government provide a report or a letter that supports this?

The Chair: I'd ask the member to provide relevance to the vote before the committee of this last question.

D. Routley: Absolutely. It's the involvement of this minister's staff. The minister has already confirmed

that her staff, paid by this budget estimate, are involved in those events. Those events are happening during a by-election. I think it's only prudent that the minister should ensure that her budget isn't being used for partisan purposes.

Hon. S. Cadieux: Perhaps I can be more clear for the member. These are government announcements, made by government for the benefit of British Columbians, so they are provided for and staffed by government staff.

D. Routley: The feature player in all of the little vignettes is Christy Clark — not the minister, not the government, but Christy Clark. Christy Clark hung a bag over the parking meter. Christy Clark worked in the coffee shop, not a member of government — Christy Clark, the Premier, who isn't elected, doesn't sit in a seat in this House, is trying to do so, is involved in a by-election.

There are strict controls over how by-elections — any election — should be handled, how they proceed. It seems to me that this minister has authorized expenditures and work by public servants that could be interpreted to promote a candidate in a by-election.

[1830]

It seems to me only prudent that the Chief Electoral Officer would be consulted as to whether these are reasonable and acceptable. Does the minister agree?

Hon. S. Cadieux: As I've stated, the Premier is doing her job, making announcements that benefit British Columbians, that pertain to the business of government.

D. Routley: Accepted. The problem is that she's doing her job while she's in the middle of a by-election campaign. It seems to me that any money spent promoting that person should be carefully considered. Has the minister requested a legal opinion as to the propriety of this, and if so, can she table it?

Hon. S. Cadieux: The Premier has made a number of announcements on behalf of government. Therefore, government has staff who have been involved.

D. Routley: The minister didn't answer my question. My question was: has she sought a legal opinion, and if so, can she provide it?

Hon. S. Cadieux: These are government announcements. We're treating them as such, just as we would any other government announcement.

D. Routley: I assume from the answer that the minister has not sought a legal opinion as to whether this is an impropriety under the Election Act. I assume that she will not provide any legal opinion that she might have obtained, and I further assume that

since these are typical government announcements, the clustering of them within the election period will be a regular occurrence — that she will make this clustered set of announcements and do them in such theatrical fashion.

That will be her practice as Premier in the future, not only during a by-election. She'll go to coffee shops to announce improvements to working conditions, and she'll go to parks and hang meters in theatrical fashion whenever there's an announcement about parks.

It seems to me questionable, and it is an expenditure of public money and the work of public servants that, to my way of thinking, could be interpreted as promoting one candidate in a by-election. That's just on the face of it, from me. I would like to know what the Chief Electoral Officer would have thought, had the Chief Electoral Officer been asked whether this is an impropriety or not.

The minister is responsible for this budget, over \$500 million. This is the potential involvement of public servants in a partisan activity during a by-election. If the minister disagrees with that, she must have a reason to disagree with that, other than: "It's simply government business, and we're conducting it as usual."

[1835]

In the interests of prudence, did the minister seek advice as to whether this was a reasonable and proper use of the funds that we're voting on?

Hon. S. Cadieux: As I've stated, these announcements are being handled as every other announcement of government would be, and they are being staffed accordingly by government staff.

D. Routley: Well, I guess that means that all government announcements will feature an on-location appearance by the Premier, with a suitable costume — maybe a coffee shop worker today, maybe a millworker tomorrow — and that we can, as British Columbians, expect our government communications unit to feature the Premier in all manner of opportunities to represent the common British Columbian.

I think when we have an announcement about cycling, we'll see the Premier cycling down a bike path. We can expect that every time there's a government announcement, it will feature a theatrical appearance by Premier Christy Clark, paid for by the taxpayers. Or will that just happen during by-elections? That's the question. That's the obvious question that anyone would ask.

I think it's only obvious and prudent that the minister should have an opinion — a legal opinion and a judgment — from the Chief Electoral Officer as to whether this is appropriate. Furthermore, I would ask the minister what other opportunities are planned for the Premier leading up to the by-election date?

Hon. S. Cadieux: As I've said, the business of government continues. We're here in estimates. As for any upcoming announcements, I would say stay tuned. We'll all be watching.

Noting the hour, I guess, then, I would move that the committee rise, report progress and seek leave to sit again.

Motion approved.

The committee rose at 6:39 p.m.

HANSARD PRODUCTION

Acting Director
Robert Sutherland

Post-Production Team Leader
Christine Fedoruk

Editorial Team Leaders
Laurel Bernard, Janet Brazier, Robyn Swanson

Technical Operations Officers
Pamela Holmes, Emily Jacques, Dan Kerr

Indexers
Shannon Ash, Julie McClung, Robin Rohrmoser

Researchers
Jaime Apolonio, Mike Beninger, Morgan Lay

Editors
Deirdre Gotto, Jane Grainger, Betsy Gray, Iris Gray, Linda Guy,
Barb Horricks, Bill Hrick, Paula Lee, Donna McCloskey,
Bob McIntosh, Anne Maclean, Constance Maskery, Jill Milkert,
Lind Miller, Lou Mitchell, Karol Morris, Dorothy Pearson,
Erik Pedersen, Peggy Pedersen, Janet Pink, Amy Reiswig,
Heather Warren, Arlene Wells, Glenn Wigmore

Published by British Columbia Hansard Services,
and printed under the authority of the Speaker.

Printing Agent
Crown Publications, Queen's Printer for British Columbia
563 Superior St., Victoria, B.C. V8W 9V7
www.crownpub.bc.ca

Daily and annual *Hansard* subscription information
is available from Crown Publications.

www.leg.bc.ca

Access to on-line versions of the official report of debates (*Hansard*),
webcasts of proceedings and podcasts of Question Period is available
on the Internet. Chamber debates are broadcast on television.