



Second Session, 38th Parliament

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REPORT OF PROCEEDINGS  
(HANSARD)

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SELECT STANDING COMMITTEE ON  
**FINANCE AND  
GOVERNMENT SERVICES**

**Courtenay**

**Tuesday, September 19, 2006**

**Issue No. 24**

BLAIR LEKSTROM, MLA, CHAIR

ISSN 1499-416X



**SELECT STANDING COMMITTEE ON  
FINANCE AND GOVERNMENT SERVICES**

Courtenay  
Tuesday, September 19, 2006

*Chair:* \* Blair Lekstrom (Peace River South L)

*Deputy Chair:* Vacant

*Members:* \* Iain Black (Port Moody–Westwood L)  
\* Harry Bloy (Burquitlam L)  
Randy Hawes (Maple Ridge–Mission L)  
\* Dave S. Hayer (Surrey–Tynehead L)  
\* Richard T. Lee (Burnaby North L)  
John Horgan (Malahat–Juan de Fuca NDP)  
\* Jenny Wai Ching Kwan (Vancouver–Mount Pleasant NDP)  
\* Bruce Ralston (Surrey–Whalley NDP)  
\* Bob Simpson (Cariboo North NDP)

*\*denotes member present*

*Clerk:* Kate Ryan-Lloyd

*Committee Staff:* Dorothy Jones (Committees Assistant)

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*Witnesses:* Rina Berkshire  
James Bowen (North Island Students Union)  
Jessica Dawson (Eureka Clubhouse)  
Gwyn Frayne (Council of Canadians, Comox Valley Chapter)  
Dianne Hawkins (Executive Director, Comox Valley Chamber  
of Commerce)  
Jeff Hoy (Chair, North Island Students Union)  
Betty-Anne Juba (Chair, Comox Valley Affordable Housing Society;  
Comox Valley Community Food Action Society)  
Bill McConnell (President, North Island College Faculty Association)  
Lori MacDonald (North Island Students Union)  
Wendy Prothero  
Joe Smith (President, Comox Valley Chamber of Commerce)  
Gina Sufrin (Executive Director, Assembly of British Columbia Arts  
Councils)



## CONTENTS

Select Standing Committee on Finance and Government Services

Tuesday, September 19, 2006

	<b>Page</b>
Presentations .....	495
J. Bowen	
L. MacDonald	
J. Hoy	
G. Sufrin	
B. McConnell	
J. Smith	
D. Hawkins	
G. Frayne	
B. Juba	
J. Dawson	
R. Berkshire	
W. Prothero	



MINUTES

# SELECT STANDING COMMITTEE ON FINANCE AND GOVERNMENT SERVICES



Tuesday, September 19, 2006  
6 p.m.  
Conference Hall  
Florence Filberg Centre, Courtenay

**Present:** Blair Lekstrom, MLA (Chair); Iain Black, MLA; Harry Bloy, MLA; Dave S. Hayer, MLA; Jenny Wai Ching Kwan, MLA; Richard T. Lee, MLA; Bruce Ralston, MLA; Bob Simpson, MLA

**Unavoidably Absent:** John Horgan, MLA; Randy Hawes, MLA

1. The Chair called the Committee to order at 5:59 p.m.
2. Opening statements by Mr. Blair Lekstrom, MLA, Chair.
3. The following witnesses appeared before the Committee and answered questions:

- |  |   |
|--|---|
| 1) North Island Students' Union  | James Bowen<br>Jeff Hoy<br>Lori MacDonald<br>Gina Sufrin<br>Bill McConnell<br>Joe Smith<br>Dianne Hawkins<br>Gwyn Frayne<br>Betty-Anne Juba |
| 2) Assembly of BC Arts Councils  |   |
| 3) North Island College Faculty Association  |   |
| 4) Comox Valley Chamber of Commerce  |   |
| 5) Council of Canadians, Comox Valley Chapter  |   |
| 6) Comox Valley Affordable Housing Society<br>Comox Valley Community Food Action Society |   |
| 7) Eureka Clubhouse  | Jessica Dawson  |
| 8) Rina Berkshire  |   |
| 9) Wendy Prothero  |   |

4. The Committee adjourned at 9 p.m. to the call of the Chair.

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**Blair Lekstrom, MLA**  
Chair

**Kate Ryan-Lloyd**  
Clerk Assistant and  
Committee Clerk





TUESDAY, SEPTEMBER 19, 2006

The committee met at 5:59 p.m.

[B. Lekstrom in the chair.]

**B. Lekstrom (Chair):** Good evening. I would like to welcome all of the guests to the Select Standing Committee on Finance and Government Services meeting to deal with the prebudget consultation tour, which we began earlier today in Nanaimo. My name is Blair Lekstrom. I am the MLA for Peace River South in the northern part of the province, and I have the privilege of being the Chair of the Select Standing Committee on Finance and Government Services.

[1800]

We have been asked by the Legislative Assembly to tour the province and talk to British Columbians about next year's budget and the development of it, about what their priorities would be, what their wishes would be if they could put forward submissions and ideas as to what should be included to help make sure British Columbia remains strong, moves forward into the future and provides the services that each and every one of us would like to see in our province.

This evening our format will be that the presenters will have 15 minutes to present. We usually run with a ten-minute presentation from the presenters, with five minutes for committee members to ask questions regarding the presentation. Following that, we do have an open-mike session that we run for a half-hour at the end for people who were unable to put forward their names or who weren't sure they were going to be able to be here but may possibly have found time in their schedule.

We have a mandate through legislation that we must report to the Legislative Assembly no later than November 15. We accept submissions through hearings like we're having here this evening as well as written submissions and on-line submissions through our website. We will then take that — following October 20, which is the last day to accept submissions — and put together a report that we submit to the Legislative Assembly of British Columbia. That report is then used by the Minister of Finance of British Columbia to help in the development of next year's budget.

Before we kick off, I am going to ask committee members if they would introduce themselves. Then we will move right into our first presentation.

**B. Simpson:** Bob Simpson, MLA for Cariboo North.

**B. Ralston:** Bruce Ralston, MLA for Surrey-Whalley.

**H. Bloy:** Harry Bloy, MLA for Burquitlam.

**D. Hayer:** Dave Hayer, MLA for Surrey-Tynehead.

**R. Lee:** Richard Lee, MLA for Burnaby North.

**J. Kwan:** Jenny Kwan, Vancouver–Mount Pleasant.

**I. Black:** Iain Black, Port Moody–Westwood.

**B. Lekstrom (Chair):** Also joining us, to my left, we have Kate Ryan-Lloyd, who is our Committee Clerk, as well as Dorothy Jones, whom you passed on the way in at the table. Each of our meetings is broadcast as well as recorded and transcribed by our Hansard staff. Joining us is Wendy Collisson, as well as Adam Wang, who is behind the keyboard here.

With that, we are going to begin our session this evening. Our first presenter is with the North Island Students Union. Joining us are James Bowen, Jeff Hoy and Lori MacDonald. Good evening, and welcome.

### Presentations

**J. Bowen:** Thanks for having us here tonight. As you know, my name is James Bowen, and I'm the treasurer of the North Island Students Union.

**J. Hoy:** Hello, I'm Jeff Hoy. I am chairperson of North Island Students Union here in Courtenay.

**L. MacDonald:** And I'm Lori MacDonald. I'm a staff person at North Island Students Union.

**J. Bowen:** Our students union represents more than 3,500 students taking courses at campuses and centres across the north Island in communities as large as Courtenay and as small as Ucluelet. We are speaking to you this evening about the 2007 B.C. budget and the priorities of the students and families on the north Island.

What has become clear over the last year is that the primary concern for students at North Island College is the high cost associated with attending post-secondary education. Students are enduring extreme financial hardships, and many people, young and old, are not able to access post-secondary education as a result of the incredible increases in the costs of attending post-secondary over the last five years.

Students and their families need to be assured that the 2007 B.C. budget will bring renewed investment from the province in order to make post-secondary education accessible in the communities served by North Island College. We have four recommendations today to achieve this goal. These recommendations are in line with the fiscal capacity of the B.C. government and are also in line with the expectations of the vast majority of British Columbians.

**L. MacDonald:** Our first recommendation is that the government allocate funding in the 2007 B.C. budget to reduce tuition fees by 10 percent. Tuition fees at North Island College have risen from approximately \$1,200 a year in 2001 to almost \$2,500 this year. This represents a 100-percent increase in just five years.

Research shows that tuition fees are the number-one barrier to accessing post-secondary education. This is borne out by studies from Statistics Canada, the

Canadian Association of University Teachers and researchers in the United States and across the globe. A study done in 1999 at the University of Western Ontario found that participation by low-income earners dropped by 40 percent after tuition fees doubled there.

[1805]

The people who are not able to access this education are the same people needed to fill more than 70 percent of all new jobs that now require post-secondary education. These are the people that B.C. needs to graduate in order to solve the shortage of skilled-trades workers.

Beyond the obvious benefit of having these job and skills shortages filled, it's the moral imperative that everyone in B.C. deserves the right to fully participate in our economy and in our society. They cannot do so if they are unable to complete their education or are being saddled with almost \$30,000 in debt upon graduation.

A fully funded 10-percent reduction in tuition fees would cost the B.C. government just \$92 million in 2007. This investment alone would save students at North Island College hundreds of dollars a year. A poll conducted in July 2006 by the respected firm Ipsos-Reid found that the vast majority of British Columbians support reducing tuition fees. Three-quarters of British Columbians believe that students are taking on an unfair burden of debt upon graduation.

It's not just students that are behind this recommendation, but the majority of British Columbians. We are here today to encourage you to also get behind this recommendation and reduce tuition fees by 10 percent.

**J. Hoy:** Our second recommendation is that the B.C. government allocate funding in the 2007 budget to eliminate adult basic education fees. These programs serve higher percentages of single parents, women, aboriginal peoples and immigrants, and it is an integral piece of an overall strategy to bring those who are often marginalized in a society to a more equitable standing. Tuition fees for these programs will prevent many of these potential students from achieving an equitable standing.

The implementation of fees for the ABE program has ushered in a provincewide decline in enrolment, which began immediately after tuition fees were introduced and before unemployment rates dropped in late 2004.

At North Island College fees for adult basic education remain low. It is an institutional priority that is forever at risk in times of reduced funding. North Island College serves many resource-based communities with high unemployment rates that have people scrambling to retrain. Any additional cost in this area can mean making a choice between attending college or simply paying rent.

As you may well know, the vast majority of ABE students are doing so in order to get into post-secondary education programs. This is especially true at North Island College. Those who aren't taking ABE to continue into post-secondary programs are taking these courses to qualify for employment.

We should not be punishing these individuals for taking this initiative or making it harder for those from

low-income to middle-income backgrounds to attain the education they need to participate in the economy. That is why we are asking the 2007 budget to allocate just \$17 million to fund the elimination of all tuition fees charged for adult basic education.

**L. MacDonald:** Our third recommendation is that the government allocate funding in the 2007 B.C. budget to create an upfront needs-based grant program. In 2004 the \$80 million B.C. grants program was cut, causing thousands of students, parents and many others to lobby the government for reinstatement of the program.

What resulted was the creation of the loan reduction program. While the loan reduction program does offer financial aid to many of the most needy students, it is not as effective as a grants program. Many students have been forced out of the education system as a consequence.

Under the loan reduction program students do not know how much of their loans will be reduced at the end of the year, making it difficult to budget. Still, low-income students are not able to afford the upfront costs of education. The most efficient and simplest form of student financial assistance is upfront needs-based grants, which target the neediest students, reducing their upfront costs and allowing them to budget effectively for the year.

[1810]

Finally, the upfront grant program should be funded at or about the same amount as the former B.C. grants program, especially in light of the fact that tuition fees are more than double what they were six years ago when the B.C. grants program was created.

**J. Bowen:** Our final recommendation tonight is that the funding already allocated for a training tax credit be reallocated for direct funding for entry-level trades training and apprentices in B.C. The shortage of skilled tradespeople is universally accepted in B.C. While the tax credit is a sign that the government is taking steps toward alleviating this concern, it misses the primary resource for addressing the shortage: B.C.'s college and university college system. It is institutions like BCIT, North Island College and Malaspina University College that will play a key role in developing skilled workers who are able to fill this gap and provide B.C. with effective and skilled tradespeople into the future. Without providing adequate funding to these institutions for trades training, we will not address our looming skills shortage.

In closing, we would like to voice our support for the government's goal to make B.C. the most educated jurisdiction on the continent. This is an admirable goal that will require renewed investment in all sectors of our post-secondary education system. It will require that we ensure that all British Columbians have access to the education they need to achieve their goals, regardless of where they live or how much their families make. It is our hope that our four recommendations today will help move the province towards this goal

and our belief that they are all within the bounds of B.C.'s fiscal reality.

Thanks again for the opportunity to speak on behalf of the students and families of the north Island.

**B. Lekstrom (Chair):** Thank you very much for presenting here before our committee this evening. I'm going to look to members of the committee, if they have any questions regarding what you've brought before us here today.

**B. Simpson:** Thanks for the presentation. I like the presentation because it does cost out what your expectations are. The third and fourth items: do you happen to know — and we can look it up — what cost those items would be so that we can roll up the total?

The third one, you said, would be at or above....

**J. Bowen:** It was \$80 million when it was cut, and it was reinstated. That was the upfront needs-based grants program.

**B. Simpson:** Right. So do you see it needing a lift, given...?

**J. Bowen:** It's at about \$40 million. The loan reduction program is at about \$40 million.

**B. Simpson:** A minimum of \$80 million, and possibly more to reinstate it. And then the training tax credit.

**J. Bowen:** There's been \$90 million allocated for that already, for which I believe there's a consultation ongoing right now.

**I. Black:** That was a good presentation, guys. I'm just following up on Mr. Simpson's comments. You used the phrase once or twice "within the government's fiscal reality." "Fiscal capability" was another phrase that was used.

Given that the projection over the next five to ten years — the way governments do budgets and whatnot — has every dime that's supposed to come into the province's revenue stream fully allocated in one way or another, to fulfil some of what you're looking for the government to do would require choices to be made in terms of where money would come from to facilitate this.

Echoing the comments of Mr. Simpson, I'm grateful for the fact that you cost out some of these items, because that does make a huge difference in the credibility of the presentation. Have you given any thought as to the choices that need to be made where we have to take money away? In order to facilitate some of what you would like, where should we spend less? Any thoughts on that?

