



Second Session, 38th Parliament

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REPORT OF PROCEEDINGS  
(HANSARD)

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

**Nelson**

**Monday, September 25, 2006**

**Issue No. 26**

BLAIR LEKSTROM, MLA, CHAIR

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

Nelson  
Monday, September 25, 2006

- Chair:* \* Blair Lekstrom (Peace River South L)
- Deputy Chair:* \* Bruce Ralston (Surrey-Whalley NDP)
- 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)
  - \* Bob Simpson (Cariboo North NDP)

*\*denotes member present*

- Clerk:* Kate Ryan-Lloyd
- Committee Staff:* Dorothy Jones (Committees Assistant)

- 
- Witnesses:*
- Stephanie Fischer (B.C. Arts Council)
  - Allison Girvan (B.C. Arts Council)
  - Dustin Grof (Selkirk Students Association)
  - Sheila Haegedorn
  - Deb Jarvis (Kootenay Kids Society)
  - Garry Kalinski
  - Amed Naqvi (Institute of Chartered Accountants of B.C.)
  - Tracy Punchard (President, Selkirk College Faculty Association)
  - Aspen Switzer (B.C. Arts Council)



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MINUTES

# SELECT STANDING COMMITTEE ON FINANCE AND GOVERNMENT SERVICES



Monday, September 25, 2006  
10:00 a.m.  
Osprey Room, Best Western Baker Street Inn  
153 Baker Street, Nelson

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

**Unavoidably Absent:** Randy Hawes, MLA

1. The Chair called the Committee to order at 10:25 a.m.
2. Opening statements by Mr. Blair Lekstrom, MLA, Chair.
3. The following witnesses appeared before the Committee and answered questions:

1) Selkirk Students' Association	Dustin Grof
2) Institute of Chartered Accountants of British Columbia	Amed Naqvi
3) British Columbia Arts Council	Aspen Switzer
	Allison Girvan
	Stephanie Fischer
4) Kootenay Kids Society	Deb Jarvis
5) Sheila Haegedorn	
6) Selkirk College Faculty Association	Tracy Punchard
7) Garry Kalinski	
4. The Chair reviewed the current membership of the committee, including recent substitutions approved pursuant to the written agreement dated September 18, 2006 by the Government House Leader and the Opposition House Leader.
5. **Resolved**, that Bruce Ralston, MLA serve as Deputy Chair of the Select Standing Committee on Finance and Government Services. (Moved by J. Kwan, MLA)
6. The Committee adjourned at 12:59 p.m. to the call of the Chair.

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Blair Lekstrom, MLA  
Chair

Kate Ryan-Lloyd  
Clerk Assistant and  
Committee Clerk





MONDAY, SEPTEMBER 25, 2006

The committee met at 10:25 a.m.

[B. Lekstrom in the chair.]

**B. Lekstrom (Chair):** Good morning, everyone. I would like to welcome you to the Select Standing Committee on Finance and Government Services public consultation hearing held here in Nelson. I would like to thank you for your patience. We were a few minutes late arriving and getting things set up, but we are now ready to begin.

My name is Blair Lekstrom. I'm the MLA for Peace River South, and I have the privilege of chairing the Select Standing Committee on Finance and Government Services. As I said, I would like to welcome everyone here.

The purpose of our meeting. Each year the Minister of Finance must present a prebudget consultation paper by the 15th of September. By statute we are a select standing committee of the Legislature, an all-party committee, that is tasked with going out and speaking with British Columbians on what their priorities and ideas are for the upcoming year's budget. We have hosted three public meetings to date. We have 14 scheduled, so the committee has quite an extensive trip.

Along with the ability to come and present to the committee, we also accept written or on-line submissions. You can go on line and fill out the questionnaire. This year the prebudget paper will be mailed to every British Columbian's home, as well, so they may get an opportunity to read it and respond, if they would like.

