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# DEBATES OF THE LEGISLATIVE ASSEMBLY

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THE HONOURABLE BILL BARISOFF, SPEAKER

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## LIEUTENANT-GOVERNOR Her Honour the Honourable Iona V. Campagnolo, CM, OBC

#### SECOND SESSION, 38TH PARLIAMENT

#### SPEAKER OF THE LEGISLATIVE ASSEMBLY Honourable Bill Barisoff

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The House met at 10:04 a.m.

Prayers.

#### Orders of the Day

**Hon. C. Richmond:** In Section A, the Douglas Fir Committee Room, we'll continue with the estimates debate on the Ministry of Children and Family Development; and in this House, I call second reading of Bill 10.

[1005]

#### Second Reading of Bills

#### COMMUNITY SERVICES STATUTES AMENDMENT ACT, 2006

**Hon. I. Chong:** I move that Bill 10 be read for the second time now.

I'm pleased to read the act for this second time. This act makes amendments to eight local government statutes for which my ministry is responsible. These amendments respond to requests from the Union of B.C. Municipalities, UBCM; the development finance review committee; and specific local governments.

These amendments reflect our commitment to local government autonomy. They support fairness and certainty while reducing red tape so that local governments can operate efficiently and with minimum provincial involvement in local minor matters. This act includes amendments to help streamline local government processes and reduce unnecessary provincial approvals.

The first item concerns a UBCM request that commercial vehicle licence years be changed to a calendar year. We are updating a 30-year-old process. Financial management of this program will be more efficient for local governments and will allow people to buy commercial vehicle licences at the same time they purchase a business licence.

Speaking of the past, we are repealing outdated provisions on the purchasing of land and the lending of money, as outlined under the University Endowment Land Act — provisions that date back to the 1920s and the 1950s. Also, on the University Endowment Lands it will now be possible to carry out regular routine maintenance and service — for example, for road and sewer work — more efficiently without seeking cabinet approval.

The Whistler Resort Association will no longer have to ask cabinet for bylaw approval. Now the municipality of Whistler and the provincial minister responsible, not the entire provincial cabinet, will be responsible for approving the association's bylaw. By reducing the province's regulatory role for the Whistler Resort Association, this community will be in line with newer mountain resorts association legislation.

To help streamline processes, some types of regional district bylaws will be able to be exempted from

provincial approval. For example, changes to a regional district service, where all involved want the change, would not be delayed by a required provincial sign-off.

This act also contains amendments supporting further equity, fairness and certainty in the development finance system. For example, the Greater Vancouver sewage and drainage district now has the same authority as other local governments to raise the threshold at which development cost charges have to be paid. This means that the higher construction costs in the lower mainland could be accommodated.

Another development finance amendment, this one regarding latecomer agreements, means that the cost of excess services can be more equitably collected from all those property owners who ultimately benefit from the initial developer's investment.

Municipalities, regional districts and the provincial government have long understood that meetings and hearings could be held outside of local government boundaries. With this built in, we are confirming this authority, and local governments are legally protected if such proceedings were held outside their boundaries. While local governments will not need to use this authority often, we know there are very practical and important reasons for holding meetings outside the boundary, such as cost, unforeseen events and room for public participation.

Further amendments reflect the province's commitment to work with communities towards a prosperous future, particularly if it is a resource-based community facing downsizing or closing of a major industry in that community. Port Alice will be able to enter into an agreement with the village's industrial property owner, Neucel Speciality Cellulose, regarding municipal taxes for the next five years. This is part of our government's work with the community of Port Alice. It will allow the village and the property owner to achieve the tax certainty that they are both seeking. Certainly, that is vital to the economic health of that community.

[1010

Moving from a village on northern Vancouver Island to the lower mainland, four amendments will give the city of Vancouver authority in keeping with that of other municipalities. These amendments will streamline processes by allowing the city to seek injunctions to enforce bylaws for the more timely court petition process, rather than the complex writ-of-summons process; also, allowing firefighters to direct traffic at non-fire emergencies, increasing the effectiveness of emergency response; and allowing the city the flexibility to relax its sign bylaw requirements to accommodate technological innovations or temporary signs for special events.

The Community Services Statutes Amendment Act, 2006, also contains five housekeeping amendments. These are minor necessary changes that update or maintain the integrity of the framework of local government legislation. We know how important it is to work with our local governments, ensuring their communities thrive and support the overall well-being of British Columbia.

Today's amendments are the result of requests and consultations with the UBCM and local governments. I ask that all members lend their support to this worthwhile and necessary piece of legislation.

**N. Macdonald:** The Community Services Statutes Amendment Act, 2006, has been characterized by the minister at first reading and again today as making minor but important amendments to eight statutes related to her ministry. The minister tells us that the amendments have been put in place at the request of various local governments, as well as the Union of B.C. Municipalities and the development finance review committee.

In looking at the act and the legislation, there's very little that would suggest that that is not the case. We are, of course, going to do as thorough a job as we can in testing that characterization and in looking at the particular points to make sure that it gets the scrutiny that it needs.

The first two sections deal with amendments to the Community Charter. These changes have been requested by local government. The issues these amendments were meant to deal with will be addressed by the member for Malahat–Juan de Fuca at the committee stage.

I have questions about the appropriateness of local government councils holding meetings outside the boundary of their municipalities. The traditional insistence that council and board meetings take place within boundaries has a historic rationale. Times have changed. It could mean that this is completely reasonable, but it does mean that decision-makers could be physically separate from their constituents, so we will have questions about that at the committee stage.

Section 3 deals with the repeal of the Community Charter Council Act. The purpose of that act was to establish a council that would oversee the development of the Community Charter. With the Community Charter now in place, it makes sense that the Community Charter Council Act would be reasonably repealed.

This does give me an opportunity to take a few minutes just to talk about the act that is being repealed and to digress somewhat but still on the topic. I note from the Community Charter Council Act of 2001 that in the preamble there were three stated principles as we moved towards the Community Charter. The first principle was that municipalities should have greater autonomy. Second, the municipalities should have a wider range of tools to reduce reliance on property tax revenue. Third, the provincial government should not reduce its costs by transferring responsibilities to municipalities without resources.

As we look at getting rid of this act, I think we need to look at those three principles that were promised and the reality that was delivered. The first principle was that municipalities should have greater autonomy. The point I would make I have made before in estimates. The reality is that the Significant Projects Streamlining Act of 2003, which gives B.C. cabinet and individual ministers on their own accord extraordinary ability to overrule local government decisions, is a problem. It is an act that flies in the face of the principle

of local autonomy and is disrespectful of local government. The Union of B.C. Municipalities stated this clearly. Over 100 local governments passed resolutions opposing the Significant Projects Streamlining Act. It makes any language around local government being a third level of government meaningless, in my view.

Cabinet ministers can override a local government's decisions on taxation, zoning, development cost charges, building bylaws, business regulations, noise and nuisance regulations, signage, fees and charges. So all the language around the importance of local government seems empty when legislation such as the Significant Projects Streamlining Act is in place.

[1015]

The second principle was that municipalities should have a wider range of tools to reduce reliance on property tax revenue. This is an issue I canvassed with the minister in the fall estimates. It is clear that local government continues to have a lack of additional tools for revenue generation other than property tax revenue. Communities in my constituency now own courthouses and hospitals as this government steps away from provincial services in some areas. Local government faces pressures. Property tax, because of values going up, and the school tax put pressure on local government in the area of property tax. The issue of additional revenue sources is an important issue that should have been dealt with.

The third principle from that act was that the province should not download responsibilities and costs onto local government, and in estimates we'll talk about this. Burnaby estimates that the downloading has cost it millions. Smaller communities have spoken to me about different issues that we'll talk about in estimates, such as the lab cost for water testing. There was a community under 5,000 that stated this cost them \$30,000 a year. The cross-connection control and aquifer protection that is mandated by the province cost a community under 5,000 some \$59,000, and so on. Nevertheless, the Community Charter is now in place, so the Community Charter Council Act is redundant, and it makes sense that it would be removed.

Many of the remaining sections are clearly minor and housekeeping. We will be asking questions during the committee stage on section 11. It raises concerns in the same way that section 1 does. In my view, there are solid reasons for having board meetings and board committee meetings within the boundaries of the regional district they're responsible for. I would expect there are some compelling reasons that the minister will provide of why this should not be the case.

Section 20 stands out as well. It authorizes the village of Port Alice to provide financial incentives to Neucel pulp mill in the form of a five-year property levy. This is, presumably, part — and I think the minister alluded to this — of a very welcome deal to help the main employer in Port Alice. The outcome, which is Port Alice with its main employer retained, is welcome, but it does raise concerns about setting a precedent for the future with regards to property tax deals for companies.

In the Community Charter, as well, there is the possibility for property tax reductions to attract mills. With appurtenance removed, it can lead to pressure on communities to reduce taxation and to compete to reduce taxation to attract companies, so that could be to the detriment of communities, and that is something that we will canvass during the committee stage.

There are further sections that move approval from the Lieutenant-Governor-in-Council, from cabinet, to approval by the minister only, and we will be looking for further reasoning for those changes. The approval by the Lieutenant-Governor-in-Council presented a certain level of oversight that I will assume be diminished by having oversight by only the minister. The Minister of Community Services has already spoken to this, but we will talk about it at greater length during committee. This change, then, in the approval process, it includes that change within the governance of the University Endowment Lands, and so we will have questions about that as well.

Now, the Minister of Community Services has characterized the Community Services Statutes Amendment Act, 2006, as a series of amendments that are made at the request of groups working with the acts that her ministry is responsible for. These groups have identified areas in need of improvement. I think it's reasonable that we would expect acts to evolve over time. It is our job to test that characterization, which we will. I assume it is an accurate characterization, and if it is so, then I will recommend that we support this act.

**Mr. Speaker:** Seeing no further speakers, the Minister of Community Services closes debate.

[1020]

**Hon. I. Chong:** I thank the critic, the member for Columbia River–Revelstoke for his comments at this second reading. I have taken note of the number of sections that he and members of the opposition may have, particularly areas that they wish to canvass. I do expect that they will fully canvass those during the committee stage. I look forward to providing the explanation and clarification that they need.

With that, I move second reading.

Interjection.

Mr. Speaker: Sorry, the minister closed debate.

Motion approved.

**Hon. I. Chong:** I move that Bill 10 be placed on orders of the day for committal at the next sitting of the House after today.

Bill 10, Community Services Statutes Amendment Act, 2006, read a second time and referred to a Committee of the Whole House for consideration at the next sitting of the House after today.

Hon. C. Richmond: I call committee on Bill 11.

#### Committee of the Whole House

#### NEW RELATIONSHIP TRUST ACT

The House in Committee of the Whole (Section B) on Bill 11; S. Hawkins in the chair.

The committee met at 10:23 a.m.

Section 1 approved.

On section 2.

**D. MacKay:** I have a question for the minister dealing with section 2(3) under the New Relationship trust. It basically states that the New Relationship trust is not an agent of the government, the organizations, the First Nations Summit or the First Nations Leadership Council

Can you explain to me: to whom is this \$100 million accountable if to nobody? We seem to have excluded everybody from here. To whom is this \$100 million accountable, considering that it's taxpayers' money and that we have indicated we will be accountable and transparent as we move forward?