**J. Bowen:** I was under the understanding that there's a large surplus this year, like \$1.2 billion, and then a further surplus projected for the foreseeable future.

Besides that, it's not really our position to say where you should make cuts, I don't think. I don't feel comfortable with that.

**I. Black:** The surplus is defined as the amount of revenues coming in this year relative to the amount of expenditures planned for this year. But the allocation of where that money should go, when it's projected over a period of ten years, as it stands right now.... Given the number of variables at play in planning such things, it's conceivable that there are actually deficit situations in the out-years of our planning cycle, which is why they have to be very careful with not just blindly spending money that's coming in right now. So it's also important that commitments we make, in terms of what moneys are available, are sustainable, which is why you have to be careful turning to things like a one-year surplus and saying, "We're going to commit to this program forever and ever, amen," which is why I asked the question.

[1815]

It's very much part of our interest to hear both sides of that — if you have any thoughts in terms of where the other expenditures would have to be pulled back a little bit.

**J. Bowen:** No. Basically, what we're saying is that out of that \$1.2 billion surplus.... I think I read on your website today that \$600 million of that has already been allocated as overexpenditure. What we've asked for here is about \$90 million in additional spending, I believe, which is 1/10. We believe that post-secondary education is one of the top three priorities for British Columbians and should deserve, basically, that amount of spending.

**B. Lekstrom (Chair):** Any other questions?

**J. Kwan:** I'm interested in the ABE program. Is it your understanding that all of the universities and colleges now charge for the ABE program?

**J. Bowen:** No. Actually, at North Island College we don't have a tuition fee for ABE right now. It is the trend across the province. We've lobbied hard at North Island College to keep ABE free. The college itself has seen that as a priority because enrolment is dropping at North Island. Given the fact that many people in the north Island are wanting to retrain, this is the first step, and it's a crucial one.

There was a program cut at North Island that paid for the textbooks. Now students have to pay for their textbooks, which is oftentimes as much or more than the tuition for the class. But the trend across the province is an increase. Students are paying for ABE.

**J. Kwan:** The reason I ask is that I know that — for example, in my own riding — at VCC the ABE cost is fairly significant. The enrolment has definitely decreased significantly in a riding where there are particularly a lot of immigrants. I also heard that at some other colleges they don't charge.

Do you know who might actually have a full sense of the picture of who charges and then how much? Or maybe that's information that we need to see from the Ministry of Advanced Education.

**J. Bowen:** You could call the provincial office of the Canadian Federation of Students. They likely have an idea of that information or would easily be able to get hold of it.

**B. Lekstrom (Chair):** I have time for one more question.

**D. Hayer:** Very good presentation. Very similar to one I heard earlier today. I think education is a very important part, so thank you very much for coming out and presenting your views.

The other thing I was going to ask you.... The paper that was put out by the Ministry of Finance has about three or four questions. If you get a chance, maybe you can also provide some extra information to the committee and answer those questions. That would be helpful, if you have the time. Otherwise, you've done a good job.

**J. Bowen:** Thank you very much. So we can get hold of that, can we?

**B. Lekstrom (Chair):** It is right on the website. As well, we also have copies here. Certainly, if any of the members that you represent are interested in participating as well — although you've brought the broader position — they can do it on the web through written submission or through the questionnaire that's there.

Again, Lori, Jeff and James, thank you for taking time to come and present to us here tonight.

Our next presentation this evening is from the Assembly of British Columbia Arts Councils. Joining us is Gina Sufrin. Good evening, Gina. Welcome to the committee.

**G. Sufrin:** Good evening, and thank you for the opportunity to speak before the committee. My name is Gina Sufrin, as you've said, and I'm the executive director of the Assembly of B.C. Arts Councils as well as a volunteer board member on two other arts organizations.

I would just like to take this opportunity to also introduce one of my board members, Elizabeth Carter, who has driven down from Campbell River especially for this occasion. I thank Liz for coming.

The Assembly of B.C. Arts Councils is a not-for-profit art service organization with a provincewide membership of community arts councils, artists and other community-based arts organizations. We provide programs, resources and consultations aimed at increasing the capacity of our members and helping them in the work they do that is art-based community development. Our members represent every region of the province.

[1820]

I took the liberty of going on line and checking out all your constituencies, and every one of them has a community arts council.

I'm here today wearing three hats. The first is as a citizen who has been engaged in the arts in B.C. as a volunteer, a performing artist, an administrator and a consumer for over 30 years. The second is in my capacity with the Assembly of B.C. Arts Councils. My third is as a member of the steering committee of Arts Future B.C., a coalition that you heard about earlier today of not-for-profit arts service organizations that have joined together to increase understanding and awareness of the essential contribution of arts and culture to our province and the need for public investment in the arts.

Between them the Assembly of B.C. Arts Councils and Arts Future B.C. represent over 900 organizations, tens of thousands of artists and others who are directly involved in arts activities in the province. Add to this hundreds of thousands of citizens of all ages, cultures, walks of life and abilities who benefit from B.C.'s vibrant arts sector. Through this the true impact of the arts in this province becomes clear, I think.

To bring it closer to home, in a recent Canada-wide study Vancouver Island doubled the national average in the percentage of its labour force in arts occupations. When we look at Vancouver Island and the number of nationally and internationally recognized artists who call this region home, the extent of arts activity and the opportunities for public participation in the arts have a huge impact on everything from cultural tourism and economic development to the flourishing of expression in first nations communities and to programs for seniors and youth at risk.

I would like to cite just three of the many local examples of arts organizations that contribute to this region. Vancouver Island MusicFest has been producing a first-rate annual festival since 1995. This festival counts on the support of over 600 volunteers and 300 community sponsors to bring an outstanding international lineup of performers to the valley each summer. Along with the performers come visitors from all over.

Secondly, the Comox Valley Art Gallery brings the work of local, national and international artists to the community. It is also committed to supporting the professional development of local artists, both emerging and established, through critical activities such as exhibitions, lectures, publications, events and special projects. It also contributes to a vibrant, growing community that attracts new residents and visitors alike.

Thirdly, the Comox Valley Community Arts Council has just celebrated its 40th anniversary in 2005 — 40 years of contributions to the cultural life of the region through the coordination and sponsorship of exhibits, workshops, literary projects, performing arts events and children's programs.

In 2005 the arts council created an opportunity for local young people to get involved in the arts on their own terms. The result was YARTS, a youth arts council that has hosted workshops and organized concerts and art shows by and for young people. The city was so impressed with the work of YARTS and their project Just for Fun, Spring into Arts Outdoor Festival that they asked the arts council if they would continue the project throughout the summer.

I've met some of the young people on YARTS, and they're an amazing group of people. They are dynamic. They are the leaders of tomorrow, and they are being supported very well by the Comox Valley Community Arts Council.

Aside from their enormous contribution to the region's economy, sense of community pride and the involvement of the citizens of the Comox Valley in events and activities that strengthen community bonds, these three organizations have something else in common. They are all recipients of provincial government support for core operations through the programs of the British Columbia Arts Council.

I want to talk a little bit about why public investment in the arts is critical, and I would like to frame this in the context of the provincial government's own stated strategic goals.

Making B.C. the best-educated jurisdiction on the continent. Education is critical, as we have heard from these people, to B.C.'s future growth and prosperity and to the full engagement of the next generation of workers and leaders. More and more we are being called upon to be informed and creative critical thinkers. Study after study has indicated that students who receive education in fine and performing arts do better in math and in language arts and are better able to conceptualize, to solve problems and to work effectively with others.

[1825]

Students engaged in arts activities have lower dropout rates. This is especially true of students from minority backgrounds, including first nations students who participate in arts activities reflecting their own cultural heritage.

The second goal: leading the way in North America in healthy living. Seniors who participate in the arts are more likely to remain engaged, thereby keeping their minds and bodies active and contributing to their overall well-being. When young people are involved in the arts such things as self-esteem, self-reliance and respect for others benefit, reducing involvement in risky or antisocial behaviour. Health professionals have observed that patients' arts experiences contribute to lower stress levels, faster recovery times and fewer complications from surgery.

The third goal: building the best system of support for persons with disabilities, special needs, children at risk and seniors. I've touched on this before, but youth at risk benefit from involvement in the arts by altering their own view of themselves and by providing them alternatives to negative role models and lifestyles.

As well, the arts can bring communities together and reduce barriers between people and groups, and I would like to just cite an example of this. It's not a Vancouver Island example, but in Enderby. Under the artistic directorship of a woman named Cathy Stubington, there was a community play developed, and over a hundred people from the community were involved in this play in one capacity or another. One of the chief and most significant outcomes of this play was that the community of Enderby and the first nations band

across the river — between whom tensions were palpable for many, many years — came together and started talking for the first time. Since then there have been several projects that have involved all of that community.

I'll just move on to the next one: creating more jobs per capita than anywhere else in Canada. As academic and other researchers like Dr. Richard Florida have shown, it pays for a municipality and a province to take a proactive role in making arts and cultural development a key part of its core business. A community that supports the arts — and arts and cultural activities — not only serves local residents, creates and celebrates community identity, facilitates exchange and understanding among socially, economically and culturally diverse groups; it also attracts visitors and new businesses, which bring jobs.

In order for the arts to be truly effective in helping B.C. to achieve these goals and to be the best place on earth, we need to invest in the sustainability of our artists and arts organizations throughout the province. The assembly and Arts Future B.C. applaud the provincial government for its leadership in supporting B.C.'s arts sector in the last two years. However, our province's investment in the arts, particularly in core support, falls well below other Canadian provinces.

If B.C. communities are to continue to receive the considerable benefits provided by the arts, investment in stable and adequate core funding for the arts is essential. The only provincial agency that currently provides core funding — that is, funding for basic operations — is the British Columbia Arts Council, which was created by the government of B.C. to provide supports for arts and culture in B.C.

Despite an increase of \$3 million in its annual budget allocation in 2005, B.C. Arts Council operates on a budget of less than 0.05 percent of the total provincial budget. The three Comox Valley arts organizations that I mentioned earlier receive less than 15 percent of their budgets in annual support from the B.C. Arts Council, and in at least one instance it's under 10 percent. The combined dollar amount of this support is the equivalent of slightly more than one full-time arts administrator's salary, and salaries in the arts are notoriously low compared to other sectors. This funding is small compared to the amount it leverages and the return on investment it generates.

In order for our communities to continue to receive the considerable benefits provided by the arts, investment in stable and adequate core funding for the arts is essential. Stable core funding programs support the building blocks of arts and culture. It provides for the creative research, development, experimentation and risk-taking out of which an innovative, world-leading, made-in-B.C. arts sector can flourish.

The Assembly of B.C. Arts Councils and Arts Future B.C. therefore request all-party support for a significant increase in investment in B.C.'s arts and culture sector through the B.C. Arts Council.

[1830]

On behalf of the organizations I represent, I ask that you please include in your report to the Minister of

Finance that increased funding to the arts through B.C. Arts Council is key to the vitality of our arts sector and the province. Without sustainable core support and committed investment in the arts, the capacity of the sector to partner with the government in achieving its strategic goals is seriously undermined.

In its 2004-2005 fiscal year only half the applicants to B.C. Arts Council's programs were funded. In 2005-2006 the figures were only marginally better. Without investment in the arts, how can we develop programs that address our diverse population? How can we make way for emerging artists of every discipline? How can we ensure access to arts and cultural experiences for all our citizens? How can we take advantage of the opportunities presented with the 2010 Olympics? How can we build on B.C.'s reputation as a destination for cultural tourism?

I'd like to conclude my remarks today with three quotes. The first is from Martha Piper, who, as you know, is the recently retired president of the University of British Columbia. She said:

"British Columbians are fortunate indeed to have some of Canada's most talented and creative artists living in our midst. In B.C., with its unique blend of first nations, Asian and European traditions, coupled with the latest advances in electronic technology, we can see the growth of a new experimentalism in the arts that rivals what is to be found anywhere. The artistic and cultural communities of B.C. are to be thanked for making such a huge contribution to the quality of life in our province, and indeed in our country as a whole."

The second is from a student at Vanier Secondary school right here in Courtenay who participated in an artist-in-residence program that was funded through B.C. Arts Council. This student said: "Creating this mural on tolerance was by far the best experience of my high school years."

Finally, I'd like to quote from our Premier, who said in March 2005: "Arts and culture play a critical role in defining and enriching our communities, our unique B.C. identity and the lives of all of us wherever we live. The arts are also important contributors to our economy, as well as to our society."

I thank you very much for your time this evening and for the opportunity to speak to the committee. I would be pleased to answer any questions you might have. I just want to add that I included a couple of short appendices with the handout that you have. One is just a very quick overview of the British Columbia Arts Council, and the other is some notes on the contribution that arts and culture make to B.C.

**B. Lekstrom (Chair):** Well, thank you very much, Gina. I'm going to look to members of the committee to see if they have any questions regarding your presentation here this evening.

**J. Kwan:** Just a quick question. Earlier today when we were in Nanaimo we had a presentation from the Nanaimo group on the arts component as well. When asked a question in terms of a significant increase to the funding — how that would be defined in terms of

dollar figures — the figure of \$30 million to \$40 million was used. I'm wondering whether or not that's your view as well.

**G. Sufrin:** Yes, it is. I'm working with the Arts Future B.C. coalition. The coalition itself is going to be presenting a written brief to the committee that will break down how we have arrived at the figures. That is a ballpark \$30 million to \$40 million, but yes, I would concur with that.

**B. Simpson:** Thanks for the work that you do in this field and not just for the presentation.

The proposal is to increase the base funding in particular. This is the second time that we've heard through the B.C. Arts Council. Both the presentations we've heard today indicate using art as an intervention — a social intervention, educational, therapeutic intervention. And I appreciate the appendices you've given us here, because they add a little bit more clarity.

If the money was put through the B.C. Arts Council, would we expect a bit of a push back from those various educational institutions, those that are doing the social work in the community, those that want to do therapeutic interventions in seniors health, etc.? As I look at what you presented us with the Arts Council, it's not explicit in here — that intervention component of the arts. It's more in what we would consider the norm — the community, the individual artists, art as an education, etc.

[1835]

Both presentations have kind of keyed in on art as intervention, and yet I'm wondering if the funding mechanism being proposed would actually achieve that goal.

**G. Sufrin:** Actually, I assume when you say push back, you mean.... Well, could you explain, please, what you mean by push back.

**B. Simpson:** One of the things that we're trying to do in this — and the Chair keeps reminding us — is to understand the trade-offs that have to occur.