Today the format will be laid out so that each presenter has 15 minutes — ten minutes to present to the committee and then five minutes for a question-and-answer period for clarification on what was said, if there are any questions from members of the committee. We try to adhere as closely as we can to the 15 minutes so that the following presenters aren't held up. We are slightly behind, so I will be sticking to that time format.

Just before we begin, I'm going to ask the other members of the committee to introduce themselves, and then we will begin with our public hearings this morning.

**I. Black:** Good morning. My name is Iain Black. I'm the MLA for Port Moody–Westwood.

**R. Lee:** I'm Richard Lee, MLA for Burnaby North.

**J. Horgan:** John Horgan, MLA for Malahat–Juan de Fuca.

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

**D. Hayer:** Good morning. Dave Hayer, MLA for Surrey–Tynehead.

**H. Bloy:** Harry Bloy, MLA for Burquitlam, the home of Simon Fraser University.

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

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

**B. Lekstrom (Chair):** All right. Well, thank you, members.

Also joining us today, to my left, is Kate Ryan-Lloyd, who is our Committee Clerk, and as well, at the desk when you passed is Dorothy Jones.

Each of our hearings is transcribed by Hansard. We are on-line live, as well, on a webstream. Joining us from Hansard is Wendy Collisson and Rob Froese, behind all of the equipment that you see there.

With that, and without taking up a great deal more time, we are here, and our job is to listen to British Columbians. It is important in what we face in British Columbia. We want to know what the priorities are of people from British Columbia. We are then tasked with putting a report together and presenting it to the Legislative Assembly, with our recommendations from what we've heard, no later than the 15th of November. That report is then taken as one tool by the Minister of Finance in her development of next year's budget.

Over the years we have seen a number of the recommendations from this committee acted upon and included in the budget, and I believe that has a great deal to do with the efforts of British Columbians in taking the time to either come and present to this committee or go on line and do the written submission or questionnaire. So again, thank you for taking time to come.

Our first presentation this morning is brought to us by the Selkirk Students Association. Joining us is Dustin Grof.

Good morning, Dustin, and welcome.

### Presentations

**D. Grof:** Good morning, everybody. My name is Dustin Grof, and I'm from the Selkirk Students Association. I'm the chairperson at the Castlegar campus. I'm here today to bring forward a number of concerns for students at our college. Students at Selkirk have seen tuition fees triple over the last several years, and there are a number of recommendations that we've come up with to bring to you guys today.

Students are concerned with the lack of affordability in the post-secondary education system of B.C. There are countless students on our campus who have told us stories of a friend that may have not joined them in college because they simply could not afford the cost of education. Students today are facing extreme financial hardships, and at this point, there is only so much debt a student can handle.

[1030]

We need to reassure families, youth and students that the government will reinvest in the province's economic future by following the recommendations from the Selkirk students and other students across the province. We have four recommendations for the committee today, all of which are in the fiscal capacity of the province's government and are the expectations of a vast majority of British Columbians.

The first recommendation is to allocate money to reduce tuition fees by 10 percent. Tuition fees, again, have tripled at Selkirk College since the 2001-2002 school year. At that time Selkirk enjoyed a relatively steady and high enrolment figure. Since 2002 Selkirk has seen enrolment declining, massive program and service cuts and a move to a lot more on-line courses.

Last year at this time there were about 1,200 students registered at the Castlegar campus. When we received the same list this year at the beginning, there were only 1,000 on the exact same list. It makes me uneasy to see a 200-person, or 16-percent, drop in enrolment in just over a one-year period.

Statistics Canada, Canadian Association of University Teachers and U.S. researchers have all provided studies that show tuition fees are the number-one barrier to accessing post-secondary education. For every \$1,000 increase in tuition, low-income students are 16 percent to 19 percent less likely to acquire a post-secondary education. At the University of Western Ontario, a study found that participation from low-income earners had dropped by 40 percent after the tuition fees had doubled at their institution.