**Hon. T. Christensen:** I thank the member for the question. We need to distinguish between concepts of agency and concepts of accountability. There is a number of provisions later on in the act that deal with accountability around strategic plans and annual reports and the public reporting of those.

[1025]

All that this specific subsection deals with is making it clear that the trust as a corporation is wholly independent, that it's not acting on behalf of government and not acting on behalf of any of those other three organizations. It's to make it clear that it is an independent corporation.

**D. MacKay:** Thank you for the answer. So there is no accountability back to the taxpayer for the \$100 million — back to the province?

Hon. T. Christensen: The accountability is certainly through the appointment of the board members to the corporation. They're accountable for the management of the fund. Beyond that, the accountability is through the public reporting that's involved in the board being required, number one, to consult with first nations and the public around the development of strategic plans that will set out the goals and how the board is going to measure whether they're reaching those goals, and then, annual reports that will report on results relative to the strategic plan.

There are additional accountability measures — again, later on in the act — that deal with a requirement for audited financial statements that will be published. Finally, I guess, an overarching accountability measurement in the long run is the requirement for a five-year review of the fund as a whole and what out-

comes have been reached through the investment of

**D. MacKay:** I will come to those later on as we move through this bill. But the question is: is there no accountability back to the province of British Columbia for this \$100 million? We talk about the public, but we don't talk about the government, which is making this money available.

Hon. T. Christensen: There's accountability through the appointment of the board members. That accountability is a joint one in the sense that two of the board members are appointed by the province, but the majority of the board members are appointed by and through both the First Nations Leadership Council and the three first nations organizations that make up the leadership council.

I want to be clear. The intent here is to establish a fund that is separate and independent from the province, that is controlled by first nations and that is developing its strategic plan in terms of building capacity in the best interests of first nations. The primary accountability is there.

**D. MacKay:** I'm going to move on, because time has required me to move ahead. I don't think I got an answer to my question.

Dealing under part 2.... The next section I would like to deal with is section 4(3)(b), where it talks about how after the first board is in place they "must...deposit that money into the New Relationship Account," and subsection (d) says the board "may retain legal, financial or other technical consultants for the purposes of this subsection." I would ask: why are we saying that they only "may"? I would think they should be required to consult with legal, financial or other technical consultants when dealing with \$100 million. Why did we say "may" as opposed to "must"?

**Hon. T. Christensen:** Madam Chair, I'm just wondering: should we deal with the approval of sections 2 and 3? We're now on section 4, and I know we haven't sort of done that part of it.

The Chair: Members, we'll deal with section 2.

**S. Fraser:** On part 2, section 3.... So we haven't done section 3 yet?

**The Chair:** We haven't done section 3 yet.

Section 2 approved.

On section 3.

[1030]

**S. Fraser:** Section 3(2)(b) says: "(b) 2 are to be appointed by the First Nations Leadership Council." The appointment — this is for the board of the directors — is to be voted on by the three leadership council members? Is that correct?

**Hon. T. Christensen:** I need to correct an oversight. I haven't introduced my staff member that I have here. I do have Lynne Beak, who's a senior negotiator in the Ministry of Aboriginal Relations and Reconciliation and is here to assist us in getting through Bill 11.

In terms of the member's specific question, this is dealing with the permanent board that will be appointed. The two that will be appointed by the First Nations Leadership Council will be two appointees agreed to by the leadership council, which is made up of seven members — three of whom are from the First Nations Summit, three of whom are from the Union of B.C. Indian Chiefs and the seventh who is from the Assembly of First Nations.

**S. Fraser:** Thanks to the minister for that clarification. The decision agreed to — will that be by vote? Will it be by consensus? Or is that yet to be determined?

Hon. T. Christensen: The bill doesn't prescribe the decision-making process for the First Nations Leadership Council. They do have a protocol agreement between the Assembly of First Nations, the Union of B.C. Indian Chiefs and the First Nations Summit that governs how they are working together, but this bill doesn't purport to tell them how to come forward with their two appointees.

**S. Fraser:** Is there a quorum designated? If we have full attendance, we have seven members. Is there a quorum? Is there a minimum?

**Hon. T. Christensen:** I assume that the member's referring to a quorum of the board of directors of the fund as opposed to a quorum of the leadership council. The challenge there is that they're both seven members.

In respect of the fund itself, the corporation, it will be governed by the standard Business Corporations Act provisions that are in place in the province in terms of establishing a quorum, subject to the board adopting its own bylaws, as it can, that diverge from the standard provisions in that act. In the absence of them adopting a separate bylaw, it would be a majority of the board.

- **S. Fraser:** Thank you for the clarification. I'm assuming by that statement that bylaws drafted by the board will be forthcoming?
- Hon. T. Christensen: I think we can anticipate that the board may adopt some bylaws to govern their procedures, but in the absence of those bylaws, they can simply choose to be governed by the standard provisions that apply to business corporations in the province.
- **S. Fraser:** I'm very happy with the level of representation here. I think it's a fair makeup for the board of directors, and it bodes well.

A question, though. The Ministry of Aboriginal Relations and Reconciliation has been stickhandling

this particular act. There is no mention of.... This is a first nations act as opposed to an aboriginal act. That was designated.... Was that purposeful, or are there aboriginal issues? You know, there's off reserve....

[1035]

The representation on the board of directors is quite specific. Will there be another mechanism? I know I'm reaching a bit here, but I'm just wondering. It's a question that's come up a number of times from other groups, Métis and some of the urban aboriginal groups.

Hon. T. Christensen: Certainly, the reality of the situation.... I recognize the member's concern that there are a good number of aboriginal citizens who are off reserve, who are living in an urban setting. The majority of those belong to a first nation. We use the term "first nation" as it has arisen from the context of our discussion with the leadership council, but certainly there is nothing in the bill itself that precludes the board from using funds to build capacity within those members of first nations who are living in an urban context. So it is not limited to spending on reserve. The bill is flexible enough and broad enough that the board of directors of the corporation — and this was quite deliberate - will have considerable latitude in determining how to best build capacity among the aboriginal population in the province.

**S. Fraser:** I understand what he's saying, but as the minister knows, at Kelowna there is a disconnect. I mean, we do see a differing of opinions amongst urban aboriginal agencies, for instance, that are to a large portion responsible for a large population in urban settings to deal with some of the disparity issues and the needs and capacity-building there. It's within the first nations, the land-based first nations, that there are great needs also.

There are some 200 bands across B.C. So there seems to be some confusion. I have some confusion, but I have confusion from first nations leaders across the province. Are these funds to be spread beyond the, say, 200 — if that's the number — first nations in B.C. to try to accommodate for quite a vast series of needs, capacity-wise, off reserve?

#### [S. Hammell in the chair.]

**Hon. T. Christensen:** I thank the member for his question because I think it certainly is a legitimate question, and there is, I guess, concern out there in terms of: "Okay, where are these dollars going to go?"

What we have done is designed the purposes and principles as set out in the act to be as flexible as we thought we could and enable the first nations leadership in the province, through appointments of five of the seven board members, to determine themselves where the priorities should be in building capacity but not constrain them in doing that. So in the discussions to date with the first nations leadership, they are abundantly aware of the need for investment in the urban

context as well as the rural context. I think it's fair to say that there are going to be some challenging discussions as they determine in the strategic plan: "Okay, where are the immediate priorities?" There is going to be the difficulty of recognizing that you can't do everything all at once.

[1040]

Rather than the province dictating how exactly the dollars should be spent, the very deliberate decision was made that first nations are best aware of where the greatest need for capacity-building is. The overall purpose of the fund, in building capacity, is to better enable first nations to engage with the province in the evolution of this new relationship as we look at better means of involving first nations in decisions and activity on the land base and otherwise. First nations will best decide where they need to build that capacity in order to better engage in the evolution of that relationship.

**S. Fraser:** Thank you to the minister, and I'm respectful of the answer. I do respect the representative makeup of the board. I'm not critical of that. It's just that if the \$100 million designed for capacity-building for land-based first nations is to be spread to deal with the urban aboriginal realities and needs and capacity-building problems in B.C., that's.... Is it realistic, in the minister's opinion, to think that this \$100 million will be effectively able to deal with the land-based first nations' capacity-building needs, if indeed...? There seems to be a disconnect is what I'm getting at. Sorry if I'm being confusing here.

Hon. T. Christensen: We need to be clear that there are a number of other initiatives going on, both provincially and federally, between those levels of government and first nations and aboriginal people. This fund is specific to trying to build capacity within the context of the new relationship, but we recognize, for example, that there is a good deal of work still to do around the Transformative Change Accord that was signed at the end of the first ministers meeting. We're working to engage the federal government in that discussion and looking for the federal government's participation, certainly, in pursuing the goals of the Transformative Change Accord, but as well, in further participating in the new relationship initiatives.

While \$100 million is certainly a very significant and historic investment by the province, I think it's clear we all recognize that it is not.... This isn't sort of done, and now we don't have to talk about the challenges anymore. The reality is that as we better identify how we're going to work with first nations around issues like revenue-sharing, as we pursue treaties that result in capacity-building within first nations communities, as we pursue specific initiatives that may arise from the first ministers meeting, there is going to be a partnership between aboriginal people, the provincial government and the federal government that's going to require commitments on behalf of all of us to move those initiatives forward.

**S. Fraser:** I'm happy with that answer. If I'm interpreting it correctly, then there won't be a requirement for the leadership council members of the board of directors cited in section 3 here.... They're not going to have to start looking at using some of that \$100 million to make decisions like replacing native courtworkers or anything like that. From the issues that have a direct effect on the aboriginal community in B.C., if there have been government policies that have been detrimental to the aboriginal communities, they're not going to have to consider using some of that \$100 million to make up for those shortcomings — the government will be willing to sit down and discuss that outside of the \$100 million?

[1045]

**Hon. T. Christensen:** We need to be clear. This is a fund for building capacity, for things like training initiatives, to enable first nations to participate in more meaningful and constructive initiatives and discussions with government on a whole range of issues at the end of the day. It's certainly not a fund that's intended to provide program staff for government. This is money that will be allocated and directed by the board of directors to the benefit of first nations in building their own capacity.

#### **S. Fraser:** Thank you for that.

Just because the word capacity.... It's yet to be really clearly defined, so I think there still could be some interpretation amongst the aboriginal community and the non-aboriginal community that capacity for.... I mean, if there's a shortfall in the urban settings — dealing with a lack of courtworkers, for instance — that could be perceived as a capacity lacking in dealing with a system that is failing a group in the aboriginal community in the urban setting. I won't get into the definitions of capacity, because that would keep us here all day. I'll move on, being mindful of the time.

In section 3(2)(c) it says that two are to be appointed by the Lieutenant-Governor-in-Council. What would those appointments...? What would that decision be based on?

Hon. T. Christensen: The first board of directors will set up a set of competencies that they want to ensure are there for future boards of directors. It will be that set of competencies that the board resourcing and development office would use in coming forward with names that the Lieutenant-Governor-in-Council could then appoint to the board. It's important to note, as well, that certainly the act contemplates that in appointing the first nations members to the board, those same sort of sets of competencies will be looked for

#### **S. Fraser:** I thank the minister for that.

Section 3(4)(c) says: "...the Lieutenant Governor in Council from removing and replacing any individual the Lieutenant Governor in Council has appointed as a director of the New Relationship Trust." On what basis would that be, or what is the intent?