**G. Sufrin:** Right. I understand. And this refers back to Mr. Black's question earlier.

**B. Simpson:** Other entities will be coming to us asking for funding and so on. When you use art as an intervention, you're stepping into somebody else's domain that may see funding being funnelled through an entity other than themselves.

**G. Sufrin:** Right. I think that the role of the arts in various forms of health care is a very good example. If you will look to those apparently separate jurisdictions, I think you will find that in instances where there are arts projects that are health care-based, what you've got is partnerships. You've got organizations, institutions, artists, arts organizations working together, so I

think that there is a complementarity there rather than competing for the same thing.

I'd also like to point out that just this last year B.C. Arts Council instituted a new program that is called arts-based community development. The purpose of this program is to encourage more — exactly as it says — arts-based community development projects, where the arts are working with other jurisdictions to improve health care situations, to work with youth at risk, etc.

For youth at risk, in particular, there are a number of examples of arts organizations, mostly in the lower mainland but elsewhere, that are working with youth at risk and achieving a great deal in getting youth off the street and getting them off drugs, in raising self-esteem and self-reliance, and in showing them another way than street-involved life.

Actually, there is another example in one of the appendices, of Street Spirit Theatre in Prince George, which I believe is in your riding or on the edge of it.

**B. Simpson:** I go just south of it, yeah.

**G. Suftrin:** They are doing amazing work with street-involved youth through theatre.

**B. Simpson:** Great. Thank you.

**I. Black:** That was an extraordinary presentation, and I echo Mr. Simpson's comments. The appendices are really very helpful.

You'd mentioned.... I don't want to misquote you. I think you said that 15 percent of funding for a lot of the arts groups comes from the Arts Council. Is that correct?

**G. Suftrin:** No, what I said is that the examples I cited in the Comox Valley.... In those three particular organizations, only 15 percent of their budget is from B.C. Arts Council funding — or less.

**I. Black:** That's the point I wanted to pick up on for a second. Especially in the community from which I arrived today, arts is a huge element of our community, and there are a great number of the Direct Access grants that are applied for and received within the Tri-City areas from various arts organizations, into the hundreds of thousands of dollars on an annual basis collectively.

I was wondering if you could comment with respect to the degree to which Direct Access grants are calculated into some of your observations or to the extent to which you see them within the various communities that you represent in the arts community.

**G. Suftrin:** I guess one way I would like to answer that is that the role of Direct Access in supporting the arts is different from that of the British Columbia Arts Council. As you're probably aware, what Direct Access does fund is public access, public participation, programs that are free or low cost to the public.

What they don't fund is creation, research — that kind of development — which is key to any arts organization's growth. In delivering the artistic product,

a huge part of arts activity has to do with process. So direct gaming, in that instance, does not fund the creative activities. It funds the end-result programs with an emphasis on access to the public.

**I. Black:** Do you find, however, that they are utilized within the community?

[1840]

**G. Suftrin:** They are, but again I want to go back to the notion of sustainable support.

**I. Black:** That's where I thought.... Yeah, I wanted to take you there.

**G. Suftrin:** Yeah, and that is definitely an issue for arts organizations with regard to Direct Access. You can go from, you know, zero to 50 to zero over the course of three years. Obviously, with that kind of instability it is hard to plan beyond a year ahead. When you're working on creating something or developing new programs that will benefit the community, to not be able to see beyond a year ahead is very, very challenging.

**B. Lekstrom (Chair):** Well, Gina, in closing, I want to thank you very much for your presentation. It's very interesting. I think arts in our province are a wonderful asset that we have, and far too often people take it for granted. We don't really appreciate what we have. To try and grow on that.... The quotes that you've put forward to us, I think, are very well-meaning when you hear them. Certainly, the work that you do on behalf of not just this valley but our province — I thank you for it.

**G. Suftrin:** I thank you for your time.

**B. Lekstrom (Chair):** Our next presentation this evening is from the North Island College Faculty Association. Presenting is Mr. Bill McConnell.

Good evening, Bill. Welcome to the committee.

**B. McConnell:** Good evening, everyone. Thank you for the invitation to speak to you. I am here today representing the approximately 200 full-time and part-time faculty employed at North Island College. Our college has four campuses in this region: one in Port Alberni, one here in the Comox Valley, one in Campbell River and one in Port Hardy. We also operate four smaller centres in Ucluelet, Gold River, Cortes Island and Bella Coola.

Our current student population is approximately 3,700 enrolled in credit courses and 4,700 in short-duration courses. These numbers are head counts from '05-06. We provide a range of post-secondary education and training. That includes apprenticeship and trades training, various certificates and diploma programs, university transfer programs, 12 two-year associate of arts and science degree programs and four four-year degree programs.

North Island College meets a very important need in our communities. We pride ourselves on developing

programs that not only support students' learning objectives but which also link with the needs of employers in our region. For example, we recently developed a bachelor of business administration degree in accounting that was influenced significantly by input from the business administration community advisory committee. We believe there are opportunities to deliver more program options such as these, but these opportunities won't happen unless the post-secondary system receives better support from the provincial government.

North Island College Faculty Association is appearing before your committee because we think that post-secondary education in our province faces some serious problems, problems connected to policy and funding choices made over the last five years.

In 2002 the provincial government deregulated tuition fees, a move that led to skyrocketing increases across the entire system. It not only made any form of post-secondary education a lot more expensive for individual students and their families, but it represented a fundamental shift in how much tuition fees had to contribute to the overall cost of post-secondary education.

For members of this committee who accessed post-secondary education here in B.C. during the 1970s or 1980s, your tuition fees at that time accounted for about 15 to 18 percent of the total cost of your education, with public funds covering the balance. For today's post-secondary students that number now ranges between 25 and 30 percent.

I should also point out that many of today's students are working at jobs that are subject to the government's \$6-per-hour training wage. In short, students are paying more for their education, both absolutely and relatively. Many are forced to work more than in the past to finance their education, and they often have to take on more debt to access that education.

[1845]

Our students are being hit with all of these factors at a time when a looming skill shortage indicates that from a policy perspective, B.C. should be doing its utmost to make post-secondary education more affordable and more accessible. This skill shortage is affecting every occupational group, whether it's white collar or blue. Moreover, according to the B.C. Business Council, if we don't address this problem now we run the risk of stagnating economic growth in the future.

Unfortunately, the problems in post-secondary education aren't just limited to what the government did with tuition fees. The entire public post-secondary system has been forced to deal with growing needs but real declines in terms of overall provincial funding.

The best way to describe this problem is to look at the Ministry of Advanced Education's annual budget over the last five years. Even making adjustments for the fact that the Industry Training Authority has been moved out of that ministry, the Advanced Education budget is losing ground. Between July 2001 and April 2007 the Advanced Education budget will have increased by about 9.6 percent. However, based on Ministry of Finance estimates, B.C.'s inflation rate over that same period will have increased by 12.9 percent.

We're falling behind in real terms even though our Premier's stated goal — one of his five great goals — is for B.C. to be the best-educated, most literate jurisdiction in Canada. It is certainly a great goal and hard to quibble with, but you can't get from here to there unless you're prepared to invest in the very system that will produce those outcomes.

We've seen these funding problems play out at our college. For example, in my own department we have just developed a new two-year associate degree program in criminology and criminal justice. There is very strong demand for the program. However, we don't have the funding to offer the program to meet this high demand. We can only offer the program by cutting in other areas.

In other program areas we've been forced to rationalize course availability because of funding problems. For example, students in a practical nurse program who live in Port Hardy have to travel three hours one way into Campbell River for some of their courses because there's insufficient money to offer the full program in Port Hardy.

In our view, proper funding of our public post-secondary system is the critical question that this committee needs to address in its recommendations for the February 2007 provincial budget. How should B.C. use its budget surpluses to improve access and affordability within our public post-secondary system?

B.C. certainly has a very compelling economic reason to make significant funding increases in post-secondary education. We have a looming skill shortage that threatens B.C.'s economic growth prospects. I would add to this argument by noting that post-secondary education and training strengthen equality across our communities. Fair and properly funded access to post-secondary education and training means citizens have the opportunity to advance themselves, a provision that certainly benefits the individual but also the community at large.

Our faculty association suggests that a number of targeted measures become recommendations from this committee and priorities in the February 2007 provincial budget. Please let me briefly summarize what those priorities are.

(1) Increase post-secondary institution operating grants to ensure that our public post-secondary system has the programs and options necessary to support higher enrolments.

(2) Make all adult basic education delivered in our post-secondary system tuition-free for all. As well, use targeted funding to support publicly delivered ESL programs for adult learners.

(3) Reduce tuition fees. We support a proposal advanced by the Canadian Federation of Students, who are calling for a 10-percent reduction in current tuition fees.

(4) Fund and use the capacity of the existing public post-secondary system to deliver both entry-level and apprenticeship training.

(5) Improve the student grant program so that students are not forced to take on more debt to access or complete post-secondary education.

[1850]



Finally, enable and fund colleges and university colleges to provide lower-cost university transfer programs in their areas.

Thank you very much for your time this evening. I will be pleased to answer any questions from the committee.

**B. Lekstrom (Chair):** Thank you, Bill.

I'm going look to members of the committee, and I will begin with Dave.

**D. Hayer:** Thank you very much, Bill. I appreciate your presentation — a good presentation.

Back in about 1999-2000 I was the director of B.C.'s Kwantlen University College in Surrey. I remember that even at that time we had some challenges. We had frozen tuition fees, but the government was not really increasing the funding. Many times we had to make the decision of cutting down the number of classes, so it took much longer for them to complete their degree. Instead of four years, it was taking five, six years or longer.

Now we have increased money in education. It probably is not enough. The other part, when you take a look at it, is that we have increased 25,000 new spaces over the next ten years in post-secondary. Instead of requiring an "A" average to get in, basically 70 percent can get you into university or any of the colleges.

Also, you talk about the worker point of view. I have four kids. In the late '90s you couldn't really find a job, even at eight bucks an hour or \$7 an hour. Nowadays, when they go to most workers.... You were talking about six bucks; they say they can't even hire people at ten bucks an hour.

I don't know what the case is here, but in most of the province I've visited they say they really have a shortage of skills. Even though the minimum is \$8 an hour, they say they can't find anybody. I have three kids who are in the post-secondary education program.

Do you think if we want to increase more funding there, considering the Finance Minister said that in ten years education and health care will take almost 100 percent of the budget if we keep increasing the way it's going now...? The Minister of Finance presented a paper which said what different money is being spent in different programs. Any suggestions of where we can take the funding from to put more in education? Any suggestions on that?

**B. McConnell:** Any suggestions about where the money should come from at the provincial level?

**D. Hayer:** Yeah. Where should the funding come from? Which program should we cut back on to increase the funding, or is there some other way of financing it?

**B. McConnell:** No, I'm afraid I don't have any specific answer to that. I'm sorry.

**D. Hayer:** Also, if you get a chance to see the four questions on the paper. It's sitting at the back. If you can provide some input, I'd really appreciate it. But this is a good presentation. I appreciate that. Thank you.

**B. Lekstrom (Chair):** We have time for two more questions.

**J. Kwan:** Two questions. One is on your targeted funding for ESL. Could you elaborate on that in terms of what it is that you are seeking? Is it X amount of money for university colleges? Or are you talking about the transfer of federal dollars for immigrant settlement — dollars to be directed towards educational institutions for ESL programming?

**B. McConnell:** Again, I'm afraid I can't answer that at a specific level. That particular suggestion is a suggestion that's come out of the Federation of Post-Secondary Educators. I could get back to you on that one with more specific direction of where we think at the federation that that should be directed.

**J. Kwan:** Okay, thanks.

**B. McConnell:** Sorry I can't answer more specifically.

**J. Kwan:** That's okay. I'm just trying to get a sense of it, because different people have different perspectives in terms of where that funding should come from.

On the operating budget side, in terms of a ballpark figure, what are we looking at in terms of the increase that you think government should be investing in education?

**B. McConnell:** The position that I think you'll hear from faculty association presidents is a 10-percent lift, which I believe is in the region of \$200 million.

**J. Kwan:** That's \$200 million? A 10-percent lift?

**B. McConnell:** Yes. Across the system, obviously.

**R. Lee:** Thank you for the presentation. You mentioned at the end that university college and college transfer programs should be fully supported. Do you know how much money should be allocated for that kind of support?

**B. McConnell:** Specifically for degree completion?

**R. Lee:** For degree completion as well as for transfer. I believe that right now there are not enough supports for students taking courses in colleges if they want to transfer to universities.

**B. McConnell:** I'm sorry. Could you repeat the question, please?

[1855]

**R. Lee:** I believe this is the suggestion you made at the end — that the college and university college students would be supported to do a transfer program.

**B. McConnell:** In terms of a specific figure, no, I don't have one. Basically, one example here would be that we have this new degree at the college, the bachelor of

business administration and accounting. Although we had the authority and the encouragement to develop that degree, there was no funding attached to it.

This degree was developed under the applied degree. Again, to offer a program like that, the money has to come from somewhere else within the institution, so we're generally asking for funding to support the community's desire to have greater degree completion available within the community.

**R. Lee:** I also have some problem about the applied program. I don't know if this is an okay time to ask. Some institutions in other universities don't recognize the applied degree programs. Can you comment on that?

**B. McConnell:** I'm aware. I've read of some problems that have been reported in the media about that. I think that's something that has to be dealt with at the provincial level. It's going to be a process of gradual education. I think that's always the case — that with new degrees you have to indicate that they are worthy. Hopefully, that will iron out.

I think it's incumbent upon institutions that are offering their applied degrees to be very clear with students that they may be looking at a terminal degree and that they have to be very careful with any aspirations of going on to graduate school.

**R. Lee:** Okay. Thank you.

**B. Lekstrom (Chair):** Bill, maybe if I could just close with one question. Your fourth recommendation, I believe, dealt with entry-level trades training initiatives. Was that to enhance the funding that's available today? I missed part of that, and I apologize.

**B. McConnell:** Yes, it's to enhance the funding. We believe that post-secondary education is better. We would rather see the money coming into post-sec than going into the private. It's addressing that issue as well.

**B. Lekstrom (Chair):** Okay. Again, I want to thank you for presenting to us. Certainly the number of recommendations you've put forward.... You've put some thought into that. Again, it is about priorities and choices, and I'm sure by the time the committee has concluded its work, we will have hundreds if not thousands. Then it's our job to find a balance in developing our report.

The presentation you put forward to us — if you have a copy that you could leave, I can ensure that all members would get a written copy of it, if that's possible.