In my past couple of years with the Selkirk Students Association, I've noticed a large increase in the number of students that need access to food banks and financial aid. Now that 70 percent of new jobs require a post-secondary education, it is unreasonable to keep these students out of the job market for extended periods of study.

I myself had to drop my course load because I couldn't afford to go into another \$13,000 of debt on a student loan. If I would have been able to receive a grant this year, I might have been able to attend full-time studies. But now I've had to add another two years onto my study period, which will keep me out of the job market longer than I had planned at the beginning.

I feel it is very important that students should be able to compete equally in the economy, but it is hard to imagine being on a level playing field when at graduation you're starting with \$30,000 or more of debt.

A fully funded 10-percent reduction in tuition fees will cost the provincial government only \$92 million in 2007. This investment is just a quarter of 1 percent of the overall public expenditures for the 2007 budget, and it will help reduce the tuition fees by hundreds of dollars for individual students across the province.

A poll conducted in July 2006 by the respected Ipsos-Reid found that 80 percent of British Columbians support reducing tuition fees and three-quarters of British Columbians believe that students are taking on an unfair burden of debt to pay for their education. Students are behind this recommendation, and it is clear that British Columbians are behind this recommendation. We are here today to encourage our elected representatives to get behind this recommendation and reduce tuition fees by 10 percent for September 2007.

The second recommendation is to allocate money for the elimination of adult basic education fees. Students at Selkirk do not pay fees for adult basic education, and we see the benefits on a daily basis.

A friend of mine was taking a part-time university transfer course last year and had to take a couple of

grade 12 courses at the same time. I asked her if she would take ABE courses if she had to pay the same price as her normal university transfer courses. Obviously, the answer was no, but the reason she was taking a grade 12 biology upgrade was because she hadn't taken it in high school and she wanted to pursue a biology degree in university.

A vast majority of ABE students make less than \$20,000 a year, including just-graduated students. I believe it's unfair to charge these students money for a basic high school-level course. A study from the Ministry of Advanced Education found that 87 percent of the students taking ABE are also taking courses to enter a post-secondary education program. All ABE students take these courses to qualify for employment, and we need to encourage them to take this initiative.

[1035]

The implementation of tuition fees for adult basic education has caused massive declines in enrolment, and surely the government cannot justify taking away this opportunity of a high school education. We are urging the committee to recommend allocation of \$17 million to fund the elimination of adult basic education fees.

The third recommendation is to allocate money to create an upfront needs-based grants program. The government needs to restore funding to at least what the former B.C. grants program was at in its prime, and this program should also include graduate students.

Students were heartbroken when the program was cut and took their stories to the government. The government then created the loan reduction program in response to these stories. This program is good but is not quite as effective as the grants program, because students are still burdened with the upfront debt.

Students are responsible with their money and need to be able to budget properly on how much to spend on their basic needs, including food, shelter and transportation. Low-income students do not know how much they will be able to afford when the upfront cost of education is so high. The loan reduction program is like a lottery for student financial assistance. Students will never know if they will qualify for the program and how much debt could possibly be relieved by the time they are finished studying.

A system of upfront needs-based grants is the simplest and most efficient form of student financial assistance. It helps reduce the upfront costs and allows students to budget efficiently.

Another problem with the loan reduction program is that it does not offer assistance to graduate students. A large portion of students at Selkirk will eventually end up in graduate studies at some point, and the thought of being highly trained but unable to qualify for non-repayable assistance while completing graduate school is disconcerting.

B.C. is the only province in Canada that does not provide non-repayable student financial assistance for graduate students. If the government wants to hold true to its vision of making B.C. the leader in graduate research, it must create this assistance to help keep graduate students in our province.

The final thing to mention is that the new grants program must be funded at or above the former B.C. grants program. Tuition is now ten times higher than the rate of inflation since the B.C. grants program was removed. Students are paying double, on average, across B.C. what they were in 2001, and the students at Selkirk are paying three times the 2001 figure.