Hon. T. Christensen: The member will note that there are three subsections under subsection (4), each of which allows the organization that has appointed members to the board the latitude to remove and replace those members. Really, this is what I would call an insurance clause. I can't, quite frankly, think of an incident — perhaps criminal behaviour or something — that would, certainly in my view, disqualify somebody from the board. An incident may arise where you found that you simply needed to replace one of the people or, perhaps in the case of the Lieutenant-Governor-in-Council, both of the people that had been appointed to the board.

[1050]

I think they would be relatively extreme circumstances or perhaps circumstances where you simply found that the person wasn't able to commit the time required to make the board work effectively and that for some reason they weren't prepared to resign. The goal here is to ensure that we have a board that is working effectively.

**S. Fraser:** Thank you for that clarification, minister. I am finished with this section.

**D. Jarvis:** I want to ask a couple of brief questions in conjunction with the gentleman from Bulkley Valley–Stikine, who asked you a couple of questions with regards to the board. The government, I'm assuming, appoints two, and the other Indian groups will appoint three. So there will be five members of that board?

Interjection.

**D. Jarvis:** Is there anything in there...? I still have to worry about.... I feel that accountability is involved here, because the people in my riding are certainly supportive of all this. There's no question whatsoever. But they're sort of sick and tired — and I'll be quite candid about it — of seeing the federal government and the provincial government putting money out that is.... There is no accountability whatsoever. I appreciate that you said there was going to be accountability. But will the two appointees by this government have the right to put forward a minority report on it?

**Hon. T. Christensen:** Just to clarify, there are seven members of the board — two of which are appointed by cabinet, two of whom are appointed by the First Nations Leadership Council as a whole and then three to represent each of the three organizations that make up the leadership council. So it's seven in total.

In terms of the accountability, I want to be very clear that as this discussion evolved leading to how we were going to establish this fund, the discussion was a very collaborative one with the First Nations Leadership Council.

On a consistent basis, it was the first nations leaders there who said that we need to ensure that there is accountability around the expenditure of the funds, that there are clear goals established for the expenditure of these funds and that we're measuring whether or not the expenditure is actually meeting those goals.

The reality of the situation is that this fund will be established. There will be strategic plans that set out the goals in terms of how it will be spent. There will be annual reports to measure whether those strategic plans are being met. There will be audited financial statements to see where the money goes.

Quite frankly, everyone involved is critically aware that this is a historic initiative and that it will be watched very, very closely and that ultimately all the reporting is back to the first nations, to those first nations organizations. The reports are public, so there will be considerable scrutiny of this initiative. I think it's fair to say that everybody is keenly aware that given that scrutiny, it's important that it work well.

From my perspective, the ultimate accountability is to the first nations whom this is intended to benefit and to the public as a whole who, as the member rightly says, are supportive of this initiative and are rightful in wanting to ensure that they have the opportunity to see what the outcomes of all this are.

Section 3 approved.

On section 4.

[1055]

**S. Fraser:** Section 4(3)(h) says that the first directors of the New Relationship trust determine first nations needs and priorities and how funding from contribution accounts should be provided. As is clear, though, directors will.... They're going to change as time goes by. In fact, as the act acknowledges, the money could still be around five years after it comes into effect. Couldn't the priorities and needs of first nations change, especially after the funds begin to go to addressing some of the needs?

Hon. T. Christensen: It's important to recognize that section 4(3)(h) works somewhat in conjunction with section 12, which deals with strategic plans. What section 4 as a whole does is deal with the initial board of the fund. That will be an eight-month interim board to really get things up and running. So it's important that they go out and solicit input from first nations and the public in determining those issues that the member has outlined and that are set out in subsection (h).

What section 12 of the bill then requires is that the permanent board, which will be appointed eight months from now under section 3 of the bill.... They are required, on an annual basis, to develop a strategic plan that actually goes into even greater detail than does subsection (h) here, and it requires, again, the permanent board to be consulting with first nations, to be gathering public input in determining how the funds should be allocated in any year.

Those strategic plans will actually be three-year plans that are updated on an annual basis — so rolling three-year plans with the intent that the member's right and the priorities likely are going to change over time

as capacity is, perhaps, built in a particular area of need. Ideally, over time the need in that area will diminish. The board may say: "Okay, we want to focus in a different area." So it's definitely intended to be flexible over time to ensure that the greatest need at any point in time is the one that the board's able to focus on, if they wish.

#### **S. Fraser:** Thanks to the minister.

I understand that in section 12 it does provide for greater detail to be added subsequently, and I think that's wise. But it's not clear that the act allows for money to be spent on priorities and needs that are different than those that are acknowledged. As greater detail is added in section 12, what if...?

In five years time, there could be a whole different landscape, as we have seen with the beetle. You know, there could be a completely different set of priorities that aren't even mentioned initially. While it allows for greater detail, I don't see that it is clear that Section 12 allows for a complete.... Is there some provision in the act for some total change?

Hon. T. Christensen: There is not a provision that enables complete change. Nor do we want one. The goal here is that it is a capacity-building fund, and the purpose of the account as a whole in regards to building capacity is set out in section 17 of the bill. So provided that the direction the board is choosing to focus on is consistent with section 17, which sets out the purposes, then that would be fine. There is considerable flexibility there, but obviously, it needs to be consistent with the overall purposes set out in section 17.

**S. Fraser:** Thank you to the minister for that. I'm glad to hear that also.

The way in section 4, as we're dealing with that.... I see a comparison to the NDI Trust money — Northern Development Initiatives. There was a requirement there that there be a geographic spreading of the money. Actually, NDI was four sections, I believe, across the province, with those tens of millions of dollars.

[1100

I couldn't find anything in this document that would suggest that there may be.... I'm not trying to presuppose what the board decides, but there might be some sort of geographical breakdown as to the distribution of the fund to see.... Was that anticipated?

Hon. T. Christensen: Section 8 of the fund makes it clear that the trust should be accessible by all first nations. But quite frankly, we felt that it should be the board — in developing their strategic plan, in consulting with first nations and the public — that actually has the flexibility to decide how those allocations go, and we didn't want to proscribe that it be on a regional basis or anything like that.

It's important to recognize that the First Nations Leadership Council — being made up of the Union of B.C. Indian Chiefs, First Nations Summit and the Assembly of First Nations — is actually a representative body of all first nations in the province. The board members that they will appoint will obviously be answerable to those organizations, which in turn are answerable to their constituent members.

Based on the conversation to date, certainly I'm confident that the first nations leaders involved are keenly aware of the need not to be parochial in terms of how funding is being allocated but to be very strategic in terms of identifying where capacity needs to be built and in ensuring that the application of the funds is going to result in that desired goal of building capacity in a particular area of skill or otherwise.

**S. Fraser:** I agree with the minister that the proscriptive nature of these things is the worst part of the old relationship, so I'm glad that is not part of that.

I have noticed that in the actual *New Relationship* document that preceded and was sort of the seed for this act, there was mention of the need for dispute resolution mechanisms and such. As we see, there will be significant competition for these funds. I don't see anything in the act that might help with something to deal with dispute resolution mechanisms.

There are certainly potential disputes here, and I'm not doing this with any disrespect to the leadership council. I'm sure they're up for that. Was there a specific plan not to put dispute resolution mechanisms into the act? If a section of the province feels it's not being dealt with appropriately or getting its share of the funds, it strikes me that there is a gap here possibly, and it may be useful to have it from the beginning.

Hon. T. Christensen: I don't believe, in how this has been set up, that it's a departure from how any other sort of fund that you would approach to seek funding operates. The board certainly has the latitude to establish a review mechanism to deal with situations where somebody has applied for funding, been denied and then may want to have that reconsidered. But we certainly felt it was best left to the board to determine what sort of procedures should work there.

The member references the *New Relationship* vision document and the concept of dispute resolution there. I think that in the context of that document, the potential disputes that were contemplated were ones between the Crown and first nations, as opposed to something in the operation of a fund of this nature.

[1105]

S. Fraser: Certainly, I think it was wise to anticipate a need for a dispute resolution mechanism in that regard. However — even in this House, even amongst the same side, within our own parties — we all have disputes about issues, so it just struck me that there was potential there for being proactive, for being remedial in dealing with these things off the get-go. But if this was a decision that was made with the leadership council, I respect that decision.

With that, I'm finished with this section, but I would like to acknowledge and welcome Chief Coun-

cillor Keith Atleo from Ahousaht, along with Angus Campbell and Louis Frank, who are in the gallery.

The Chair: Sorry, member. Take your seat for a second, please.

**D. MacKay:** I jumped ahead of myself previously, and I apologize for that. We're dealing with section 4. I have one question for the minister.

Given the fact that we have an interim board that's appointed for a period of eight months.... I noticed under section 4(d) that it says the board may consult with a financial consultant before they deposit this money — the \$100 million. I just wonder, given the fact that it's an interim board for a period of eight months: why did we not insist and put in the words "must have a financial consultant review the deposit that's going to be made on behalf of the board"?

**Hon. T. Christensen:** I thank the member for the question.

Certainly, it is intentionally permissive to allow the board to identify the type of expertise that they believe they require the assistance of and to allow them to hire. But you'll note in subsection (f) that there's an obligation to hire a first chief financial officer, who would address most of the financial concerns, as well as a first chief executive officer.

The board, on reviewing the resources they need to ensure that the fund operates to the best of its ability, may look at actually having staff that may fulfil some of those legal or financial expertise needs, so they can retain outside consultants if they wish. I suspect that they will, but we didn't want to obligate them to, because there are other options available in terms of meeting those needs.

- **D. MacKay:** I thank the minister for that response, and if it speeds things up, my next questions will deal with section 9 of the bill.
- **N. Simons:** I'm just questioning. Is there any representation for youth anywhere in this whole Bill 11, in terms of decision-making or planning or in any respect?
- Hon. T. Christensen: There's not a specific obligation for representation on the board, for example, but it has been a significant topic of discussion with the leadership council. There's a definite recognition of the need to engage youth in the discussion around where we best need to build capacity.

I think that when we talk about building capacity, obviously, much of our focus is going to be on youth. The discussions to date have been very satisfactory in that regard. There's simply no question that regardless of who you speak with in different first nations communities around the province, there is considerable focus on youth. That may provide the member some comfort. I hope it does.

We didn't think it was necessary or desirable to have a specific requirement for a youth representative on the board, but there would be absolutely nothing stopping the board from choosing to establish an advisory board that involved youth, for example. They have considerable latitude in that regard.

[1110]

Section 4 approved.

On section 5.

**S. Fraser:** I know we're in the middle of passing a section of the act, so I apologize for that. Again, I have got the chief councillor and councillors from Ahousaht....

The Chair: Shall leave be granted?

Leave granted.

**S. Fraser:** Well, that's what I was waiting for, yeah.

#### **Introductions by Members**

**S. Fraser:** Friends of mine have arrived from Ahousaht, which is quite a distance, as you know. They've got to travel by boat from Clayoquot Sound down through Tofino and then all the way across the Island and all the way along from the Malahat and everything.