**B. McConnell:** How long are you here for?

**B. Lekstrom (Chair):** We are here this evening, but if you can't get it back to us, we're here until nine o'clock. You can get it to us on the Net or just submit it to the Clerk's office, and I'll ensure members of the committee have that.

**B. McConnell:** I'll clean this up and get it to you.

**B. Lekstrom (Chair):** Thanks very much.

We are going to move on. Our next presentation this evening to the committee is from the Comox Valley Chamber of Commerce. Joining us are Joe Smith and Dianne Hawkins.

Good evening, and welcome.

**J. Smith:** Good evening. As you're aware now, my name is Joe Smith and I represent the Comox Valley Chamber of Commerce. I'm certainly delighted to have this opportunity to come before you and present our views. I'm going to précis what we have down, because we do have a lengthy report. It's about 180 pages long. No, I'm just kidding.

**B. Lekstrom (Chair):** Well, we should get through a couple of those.

**J. Smith:** We'll get through a couple.

Anyway, we're delighted to be able to participate in this. Just some background for you. The Comox Valley Chamber of Commerce is the third-largest chamber on Vancouver Island. We've been in operation since 1909, so it's well established over the course of time. We're coming up to our hundredth anniversary in 2009, one year before the Olympics. I think that's one of the reasons why we got the Olympics here. We represent over 650 businesses in the Comox Valley, and that certainly translates into many thousands of jobs in the area.

Our vision is simply to be the number-one business organization whose membership is actively involved in advocating for business concerns. We do provide our members with a strong common voice in dealing with issues that affect the local business environment.

[1900]

We've been active at the B.C. Chamber level. This past year we were nominated for Chamber of the Year. Unfortunately, we didn't get it. It did go to a larger concern, and that was Victoria. But that is just to say that our chamber here in the Comox Valley is very active, and the members are very involved.

One of the things that we were involved in.... We were one of the stakeholders in the creation of a new international airport, which I'm sure all of you are aware of. We recognized that this was a key to development in the valley here, and it certainly has proven to be a pivotal point in attracting new development and tourism through increased air service. Of course, that service continues to grow.

We are also a member of the B.C. Chamber of Commerce. This is our presentation. It is rather thick, but I am just going to go through nine recommendations which the local chamber here has focused on as being pertinent to our interests and our concerns. I know you will be getting a copy of the B.C. Chamber policy manual, if you don't already have it. I'm sure you may have it. On some of these issues we have been involved in developing the policy.

There are, as I said, nine recommendations. They fall under the five topics of (1) fiscal responsibility, and there we focus on economic development, provincial sales tax, and PST on legal fees as an example; (2) community services, and we see the need for a review of the regional governance model; (3) education and training, which everyone is aware of, and certainly through advanced education, cooperative education tax credits and funding post-secondary education, which you've heard about; (4) tourism. We all know how important that is. It's one of the pistons that drive the engine here in B.C.; and (5) we have something that is specific to Vancouver Island.

I'll just go over the nine now. As I said, there are plenty more in our binder, but these are the highlights.

We certainly think that fiscal responsibility is very important, and we support the concept and the process. The government's extensive core services review has been very good. It's examined every program in the service, and it's re-evaluated their purpose.

We recognize that the government has made difficult and painful decisions to create a competitive business climate and to promote customer service and sound fiscal management. It is our belief that these measures will make B.C. better able to take full advantage of economic renewal as it unfolds. We encourage the government to continue on in this manner, particularly for any new spending, and that any new programs or services be held to the core services' standards. We think that's very important.

Economic development is our second point. We believe the provincial government should provide a positive environment to support the private enterprise system. The Chamber believes the role of government in economic affairs should be limited to providing a framework within which businesses are encouraged to develop their full potential. Consideration must be given to providing incentives for new business development and to the creation of a level playing field amongst all regions.

The role of the Chamber in economic affairs is to encourage and support its members in the advancement of economic development in our communities. We do this by assisting members in gaining access to government and in support of constructive government programs. We certainly have done this through the B.C. Chamber and locally here, and we hope to be able to continue to do this in the future.

Another area of concern is the provincial sales tax. Again, this is in more detail in our policy manual. Locally, we also feel that one of the key goals for the provincial government must be to ensure they maintain a competitive taxation system in relation to other jurisdictions, particularly Alberta and Ontario. At present, the province of B.C. currently enjoys the second-lowest corporate taxation system in Canada and the lowest personal taxation system for those earning less than \$35,000.

[1905]

Despite this, the fact is that Alberta has recently lowered its corporate tax to 10 percent. B.C. currently

stands at 12 percent, I believe. The largest discrepancy that affects our ability to compete and attract new workers so essential to our future economic prosperity is the provincial sales tax. We are encouraging the government to reduce that tax so that, for example, a family of four earning \$60,000 per year pays an average of \$800 in PST.

Further to this, PST is considered by some as an aggressive consumption-based tax which hit the lower-income groups relative to those in higher-income groups. On this basis, a reduction in sales tax would provide a stronger relative benefit to these lower-income groups.

Another example of an area that the provincial government needs to work on is PST on legal fees. I'm not a lawyer, so this has no personal interest for me. Quite frankly, I'm a professional artist. I paint pictures for a living.

In 1992 the provincial government introduced the 7-percent provincial sales tax on legal fees. Legal fees are the only professional fees that are subject to provincial sales tax, which we feel is both discriminatory and unfair. The tax directly impacts the cost of doing business in B.C. for small and larger businesses. It affects their competitiveness against similar businesses in other jurisdictions.

In addition, B.C. law firms do not compete on a level playing field with other law firms outside of our province, putting them at a distinct competitive disadvantage. We just pull out legal fees as one example of what we would encourage the committee to look at as they look towards finances and budgeting in the future.

Another area that we feel is important is the regional governance model. A little bit of history which I'm sure you're all aware of. In 1966 the B.C. government established the regional district concept of local government in the hopes of dealing with problems that transcended traditional municipal boundaries. These regional governments operate throughout the province as a local form of government governed by the Local Government Act of B.C.

Today there are 154 municipalities in B.C. plus 27 regional districts. Most regional districts inhabit primarily unincorporated rural areas. However, some urban areas — and Comox Valley is fast becoming one — which have been deemed regionally unregulated because of numerous neighbouring municipalities have become dependent on regional districts for certain regional responsibilities.

Now, one issue of concern — and this is only one — to residents in urban areas is the question of representation on regional district boards. Residents of electoral areas elect a representative to sit on the regional district board. Meanwhile, representation of municipal areas on the district board of directors is supposedly ensured by directors who are members of municipal council and appointed by their councils for terms of three years. In other words, municipal voters have no direct voice in deciding which of their elected representatives will be on their regional district's board of directors.

It appears the regional governance model does not serve some urban areas well. The regions need to be treated fairly and appropriately, and a review — and of course, this is where the money comes in, and it needs to be budgeted for — of this important governing body and its role is needed.

The other areas that we see as critically important to the future of B.C. are through education. We need to close the skills gap. The degree to which skills shortages are happening here in B.C. is just incredible. Certainly it is something that needs to be addressed in the budget.

We need to look at such things as cooperative education tax credits. We recognize that to realize the full potential of B.C.'s emerging knowledge-based economy, the province needs a new generation of highly skilled workers. Developing this highly skilled, made-in-B.C. workforce means that employers must be encouraged to provide co-op and employer-based workplace training and development opportunities for young workers.

[1910]

We know that a provincewide co-op infrastructure is already well established, with 23 institutions across the province currently offering programs. They're offered by universities and university colleges. The provinces of Quebec, Ontario and Manitoba have recognized the need to stimulate the employment economy cycle by initiating co-op tax credits to private employers to employ and train the students. Of course, that's where the budgeting comes in.

We also recognize that there is a significant need in B.C. businesses for a well-educated workforce to keep pace with the world economy. Currently the perception is that British Columbians are being denied access to proper post-secondary education due to financial restrictions. Students are willing to pay for their education but require loans to cover the significant cost associated with getting the training they need and to cover living costs while they are attending as full-time students. The current student loan system is inadequate to meet the needs of our population and the changing demographic of students choosing to return to school.

The Chamber recommends that the provincial government provide improved accessibility to student loans, changing the restrictions which may apply to those with poor credit or who are at maximum levels of credit but do have a good credit rating; and where appropriate due diligence measures have been taken, increase the amount available for student loans so that it reflects the rising costs of education in both the public and private sectors.

Tourism, sports and the arts. We know that tourism is the fastest-growing sector of the economy, directly employing more than 115,000 people and generating over \$9 billion in revenue a year. Tourism is now the third-largest earner of export income. The provincial government has recognized the huge untapped potential presented by tourism and has challenged the industry to double provincial tourism revenues within the next ten years.

To facilitate the growth of the industry over the past year alone, the government has committed significant resources toward tourism promotion and development. The Chamber encourages the government to continue to view tourism as a resource portfolio with an almost limitless potential for growth.

While funding is welcome by our members, the Chamber is concerned that funding being provided to numerous organizations rather than through Tourism B.C. is not the most productive use of resources. Without the clear strategic focus provided by Tourism B.C., there is a risk of overlap in the use of these funds, which will detract from the most effective use of scarce resources. For example, here in the valley the Comox Valley Chamber of Commerce, under contract, operates the visitor centre, which also incorporates a number of kiosks throughout the valley. The funding to operate the visitor centre has not increased in over five years. In this day and age it's almost impossible to continue to provide the services that the government says the tourism industry is going to provide us. We need to do something about that.

In addition to that, at the local level the tourism office each year receives reduced funding to the point now where some of us view that Comox Valley Tourism is being operated almost on a part-time basis. That certainly flies in the face of what we and the government feel tourism can do for the economic development in the province.

Something a little more Vancouver Island-specific is the Belleville international terminal site, which is owned by the Provincial Capital Commission. The six-acre site along the south side of Victoria's Inner Harbour has been deemed a core PCC property. It's figured prominently in Victoria's history and the development of southern Vancouver Island. Today it serves as a terminus for international marine transportation carriers linking Washington State with the province's capital. It's an important international gateway.

The redevelopment of the Belleville international terminal advances several strategic objectives for the government of British Columbia, including maximization of opportunities created by hosting the 2010 Olympics and Paralympic Games, encouraging federal government commitment to B.C. infrastructure projects, and advancing border security and openness objectives through an improved marine terminal facility that is compliant with Canada and U.S. requirements.

[1915]

With Mount Washington Alpine Resort strategically placed in our area and the opportunities for athletes to train at the Vancouver Island Mountain Sports Centre, as well as the increase in tourism traffic into the Comox Valley, we recommend that the provincial government demonstrates the leadership required to ensure that this terminal be redeveloped and completed before the 2010 Olympics.

That pretty well concludes our recommendations that we have picked out, which we feel are very important as you folks work towards developing a budget. As I said, you probably already have a copy of this. If you

don't, we'd be happy to get one to you. We will also give you a copy of our presentation and the highlights that we've picked out.

**B. Lekstrom (Chair):** Thank you very much, Joe and Dianne. We do have time for a couple of quick questions. I'll begin with Bruce.

**B. Ralston:** Thanks very much for the presentation. My question was about the provincial sales tax. In the forecast revenue for the social service tax, the sales tax this year is approximately \$4.5 billion and projected in 2008-2009 to \$5 billion. So it's a very big number and an important part of the revenue of the provincial government. What would you project as a cut to the sales tax?

**J. Smith:** That's an interesting question. I really can't give you an exact answer. I think what we're referring to in our presentation was taxation at the lower levels and to encourage people who are not.... I believe our number was.... Dianne?

**D. Hawkins:** When you reduced it by 0.5 percent, it amounted to \$270 million less in government revenue. We believe that these moneys are best left in consumers' pockets to drive and improve the economy. So we'd like to ask for a continuing lowering of the sales tax rate by 0.5 percent a year for the next several years, which would reduce the incentive for sales to leave border communities, resulting in sales and tax revenues retained in the province and more income left in consumers' hands to spend.

The results should be close to revenue neutrality to the province, but would result in a higher standard of living for the people of B.C.

**B. Ralston:** Just so I understood the figure, then, 0.5 percent a year for how many years?

Interjection.

**B. Ralston:** Until it goes to zero?

**J. Smith:** That's how we reach a rate of 4.5 percent. You won't see eliminating provincial sales tax altogether. That would obviously be virtually impossible.

**B. Ralston:** Alberta has a bit of an advantage in oil revenue over us.

**J. Smith:** Perhaps when we get oil out on the coast, we might be able to do something.

**B. Ralston:** We won't have that debate tonight, I don't think.

**D. Hayer:** Thank you very much, Joe. I have served as a president of the Surrey Chamber of Commerce in the past and also as director of the B.C. Chamber of Commerce.

I have two questions. One, have you sort of put the figures together for how much these things you're looking for in the province will cost in total? Second thing is: what is your opinion on harmonizing the provincial sales tax and federal GST? Any opinion on that?

**J. Smith:** I have a personal opinion on that, but I won't go there. I'm not sure that we have that policy detailed out in our policy statement. I don't think, quite frankly, we'd consider harmonizing those taxes.

**B. Lekstrom (Chair):** Could I ask, Joe...? And I'm not sure if you have it. The presentation you've presented here this evening — if you have it in writing, if you have a copy of that, I can ensure that all members of the committee get that as well.

**J. Smith:** Absolutely.

**B. Lekstrom (Chair):** I would like to thank you both for coming and taking time out of your busy lives — as each and every one of us has, I'm sure — to present to our committee here this evening. Thanks very much.

**J. Smith:** You do have a copy of this from the B.C. Chamber?

**B. Lekstrom (Chair):** I do. I'm assuming the other members have received it. I believe the B.C. Chamber has put that out to all the members.

We will move on to our next presentation to the committee this evening, which is brought to us by the Council of Canadians, the Comox Valley chapter. Joining us is Gwyn Frayne.

Good evening, Gwyn, and welcome to the committee.

**G. Frayne:** Hon. Chair and members of the Select Standing Committee on Finance and Government Services, thank you for this opportunity to speak. We very much hope that you will listen to us and incorporate our requests in your recommendations.

[1920]

As you know, my name is Gwyn Frayne. I'm here on behalf of the Council of Canadians' local chapter, which is also a part of the citizens for quality health care coalition, with members from the Comox Valley, Campbell River and up to Port Alice.