The fourth recommendation is to reallocate funding from the training tax credit directly to the entry-level trades training and apprenticeship programs. Trades training in B.C. is in a detrimental situation. There is a massive shortage of skilled tradesworkers across the province. The training tax credit that provides employers with funding to train its employees misses the primary resource for training: the B.C. college system. Selkirk — along with BCIT, Malaspina, North Island and others — will play a vital role in developing skilled apprentices to fill this shortage of tradesworkers.

I know a couple of students who are on a two-year waiting list at Selkirk to get into programs such as welding or electrical. I have a friend at North Island College who has informed me of the same thing. He has friends there — two years for the exact same program. It's not just Selkirk that is having these issues.

In closing, the B.C. government's goal to make our province the most educated jurisdiction on the continent is realizable only by investing in our future. Students from ABE to graduate level require an affordable and accessible post-secondary system to gain knowledge necessary to advance the economy. Our four recommendations will help government reach this goal. All four recommendations are in urgent need of implementation to secure long-term economic and social health for our province.

I'd like to thank you for the opportunity to provide this input on behalf of the students and families at Selkirk College. I'd welcome any questions the committee has on my presentation.

**B. Lekstrom (Chair):** Well, thank you very much, Dustin. I'll look to members of the committee, if they have any questions regarding your presentation.

**J. Kwan:** I just recently heard this, and I don't know if it's true or not. Is it the case that Selkirk had to set up a food bank for the students there, for the first time?

**D. Grof:** Yes, that is actually the case. We haven't ever had a food bank on campus. Last year was the first year in probably ten or 15 years that there was a food hamper program started in conjunction with financial aid and the Selkirk Students Association. This year we're putting in a number of steps to start up the campus food bank for students at Selkirk College.

[1040]

**J. Kwan:** Do you have a sense if the students at Selkirk...? What do the demographics look like for the students there in terms of age, particularly?

**D. Grof:** I believe from the community environmental scan, the average age is about 24 to 27 at Selkirk

College. It's quite varying, because there are a lot of returning mature students that come back to Selkirk, but they're also trying to support children and families at the same time as getting back into the education system.

**J. Kwan:** Last question. With the enrolment decline, do you have a sense of that pattern? What does that pattern look like year over year in the last number of years? Again, do you know if the decline primarily comes from mature students, or is it younger students? Do you have a sense of that?

**D. Grof:** I don't have any exact data on that, but it's been a slow, casual decline. The number that I mentioned — the 200-student drop — is just what we see, because we issue all the student IDs. We get a list of all students. It's not the official Selkirk College-released numbers, but it's a big drop just in one year.

**R. Lee:** It seems that the drop could be students working outside the system. I don't know the number, but that could be one of the reasons.

I think my question is: if there is a drop in some programs and there's a waiting list on some applied programs, do you know what the reason is that the college is not adjusting their programs so that they can redirect some of the resources in some faculties to another faculty?

**D. Grof:** I don't sit on the college board or education council, so I'm not sure of the reasoning behind the way they allocate program funding. I'm sure there are probably a lot of reasons that they have to keep certain programs open with only ten students in it — because they've guaranteed that program, compared to not being able to afford another instructor because they don't have the funding for another electrical engineer or electrician instructor. I would assume that it's a lot to do with the funding and resources available.

**J. Horgan:** Thank you, Dustin, very much for your presentation. I was going to follow along on Jenny's questions with respect to the decline in enrolment. You've touched on some of those possibilities with Richard and Jenny, so I'll give you one more chance to maybe flesh that out a little bit.

In terms of that decline of 200 students, what kind of impact does that have in terms of your view of how we as a province are going to fill the shortages that we read about every day in the newspapers, in terms of skilled labour?