So Chief Councillor Keith Atleo and Councillors Angus Campbell and Louis Frank, and they are escorted by Matthew Louie. They are in the audience right now, in the gallery. If you could help me welcome them.

#### Debate Continued

Sections 5 to 7 inclusive approved.

On section 8.

**S. Fraser:** In section 8(e), it reads: "subject to paragraph (f), the New Relationship Trust should recognize that funding for certain activities may be available from other sources and should avoid providing funding for any purpose for which funding has been provided by, or is available from, any other source, other than the government."

It strikes me. This clause — is it not unnecessary? It raises questions about whether this fund has a preordained purpose or preordained purposes.

**Hon. T. Christensen:** I thank the member for the question.

It's important to read subsection (e) together with subsection (f). The intention of those two subsections together is to set out the principle that we don't want this fund to duplicate efforts that are otherwise ongoing. So if there's another place to get funding, to put forward a capacity-building initiative, then go and get the funding from that other place.

However, we do recognize that it's often the case that if you have a little bit of money available, you can leverage a bunch more from another fund or another level of government. So subsection (f) certainly says that in fact you're encouraged to look for funds that are doing the same thing so that you can leverage the dollars. You know, \$100 million is a lot of money, but if we can leverage other funds, we can do that much more in building capacity.

**S. Fraser:** Certainly, I'm familiar with the Clayoquot Sound Biosphere Trust. It's certainly not of this magnitude, but leverage is always recommended. Actually, it's not a prerequisite, but it's being urged for.

I thought the way this was worded — and maybe I've taken it somewhat out of context with just subsection (e) — almost looked, with the wording, like there might be some lack of confidence in the decision of the directors — that they would be putting money into redundant projects or ineffective projects.

Again, if the leadership council is happy with that wording, I am too.

Hon. T. Christensen: Certainly, that was in no way the intent. I should advise the member, because it may help in the context of his questions, that this legislation has been developed in a unique fashion for the province. We have engaged with the leadership council throughout in the development of this bill. I think it's fair to say that the leadership council has had considerable input in the drafting of the bill and is fully supportive of the provisions that are here.

[1115]

Section 8 approved.

On section 9.

**D. MacKay:** Dealing with section 9(2), it talks about the remuneration for the chief executive officer and the chief financial officer. They must be "guided by the rates of remuneration that public bodies in British Columbia of a similar size and scope provide to comparable officers," so they have some parameters to work within to make sure that they are paid fairly and adequately.

The question I have to ask is: who is going to check up to make sure that they are within those parameters? And what's going to happen if the salaries paid to the chief executive officer and the chief financial officer for this \$100 million trust fund are actually outside the parameters, exceed what is normally paid those within the public service?

Hon. T. Christensen: The remuneration will be set by the directors, and obviously, the province has appointed two of those directors that will have a considerable say in the setting of the remuneration. Ultimately, through the audited financial statements, it'll be pretty clear in terms of what the CEO and the chief financial officer are being paid.

Certainly, if the board of directors, all of whom are answerable to the organizations who appointed them, were not to follow this guideline or this requirement, in fact, my expectation is that — in the case of the province, I'm confident, because it's a province I can speak on behalf of — we would remove those board members. It's a direction to board members in terms of what their obligations are, and like any board member, if they don't fulfill their obligations, you remove them.

**D. MacKay:** Thank you to the minister for that response.

I'm pleased to hear there is some accountability. If they do exceed, then I understand from his answer that the board members appointed by government will be removed.

Sections 9 and 10 approved.

On section 11.

**D. MacKay:** Dealing with section 11 and, more specifically, with subsection (2)(b), where we talk about the daily amount that will be paid to the directors in addition to the reasonable travelling and out-of-pocket expenses, this one causes me a little bit of concern, given the fact that we talk about paying the board members a daily amount.

Yet when I look at the Northern Development Initiative Trust Act, which has \$185 million in it and is looked after by mayors and elected officials throughout the northern part of the province, section 11 of the Northern Development Initiative Trust Act basically states that a director of the NDI "must not accept remuneration from that corporation other than for reasonable travelling and out of pocket expenses necessarily incurred by the director in discharging his or her duties." There are no provisions in there for a daily amount.

[1120]

Also, when I look at the B.C. Rail Benefits (First Nations) Trust Act, section 6 under that bill states that "a director of the B.C. Rail Benefits (First Nations) Trust must not accept remuneration from that corporation other than for reasonable travelling and out of pocket expenses necessarily incurred by the director in discharging his or her duties."

Now we go to the New Relationship Trust Act, and we're talking about paying a daily amount for those board members. I have to ask: why do we have to pay these board members when we don't pay board members under the NDI? Nor did we pay them under the B.C. Rail Benefits (First Nations) Trust Act.

Hon. T. Christensen: Section 11 attempts to recognize that there's likely to be considerable work involved in development of plans and ongoing requirements in terms of the management of this fund and the decisions to be made under the fund. It's distinguished

from the regional trusts primarily in respect of who the board members are likely to be. My understanding in terms of the regional trusts is that there we're dealing, typically, with elected officials, either directors of regional districts or municipal leaders, who are receiving compensation for their role in those positions.

Here, particularly with the permanent board, it's unclear, and there's certainly no requirement that the board members appointed will also be elected members of their councils or elected chiefs, or that they would otherwise be receiving remuneration. Certainly, when we considered this when we had the discussion with the leadership council, we felt that we should treat it like other public bodies and set the remuneration to be guided by similar positions for other public bodies. That's what of section 11(3) sets out. To be clear, it was a deliberate decision and a recognition that the people that are sitting on this board should receive compensation.

#### **D. MacKay:** Thank you to the minister.

I don't think anybody in here would disagree that when you do work, you should be compensated for it. However, the other two acts, more particularly the Northern Development Initiative Trust Act....

When you look at some of the small communities, in the small communities that I represent, there are a number of.... I have seven mayors. Some of those communities have populations of 200 people. Well, I would think that the remuneration paid to a mayor of a small village in Bulkley Valley–Stikine.... The amount of money that they would make as a mayor, I don't think you could probably measure. It would be so small

To say that there's a great deal of work involved in the New Relationship Trust Act, I don't disagree. But there's also a great deal of work involved in the NDI. We now have a discrepancy in paying the directors from the New Relationship Trust Act, but we don't seem to be able to find money to pay for the time and effort and being away from their jobs. A lot of the small mayors actually work for a living. They don't do that on a full-time basis, and I'm sure the minister understands that.

[1125]

I see it's in the bill that we're going to pay them a daily amount. We talk about setting the rate to be guided by those of other public bodies. I have to ask the question again, then. If, in fact, the remuneration paid on a daily basis exceeds.... Would we be looking at removing the two board members appointed by government if that situation exists?

Hon. T. Christensen: Certainly, if the board members appointed by government were acting in any way that's inconsistent with the directions set out in the bill, then the government would look very seriously at removing them, depending on what it was that they were doing inconsistent with the bill. But certainly my expectation would be that when it comes to financial matters in particular, if board members appointed by gov-

ernment were acting in a way that was inconsistent with the bill, we would want to remove them.

D. MacKay: I understand what he just said, and to me that would seem as if we're going to punish public servants who've been appointed to a board. They make up two out of nine people, I believe, on the board. If they happen to be overruled by the other seven members, even though they have objections to it, they are a minority on the board. So I think that we would in some cases be punishing those people, which to me does not seem fair, because there's no accountability there. We've got two board members appointed by government, who may disagree with the daily amount, and if they are overruled by the other seven, the daily amount will be established with no recourse for those two board members appointed by government. I would ask the minister to comment on that.

**Hon. T. Christensen:** Certainly in reviewing the conduct of the board members appointed by the province, we'll be looking at their specific conduct. We recognize any limitations that may be imposed on what an individual board member can do. It's the provincial appointees that obviously the province has a direct ability to remove, under the provisions of the act.

I need to say that I have no expectation whatsoever that we're ever going to be in a position where we need to remove directors. We're going to be very deliberate in appointing the most qualified people we can find, as I believe are the first nations leaders when they're making appointments. So I don't expect that we're ever going to be in the uncomfortable position of having to consider that, but I appreciate the member's question in that regard.

When we look at remuneration for board members specifically, it is not an obligation to accept remuneration. The act sets out that the board members can only accept this remuneration. They are not required to accept any, if they choose not to.

**D. MacKay:** A final question on the daily amount paid to the board members, given the fact that we have a chief financial officer in place now and a chief executive officer. The chief financial officer is required to file annual reports. I'm assuming that's for tax purposes.

My question has to do with income tax requirements. My understanding — and I think I'm right on this — is that any moneys earned on a reserve are tax-exempt for natives. If it's money earned off a reserve, they are subject to taxation. Do we foresee the chief financial officer deducting income tax from any moneys earned through the daily amount within a year? Will we see taxes paid on that amount paid to the aboriginal people who sit on that board?

[1130]

**Hon. T. Christensen:** I need to be clear that certainly the corporation itself will file tax returns. In terms of the individuals who are either employed by the corporations or who are on the board of directors,

I'm not going to.... What tax requirements they need to fulfil are governed by the Income Tax Act and perhaps other legislation, and I'm not going to hazard an answer on that because I can't imagine the range of circumstances that might apply. But certainly they would be fully expected to comply with both federal and provincial law when it comes to the filing of taxes.

Section 11 approved.

On section 12.

**S. Fraser:** I'm being mindful of the time too.

I'm aware of the public accountability provisions within this act, and I am appreciative of them. I think it's wise that we have maximum public accountability on these things. There are always cynics out there, and it's good to head those off early and make sure the capacity-building is allowed to happen in a way that will benefit first nations to the maximum extent.

That being said, the Auditor General of B.C., in report 9 — that's this 2005-2006 year — in a detailed report, said:

When a new organization is created, officials of government and our office discuss the appropriate accounting. The main issue is whether the financial results of such organizations should be included — consolidated — within the government summary financial plans and summary financial statements. When they are consolidated, ministers of government are accountable for the performance of these organizations in the Legislative Assembly.

It is an issue. I know this is not accessible through FOI, for instance. I know the Privacy Commissioner has mentioned that also. Just to be able to head off any potential criticism or skepticism of the benefits of this great sum of money, which could be used for great things, has that been considered — the Auditor General's report?

Hon. T. Christensen: I want to be clear that in establishing this fund, it is being established outside the government envelope. It is not a fund that is controlled by government. It's very intentionally independent of government, with the majority of control provided to first nations, given that it's to benefit first nations. That's why in the act itself there's a requirement for audited financial statements so that there is that accountability built into the organization and the corporation itself, but it's not folded into the more general and broad accountability measures within government itself.

**S. Fraser:** I appreciate that. It is a specific and purposeful decision to run this trust this way.

Again, this is the Auditor General's most recent report. It says: "Once again the main accounting issue is whether the finances of these organizations should be fully consolidated within the government's financial plans and summary financial statements. Officials of government are advancing the view" — as the minister has alluded to — "that the financial results of these organizations should not be consolidated."