Our top priority is health care. We know that the Minister of Finance, Carole Taylor, is now talking about urgent pressures in regard to health, and that worries us. We want you to remind her that the budget for health now will be cost-effective in the future — much more so than the ten-day Olympics, which will cost \$2.5 billion and may go higher.

In the past year in the north Island we have had many meetings about health care, especially since the big issue here is the question of one regional hospital versus upgrading the two existing hospitals in Comox and Campbell River. From all of our discussions and from the petition which has been circulating and which

now has well over 5,500 signatures, people are saying loudly and clearly that we want to keep our two hospitals.

Since you're dealing with numbers, so are we. We know that in our two current hospitals we now have a combined total of approximately 176 acute care beds. The Vancouver Island Health Authority, or VIHA, is talking about spending \$280 million on one regional hospital and demoting our two hospitals to virtually first-aid stations with no overnight beds. This process would give us only nine to 14 more beds in the regional hospital, and as you may or may not know, our area is exploding exponentially with an expanded population.

The figures for upgrading both hospitals would cost less. VIHA has those figures. It is unconscionable that VIHA is on the verge of making a huge mistake with our money. We know what we need instead of one costly regional hospital.

The seniors and disabled in our area — indeed, in all of B.C. — need more home support. They could stay at home and out of hospital if some necessary home care and home support were available. They need the prescription drugs that were delisted to be available again. They also need more than the ten allowed treatments of physiotherapy, podiatry, massage, etc. As well, subsidized assisted-living funding needs to be increased greatly, since very few single seniors can afford \$3,000-a-month rent.

Another important aspect of health spending was articulated in the *Vancouver Sun* recently by Vaughn Palmer. He delineated the fact that the Abbotsford regional hospital and cancer centre was first going to cost \$355 million, but now the 33-year deal with a private consortium compels the province to make payments of approximately \$1.1 billion. That's three times the stated price.

We do not want to see our region turned into another Abbotsford. We do not want a P3 regional hospital with "alternative service delivery" arrangements, with a for-profit consortium making profit over the next three decades.

It is of note that the Canadian Medical Association reported on a study of 38 million adults who were patients in 26,000 American hospitals. The study revealed that the death rates in for-profit hospitals are significantly higher than in non-profit ones. When an institution needs to make a profit for investors, corners are cut, and naturally, the patients suffer.

The Council of Canadians wants to safeguard our public non-profit health care. We want a national pharmacare program which could rationalize costs across the country. We need national standards of care.

We want pure water protected as a human right. We want our food to be protected with labelling and the non-proliferation of genetically engineered produce.

[1925]

We want the province to address homelessness, too, but I know that the next speaker tonight will address that. We know that the welfare rates now are lower, relatively, than they were 20 years ago. Since Canada is a rich country, that is inexcusable. As well, the cutting back of core funding to women's centres across the province is another black eye for community

health. The most vulnerable in our community are the poor and disabled, and they are, more often than not, women.

Some of our members, in trying to be helpful, have suggested that the province could bring back photo radar, which could bring in much-needed funding and reduce highway accidents as well. Other members have said that they would like a moratorium on tax cuts, although they were referring to the corporate tax cuts. They were not referring to the provincial sales tax, as was mentioned by the previous speaker. That would be okay. We would like a moratorium on the corporate tax cuts, as long as our social programs are enriched.

Our wish list is very long, and I'm not going to belabour all of our other points. But we don't want to distract you from our top priority at the moment, which is to keep our two local hospitals in Comox and Campbell River and not to put funding into one regional hospital.

Thank you, and I did bring copies for all of you.

**B. Lekstrom (Chair):** All right. Thank you very much, Gwyn. I'll look to members of the committee to see if there are any questions regarding what you've put forward here this evening to our committee.

Possibly, Gwyn, maybe I could just ask a question. Certainly, health care, I think, is on everybody's mind, not just in British Columbia but right across our country. Having seen an increase of over \$4 billion in the last five years, money may not be the answer to the issue in the health care system when we look at it. With the thought that you're looking at, and certainly, your desire on the health care front, have you put some thoughts into what may be looked at within the health care delivery system? If money that has been invested.... Today is it better than it was last year, the year before, although there are billions of additional dollars? Have you put your mind to the thought of what may improve it?

**G. Frayne:** Well, if we had a national pharmacare service with more generic drugs, with the ending of the patenting of the other drugs that have raised the cost.... This is one thing this province should be really working towards. That would help a lot.

**B. Lekstrom (Chair):** Okay.

**G. Frayne:** You don't like our photo radar?

**B. Lekstrom (Chair):** It's certainly not within our hands at this point to reinstate it, but we have heard you.

**G. Frayne:** The costs of keeping our two hospitals are great. We really, really want to see that happen.

**B. Simpson:** Thanks, Gwyn, and I appreciate the work that the Council of Canadians does, and in particular the water security campaign that's underway just now. I think that's a vital one for us to pay attention to.

With respect to what I take is a community debate around regionalization versus maintaining the two community hospitals, what's the status of that currently? Is it an impending decision, or is it something that's going to be ongoing for a while?

**G. Frayne:** September 27 is the day that there will be a decision in Port Alberni. That decision will say whether VIHA's RAC is saying one or two hospitals. They are not, we're told, going to say where the hospital would be at that point.

**B. Simpson:** Okay. In the debate with respect to costs, because I think you were speaking of the capital costs — the costs for refurbishing the two versus the capital costs of a new build — have the operating costs been factored into that in terms of the longer-term costs of operating one versus two?

**G. Frayne:** Well, VIHA has all of those figures for you. We've been given the capital costs, and we know from the two hospitals that they have figured out how much their operating costs and their capital costs would lessen the burden.

[1930]

**B. Simpson:** Okay. I'll leave it at that.

**B. Lekstrom (Chair):** Maybe if I could follow up, and I guess I'm jumping in here. In your presentation you mentioned, I believe at the top of the second page: "As well, subsidized assisted-living funding needs to be increased greatly since very few seniors can afford \$3,000 a month rent."

Right now, it's based on a person's income. I'm just curious. Did I misread that?

**G. Frayne:** No, but I think that a place like.... One of our seniors places here, for example, is Casa Loma. They have only so many places that can be subsidized, so we need that raised.

**B. Lekstrom (Chair):** Okay, so possibly the number of units available versus.... Again, if somebody makes \$10,000 or \$80,000, it is based on their income so nobody would be excluded that way. But we're talking about the numbers, then. Okay. Thank you very much.

**I. Black:** Thank you for your presentation. You touched on a lot of points. The health care file is a highly complex one as some of your comments illustrated, frankly. One of the things I liked about what you said is that you identified that there are some different alternatives that need to be looked at in the health care system.

As our Chair pointed out, expenditures in health care have gone up from a little over \$8 billion to over \$12 billion. If you add in some other ministries that do health-like things, you can arguably get it to \$14 billion. So you're talking about a 50-percent increase, give or

take, in the area of health care spending in the last five years. Yet clearly there are challenges that have not been addressed by an unprecedented increase in spending in that area. To quote Blair: "It's not just a case of spending more money."

You made reference to the notion of some types of home care being needed as one alternative. When you look at the harsh reality facing us.... It's an odd one, actually, because of the shift in our demographics from having one in seven citizens in our province today being a senior citizen, which will become one in four within 20 years, which creates a little bit of an upside-down pyramid in terms of a very high number of people accessing increasingly expensive health care by a smaller tax base of taxpayers to actually fund that model. It becomes very challenging mathematically.

My question then is: leading off on your comment about other home care alternatives, do you have any other ideas in that area that would be brought forward by your group and that would be good to share with, for example, Health Minister George Abbott when he engages in his consultation process this fall? Have you thought of any other ideas like that?

**G. Frayne:** Well, I personally have been involved in the last six years in writing many, many reports and submissions on this very topic. I feel I have to say again that the home support is the first step. We have here a woman who was 104 in Cumberland who didn't have any home support. She had to fall and be admitted to hospital before she got any help.

That should never happen. The community of Cumberland were all aware and had tried every approach they could to get her help. It just wasn't there. We're talking about basic necessities here.

I could give you lots of other points, but I think we have to start with the essentials. Home support is the very first one, and it would save money. It's cost-effective.

**B. Lekstrom (Chair):** Again, Gwyn, I do want to thank you for presenting to us here this evening. You're very passionate about what you've brought forward, and that comes across very clearly to us. I thank you very much.

Our next presentation this evening is brought to us by the Comox Valley Affordable Housing Society. Joining us is Betty-Anne Juba.

**B. Juba:** This is my first presentation to a committee like this, although worldwide I have been involved in many different kinds of things in health and education.

The Comox Valley Affordable Housing Society was started by 17 different social service agencies here in 2005 to address the situation of affordable housing and our growing homeless population.

[1935]

I'm also president of the Comox Valley community food action society. You probably wonder why the two fit together. Well, I'm going to tell you. Simply, the

bottom line is: if you don't have affordable housing, you cannot afford to have access to healthy food.

We are asking you to ensure that money is budgeted for social housing, to make grants and government surplus lands available for non-profit housing providers, to address the affordable housing needs according to their unique situations and their individual communities.

The definition of affordable housing that I am using is that you're paying no more than 30 percent of your gross wages on housing and your taxable and before-tax income is \$30,000 or less. That's the category of individual I'm talking about.

One of the initiatives of our Islandwide health authority is that five out of ten British Columbians will eat at least five servings of fruit and vegetables a day. This goal is obviously targeted to the middle-income population, because when an individual or family are either homeless or are paying greater than 50 percent of their before-tax income on housing, there's little or no money left for food.

VIHA states that poor diet ranks alongside tobacco use, physical inactivity, alcohol misuse and obesity as key risk factors for chronic disease. We've just been talking about the medical model in the expenses, so there's some stuff in here about that. Thirty percent of cancer and diabetes and 20 percent of cardiovascular disease are attributed directly to poor nutrition.

Fact: stable housing for an individual is less than one-third the cost of an emergency shelter bed per year. Hospitals and jails, where people who are homeless most often end up, cost a great deal more. One estimation is that the cost of incarceration or hospitalization is five times as much as providing stable housing. Yet, how can those in a low-income bracket or on benefits address the above health issues when all they can afford is bread, rice, potatoes and macaroni, which are the low-cost staples that fill bellies and stave off hunger?

How can Premier Campbell meet his goals of having the healthiest provincial population by 2010 unless the need for affordable housing is addressed? I put it to you. The quickest way to meet these goals is to address the social housing issue now and free up money for individuals and families to purchase healthy food, thereby reducing the stress on the provincial medical, social and law enforcement system.

Average in 2001-2003 crime rate compared to the average 1998-2000 — Courtenay's petty crime increased 2.2 percent compared to the total B.C. decrease of 13.7 percent.

One would do anything to feed one's family or stave off personal hunger. Large amounts of money are being targeted to the drug abuse crisis, including crystal meth. The use being a symptom, is it not better to target the causes, such as hopelessness, destitution, hunger and homelessness?

It is noted above that the lack of affordable housing puts extreme stress on publicly funded services as well as non-profit service organizations. Of course, there are massive social costs — family breakup, single parents,

young people and single women and men unable to find a safe, decent place to live. With nowhere to live, people who would be in the workforce and available to staff our businesses and non-profit services are instead struggling to meet the most basic of human needs — shelter and access to nutritional foods.

This adversely affects the community as a whole, and the Comox Valley is a prime example of a lack of affordable housing and its effects. Yet, I'm sure the government knows these false comparisons, but they continue to focus available housing money on those who need supportive care because of aging or persistent mental health issues. They invest the housing money for others on band-aid solutions, like shelters that do not usually house families, that will, in the end, cause inestimable human suffering, poor health and that are causing the taxpayers many millions of dollars to fix. We can see that by our medical health blowouts.

[1940]

A popular misconception is that the majority of minimum-wage earners are teenagers living at home in middle-class families. They're not. Sixty-one percent are adults 19 years of age and older, 64 percent are women, and 48 percent have some post-secondary education.

The faces of the homeless that we are bombarded with in the media often show people addicted to drugs and alcohol. Although this group are needy, they are not the only group needing housing. Most of the 240 heads of families seeking affordable housing in our valley — those who are in the most need — are families and singles in low-paying jobs who are on social assistance benefits because of disability.

The Comox Valley is growing. It is a desirable destination for all those newly retired baby-boomers from across the country with good pensions and a bit of money in the bank who are seeking a moderate climate, fantastic scenery and a friendly community. Building is booming. Many of us can now sell our homes for double what we paid for them, and many have, reducing our rental pool drastically. Our vacancy rate is now at less than 1.5 percent.

Stephen Shute, a Comox Valley housing inspector, wrote me a memo. "I see despair whenever I go to a rental house for sale. 'Where will we go?' is always the question asked. I have no answer. There is nowhere to go."

New businesses are opening daily, but their success will depend on having staff able to work in the new businesses. Without affordable housing for staff, many of these businesses will fail, and we are already beginning to see the first part of that happening.

Rents are now unaffordable — when you can find a place. It takes three part-time, minimum-wage jobs to rent an average three-bedroom home. Money that was once spent on food and other essentials must now be spent on housing. Many families depend on the food banks, the soup kitchens and the dry lunch program to feed their children. Hungry children don't learn in school. They lose hope and direction.



When too much of your income is spent on rent you have nothing left over to bank in case of emergency. One mishap — illness, injury or a job loss — and you're homeless with nowhere to go. No address and no phone make getting started again almost impossible.

Medical cost blowouts. A person in a lower-income bracket and the homeless are more likely by five times to access the medical system. As we have seen above, the problem is mostly due to poor nutrition. Yet although this fact is widely known, we are not addressing one of the major causes of the medical cost blowout but, again, are just pumping more money into the system, seemingly blind to the causes but bending to the will of strong, profit-motivated lobbyists.

In the Comox Valley in January 2005, Valley View Estates, an affordable housing complex, alone had a waiting list of 240 heads of families, while across the province there were 10,000 heads of families waiting. To make the picture very clear, with an average of three people in each family — which is the very minimum estimation — that means 30,000 on the waiting list in B.C., and in the valley 720 people, mostly children, desperately needing an affordable place to live. The growing need for affordable rental housing is obvious and should be a deep concern for us all.

Who should supply affordable rental housing? That's a big issue that's being bandied around in government circles. In the Comox Valley our vacancy rate is less than 1.5, as I previously said. There are no new rental accommodations being built, and none on the planning board — none. As previously stated, most of the rental pool was sold when the housing prices increased, and we are now in desperate need.