**D. Grof:** Well, it's obviously not a good situation to be putting our province in. The decline I'm speaking of is particularly at the Castlegar campus, so I'm not sure what the decline would be at the Nelson campus, which is where they do the trades training. I think it's very important that the government and the college be able to provide more training to people that are looking to get into the trades areas of B.C., because we al-

ready know there is a large trade shortage. That's a very concerning issue to students at Selkirk.

**J. Horgan:** Just a follow-up. I was pleased to see that you had a cost on the adult basic education of approximately \$17 million. Where do you think we should advise the Minister of Finance to get the resources to pay for these very worthwhile recommendations you've made? Would you suggest that perhaps it should come from reducing the amount that has been put aside for debt reduction or using the near billion-dollar surplus that we've read about in the first quarterly report? Would you think, as a student leader and a representative of your community, that the government should focus some of those surplus dollars on improving the education system?

**D. Grof:** I was thinking more along the lines of the billion-dollar surplus — exactly. It seems to be more of a benefit opportunity, cost-wise, that rather than paying down some of the B.C. government's debt.... The province would benefit more by investing in education and the future than being a little bit more out of debt at this point.  
[1045]

**D. Hayer:** Thank you very much, Dustin — a very good presentation. You know, I have four kids — 16, 18, 20 and 22. I can tell you that five years ago, none of them could really find a job. Just like everybody else, they were going to Alberta and.... Now they all work. I constantly tried to tell them: "Don't work right now. Actually, go to school." They said: "Dad, these are good jobs. We want to get some work experience."

They were taking part-time jobs, and three of them are going on to post-secondary education. One is at Kwantlen, one at SFU, and one is going to go to paramedics....

When I was on the board of governors of Kwantlen University College in 1999-2000, we used to have a challenge. The fees were frozen, but the governors were never given enough funding. We constantly had to cut down the number of classes, so it was taking two or three years extra to finish classes.

Now it seems to be a challenge with a lot of people starting to work, because the economy is fairly good. Like my kids, they're taking longer to finish.

**B. Ralston:** Mr. Chair, is there a question here?

**B. Lekstrom (Chair):** There will be.

**D. Hayer:** I've got a question for you.

There's a newsletter put out by the Minister of Finance. It has four questions. It also ranks where we should take the money from and how we should spend it. If we want to reduce programs in one part, maybe we can increase in another one, or increase another and reduce another.

When you have surpluses, sometimes because of commodity prices they can disappear very quickly. Do you have some suggestions? If you can answer these

four questions and maybe provide input to the Finance Committee. You have made a good presentation. We can take a look at it.

Another question. You talked about the hamper program for the last ten to 15 years. What does that consist of? I have never heard of that. You say they have a hamper program for students.

**D. Grof:** There wasn't a food hamper program. Last year we received a number of donations from the community and put together baskets of food for students that had registered privately to say they were in need of food over the Christmas holidays. Students were in tears and happy to receive this little bit of food to help them through the holiday season, especially at such an important time of year.

**B. Lekstrom (Chair):** Dustin, I want to thank you. Just a comment on the issues you have brought before us today. We have had a couple of other presentations, as well, expressing the ideas that you've put forward.

This is more of a comment on the issue of people waiting two years, let's say — whether it be for welding or whatever. I'm not sure. This is more of an idea. I would encourage them to look, if it's possible for them to travel to any other campuses — whether it be Northern Lights College or whatever.... There are opportunities, I think, if we can spread it throughout. I know that's not easy for some who may be living at home, actually, and hoping to get it, but it's an idea — to look at doing that.

I want to thank you for taking time out of your day. Again, we apologize for the late start today, but you did a great job.

Our next presentation this morning is from the Institute of Chartered Accountants of British Columbia. Joining us is Amed Naqvi.

Welcome to the committee.

**A. Naqvi:** My name is Amed Naqvi. I'm a chartered accountant with Berg Naqvi Lehmann, an accounting firm in Nelson.

It is a pleasure to be here today to offer my observations and recommendations to the Finance and Government Services Committee. It is encouraging to see that the provincial government is reaching out to communities such as ours to solicit input and hear our perspectives on issues. Today I'm speaking to you as a member of the community, a taxpayer, a chartered accountant and a businessman.