The Auditor General's office is "questioning the view taken by government, because the operating and governance framework established in legislation for these organizations appears to restrict significantly the authority of these organizations to make key strategic and operating decisions."

It's a double-edged sword here. I'm just wondering if the minister could comment on that.

**Hon. T. Christensen:** I'm not 100 percent sure of this, but I think that in the quote the member has read, the word "organization" actually is a reference to government in that it's restricting government's ability to control what is going on.

[1135]

This is very deliberately being put into the control of a board, the majority of whom are appointed by the first nations leadership organizations in the province. That's a deliberate decision. It's a decision that has been reached in consultation and with the strong support of the First Nations Leadership Council.

Certainly, in the manner in which this has been approached, it does not restrict the board of the corporation in its ability as an organization to decide how those moneys are expended, provided that it's consistent with the purposes of the account as set out in the act.

**S. Fraser:** I thank the minister for that clarification and appreciate it. I think the report.... I mean, it was using the examples of the north Island-coast development initiative and such — similar models in a lot of ways and similar amounts of money — but the concerns that were raised there are potentially.... We'll see, but I would anticipate they will be concerns raised again by the Auditor General in his review.

I'm just trying to be pre-emptive here. Of course, I know that the minister has probably received correspondence from the Privacy Commissioner too, so there are issues from arm's-length bodies that are already questioning the makeup of this, as far as the accountability to the public goes. That public includes first nations, the aboriginal community in B.C. So it's a question still, and I suspect we'll hear more about it from some of these agencies.

That being said, thank you — unless the minister wishes to comment further.

Section 12 approved.

On section 13.

**D. MacKay:** Dealing with section 13. It's "Annual reports." It says that within four months after the end of the fiscal year of the trust, the directors must file an annual report. Sub-subsection (c) says that the annual report must be filed "to bring the annual report to the attention of the public."

I have to ask the question. Given the fact that we're dealing with taxpayer money, the fact that it's \$100 million, why is the financial report not required to be

filed in the Legislature so that the taxpayers of this province can see the accountability that's attached to this trust?

**Hon. T. Christensen:** The report will be public, so certainly the Legislature will have access to it. But in fact, it provides a much greater scope of accountability in that the whole of the public will have access to it.

**D. MacKay:** Dealing with sub-subsections (b) and (c), the financial report that's required, this talks about "a copy of that annual report to each of the Organizations for distribution to the Organization's members" — which I understand are made up of the board members — and that he also publishes an "annual report in a manner that can reasonably be expected to bring the annual report to the attention of the public." Are these two different reports, or are they one report?

**Hon. T. Christensen:** No, it is the same report. The reason for the distinction is that in sub-subsection (b) it's actually the provision of an annual report to the organization so that they can distribute it to their members. It is their members who are the first nations of the province, who the fund is intended to benefit, so we felt there should be a bit higher threshold in terms of delivery of the report.

In terms of sub-subsection (c), publishing it "in a manner that can reasonably be expected to bring the annual report to the attention of the public," that may be something like publishing it electronically on the Internet, making a number of hard copies available if somebody asked for one. Quite frankly, if we were to say similar wording in terms of distributing it to the public, there were simply the issues of cost involved in terms of what that would take, so we wanted to be rather broad in terms of ensuring that it's out there but also somewhat limited by cost.

[1140]

Section 13 approved on division.

On section 14.

**D. MacKay:** Just clarification under section 14, where it talks about the audit.... Subsection (2) says: "The accounts, transactions and financial statements of the New Relationship Trust must, at least once in every fiscal year, be audited and reported on by the auditor, and the costs of the audit must be paid by the New Relationship Trust." To whom do they report? It doesn't specify it in that.

**Hon. T. Christensen:** The auditor reports to the board, but then it becomes part of the annual report that is public.

Sections 14 to 21 inclusive approved.

On section 22.

**D. MacKay:** This section deals with the winding-up of the trust after the account has been spent and we have a nil balance. I'm a little bit concerned about subsubsection (c) where it says that they must do a notice of closing of the contribution accounts and the consequent dissolution of the New Relationship trust in a manner that can reasonably be expected to bring these matters to the attention of the public. Once again we talk about the public.

We're talking about \$100 million of taxpayers' money. Why do they not have to report out to the Legislature after they have spent the \$100 million so that we as elected officials can go back to our ridings, and when we're asked about how the \$100 million was spent and did we get some results from that, we can say yes, we did? But we don't know, because they're reporting out to the public. In what manner do they report out to the public?

Hon. T. Christensen: It's important that we recognize there are very few agencies that actually report to the Legislature. There are a number of Crown agencies, but there are a number of other funds and organizations out there that may somehow report to government. The ultimate accountability, in my view, is if we make the information public.

I can tell the member that given that we'll have two appointees on the board of directors, the province on an ongoing basis will be tied into knowing and having a mechanism where our directors can report and tell us what's happening if the fund is being dissolved. So there's no risk that we won't have an ability to ask what is going on. But at the end of the day, once the fund is wound up, there is, I would suggest, the ultimate accountability mechanism in there — that the public needs to be advised of the dissolution of the account and the closing of the specific accounts.

**D. MacKay:** To move things along, if nobody else is asking questions, my final question will come under section 26 of the bill.

Sections 22 to 25 inclusive approved.

[1145]

On section 26.

**D. MacKay:** My final question to the minister is dealing with section 26 of the act. It's called a review of this act, an act that has seen the expenditure of \$100 million of taxpayers' money. Subsection (3) bothers me because it says: "If a review committee is appointed, it must publish a report of its findings in a manner that can reasonably be expected...." I have to ask the question: why does it not say that a review committee must be appointed after spending \$100 million of taxpayers' money to make sure that we achieved what we thought we were going to achieve from the expenditures of this money?

Who is going to actually look at the overall program at the end of this — look at the program to see if

we actually achieve what we want to achieve? We look at the federal government contributing \$8 billion a year through the Department of Indian Affairs and natural resource. The money seems to be coming in all the time, but we don't seem to be achieving any results from it. Life is not getting better for the average native living on a reserve.

If we're going to spend another \$100 million, I think there should be some accountability built in here so we can look at this at the end of the day and say: "Yes, the \$100 million was well spent. A lot of natives have realized economic benefit from it now. There's a great deal of activity taking place. The people are employed. The chronic alcoholism that we see on reserves is starting to disappear. Young children going to school are graduating now. They're getting into the workforce." That's what this money is supposed to be intended for, but we don't seem to have any mechanism here, built in, which we can look at, at the end of the day and say: "Yes, we've accomplished something with the \$100 million."

My question is: why did we say "if" instead of "there must be a review committee to look at this program and this large expenditure to see if we've actually accomplished anything"?

Hon. T. Christensen: I think it's important the member read section 26 as a whole. What subsection (3) provides is an obligation on the review committee to actually publish the report that it comes up with once it's done its review. Subsection (1) requires the review to be done, and then subsection (3) requires that review then to be published.

If we didn't have that wording in subsection (3), then — in theory, at least — the review committee could do their work but not actually publish a report, so that we wouldn't know what the work actually found. The two sections work in conjunction with one another. I'm advised it's a drafting convention in terms of how those two sections interplay to get the result that you have a published report that all of us can then look at to, as the member says, ensure that this significant investment is actually making a difference on the ground. That's in everybody's interest, and I don't think any one of us in this House would argue that.

There's considerable need to make progress in building capacity within first nations communities. All of us are keenly aware that \$100 million is a lot of money, and all of us want to ensure that as that money is spent, we're actually getting the desired results so that we can finally go down a road where first nations people in the province are sharing in the benefits and in the progress that all of us are keenly wanting to pursue.

Sections 26 and 27 approved.

Title approved.

**Hon. T. Christensen:** I move that the committee rise and report Bill 11 complete without amendment.

Motion approved.

The committee rose at 11:50 a.m.

The House resumed; Mr. Speaker in the chair.

## Report and Third Reading of Bills

#### NEW RELATIONSHIP TRUST ACT

Bill 11, New Relationship Trust Act, reported complete without amendment, read a third time and passed.

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

Hon. C. Richmond moved adjournment of the House.

Motion approved.

**Mr. Speaker:** This House stands adjourned until two o'clock this afternoon.

The House adjourned at 11:51 a.m.

## PROCEEDINGS IN THE DOUGLAS FIR ROOM

#### **Committee of Supply**

ESTIMATES: MINISTRY OF CHILDREN AND FAMILY DEVELOPMENT (continued)

The House in Committee of Supply (Section A); H. Bloy in the chair.

The committee met at 10:13 a.m.

On vote 20: community living services, \$602,269,000.

**Hon. S. Hagen:** I'd like to introduce the staff members I have with me. I have Rick Mowles, who is the CEO of Community Living B.C. I have Richard Hunter, who is the chief financial officer, with me, and I have Kim Henderson, who's the assistant deputy minister.

**A. Dix:** I just wanted to give the minister a note. He's not doing an opening statement but just an opportunity to present his view about the budget for Community Living B.C. and how it's going.

**Hon. S. Hagen:** As the member knows, CLBC came into existence on July 1 of last year, 2005, so they've not

quite had a full year operating as an independent agency, but my impression is that in a major change-over like this, things are going pretty well. I think I'd like to put on the record that CLBC's vision is one of full citizenship in which people with developmental disabilities lead good lives; have rich relationships, financial security, choices in how they live and employment opportunities; and are accepted and valued as good citizens.

Our intent and CLBC's intent is that family, staff, service providers and other people and groups in the community will explore informal ways of meeting people's needs that will enrich the lives of individuals with developmental disabilities and allow them full opportunities to contribute to and in their communities. All individuals should be able to expect to have people active in their lives who choose to be there. Some of the principles, I think, that guide the people who work at CLBC are principles such as choice — which I think is very, very important — the individualized approach, person-centred planning, the services and supports, and that all of these things be fair and equitable to all.

[1015]

**A. Dix:** I think that the minister will know — and much of this was prior to him becoming minister — that there have been times that have been troubled in terms of development of the community living model. There is, I think, some concern today even amongst those who are very much involved and supportive of the general approach that all of us have taken, not just in the last few years, because the approach, in fact — as the member for Surrey-White Rock often says — has happened really over 20 years, where we've changed our whole vision as a society with respect to people with developmental disabilities in our society.

That approach has passed through a whole bunch of governments over a bunch of years. I think, in a general sense, most of us view that overall change as positive, and certainly, just about everyone in the community living sector feels that the overall approach over that time has been positive. But I think there's a real concern at this stage — and the minister will know this — that we're talking about a sector.... Frequently when we talk in Education estimates, government ministers remind us that the number of students is declining, so that has implications for budgets. Here we're talking about a sector where, clearly, the number of people in the sector is growing dramatically.

Some of that growth is troubling, actually, in terms of what it may imply about increasing diagnosis but maybe increasing, in fact — the number of people with autism, for example — in society. We're seeing, I think, troubling increases in certain disabilities that are going to be something that all of us as a society are going to have to face. In addition to that, some of it is not troubling. It's a positive in the sense that we've had significant improvements in medical science. So we have people who are living today and who are living lives of meaning and quality but who may have, a generation

ago, not survived at birth or through their early years, and certainly other people — and this is the most gratifying for us as a society — who are living much longer.