The premise that you can offer tax or other portable subsidies for providing affordable rentals to the market is disputable. For-profit rentals lack services and create ghettolike environments and essentially end up warehousing individuals. Even with tax breaks the ROI is not enough to build new units unless you defer maintenance, hire substandard staff and charge the maximum rent possible. Market investors rightfully expect to make a profit on investment. They cannot be expected to carry the burden of social housing.

If you had \$3 million to spend — and if you can imagine having \$3 million to spend — would you invest in a project that is dependent on the whim of the government, where your profit would depend on the government allotting subsidies? Of course not. Like you, the majority of intelligent investors would not.

[1945]

There are other schemes that I'm aware of that the provincial government is investigating to encourage community responsibility for their own. Here in the valley we want to take responsibility, and we have the support of our community, our social service agencies and our municipal governments, but we need the provincial government to help us achieve our goal — which is, of course, to provide affordable housing for those in less fortunate circumstances — by providing grants and land to build on.

Rich Coleman announced in January 2005: "The day for low-rent, government-owned housing has passed. The government wants to shift from owning housing projects, which stigmatized and ghettoized, by providing rent subsidies toward privately owned units." If the present benefit rates now supplied by the B.C. government for food and lodging and the recent cuts in housing subsidies for those with severe mental illness are any indication of the government's knowledge of the cost of living in our communities, the rent subsidies would be unable to meet the needs or fulfil the profit aspirations of potential investors. It would be a disastrous experiment. It has been tried elsewhere, including the United States, and has failed miserably.

The only people that would benefit in a low vacancy rate climate with rent subsidies are those slum landlords that Rich Coleman mentions in East Vancouver. As the tenants leave, the landlords would raise the rents — to subsidy level, of course. The tenants would then be stuck in the same place for more money, and the taxpayer would pay for it.

The government doesn't need to own social housing. Non-profits can own their own. Non-profit low-rental accommodation can reinvest the ROI in services to help individuals upgrade their skills, save for a down payment and eventually purchase their own home, thereby creating their own family wealth while keeping their children safe and healthy. Alternatively, they can enter the non-profit rental market.

The majority of individuals who enter non-profit affordable rental housing with appropriate support services can be productive citizens. Non-profit affordable housing makes communities safer and more livable for everyone. Money is available to fund it.

That's one of the questions you guys seem to ask everyone: "Where are we going to get the money?" Well, expiring mortgages on existing social housing stock are expected to generate \$1 billion a year for the next 30 years. Also, the Canada Mortgage and Housing Corp. and the government of Canada and the B.C. government currently have large budgetary surpluses. Although I'm sure the Olympics will take a substantial amount of the provincial surplus, there should be enough left over to help the ordinary citizens in their need of affordable housing and nutritional food.

I have 12 recommendations. We are asking you to ensure the money budgeted for social housing to make grants and government surplus lands available for non-profit housing providers to address the affordable housing need, according to their unique situation in their individual communities... I'm actually addressing that whole situation where, you know, the government has decided that all of the money should go into two specific areas — one for assisted age care and the other for long-term, persistent mental health issues — without looking at individual communities and seeing what their particular needs are. Also, most of the money goes to large cities — Vancouver, for example — that have a problem. Percentage-wise, our problem is as great as theirs is; we're just a smaller place.

The definition of affordable housing. I've already given you that. Recognizing that smaller communities are suffering as much as larger communities. I have already addressed that. Grant surplus lands to affordable housing projects. Provincewide, there have been a number of school lands that have been sold off. When we approached with the surplus school land here, we were told that we had to purchase it, and we had to purchase it at market rate because that is what the government said it had to do, even though it was downtown, close to services and an ideal location for an affordable housing complex.

Institute a provincial credit system. Enable non-profit housing providers to give something to those who volunteer their hours and supplies to build affordable housing units. The Canadian charitable status is very difficult to achieve. It takes six months to two years for an application to go through, and it is often denied because you may have a word that says "advocate" in your application. I think the provincial government actually needs to introduce something of its own, because our problem is huge in B.C., and to take a look at doing something like that.

[1950]

Institute a policy to streamline the access to opportunities and funding for CMHC, which can be a very arduous process for those people who want to try and stay in their own low-cost housing, who are unable to maintain it and have disabilities — or if you're going to be building. It's not an easy process. It needs to be streamlined.

Remove the 1-percent house sale tax for units sold for less than \$150,000. Advocate for the removal of the GST payment with the federal government for new units sold for less than \$150,000. Remove the provincial sales tax on supplies to build affordable housing projects that are targeted for those who meet the criteria that I've already explained.

Institute a fund for access by municipal governments to help support affordable housing in their communities to address unique needs — not only targeted at the two groups, although they're in need. It shouldn't be those two groups just singled out, but all those in need.

There it is, guys.

**B. Lekstrom (Chair):** Thank you very much, Betty-Anne. You have put a lot of information into a very short period of time. It's always difficult to do that, but you did a marvellous job.

**B. Juba:** You've got a seven-page document with statistics and supportive information.

**B. Lekstrom (Chair):** We have that in front of us as well. I was wondering if you were going through the full seven pages.

We do have time for a couple of very quick questions before we go to our next presenter.

**R. Lee:** You mentioned a support for mentally challenged....

**B. Juba:** No. That's not mentally challenged. That is for persistent long-term.... People with psychiatric illness.

**R. Lee:** You said a cut in the subsidy for housing. For example, the SAFER program. "Naturally, the government would decrease the subsidy." I don't understand the part that deals with support for people with disabilities.

**B. Juba:** It was cut for disability overall. But for long-term persistent psychiatric, there are special programs.

**R. Lee:** How much was cut?

**B. Juba:** I don't know for sure. Not exactly how much. But you'll have those....

**R. Lee:** I'm not aware of that in that area.

**B. Simpson:** Thanks. This is great — terrific presentation. There is lots of information for us and definitely very succinct and pointed recommendations.

What would it look like in your community in terms of the number of units that you may have to build if you got your wish list here? What would you be looking at for the number of affordable housing units?

**B. Juba:** At this moment? Just for families alone, it was 240 units. We have 1,000 single people, because this is where their services are — in Courtenay. They come from all over the area, and they move to Courtenay. We have 1,000 single people who are couch surfing, in the bush, tenting. We have families who are tenting. We have women who are hiding out in the bush with their kids so they won't be taken away.

I personally helped a lady who was having cancer treatments — a single lady — because there are no services for a single person, unless you have a persistent long-term mental health issue. Because she was living in her vehicle and had very little money for food — I believe you only get about \$180 for food if you're a single unemployed person — she had to stop her cancer treatments. Her nutrition went down so far that they could no longer give her chemotherapy treatment until her health was built up.

We found her a place. It was \$550 a month, and her total income was \$850, I believe. That left very little for food and transportation, so a lot of us got together and bought a whole bunch of protein-related foods so that she could build her health up. That's what's happening. It's happening over and over again.

In the document that I have — the one that I handed in — I've got 17 stories of different people who are on the waiting list right now.

[1955]

I've also got success stories of people who went through non-profit housing, and I happen to be one of them. I had a grade 9 education with two children. We went through social housing. I have a postgraduate degree. Both of my children are tertiary-educated. We

would not have achieved that without.... There's no way we could have achieved it, but that was in Alberta, where there was social housing.

B.C. is a great province. We have a great deal of wealth here. It doesn't matter what we're looking at in the budget. We're all trying to squeeze this and that. Our health budget could be greatly reduced by increasing the nutrition. If you want to reduce the health budget, look at this group of people, because they are using the system.

**B. Lekstrom (Chair):** Jenny, you had a quick question before we wrap up.

**J. Kwan:** Yes, I do — a quick question on the homelessness count. I'm wondering whether or not, here in this community, there's been a homelessness count done. In Nanaimo, where we were at earlier today, they just released their study. The Greater Vancouver area did one...

**B. Juba:** Ours is in process.

**J. Kwan:** ...and yours is in process. When can we expect that? Then, second to that question — because I'm only allowed to ask you one question — is: are you finding any correlation between the issue around homelessness and housing affordability as it relates to income assistance rates?

**B. Juba:** Yes, absolutely. The accommodation rates are too low to be able to afford to rent anything, especially here in the Comox Valley. I have those figures in the 17-page document that I've given you. There isn't anywhere that anybody can rent, with the accommodation rates at what they are, no matter what category you're looking at.

Our rental pool is so small right now that it's almost impossible to find a place to live. Between stratifying the apartments and selling them off, which is a disease that's running rampant right here, and the whole situation about the rental pool being sold off — the smaller houses that people kept.... They bought when the housing prices were quite high a long time ago, and then the prices collapsed and went through the floor. They kept them as rentals.

Our rental situation here, even though we had a number of poor people.... By the way, our rate of people on social assistance is quite high compared to the provincial levels. Now all of those houses are gone. They're all sold. I mean, why would you keep something if you can sell it for double the price? I don't blame them for doing that, because another situation that we really do need to correct, which I haven't addressed in this, is the whole rental board review — which actually needs to be addressed if we want to encourage anybody to build, anyway.

The incentives that I've talked about here would also encourage not only non-profits but for-profit people to take a look at what they're doing and to build as well. There's no one solution that's going to solve any

problem. It's a combination of things together that will do that.

**B. Lekstrom (Chair):** Betty-Anne, I will thank you for taking time. You've obviously put a great deal of work into the presentation you've put before our committee here this evening. As with all of the others, we will certainly give it full consideration in the development of our process in putting our report together. Again, thank you so much.

**B. Juba:** Thank you for allowing me to attend.

**B. Lekstrom (Chair):** For our next presenter this evening, I will call Jessica Dawson.

Good evening, Jessica. Welcome to the committee.

**J. Dawson:** Thank you. I'd just like to say that the last speaker.... I just feel really broken up, because the issues that she fought for have affected me personally. I am a person with schizophrenia, and I also have advanced rheumatoid arthritis and scleroderma.

[2000]

My family was stuck in a situation where we were renting what was just barely affordable, within our means, to stay in a nice neighbourhood, and it was \$700 a month. Then I got sick two years ago with rheumatoid arthritis, and I couldn't get up and down the stairs anymore, and I'd be stuck upstairs for days. Then the rent went up to \$750. I'm on disability, and the allotted amount for rent through disability is \$520, so — as a previous woman brought up — a large part of the money that would be used for food is used in shelter. I not only was having mobility to get to the kitchen but was discouraged because I wanted to leave the food for my husband and my teenage son to eat. So then I just got thinner and more unhealthy.

I just wanted to say that there is no resource to help me. I went through every government agency I possibly could, and there was nothing for a family who had a disabled person.

Because I have mobility issues, during the colder months I use a walker. I generally use a cane, and I forgot it today in town. It's hard for me to go with what I was going to say because I'm really shook up. But anyway, I'll carry on. I'll have a glass of water.

**B. Lekstrom (Chair):** And take your time, Jessica.

**J. Dawson:** Okay, here's what I have to say. I put it together today.

Hello, my name is Jessica Dawson. I'm here on behalf of Eureka Clubhouse, a place where persons with chronic mental illness can meet new friends and take part in activities such as art class, woodworking, bowling and much more. Eureka Clubhouse also creates opportunities for volunteering and work experience for persons with mental illness. Eureka Clubhouse has received much community support from individuals and businesses.

Concerning mental health. In my experience in mental health and addictions services, they are only as good as the resource available for them to refer clients to. When mental health and addictions services has no options to present their clients for essential needs such as rehabilitation and housing, the mental health worker becomes a messenger of bad news instead of a messenger of hope.

I talked to a man today with bipolar disorder. He expressed that his rent continually increases, and he is concerned that there may come a time in the next few years that he'll no longer be able to afford housing in the valley and that he may end up homeless. With a booming economy, housing prices have dramatically increased. In a thriving economy, attention needs to be paid to those who are low-income and tax dollars put in for housing, thus lowering crime and homelessness.

Concerning community housing. I live across the street from community housing for persons with mental illness. This place provides an affordable, clean and safe living environment for persons with mental illness. It has a long waiting list with no tenants moving out.

As I was saying before, in my own circumstance, not only could I not find affordable housing, but I could not find housing that suited my disabilities. Two years ago, as I came down with rheumatoid arthritis at an alarming rate, getting up and down the stairs was difficult. I would spend days upstairs in the bedroom because it was too difficult to get downstairs to the kitchen. Our rent also went up, and we were stuck in housing that was way out of our means. Again, if I give a month's notice at a time of zero percent rent availability, I may end up with no housing at all. Yet, if I obtain affordable housing within a month's time, then I would be required to pay two months' rent, which people on disability can't afford to do.

[2005]

I, like many others I have talked to, have considered suicide when feeling cornered, without the appropriate resources. I also found out that resources such as rental subsidies are only available for those who are single and not for those with families. Rental subsidies for persons with mental illness are temporary and may be taken away at any time at the discretion of the Vancouver Island Health Authority.

I spoke to one member of the Eureka Clubhouse whose subsidy was taken away. He was stuck in housing he could not afford. He wrestled with giving a month's notice with a chance he might not find suitable housing and he could end up homeless. If he found suitable housing partway through the month, he would be obligated legally to pay the current landlord a month's rent as well as paying rent to the prospective landlord. This fellow I know also struggled with suicide and feeling hopeless, being stuck in housing that he couldn't afford.

Persons I talked to receiving the rental subsidy live with the fear that at any time their subsidy may be taken away. This leaves them with feelings of insecurity and with the threat of homelessness hanging over their heads.

I just wanted to go on to briefly talk about in the valley, we don't have the "step up, step down" program that they have in Kamloops. I believe that a "step up, step down" program is effective for rehabilitation of persons with chronic mental illness. The "step up, step down" is a house where persons with mental illness who are going through a medication change may do so in a home setting. Also, persons coming out of the hospital may stay in the "step up, step down" program. Persons staying there work together to make meals and keep the place clean.

This program may be more cost-effective than a hospital stay and is less stressful to the patients and their families. Stays in this program can range from one to two weeks. When persons with disabilities are well-supported, having the necessities they need, you will find them needing fewer hospital stays and seeking volunteer opportunities to serve their community.

That's what I had to say.

**B. Lekstrom (Chair):** Thank you, Jessica. You've sat through numerous presentations here this evening, and your presentation was extremely well done, so thank you. I'll look to members of the committee if they have any questions for you — possibly just one.

You mentioned that you were having difficulty with the affordable-housing side of it and no subsidies available for you and your family on that. Again, I'm not trying to put this on.... Have you spoken to the local MLA here? Have you gone to his office to sit down and say: "Here are the situations I'm facing"? That's what all of us, regardless of political party, are elected to do: to help the constituents that we represent. I'm just....