In regards to the long-term debt, I would like to start off by congratulating the provincial government on its recent debt repayment, as planned in the annual budget. This is welcome news and a very impressive turnaround from a few years ago.

I was also pleased to see that the taxpayer-supported debt-to-GDP ratio is forecast to drop to 13.9 percent by the year 2009-2010. This is a significant drop from earlier this decade when the debt ratio was more than 20 percent.

My recommendation to the committee is that the province, despite its recent success, should formalize

its debt management initiatives through a long-term plan. Taxpayers would benefit from a long-term debt management plan with measurable targets. The time period should be at least ten years, if not longer.

[1050]

The targets should be realistic. My overall target would be to get the debt level down to 10 percent of GDP. I do understand that B.C.'s current taxpayer-supported debt-to-GDP ratio is the second lowest in Canada. However, I still think a formal plan for reducing these debts would be a prudent move.

On competitive tax rates, I would like to address the issue of business tax rates. As you may be aware, the Alberta government has announced its plan to reduce the general corporate tax rate to 8 percent. While a firm time line has not been confirmed, the intent is to reduce the rate in the near future. I watched with interest last year when the B.C. Minister of Finance reduced our corporate rate to 12 percent, only to have Alberta one-up us saying that their rate went from 11½ percent to 10 percent a few months later.

There's no doubt that we're competing with other jurisdictions for investments, and business tax rates are a tool that governments have to attract businesses. We may not be able to match Alberta's tax rates, given their current oil and gas revenue. We need to be aware of their rates and try to keep our rates level or as close to them as we can. In this regard, I'd like to agree with the report of the B.C. Competition Council, which recommended that B.C.'s corporate tax rate not exceed Alberta's rate by more than 2½ percent. This seems like a prudent course of action to take.

As you may be aware, chartered accountants have a particular interest in issues around competitiveness and taxation. We are trained to look for efficiencies in business operations. In this regard, harmonization of the provincial sales tax with the federal goods and services tax makes very good sense. As you know, currently B.C. businesses are required to keep separate recordkeeping, reporting and remittances for GST and PST, creating unnecessary costs for accounting and administration. In addition, businesses deal with two sets of auditors enforcing compliance at the federal and provincial levels.

While the provincial government is currently undertaking a PST review, my understanding is that it does not include harmonization within the scope of its review. That's too bad. I attended one of the PST review meetings, and there were several organizations that expressed support for a harmonized sales tax. I'm disappointed that a further study has not been done on this issue. I would recommend that the government strike a special task force to do a comprehensive review of sales tax harmonization, looking at what is happening in other jurisdictions and what the costs and benefits are for this province.

I know that Minister Rick Thorpe did not like the idea, as he did not trust the feds with the province's money. I don't blame him for that, but there are more ways to skin a cat. Quebec handles GST and PST provincially. Maybe we could do the same. This will

create a lot of jobs in B.C., for one. Also, we may find out firsthand how much money's going to Ottawa from B.C. just in GST. Let's not throw out the baby with the bathwater — which brings me to my final observations and comments.

The provincial government seems to be obsessed with debt — almost a phobia — and seems hell-bent to pay it off at any cost. This is not a good policy and can be detrimental to the overall welfare of the people of B.C. As in our personal lives, there has to be balance in everything so we can provide the other essential services, which is the real function of government. An orderly repayment of debt or debt repayment plan, as I suggested earlier, allows for this. It appears that the province will enjoy a surplus considerably larger than the amount budgeted — almost 100 percent larger. I believe it's the government's intent to use this windfall to pay down debt. That would be regrettable.