That has implications for programs and funding. I just want to read into the record the reaction of the B.C. Association for Community Living to the budget. They say — and we'll go through some of the details of what they say — that "the provincial budget has betrayed its promise to people with developmental disabilities and their families." This is the B.C. Association for Community Living, a provincial organization that advocates for justice, rights and opportunities for people with developmental disabilities and their families.

I think we'll all agree about the extraordinary work this group does, their passion for it, that they're not in any way knee-jerk in their reaction or criticism of the government. In fact, they work with the government on lots of issues and with all of us, I think. So I wanted to know what the minister's reaction was to the reaction of the association — their, I think, extreme disappointment in what was presented in the budget in February.

[1020]

Hon. S. Hagen: As government we provide money and provide services as we can. I'm not going to go into the "power of a strong economy" speech because the member has heard me say that very, very often. But one of the challenges with CLBC is that they took over an antiquated system. So one of their challenges, and certainly what they have been engaged in over the last nine months and will continue to be engaged in, is actually determining the need.

It's important for the public out there to understand that over 18,000 people are currently served by CLBC. The demand for servicing has been increasing by about 3 percent per year and is expected to continue to increase at this rate. The current system is based on funding block programs, not individualized needs. The current practice is focused on placing people in programs. According to many people with disabilities in families, this can contribute to services which restrict access and limit self-determination and limit opportunities to develop relationships. They sometimes lack accountability or responsiveness and may reduce people's ability to participate in their citizenship.

To continue to deliver optimal supports to individuals, CLBC will implement a number of high-level strategies designed to maximize efficiency and effectiveness of service expenditures over the long term. To do this, CLBC will implement a new service delivery model. They will increase utilization of alternative residential models. They will improve planning and support to avoid crises. They will implement improved contract management practices and will implement enabling information technology.

The member opposite made a comment that there was group that was disappointed with the level of funding. I understand that, because on the social side of the spectrum that comment is often made by advocacy groups, and I understand that. Having said that, the lift in the budget for CLBC over the next three years

is \$111 million. That is not an insignificant amount. Add to that the \$30 million family independence fund. So in fact, this year we've seen a lift of \$141 million.

A. Dix: Well, I think the minister is using the new math there. But the B.C. Association for Community Living goes on to say.... They are very precise about this, and I want to know if the minister agreed with this analysis. These are their words, not mine. "I feel betrayed. This government has failed people with disabilities and families," said John Kehler, BCACL president and parent of a teenage son with Down syndrome.

This budget means that people with developmental disabilities, and their families, will continue to face long wait-lists, inadequate supports, social and economic exclusion, and personal and financial crisis.

Their statement goes on to say:

In their first term in government, the Liberals cut over \$150 million from community living services under the Ministry of Children and Family Development, which until last year provided supports to adults with developmental disabilities, and their families, and children with special needs. Even before the cuts, wait-lists were unacceptably long. Community Living B.C. has now taken over many of these services but without adequate funding. The government's announcement of new money will not replace what was lost and will certainly not address the needs of thousands of people on wait-lists that have grown to bursting.

[1025]

I just want to know if the minister agrees with that characterization of the cuts, the amount of the cuts, whether he would want to comment on what BCACL is saying — which is that, in fact, what we've had is the creation of an agency without the resources provided by government for that agency to adequately do its job — and if he shares that position.

**Hon. S. Hagen:** I'm not here to discuss the past. We're actually here to discuss the upcoming budget year, which starts April 1, and of course, because we budget in cycles, I can reiterate: between '05-06 and '08-09 there will be a lift of \$111 million, plus a \$30 million family independence fund.

I have met with BCACL, I think, a couple of times. I'll continue to meet with them. We can have our discussions, but as I say, this is a new agency. It's been in business now nine months, delivering services, and one of the challenges they faced right from the start was actually getting accurate information on the needs that were out there.

They have now, I think, finished the review of every file that they deal with, which is about 18,000 files, as I understand it. That will provide new information and new statistics, and we will continue....

You know, the increase in service requirements is about 3 percent a year. I think that the increase I've talked about here will meet that. Also, we have to take into consideration that there will be a difference in how these services are delivered.

**A. Dix:** I'd just say to the minister that all budget decisions are made in context, and he will know this.

He will know that when he goes to Treasury Board to ask for the \$26 million of new funding they got this year, no doubt he will have made the case to Treasury Board about the \$150 million that was cut.

That creates the context for the discussion. I don't think you can say, "Well, we dramatically cut community living services over four years, and then we've restored very little now," and say: "We should only talk about the fact that we've restored very little." I think the context of it — and what the B.C. Association of Community Living is saying, what B.C. FamilyNet and other groups who are involved are saying — is that this is inadequate, that we're going to see growing waitlists.

I wanted to ask the minister, because in the budget — when they refer to the \$26 million more that CLBC got this year — the government talks about serving an additional 2,000 people: can the minister tell me whether that means that 2,000 people will come off wait-lists?

[1030]

Hon. S. Hagen: I think it's important for the member, and he may not be aware of this, but.... CLBC has developed a wait-list policy based on the experience of other jurisdictions. You know, they've taken a look at other jurisdictions across Canada. For the first time in community living, there will be accurate data upon which to base resource allocation. That was not available before. Historically, there has been no system of formally recording wait-lists. CLBC's wait-list policy will ensure transparency and equity and will clearly communicate expected wait-times within the financial capacity of CLBC.

It also establishes a system for gathering information that can be used to project financial requirements in support of CLBC's ongoing efforts to deliver quality services to individuals and families in B.C. The 2,000 number that the member was referring to is a four-year summary of new individuals accessing the system, and it's important to note that ways of delivering services are dramatically changing.

- **A. Dix:** My question was specific. Does the 2,000 number mean that 2,000 people come off wait-lists for services?
- **Hon. S. Hagen:** Yes, these are 2,000 new individuals accessing the system, and these 2,000 will come off the wait-list.
- **A. Dix:** I wanted to ask the minister if he can confirm that the extra money that was intended to cover wait-lists, CLBC's request, was in fact rejected by Treasury Board because of the low quality of the data. After the years and years of work on IT in this area that's been done, Treasury Board was dissatisfied with the quality of the data.
- **Hon. S. Hagen:** As the member well knows, I am bound by a confidentiality agreement. I will not dis-

cuss any conversations I've had either in cabinet or Treasury Board.

- **A. Dix:** Can the minister, then, confirm to me that this is the position that the CEO of Community Living B.C. has told the community?
- **Hon. S. Hagen:** Certainly, there has been a lot of work done, as I mentioned, on individual files where there wasn't information before, and part of the change in CLBC was to get that information. As they get that information and process it, that obviously has an impact on decisions that senior management take.
- **A. Dix:** Is the minister confirming that that is the position taken by the president of CLBC?
  - Hon. S. Hagen: I stand by my last comment.

**A. Dix:** I think a lot of people feel that the current level of budgeting for Community Living B.C. is inadequate to fund the services that traditionally were funded by the Ministry of Children and Family Development. I wanted to ask the minister if he thinks the funding is adequate, if he thinks the system has the capacity — we're not talking about new funding now, new policy items, which I think everyone would see as desirable — to fund all the needs that have traditionally been funded.

[1035]

**Hon. S. Hagen:** It's always interesting with the NDP. Their answer to everything is to never change the way of delivering services but just to add more money to the pot. And as the taxpayers out there know — health care is a glowing example of this — there isn't enough money in the pot.

What CLBC is doing, as I've said, is looking at new ways of delivering services. And I want to stress the principle of choice, the principle of individualized approach, person-centred planning. All of these are critical changes that are taking place in how services are delivered: implementation of a new service delivery model, increased utilization of alternative residential models, improved planning and support to avoid crises. Implement improved contract management practices; implement enabling information technology.

When you take all of this into consideration, my answer to the member's question is that I believe that when you add \$111 million to a system, when you put in a \$30 million family independence fund.... I believe that CLBC will be able to do the job they have been asked to do.

**A. Dix:** Of course, I know that the minister loves to make partisan criticisms, and I would be the last person to criticize him for doing that because I think that that's part of it. Part of it is just a debate about ideas and differences of opinion on issues.

What I was asking him, really, was to comment on the position that's been taken — not by me, because I'm

constantly interested and here to seek more information from government — by CLBC itself, by the president of CLBC, who said: "The system doesn't have the capacity to fund all the needs that have traditionally been funded, so we need to look to the community for new ways of meeting needs." What that means, in English, is that what we had before — the services that were provided before, which many people in the community thought were already inadequate but certainly necessary for people in the community.... All of those needs that were traditionally necessary will not be funded by government.

I want to ask the minister which of those services — that were traditionally funded by government, that were supported by government, those supports which I think people in the community surely don't feel are unnecessary or extravagant — he thinks should be funded by some other mechanism now. I mean, it's the president of CLBC who is saying that what you had before, you shouldn't expect to get now. You shouldn't expect that level of service.

I just want to ask the minister on behalf of the government what he means by that, because I actually agree with him that government is about making choices. Unfortunately, the government has made its choices, both over the last four years leading up to where we are now, and now. Clearly, people in the sector are very concerned about both the level of funding and what the government has in mind.

**Hon. S. Hagen:** Let me reiterate that between '05 and '06, and '08 and '09 we have a lift of \$111 million to the CLBC budget, plus a \$30 million family independence fund.

You know, I understand the role of advocacy groups. Their role is to advocate. I get that. We listen to the advocacy groups. We meet with them. We talk with them. We have an interaction with them. We explain to them when we're looking at delivering services.

The member is still hung up on the old way of funding, and that is the block-funded programs. As I've said, CLBC is moving away from that.

[1040

They are moving to an effective delivery system of service that will be achieved through the following key accountability mechanisms: first of all, shared responsibility with individuals, families and providers for setting and measuring service outcomes; clear policy to govern funding decisions; flexible response capacity to anticipate, prevent and mitigate crises; regular monitoring to ensure that CLBC and service partners meet standards; and then a clear policy and decision-making guideline for contracting based on delivery of agreed upon results.

I want to come back to the principles that guide this — the principles of choice, individualized approach, person-centred planning to provide the service and supports in a fair and equitable way to all. It's a new way of delivering services, not the old block-funded-program way.

**A. Dix:** I'm sure the minister will have an opportunity to reread that into the record several more times.

My question is still quite specific, because the president of CLBC has been quite specific that we don't have the capacity to fund all of the needs. Which needs won't be funded?

Hon. S. Hagen: CLBC's intent is that families, staff, service providers and other people and groups in the community will explore informal ways of meeting people's needs and will enrich the lives of individuals with developmental disabilities and allow them full opportunities to contribute to their communities. I believe that the budget lift of \$111 million, plus \$30 million, will enable them to do that.

A. Dix: I guess you just have to keep asking, because I think one of the important things.... It's not just to go back and forth on a political point. I think one of the needs that people in the community have — in this community, in particular — is a need to know. So when they are told that certain needs that have been funded historically — I'm not talking about funding mechanisms; I'm talking about needs, real needs they have in the community — aren't going to be funded now, I think it's a reasonable question to ask without having the government spin come back as to what was meant by that. That's all.