**J. Dawson:** No, I haven't. I grew up with his daughter, and it was kind of awkward, but I did not go to my MLA. I did go to every resource that I could find. The only housing that I could find for persons with arthritis, and having ability for the walker and everything, was in Victoria, and that was if you don't have a family. I couldn't find anything.

**J. Kwan:** Thank you for sharing your story with us, actually, because that can't be easy, and I certainly appreciate that.

I'm curious, though. Your current situation in terms of your housing challenges and so on — do you have the assistance that you need for housing for you and your family?

**J. Dawson:** Well, my husband, son and I moved in June into a two-bedroom place. It was the only place that would accept my husband's beloved cat. Except with the arthritis, it can be up and down. One week I can be unable to walk and the next week able to walk. But there are two steps going into the place, so I need assistance to get someone to carry my walker up or down the steps. It's humiliating.

[2010]

Living in a lower-income neighbourhood and having severe health issues that threaten my life.... There

is partying and fighting, and the situation.... I feel my housing is deteriorating my health.

I would just like to say that I didn't know you were going to be here, Jenny, and I admire your work. I am honoured to be in your presence.

**J. Kwan:** Thank you. Thank you very much.

**B. Lekstrom (Chair):** Jessica, I do want to thank you for coming before the committee. I would encourage you, if you have a chance, to make an appointment with the local MLA, Mr. Stan Hagen, I believe, and just talk to him about some of the issues you've faced here. I can't say that, gosh, the MLA will come up with something magically, but there may be....

**J. Dawson:** It does get tiring jumping through hoops, and the next person says: "Okay, phone this person. This person will be home, this person in government." You're telling your story over and over again. It creates more hopelessness because the more people you tell, the less help that you get.

Concerning funding, I know that concerning photo radar, because it was a campaign promise, they're not quick to run and re-implement it. I'm personally for the photo radar because of people driving inappropriately. I've been in accidents and hit by vehicles as a child, with severe head injuries. Many children with childhood head injuries end up with developmental problems during their teenage years, which can lead to schizophrenia. So I'm for the photo radar and implementing safe standards on the road and the government being able to make a profit to help persons in need.

**B. Lekstrom (Chair):** What we'll do as a committee, Jessica, is certainly give your presentation full, due consideration. I will take the *Hansard*, in which everything is recorded and transcribed....

**J. Dawson:** I'm deeply wondering why I'm the only one who wasn't poked at on how things are going to be paid for.

**B. Lekstrom (Chair):** Actually, we're not done, Jessica.  
[Laughter.]  
No, I'm just kidding.

**J. Dawson:** I do strongly say that the Eureka Clubhouse does need more funding. The members of the Eureka Clubhouse, a place for persons with mental illness, help people to stay out of the hospital, to have a meaningful life and to be in an atmosphere where they're accepted and where they can grow. When I lived in Kamloops, the mental health clubhouse they had there had more staff than clients half the time — expensive computers, expensive everything. The one here is mostly run by the consumers themselves. I would just strongly say that funding towards the Eureka Clubhouse would be really well-spent and promote well-being.

**B. Lekstrom (Chair):** So just in conclusion, I will commit to this. I will get the *Hansard* of your presentation to us to Mr. Hagen. If you can find the time to sit down with him, I'll make sure that he has the information you've shared with us about your experiences with the system. Possibly, and again, we can't determine....

**J. Dawson:** I'm not the only one.

**B. Lekstrom (Chair):** No, but many times we have many different groups that will present to us on a broader scale. On occasion we have individuals that will come with their personal cases. Really, I can tell you that, regardless of political party, as legislators that's where, certainly, I — and I think I can speak for virtually every elected official — learn the most. You know, we can look at a broad policy from this level, but hearing an individual — who has experienced the system and who has seen some of the downfalls in it — share their experiences with us helps us to be able to go back and say: "How do we make it better?"

**J. Dawson:** Okay. Thank you. I had so much I wanted to say in such a short time.

**B. Lekstrom (Chair):** Thanks so much, Jessica.  
Okay, we will move on. We have our next presenter. I will call on Rina Berkshire.  
Good evening and welcome, Rina.

[2015]

**R. Berkshire:** Thank you for allowing me to speak. I'm really surprised right now, first off, with respect to what Jessica and Betty-Anne were saying about the housing. This really is heartrending, the feeling that you have in terms of the problems that they're going through.

I'm surprised and disappointed that I appear to be the only one from Campbell River here. I don't understand why we didn't have a whole contingent down from Campbell River, given what Gwyn was saying about our hospital — okay? There are lots and lots of people that are very concerned about the hospital. I'll come back to that point later on.

My name is Rina Berkshire. I wear many hats in my community. I'm a health care advocate; I'm a community advocate. With health care I've served on health councils, hospital boards, and currently I'm on the hospital foundation board.

The other moniker I have is that I'm a mining advocate. I do this because I always have to tell people.... A lot of people were coming this evening and telling you about how you have the budget pie. What I'm saying is that I'm from another sector that focuses on the other side, the wealth-generating sector — specifically, the mining sector — and that we obviously need to get this pie growing even more to provide the much-needed dollars that many of the people are making a case for this evening.

I feel really bad, because I have spoken to the Select Standing Committee on Finance before, and I had a long-prepared presentation to make. When I walked in

this evening and noticed that there was.... I just assumed it was going to be full, and I was just coming to listen. So I really don't have.... A lot of the points I'm making are just off the top of my head. Well, I've penned a few little notes here.

I think that mining is doing better. We had a whole ten years where there were no mines being opened. In fact, two were.... They were just being closed. Now we have mining coming along.

I'm actually not the only advocate. There is a group that are on their way to Ottawa at the beginning of October. We have something like 26 projects in B.C. that are being held up by the federal environmental assessment process. With mining we have both the federal and provincial governments....

First off, I'm not paid by a mining association. I'm actually a teacher. I'm not teaching right now; I'm on a leave from teaching. I'm sure that Michael McPhie from the Mining Association and Dan Jepsen from the Association of Mineral Exploration.... I'm hoping they're going to be making presentations to this group and making their cases to you much better than I can.

I think that we have to be reminded that, if you listen to the news, commodity prices are dropping yet again. You know, this is the cyclical nature, but because it takes anywhere from five to ten years for a viable ore body to come into production, we continually have to have the ongoing exploration for mineral resources and for, hopefully, finding viable ore bodies — large enough bodies of ore to mine.

One of the things that might be for this committee to consider is that the Ministry of Energy and Mines put out a mining plan, and it might be a suggestion to go through and review what has been.... They have this plan and time lines in this plan. Check off: well, are they doing it? Is it being done? It was a really good plan that was put in.

[2020]

I'm just going to point out one thing. I pointed out about the 26 projects that are being stalled by the federal environmental assessment process, but provincially, a permitting process.... It's taking a very, very long time to get the permitting processes done. It can be in simple cases where they just have old mines being reopened, and it's still taking a long time to get a permit.

The other thing the provincial government did, which was good, and they've extended the funding, the flow-through funding, which is critical for the mining exploration to continue.... But the money that was raised has to be spent this year. If you can't get your money spent because you can't get your permitting done, the process.... It would be good if that could be at least examined.

Part of the problem, as I understand it, is that at that particular ministry there's a lack of resources and a lack of staff. All the people that are there are working as hard as they can, but they just probably need a few more people to help them.

There were so many people who made so many good points about so many things this evening. There was Mr. Smith from the chamber of commerce, who

made the comment about reviewing the regional district model, and I would agree with that. When you look at the models, what you'll be told is that generally the regional district works in most areas, and this is just one of two where it doesn't. But believe me, the regional district in this particular area is quite problematic for mining, for all sorts of development in our region. It's not just the Comox Valley; it's all of Strathcona, Gold River, Zeballos, Quadra Island. It's all part of the regional district.

One thought about the regional district model is that perhaps you might consider putting Quadra Island and Cortes Island in the Islands Trust. They can just be with the rest of the Gulf Islands and do their thing together and let the rest of us get on with things. They tend to be the ones that don't want to have any type of economic development happening.

I want to go back to another point here. I have been on the health council. They no longer exist; there's the health authority. When I was on the health council with Campbell River, I looked at plans for upgrading our Campbell River Hospital. All this money's already been spent for plans to upgrade the hospital, so I think that needs to be examined. Sometimes when you have health authorities and they're on a certain track.... I'm just saying: no, I want there to be a second look.

I don't really necessarily want to have to drive to Port Alberni to make my pitch again, but Campbell River, despite the Comox Valley growing — it is growing; there's no doubt about that — is the third largest city on Vancouver Island. It's Victoria, Nanaimo, Campbell River. I think that if we're going to continue also to have growth in our area, our city needs to have its hospital.

I think that's probably.... I'm just speaking off the top of my head, so there are probably things that may not make any sense, but I'm certainly willing to answer any questions. Thank you for listening.

**B. Lekstrom (Chair):** Thank you, Rina. Certainly you have the opportunity, if you would like to put a full written brief together, to get it to us. We are accepting submissions until the 20th of October, and we would welcome that as well.

**R. Berkshire:** I grabbed one of those pamphlets, so you can expect one.

**B. Lekstrom (Chair):** Are there any questions?

**D. Hayer:** I just have a comment. Thank you very much. It's looking at it from a different point of view and not just looking at the problems, and also trying to look for a solution, how to grow the revenues. It's not just: how do you take the expense from one place to another one? You're trying to say that we should provide some more incentives for mining to develop so they can put more resources for health care, education and social programs.

**R. Berkshire:** Exactly so.

**D. Hayer:** Thank you very much. That's a different way of looking at the problem.

[2025]

**R. Berkshire:** The other thing I didn't tell the committee is that I have multiple sclerosis, and I've been diagnosed with it for 16 years now. I haven't been in the trenches with the educators, so I haven't had to deal with classroom situations because I'm on disability. That's probably why I am as involved in the health care system. I've been so involved in it because of my own illness and having a chronic health care issue and seeing how things have changed over the past 16 years in terms of the whole utilization management process of the hospital. I don't want to get into that this evening; otherwise, we'll be here all day about the rationalization that happens in our system.

**B. Simpson:** My counterpart here said it felt like we were in the Legislature in one of those random speeches when we have to stand up in the House and kind of do a brain dump. So it was great to watch you as you went through that. Thanks for taking the time to do that with us.

The Campbell River situation. I want to explore things — the mining and the health. I visited with the entire Campbell River mayor and council. I had breakfast with them some time in the spring. One of the things that struck me, and I didn't raise it in the previous presentation, is that Campbell River is having a significant shift in where they're deriving their income from. It will be predominantly from property taxes from the influx of particularly seniors — retirees, people who want to live there part-time, etc.

That has significant implications for growing a potential social deficit for later on. If the community doesn't have a hospital that's specifically in Campbell River serving Campbell River, what's your sense of what that will do to the change in demographics and the attractiveness of Campbell River to some of that money that's coming in?

**R. Berkshire:** I think there is a push on for the retirement crowd. I think that probably would prevent them from coming — if we didn't have a hospital. But on the other side of that, the retirement crowd doesn't want things to change. They don't want any development, and I'm kind of going: "No, no." I mean, on the north Island we could have several mines open if we get the port developed that needs to be developed just north of Campbell River. I'm not talking about the one for the cruise ships. There's the Middlepoint development that needs to be developed. Quinsam mine wants that developed. But once that goes in, there are several other mines or potential mines that could be developed as a result of that development there.

So I'm saying yes, also from being a teacher, that the retirement group.... Yeah, come on in, guys, but I also want to have jobs in my community where we can have schools. Our school population is continuing to shrink. I don't want a community of just retirees only. I

want to have a community of loggers, fishers, miners, manufacturers. I mean, the dynamic community that I came to in Campbell River 30 years ago was completely growing, and then it just all stopped because.... Well, I won't go there. Everything was going to be put into a park.

**B. Simpson:** If I could, on the mining side of things.... I guess a further conversation would be around development that takes full-cost accounting into account. You can think you're growing the pie, but in reality what you could be doing is putting costs elsewhere. I find it interesting that you're talking about the federal environmental review process holding things up. Again, that's a conversation that's not part of our budget review process.

What is part of our budget review process is what you've indicated is a need in the ministry itself for additional resources and, in particular, the flow-through shares issue where you can't expend it in the same year, and so it causes you grief.

**R. Berkshire:** Well, it needs to be expended in that year.

[2030]

**B. Simpson:** We're experiencing the same situation in Prince George — the placer miners, particularly small-claim miners as well as large-claim ones. In this area, what's the general buzz about what that additional resource need would be to expedite that approval process?

**R. Berkshire:** I can't answer that one for you. I mean, I'm just an advocate. I'm a mining advocate, but I don't have any sort of resources that I can tap into and give you that exact....

**B. Simpson:** Okay. We're experiencing the need in the interior, saying it's also here that the permitting process has slowed down.

**R. Berkshire:** So do you want to know the number of permits that I am aware of being delayed?

**B. Simpson:** Yeah. It's more that sense of what the permit demand is relative to the human resources in the mining office.

**R. Berkshire:** I know that on Vancouver Island, there are several.

**B. Simpson:** Okay. We'll just leave it at that. Thanks.

**B. Lekstrom (Chair):** Rina, thank you for taking the time to come and sit through the hearings this evening and for taking the time to present to us. I appreciate that.

**R. Berkshire:** Thank you all for your questions. I appreciate it. I know you weren't sleeping. I

**B. Lekstrom (Chair):** For our next presentation this evening I will call on Wendy Prothero.

Good evening. How are you, Wendy?

**W. Prothero:** Good evening. I'm well, I think, except I must say I'm a bit shocked that I'm up here. I have to say that I was biking from Courtenay today to my home in Comox. I got home and picked up the paper and saw in our local paper that you were going to be here this evening. My husband and I sat down at our dinner table and talked about some of the issues that concern us.

I'm speaking to you just as a citizen of the Comox Valley. I've never done this before, and I appreciate the opportunity for doing this. It's very much of a brain dump. I haven't heard that term before, Mr. Simpson, but that's what it is, I'll tell you.

Just to give you a little bit of background about myself. I'm Wendy Prothero. I live in Comox. I've lived in the Comox Valley for about 33 years. Professionally, I was a social worker before I moved to the valley, and my husband and I came farming here. We farmed for about 25 years, and I've been retired for about ten. My husband was a teacher. I have always been an active citizen in my valley and in my community, and care deeply for where I live.