There are many areas we could use these extra funds for — the extra funds I'm talking about. Increasing funding for a better quality of life would be a wonderful gesture. Child care services and mental health services are seriously lacking in rural communities. Increasing accessibility to health care, education and social services comes to mind. Remember, there were huge cuts in this regard when the government took on the crusade to operate at a surplus. I'm simply referring to the extra surplus and its proper use. After all, the Finance Minister did say something about this being the year of the child.

[1055]

How about giving the taxpayers a break? The property transfer tax is an outrageous money grab, increasing due to huge increases in land values. This grab goes on indefinitely and multiplies several-fold when you consider how many times property changes hands. This only exacerbates the pain of ever owning a home for a young person. This tax grab should be seriously reviewed.

The sales tax on secondhand items. Once an item has been taxed, should it be taxed again and again, like a vehicle? Let's take a lesson from Saskatchewan. Tax this item once, and let's move on.

I also consider the PST rate of 7 percent to be excessive, especially considering the neighbouring province to the east. Let's not talk about oil and gas revenues as an excuse for Alberta. They didn't always have such high revenues. Alberta wasn't always this flush.

The federal government has dropped the GST to 6 percent. It's time for the province to follow. This will go a long way to make things more affordable for the average B.C. resident, especially the large-ticket items like vehicles, washers, dryers, living room appliances.

Let's remember the purpose of governance, which is to improve the living conditions of the populace.

**B. Lekstrom (Chair):** Thanks very much, Amed, for your presentation here this morning. I have a couple of members wishing to ask questions.

**D. Hayer:** Thank you very much, Amed — good presentation, especially coming from a chartered ac-

countant. I appreciate it because you're a numbers person — right? I went to university and took some accounting programs myself. My background is as an accountant.

Only one thing I ask. Maybe you can do a follow-up presentation to the Finance Committee that you can provide through e-mail. When you talk about all these extra things, maybe you can put dollars and numbers to it so we have a chance to see how the billion-dollar surplus you're looking at should be used up. Is it a billion dollars we're looking for, or is it maybe \$2 billion to \$3 billion for the cuts you want versus the revenues there?

Secondly, I'd like to find out: in case the commodity prices do go down, because they always go up and down — and we have annual expenses going like this — how do we balance our budget? Do we start cutting back on some services or maybe going into debt? Maybe that's something else you could provide to the committee. I would love to hear from you — especially being a chartered accountant — how you would like to see that balance, because commodity prices will go up and down.

**A. Naqvi:** I will say that the surplus is a good thing, and it's the right thing. The budget is a very responsible budget. But we're enjoying a 100-percent increase in the surplus, and it was this extra money that surprised me — that it was going to be used to just pay off debt.

I just wanted to explain that debt is really capital. If you invest money and borrow money to invest in sustainable resources, that's a good thing. Otherwise we would never get to own a home. We would just wait to save up enough money to buy the \$500,000 hut that we can buy now, and then wait for 20 years and pay \$1.5 million to buy that hut that we'll never get.

If you're investing in assets like infrastructure, schools, hospitals and environment, you're improving the lives of the citizens, so that debt is not bad debt. It's like good cholesterol.

**D. Hayer:** I wasn't talking about the debt. I was talking about the annual deficit.

My other question is.... If gas prices go down by \$1, you can have a loss of \$300 million on the revenues. If they change by \$3, you have almost \$1 billion gone in your surplus. That's also something we have to keep in mind. Otherwise you will be coming back that the government should have done things differently. We realize gas prices go up and down, because already they're down from what we projected in the last budget.

**A. Naqvi:** I have to make a comment here. The government says that a \$1 drop in the gas price or whatever will cost the government so many.... No, it will save the taxpayers millions. That's when we won't need the money from the government, because we'll have the spending money in our hands.

We always think of it as if it's the government's right to tax that ever-increasing cost of the fuel. You imagine what the oil companies are doing. They're saying: "We're suffering because we're making too much money, and we're really sorry."