Hon. S. Hagen: I certainly agree with the member opposite that people out there who have questions should get answers to those questions. Having said that, we've said that there are going to be 2,000 more people served over the next several years. We've injected \$111 million of new money into this budget, plus the \$30 million fund, and I'm confident that CLBC will be able to do the job that they have been given to do.

A. Dix: Part of the reason we asked that question is because if this is in fact what it appears to be, which is a zero-sum game — you cut certain services, and you replace them with other services, which is fine, which appears to be what's happening if you look at the budget historically — then I guess that means that some people come off. I think part of the challenge in looking at this and the fact that CLBC is starting and the fact that people sometimes find it difficult to get information to find out what the new agency is doing....

I'll just give you an example. On the question of taking 2,000 people off wait-lists, the answer the minister gave this morning is very different from the answer the president of the CLBC gave to advocacy groups a couple of weeks ago when he suggested that that doesn't mean 2,000 people can be taken off wait-lists. So I think part of the struggle is just to try and understand, and for groups to try and understand, what in fact the minister and his representatives in the community are saying.

[1045]

The next question I have for the minister is with respect to group homes. Can the minister tell me — because this would be important information that I'm

sure the minister has at his disposal — about how many group homes have been closed in the sector over the last few years, and how many CLBC plans to essentially see closed in the next few years?

**Hon. S. Hagen:** You know, I actually have some sympathy for the member opposite, because in questioning on issues like this, there's a fine line that he has to walk between fearmongering and asking questions to get answers. That's a tough line to walk. It's a very difficult line to walk.

I want to spend a few minutes talking about group homes. As the member may not be aware, there's a group home review that allows CLBC to collect relevant and updated information from individuals and families to help them plan effectively for the future. CLBC's new service delivery model is the result of feedback from the community and to provide choice for members of that community.

The member will probably be aware that when institutions were closed in the 1980s, individuals had little or no choice about being moved into group homes. This review gives CLBC the opportunity to reassess some situations and make changes where people would like an alternative. In other words, it's about choice, one of the principles that I talked about.

It must be very clear that no one will be forced to move. No one will be forced to move. CLBC is committed to the development of alternative living options but will not be making individual changes unless the alternative is agreed to by the individuals and the families.

[1050

Individual plans, which will be part of the new model, with the input of the individual.... Once satisfied with the plans.... Only then will they be asked to make a choice.

The ultimate goal is to actively support individuals where they choose to move from higher-cost residential settings to more person-centred options. The only reason that group homes would be closing is because individuals who live in those homes exercise choice in their living situation and change it. Many of these individuals come from institutions where there was no choice, as I said — well, where to go — and now we are giving them this choice. It is not a reduction of service.

**A. Dix:** Well, of course, my question was specific, but I'm delighted to hear from the minister. I think one of the things, first of all, that people want to hear, because there are always concerns when change happens.... So one of the things is.... I'm glad the minister has said very clearly on the record that no one will be moved out of a group home. I think that's important. That's part of what we try to elicit in these estimates. It's because people have concerns that we raise those issues.

Of course, choice means the choice, perhaps, to choose a group home as well. So when the minister says the only reason that group homes would be closing is that fewer people want to go to group homes, I am actually not sure that the evidence supports that view. In fact, I think it's fair to say there have been closures of group homes over the last few years because of funding decisions made by government. The question I have is: if the minister is saying....

The number of people who are currently in group homes, I hear, might be 2,600 to 2,900. I'm not sure what the number is exactly, and the minister may be able to confirm that. But choice is not just a choice for people in group homes to choose other options. Presumably, it's people who are not currently in group homes being able to choose the option of group homes. That's why, in terms of closing group homes or reducing the number of group homes, that's a legitimate question. I think it's a reasonable question to ask, because there are also some people whose family members, for example — and themselves — are currently not in group homes who would like that option and feel legitimately, I say to the minister, that that option is being closed and that choice is being closed to them.

**Hon. S. Hagen:** That absolutely is a choice, and I think that CLBC has been saying that pretty clearly to the community.

**A. Dix:** How many people are currently on waitlists for group home spaces?

Hon. S. Hagen: Staff tell me they are just compiling that information. They are not aware of wait-lists for people waiting to go into group homes. But they also said to me that when parents come to talk to them about getting their son or daughter into a group home, often when they had the discussion on the options, then the parents will say: "Well, we'd rather have the option instead of going into a group home." But they're still collecting those statistics.

**A. Dix:** When might we expect to have that kind of important information?

**Hon. S. Hagen:** Staff tell me they hope to be able to produce that data by next fall, by the fall of this year.

[1055]

**A. Dix:** I'm told from the community that some group homes are being left vacant, that in fact spaces aren't being funded while there is demand for those spaces. I don't know if the minister or CLBC staff can assist me by commenting on that.

**Hon. S. Hagen:** The question really comes back to the principle of choice. In the old days what would happen is that if it was a group home of four, then the ministry would just put four people into that group home — whether or not they got along together or whatever the circumstances were.

Now, if there are going to be four people in a group home, there's work done with those four people to make sure they are going to be able to get along, to make sure that circumstances are compatible. So if there is a vacancy, it's because either they haven't found the right person or nobody has asked to go in.

**A. Dix:** I just wanted the minister to comment on what the CLBC service plan says. The service plan says that CLBC will maintain existing group home vacancies to allow opportunities to consolidate those homes where residents choose an alternative model. This will increase costs in the short run but create an opportunity to reallocate resources in the long run.

The service plan says that in fact there's a policy of maintaining group home vacancies. I'm just asking the minister to explain the service plan.

**Hon. S. Hagen:** It's for exactly the reason that I just said.

**A. Dix:** I would just say that if people do want alternatives, that's fair enough. That should be honoured, but I think many people are alarmed by a policy that's focusing on closing group homes. And that's explicitly what the policy says.

I want to ask maybe a definitional question to assist us all. I would just like to ask the minister how Community Living B.C. defines a group home.

[1100]

**Hon. S. Hagen:** The answer to the question is that a group home is a staffed residential resource with multiple people living together.

But I just want to make a comment with regard to the questioning. I really do understand this, but if you think back to when we had large institutions, a lot of people thought that those were right, when they were there. Then we talked about changing that, moving people into group homes. There were a lot of people who were against that, but then when they.... They thought: well, maybe group homes were going to work.

Now what CLBC is focused on is actually delivering on the needs of families with children with disabilities. I think it's important for the member to understand and also for everyone who's watching or listening to understand that B.C. is leading Canada in the direction that we're going to promote choice, as I talked about — individual planning and community-based options.

So yes, there is going to be change going on. Is there consultation? Absolutely. Is there data being collected? Absolutely. As I said, when CLBC started up, they found that the files were incomplete. That work has been done. All of that work that has been done will lead to how future decisions are made, whether it's a request for budget or management decisions or the way workers work with individuals.

**A. Dix:** I just had a question with respect to a press release put out by Community Living B.C. with respect to the group home review. I just wanted to ask, first of all, if the initiation of the review came from CLBC or from the minister.

**Hon. S. Hagen:** The review is a product of the direction that CLBC is in. There has been a lot of thinking about this over the past number of years, and it comes back to choice. It actually comes back to sitting down with parents and saying: "We're going to offer you some choices."

Parents, together with their children, are making those choices. In the case of group homes, it may be to opt into a group home situation; it may be to opt out of a group home situation.

**A. Dix:** Well, that's true, except this \$1.7 million review that CLBC is doing is to identify individuals who wish to move to alternative living arrangements. I just want to ask the minister — and I'm just trying to understand how the policy is being developed, because a lot of this is new....

The minister said in the last set of estimates — he repeated it this morning — that CLBC has reviewed every client file to ensure they're getting the care they need — right? So if that's the case that everybody's file has been reviewed, why the review to see if people want to leave? That's just a question.

Secondly, what effort is CLBC making? Even now — and I think everyone would acknowledge this — there are some circumstances and some individuals for whom group homes are the best care for a whole series of reasons. I'm sure the minister and everyone would agree with that. What effort is being made? If there's a \$1.7 million effort to identify people who want to move out of group homes, what effort is being made by CLBC to find people who might wish to move into group homes?

[1105]

**Hon. S. Hagen:** I'm really pleased that the member asked this question because, again, I think it shows the way things used to be done and the way things are done now. What used to be done, in the review of a file, is that a person would look at a file and say: "Okay, that person should go into a group home; that person should go here." There was very little consultation.

A big part of the review is sitting down with individual families and talking to families about what choice they would like to make for their child, and describing what choices are available to them because in some cases they may not be aware of the choices that are available. I hope the member isn't suggesting that we shouldn't consult with families, that we shouldn't have this opportunity to sit down with them and talk about the choices available to them.

The staff at CLBC is taking the time to sit down with individual families to talk about choices that they can make for their children and for the developmentally disabled. Looking at individualized plans. This is historic, I think. The member sometimes talks about good news and bad news. I would hope that the member sees this as good news. This is really trying to address the individual needs of people out there.

[R. Cantelon in the chair.]

After the file is reviewed, then we actually can offer the choices to people. They can decide what choices they want to make. I just think this is a very good-news story. This may even be historic that parents and their children have this opportunity.

**A. Dix:** I guess I say — through the new Chair to the minister, and it's good to see the new Chair here — that a choice is only a choice if you have a choice. If in fact this whole process is about moving people in one direction and another, if you're actually closing down an option of choice, then that's not increasing choice. That's an ideological commitment to choice without a substantive commitment to choice, and I think that's the point I'm trying to pursue with the minister.

[1110]

I wanted to ask the minister about CLBC service delivery contracts in this area. I just wanted to quote from him, from some of those contracts: "The contractor will cooperate with any plan established by the province for the placement of a resident outside this residence." In terms of the minister's respect for choice — the person-centred model — I just wanted to ask the minister to explain that provision in those contracts.

Hon. S. Hagen: That's exactly what this is about. It's about choice. If a person in a group home chooses to move out of that group home, we can't have the service provider holding them back, saying: "Oh, no, no, no. I want to get paid, and they're not going to move."

**A. Dix:** I agree that if the person wants to leave the group home, that's one thing. But if the province, for budget reasons, is encouraging that policy, or — and I'd say equally, surely — if a person wants to move into a group home and the province and CLBC has closed the group home or closed off that opportunity, they've lost the choice. That's the point.

I mean, all this talk about choice — the minister, I'm sure, will agree — is only valid if people actually have a menu of choices to choose from. If the ministry is closing off those choices or closing off at least one set of those choices for individuals and families, then that's not an increase in choice. That's a decrease in choice.

I don't know if there's evidence today, in fact, that people are being held against their will, in any sense, in group homes. I don't think there's any evidence that that's the case. In fact, there's some evidence to suggest that more people want to go in than want to leave. I think there's some suggestion that that would be the case. I just wanted to ask what evidence the minister has, what evidence CLBC has, that there'll be fewer people needing or choosing staffed homes?

[1115]

**Hon. S. Hagen:** This is an interesting field, and I actually hope you stay in this for a while, because it's all good news. I'll give you an example. Semiahmoo House Society, which is in White Rock — the executive director there is Paul Wheeler — recently closed about four group home beds. In every single case, individuals

chose another option once those options were presented to them.