Some of the issues that we were talking about tonight when we were having our supper. The first one on the list was actually covered extremely well by Betty-Anne Juba and Jessica, around the whole issue of affordable housing.

One of things that I've been involved in for a few years.... I don't attend anymore, but I was involved. There was a group here called the Ad Hoc Emergency Resources Organization. I was a member of the Unitarian fellowship that attended this meeting. It was made up of a lot of people who work in the helping professions in the Comox Valley, and I attended that group for about three years just recently. That was an issue that came up time and time again around that table by people working in the helping professions — affordable housing.

That is something that was brought up really eloquently by the other speakers, and I would support everything they said in terms of the government, hopefully, being able to provide more money for affordable housing and social housing. British Columbia at one time, as I recall, was a leader in Canada in social housing under previous governments many years ago. It is not so much anymore. I would like to see us return to that status of providing for people in our communities that are in need.

[2035]

As somebody mentioned, we have a community here that's growing. I hear people talk about affordable housing, and they say: "Well, \$150,000 for a house." I'm thinking: hello, that is not affordable housing — not in my terms — for people living on social assistance or the working poor in our community. I would like the Minister of Finance to look at affordable and social housing. I'm happy that you will take that back to her.

One of the things that came up a lot when I was on this Ad Hoc Emergency Resources Organization was legal aid and the fact that legal aid is not readily available anymore to a lot of people in our community. I think that is something we need to take a serious look at. There are a lot of people who are in need of assistance in legal matters — people who get evicted from their houses. It's just basic, and I think that's something that's been declared as a real lack.

I'm a cyclist. I like to cycle. I use my bike as much as I can instead of my car. One of the issues of concern to me and my husband and to my children, who are all in their 30s now, is the whole issue of climate warming and sustainable communities. I don't see, just glancing briefly tonight, on the whole B.C. budget thing a real initiative around climate warming and building sustainable communities. I think that in this day and age, that's a focus that governments everywhere have to take.

I don't know if you're familiar with a columnist that writes in the *North Islander*, Ray Grigg. He writes very eloquently about issues around sustainability and climate warming. I didn't bring it with me tonight, but I pulled off the Internet wonderful guidelines from a community in England called Woking, where they have done a whole strategy. Everything they do in their community is based around global warming.

If you were interested in it at all, I would highly recommend it. You could just go to Woking, and you can pull their whole strategy off the Internet. I think it's something that provincial governments and municipal governments should be seriously taking a look at. It's happening in many parts of the world, and our communities and our province need to be taking a really serious look at this issue.

If I had a dream and the Minister of Finance would listen to me, I would like to see a government department strictly focused on climate warming and sustainability. That would be something I would like to....

As an ex-farmer I know the importance of agriculture to the Comox Valley. I don't know what the current figure is, because I've been retired for ten years. But it used to be, when we were farming, that the agriculture industry brought.... I think the figure was something like anywhere between \$16 million and \$22 million into the local economy on an annual basis. I think we need to always keep our focus on the importance of local British Columbia agriculture not only in terms of the preservation of the farmland, obviously, and the farmers....

I don't know what the average age of farmers is now, but I think it's around 55. That certainly was a number that I used to hear. We have to find ways in our province to encourage youth to become farmers. That means we have to find ways that they can afford to buy the land.

One of the ideas I have is that we should have a bank of farmland, like we do for Crown land. Ranchers lease Crown land for their cattle, and I think it's time that we got some imagination in terms of how we're going to encourage young people to become farmers.



We're going to lose our ability to produce food. I know that's not really a purview of yours, being the Standing Committee on Finance, but somehow I had to get that out.

[2040]

In terms of finance, I think about the promotion of British Columbia agriculture as part of the Finance Committee's responsibility — promoting our farm produce. We do that to a certain extent, but I think we need to do it more. I think we could do it in schools with food programs. I know with this whole thing about removing vending machines because we're all concerned about obesity.... Perhaps we should be doing more promotion of the fresh fruit — the apples and peaches and things like that — that is grown in the Okanagan. That's another one of the issues that we had down here.

I would like to make sure that we always keep health care in the public sphere and that we have a real push on the whole basis of prevention in health care. I think that's key. As a cyclist I think about that a lot. I would like to see the province, in your transportation allocations, put much more emphasis on cycling and cycle paths and cycle routes in all communities and throughout our province.

If we're going to get people active, this is the attitude in our community: you have to feel safe. And you don't feel safe on a lot of our roads. We put millions and billions of dollars into roads, but we put very little money into cycling. If we want to deal with the issues of climate warming and health prevention and transportation, we can do it by putting more money into cycling. Obviously, I'm a passionate cyclist.

I'm also concerned about our environment. I'm a bit of an environmentalist, and I guess my concern there would be, from a financial point of view, that we would have enough staff in the department of the environment to follow through on enforcement issues. I feel that's something that, in my reading of the papers, is sometimes lacking.

I've been here since the beginning almost, and I've listened to you ask people: "So where are we going to get the money to do all this stuff?" I do have a little idea. Obviously, one of the things that people have brought up is the photo radar. I'm a huge proponent of photo radar, partly because I'm a cyclist. I'm not saying that all cyclists are fabulous, because they're not. There needs to be a lot of cycle education. There needs to be, in some respects, a much more serious enforcement of the cycle laws.

In fact, I stopped into my local RCMP office one day and asked if there'd been a change in the helmet bylaw, because that's a health issue. I was told that they don't have the staff to enforce it. If you're thinking about health issues and preventing things happening, we have to get people to wear helmets. So that's something.

The photo radar is really important, because I see a lot of people speeding all the time — people getting cut off, going through intersections. It's just amazing. I should keep a diary and forward it to somebody. I don't know.

So that's one way that we could raise money. I don't know. You will correct me because you guys know all about provincial laws. I have no idea whether this is even in your purview, but today I got an e-mail — sort of timely, I guess — from Smart Growth British Columbia. I'm on the livable communities website, so I get lots of things.

[2045]

There's a lady in Roberts Creek on the Sunshine Coast. She was curious about the plastic bag law in Ireland. I might just read you the beginning part of this, because she actually e-mailed the government in Ireland to get some idea of that bylaw.

I was sort of interested in this. They brought in this plastic bag bylaw — not for recycling purposes. They were really concerned. Well, I'll just read some of it to you.

"They brought in a 15-cent levy in Ireland on disposable plastic shopping bags. It was introduced in Ireland on March 14, 2002. To date"— and this e-mail came in today — "the levy has raised over £59.5 million; £17.5 million was collected in 2005. Our original estimate was that £11 million would be raised per annum.

"The primary purpose of the plastic bag levy is that it is a litter control measure" — so it's controlling litter — "rather than a measure to discourage plastic bag waste going to landfill. Plastic bags used to account for 5 percent of our litter arisings. Since the introduction of the levy, they now account for only 0.2 percent of litter arisings."

When you are thinking about how we can fund some of the things that we have been talking about, this might be a way to do it. There have been letters written in the *Vancouver Sun*. I know there have been advocates on the lower mainland around that kind of levy.

I've checked at the various grocery stores in my community about the amount of bags that are used, and it's huge. I generally calculated that at one grocery store in my community, they alone use well over a million bags a year. It's pretty astounding. I'll leave this with your people.

One of the things that was interesting to me was that they had this little thing from Ireland on the scale of the menace. Bags take a thousand years to decompose. Plastic bags kill 100,000 marine animals. Plastic bags, they figure, kill a million birds a year. Landfill sites are stuffed with bags. Plastic bags make up 50 percent of the rubbish found on the coastlines.

As you probably all know, coming up throughout the whole of British Columbia and Canada is the Great Canadian Shoreline Cleanup, which happens this weekend. You may be participating in your various communities. I'm not sure. I hope to be here in the Comox Valley. We have an active group.

Plastics are a huge, huge part of the things that we find on the coastlines in our province. Just for another country, the country of Bangladesh slapped a ban on the bags in 2002, after they were found to have been one of the main factors contributing to the 1988 and 1998 floods which submerged two-thirds of their country. Discarded carriers were choking the drainage system.

Those are the highlights of things that I wanted to bring up. I wish I'd had a formal presentation. It just shows you what happens when you can sit around the dining room table and talk. I guess I could blather on for a while.

Anyway, thank you very much for hearing me, Mr. Lekstrom and the committee. I appreciate the time.

**B. Lekstrom (Chair):** Wendy, thank you. It must have been quite a dinner this evening, I would think.

I do have a couple of members. We do have a couple of minutes.

[2050]

**D. Hayer:** Thank you very much. You provided a lot of information in a very short time. I think one of the most interesting parts with the information you provided was health care. We spend around 43 cents out of the dollar, which is expected to go up in the next ten years to 70 to 75 cents out of each dollar. You have provided some solutions in there in getting people to be more active — bicycling or walking, exercising prevention.

Do you have any other idea how maybe we can save some money on health care so we don't end up going from 44 to 70 cents? Then basically, health care and education funding will take 100 percent of the budget. Any suggestions what else we can do to save...?

**W. Prothero:** Well, I think other people made a really good suggestion around the whole thing of housing. I didn't bring this up, but it was a really interesting article that I read in the *Vancouver Sun* not long ago about some police officers in Reno, Nevada, who befriended, actually, a homeless person in Reno. They followed him — got to know him really well — for a year. They were watching him, and they costed out the amount of money they spent with this man for police costs, ambulance costs, health care costs — the whole range of costs. It came to a million dollars for a year. They knew this man, and he lived on the streets and used the system for ten years until he passed away. They figured that he had cost the system ten million bucks just by himself.

I think the whole issue around housing is a really huge issue.

**I. Black:** Well, my first thought is that I want to get a dinner invitation to your place, because if you covered all this off in one meal, you were eating well. So I'm going to come over for dinner.

**W. Prothero:** It was a quick dinner, actually.

**I. Black:** A couple of comments, really, and I want to thank you for your remarks. You're selling yourself short in terms of your description of them, because it was a really well-rounded series of thoughts you shared with us, and you did have some really poignant remarks to make. So thank you for those.

You gave me a couple of thoughts I just wanted to share with you in response. A lot of the priorities you've identified are very consistent with the direction of a lot of what's happening right now. So this might actually help you focus some more suggestions for us in the future, to know what I'm about to tell you.

In the area of prevention we're absolutely on the team in that. You may or may not know, but we've recently established a ministry specifically focused on healthy living, called ActNow. It's focused on people getting five servings of fruits and vegetables every day and 20 minutes of exercise. Now, that sounds like kind of a trite statement on its own, but the reason that came to be is that through dialogues on health care, including the ones that are going to start this fall with Minister George Abbott, where we'll be discussing a lot of these types of things....

It's been known that if you can convince people to change their lifestyles — cycling, etc., the way you've described — we could almost virtually eliminate type 2 diabetes; 98 percent of the cases would disappear. With a lot of the more dangerous forms of cancer, the incidence rates could drop by as much as 50 percent. So there are some very real correlations here between the healthy living and our expenditures in health care. Your remarks are bang on with some of the thoughts that are currently circulating in government, and you're beginning to see some action there.

The second was with respect to cycling paths. There's a very controversial project that is getting a lot of discussion in our area called the...

**B. Lekstrom (Chair):** As the Speaker would say, question, Mr. Black.

**I. Black:** ...Gateway program — question is on its way — which involves the single-largest expenditure of cycling paths that's ever taken place in the province — about \$50 million or so.

The question is: on the highway system that you have around here, can you accommodate cycling paths without a huge investment in road transportation, or are there other ways that you could perhaps get some cycling paths put in place?

**W. Prothero:** I guess a lot of it is to do with municipal decision-making. I can think of one area, for example. I live in Comox, and I cycle regularly to North Island College when I go to Elder College classes. The cycle path that we had has been removed. Those are the sorts of things that drive me nuts and that I think are a real disincentive for people.

[2055]

Sure, I know what's happening in the lower mainland. I have cycled in the lower mainland. I've cycled through Vancouver from Cambie down to Jericho Beach on 7th and 10th. Some cities have done a really good job, and I think the provincial government could have a much better role in convincing municipalities in some way and giving them some more funding to provide better things.

Sure, there's the Gateway program and all these things. I know there are trails going under the SkyTrain. All this is happening on the lower mainland. But I've been to Prince George and lots of places in B.C., and it isn't the way it is in the lower mainland. I think the provincial government could do a much better job of promoting that on a provincewide basis.

**B. Simpson:** That was a great brain dump, and thanks to your husband for his involvement in it.

I just want to key in on the climate change piece. I think that is vital. I live in the mountain pine beetle area, in the heart of it, so we're living with the consequences of it. I guess what I'd like to do is put a challenge to you. I would be very interested, in the process of this committee getting out and doing hearings, to challenge those in your various networks to come before us with ideas like yours in that particular area, to try and help us flesh that out a little bit. What would that look like?

You have suggested that maybe a government department be added. We could get into a discussion of what it would do, what its mandate would be, etc. But if you could kind of drum the drums to get it out into the communities that we're going to and into those networks — to start coming forward to us with some ideas around what a provincial response to climate change may look like and what, therefore, the budget considerations of that would be — I would certainly appreciate the committee hearing that.

**J. Kwan:** First of all, thank you for the presentation and particularly for the piece around housing. You are absolutely right. For every dollar we spend as a

government — any level of government — on housing, we save \$7 at a minimum in terms of preventative measures, whether it be in the health care system or the criminal justice system, and so on and so forth.

I'm fascinated by this plastic bag levy information that you have provided us. I wonder if you could provide further information to the Clerk's office around this, either through the Web link or some other way to get this information. I would just like to learn more about it and contemplate this concept.

**W. Prothero:** I can leave you the information that I pulled off the Web. Actually, I think that in San Francisco, in California, they put something like a 75-cent levy on a plastic bag. It's big. There are cities and states and countries that are doing it all around the world. People are getting on board with this.

As they say, it's not just to do with recycling and so on. It's to do with litter issues, and it's a big problem.

**B. Lekstrom (Chair):** Wendy, I will thank you for taking the time out of your day and your evening to come and present to our committee this evening.

That brings our committee meeting to a close. We have had a full agenda here this evening, and I want to thank all of the people who took time to come and present, as well as the people who came to listen. It's encouraging when we get the type of participation that we do. Our job is to listen and to take the ideas that we hear and try and accumulate all of that information, put it in a report and put it forward to the Legislative Assembly.

With that, we will adjourn this evening's meeting.

The committee adjourned at 9 p.m.



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