The other interesting statistic is that 60 percent of current residential resources are in group homes. But in the last two years only 24 percent of new admissions are into group homes, as people make choices for other alternatives.

**A. Dix:** I want to ask the minister.... I think there's a lot of use of new expressions, different expressions. One of the expressions you see frequently in CLBC's document is the idea of person-centred, which is an important notion for lots of people, as well, across the community living sector. I wanted to ask the minister whether he thinks, in fact, that the group home option is less person-centred than cheaper residential options. Many families disagree with that view, so I wanted to ask him if he thinks this is about being person-centred.

Further, I guess I will ask him just sort of a broader question in terms of moving to other settings. There's a commitment on the part of CLBC that safety won't be compromised. I want to ask him about that. As people move to more independent settings, what community capacity has been demonstrated in terms of providing adequate support to assure safety? What are the risks, and what extra monitoring will be done to assure safety in more informal settings? And what performance measures will be used to track safety and service quality as CLBC moves to cheaper and/or "personcentred" services?

**Hon. S. Hagen:** Person-centred, of course, is about plans made around parents and the persons with disabilities. I want to read this into the record because it's very key:

CLBC is committed to enabling people with developmental disabilities and their families to develop personal support plans —

I don't know how much more person-centred you can get than developing personal support plans

— that identify how they will meet their disability-related needs as well as their goals for living in the community. These plans can assist individuals and families to: access needed supports and services; be part of a growing network of personal relationships; engage in real work for real pay; play valued roles — for example, friend, neighbour, employee, volunteer; use generally available community services and supports — for example, public transportation, health care — that people without a disability routinely do; participate in everyday activities that define community life — for example, social and special interest clubs, sports groups; make and be recognized for their contributions as they take their place alongside others in the community.

[1120]

The current system can only respond to individuals through paid services. Person-centred planning will assist in developing other options for people and create less dependency on paid programs and supports. As I meet with the advocacy groups, they actually understand that. They actually believe that that's a big part of what has to happen here. CLBC's commitment to these

person-centred outcomes will help to enhance the social fabric of the province's diverse communities, as people with developmental disabilities contribute their gifts and talents. In so doing, they add vitality, creativity and energy to community life.

With regard to safety, which is of course paramount and important to all of us, the safety and well-being of persons with developmental disabilities and children with special needs is always the number-one priority of Community Living B.C. CLBC's safeguards continuum ranges from informal processes — for example, volunteers and community agencies — to outcome-based contracts and personal support plans, through to health and safety standards and full accreditation.

As well, Dr. Brian Plain, medical consultant to Ministry of Health for Community Living, conducts independent reviews of hospitalizations and deaths on CLBC's behalf. Recognizing that there is no single solution to ensuring health and safety and well-being, safeguards will be both formal and informal and will respect the rights of individuals and families. CLBC respects the role that families and communities play in safeguarding the well-being of individuals and recognizes that informal networks can often accomplish far more than formal systems.

Components of the safeguard strategy will include clearly defined roles, reporting relationships and accountabilities through CLBC, health and safety standards and expanded accountability for all contracted services, development of community networks for people with no family or friends, establishment of monitoring mechanisms, community councils, a provincial advisory committee, accreditation of CLBC and continuing accreditation of CLBC-funded agencies receiving more than \$500,000 a year.

#### A. Dix: When will CLBC be accredited?

**Hon. S. Hagen:** CLBC recently went through an RFP process, and through the process, CARF was selected to do the accreditation. This is a three-year process, so by 2009 CLBC will be accredited.

**A. Dix:** I want to just continue down this line in terms of some of the issues around group homes later.

[1125]

I wanted to move to a subject that the minister and I talked about informally yesterday. It's one that I think many of the people that meet with me and I know meet with him and correspond with him on a regular basis are very concerned about, interested in and worried about. That's the question of eligibility.

We talked about this a little bit yesterday. There are people who seek assistance and supports from CLBC who are, in fact, rejected for that because of what is broadly viewed as an IQ test — which is an IQ test. It's an IQ test of 70 that's applied in the sector. It's not new to this government or this circumstance now, but it's one that really troubles me.

In a general sense I have some concerns about that process of evaluation, and I know it's not simply a

question of IQ tests. But I think that a lot of people.... For example, parents and families with children and adults who have autism disorder and others regularly and routinely, in fact, see their children and adults have IQs significantly above 70, sometimes well above 70, but they have very profound needs — I mean very profound needs — and require very profound supports, in some cases, so that they're not a danger to themselves and to others.

What happens sometimes when we don't address those needs is that those needs get addressed elsewhere. Sometimes they get addressed in the worst of circumstances in the criminal justice system.

So one of the things I want to have, just as we go towards the break, is a little bit of a conversation with the minister about that eligibility requirement. I probably have — and I'm going to put them together for the minister and for Mr. Mowles — 30 letters, just excerpts from people, all of whom are in that circumstance, not eligible because their children or family member, while they have autism disorder, have IQs that are well above 70. Everyone involved in the sector understands the issue.

So I wanted to just say to the minister that I think collectively, as a society, we need to address that issue of eligibility. I would like to see the IQ test removed as a test because I think it's the wrong test. I don't think in this day and age that it contributes to where we need to go, in terms of supporting people who have real and specific needs.

I want to start off by saying that I understand that in this sector there's a real challenge in meeting all of the needs of people who are eligible now. So inevitably there would be a funding concern about expanding the community that CLBC or other agencies of government have to serve — depending on where a child or adult would fall in terms of where they go in government.

I would like the government, and I suggested this to the minister.... I would like to ask him if he would consider referring this whole question of eligibility to a committee of this House so that we could sit down in a non-partisan way and discuss where we should go in the 21st century. I think just meeting parents and families who are facing these circumstances and whose children or adult children require real support sometimes feel that the system isn't working for them.... That's something that isn't just the minister's job; it's all of our jobs to respond to as a society.

We had a little bit of this discussion yesterday, privately, and I just wanted to put that to the minister, whether he would consider having a look. We would hope, in that process, to involve advocacy groups, of course, CLBC and others, and to involve the community so that we could move away from a test that seems to me to be artificial and unfair, towards an eligibility system that would truly reflect the needs that people have for supports.

[1130]

**Hon. S. Hagen:** I don't disagree with the member opposite on this particular question. It's a question that

has troubled me and has caused me to ask a lot of questions about the arbitrary nature of this. Having said that, I know that it is a number that is used in other jurisdictions.

I can't commit to the member today to answer his request, but what I will commit to is that we will do some work on what, if anything, is being done across Canada and in other jurisdictions around the world on this question. And I certainly will commit, after we've done that work, to discuss it with my colleagues in government.

As I meet parents, for instance, with children and youth with disabilities.... First of all, I don't know how they even make it through the day or the week or the month. I am thankful as a father of five that I'm not in that situation.

I think that as other things change in society — we've talked about other changes that CLBC is either underway with or looking at — it's probably time that we looked at this issue, recognizing that if we do make some changes, there could be some huge cost implications. But I'm not opposed to looking at it and working with my colleagues to see if there is a better way.

I would expect that there probably is a lot of research that has gone on in this field at the universities. I think it is important to look broader than B.C. — that we look across Canada and in other jurisdictions, other countries around the world.

**A. Dix:** I agree with the minister that of course that's what you would do. That's what you do in a review. Clearly, we know we can identify individuals today who have IQs well over 70 who really require the services of CLBC or somebody, who in some cases require very complex services. I think that while it is important — and often, in cases, families play an extraordinary role.... But, you know, sometimes events befall families too. We're seeing this — and the minister knows this — across the sector.

Because of the increases in life expectancies we saw earlier, there are cases where families in fact have played that 24-7 role for decades, who are no longer able to do it. I think that's the demand that's, in many respects, within the current eligibility requirements for programs. It's growing as well.

We appreciate that, and it's why, in my view, we need to provide more resources in this area, not for the sake of providing more resources but because more resources will be needed. I don't think anybody working in the sector or looking at the sector would argue that we're not going to be putting more resources in this sector regardless of the funding or the models that we put in place. We simply have to if the number of people requiring services is going to consistently increase over time. I think that all of the indications.... The studies I've seen, anyway, that have been presented to me, indicate that they are.

I just think of parents of children who are becoming adults, who are moving out into the world — I know them, and I know the minister does — who really require 24-7 supports and who at the moment aren't eli-

gible for those supports. While IQ tests are used and that IQ notion is used in other jurisdictions, I think we have to look very, very seriously at changing that approach.

[1135]

[H. Bloy in the chair.]

I think we cannot simply, as a society.... This is not partisan to the minister; I'm not suggesting he wants to abandon them. I mean, all of us can't abandon parents who are willing to do work that, as the minister suggests, is beyond anything, I think, that any of us not in those circumstances can imagine, but still need some significant supports to help their adult children, in particular, live reasonable lives.

I'm encouraged by the minister's comments. I just want him to recognize, as I do, the challenges. I don't think it's a question of opening up floodgates, although we have to assess what the real needs are. Perhaps in assessing what those real needs are — that process — the real needs of people who right now don't meet the eligibility requirements.... For us to find out, in fact, what that level of need is will help us better understand the problem, maybe better address it and better define eligibility.

I just wanted to ask the minister briefly, because we just have five minutes to go to break, about the long-promised, individualized funding — promised for many years: 2002, 2003, 2004, 2005. We're at 2006. As I understand it, CLBC has budgeted \$500,000 this year for a pilot program for 25 people. Am I incorrect in that? Maybe I'll just ask the question more broadly. What is the funding plan? What is the layout plan — with respect to individualized funding?

[1140]

Hon. S. Hagen: Let me reiterate to the member and to the community that CLBC is committed to ensuring that resources are utilized in the most effective way possible in order to maximize the needs of individuals with developmental disabilities. Of course, individualized funding has been identified as a funding model to provide greater flexibility to individuals with developmental disabilities and their families and to assist in effective resource management. This is person-centred. CLBC is currently developing the financial and payment procedures.

CLBC remains committed to individualized funding as a method of payment for services and anticipates that it will be offered as a choice for interested families by the summer of '06 — this summer. There have been, as I'm sure the member knows, some complicated taxation issues with regard to this, which have helped delay the implementation. Also, there is no \$500,000 fund in place to run a pilot project. It's not a budget line item, as it needs to be linked to the individualized plans, but CLBC wants to start offering it this summer as a choice.

**A. Dix:** In terms of offering this as a choice, originally the notion was that some individuals.... I mean, really, this has been a choice that people were expect-

ing to be offered in a whole bunch of fiscal years. Now there's a new fiscal year.

How many people...? In terms of CLBC's budget in this coming fiscal year — the minister is always very concerned that I stay in this fiscal year — how many individuals will have the choice of an individualized funding arrangement in this fiscal year? I understand that the goal is 150 by 2009. Is that in fact the goal by 2009? Specifically, in terms of the budget, what is CLBC committing to with respect to offering individualized funding in this fiscal year?

[1145]

**Hon. S. Hagen:** The target numbers for this upcoming fiscal year are 25; in '07-08, 50; and in '08-09, 150.

**A. Dix:** I thank the minister for that answer, and I move that the committee rise, report progress and ask leave to sit again.

Motion approved.

The committee rose at 11:46 a.m.

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