**J. Horgan:** Thank you, Amed. It's almost the tale of two presentations. You started out with your vigorous debt management plan and finished with a desire to spend that surplus. I appreciate that.

[1100]

I think, for those in the audience, that's the type of challenge that government faces. We have all of these programs we want to fund so that we can give the citizens what they want and what they deserve, but yet we have the challenge of making the balance.

I have a couple of questions based on your expertise, Amed, and that's to do with debt-to-GDP ratios. You said that we're the second-lowest in Canada. I'm assuming that we're going to take Alberta out of the game altogether, and that would make us number one — wouldn't it?

**A. Naqvi:** It would.

**J. Horgan:** With that in mind, then, if we look back historically ten years ago, I believe the situation was exactly the same. So across the country, debt has been reducing province by province at the federal level as well. Is that in fact correct?

**A. Naqvi:** That is correct.

**J. Horgan:** Great. The last question. You talked about buying that hut and the property transfer tax. I know, certainly in my constituency on the south Island, that real estate is just out of this world, and the wind-fall to the treasury is quite significant. In fact, it almost makes up for that \$1 drop just in the mainland and on Vancouver Island.

If we were to follow through on your recommendation and do away with the property transfer tax, what would your recommendation be for replacing that revenue? Would it be to just let it go and find it through other increases in commodity prices and natural growth in the economy?

**A. Naqvi:** I have not done that much, because I wanted to have a look at what the revenues were. I actually phoned the property transfer tax department. I asked the young lady I was speaking to: "How much money did you make this year?" She said, "Oh, I'm not at liberty to tell you," which really got me interested. I said: "Oh yes." I know that just one building which is under construction in Vancouver, in which I was trying to help my son buy an apartment, sold for \$100 million. So imagine the property transfer tax on just one building. How much of that is the value of the land?

I guess I was just thinking of making owning a home a reality for our children. By adding \$10,000 to the price of a home, when you pay it off over 25 years, that means you are paying \$40,000 back — that's how much it multiplies — because they will incur debt.

Do we need to really do this? Maybe the study has to be for first-time buyers or not-speculators or whatever. That's what my point was, and we have the surplus to take care of it.

**J. Horgan:** My colleague Mr. Hayer just showed me the line item in the budget — \$750 million, property transfer tax.

But your suggestion.... I'm glad you went that way. If we could develop a program where first-time buyers do get a break on that or speculators pay a premium, that might be something the committee may want to recommend to the Minister of Finance.

**J. Kwan:** Thank you very much for that presentation. It was actually very refreshing with a new idea of points of view. I'm interested. When you mentioned investment in British Columbians to make life easier or better for British Columbians, you talked among other things about education, social services, child care. All of those are very important priorities, I would argue. We just heard a presentation from the Selkirk Students Association whereby they're calling for a tuition reduction of 10 percent to make it more affordable and therefore enhance the chance for others to get into the education system.

I'm wondering. Is that something, for example, that you would actually support in terms of calling for a tuition fee reduction?

On the issue around child care, we know that we just lost the national child care program from the federal government as well as the provincial government. From that child care piece, are you calling for a provincial child care program that would provide for quality child care options for British Columbians?

Just elaborate, so I can understand a little bit more about those points of view.

**A. Naqvi:** Well, I'm not going to try to rehash the budget. The minister came up with an elaborate plan to spend over \$400 million, for instance, for the year of the child, as she said, although she did say it would be \$6 billion for the provincial government employees. That seemed pretty tiny compared to what was going to go to the provincial employees.

Really, my point was that it's this extra money that we're getting.... I think we're going to get around \$800 million more than we had anticipated. Wouldn't it be nice to return those services that were taken away?

[1105]

Actually, what made me start thinking of this was what happened at Dawson College. There was a social crisis in this young man's life. How did it happen? What can we do to prevent sickness, whether it's mental health or physical health? An environment that's more caring so that the child doesn't grow up to be angry at us.... I'm not sure.

I was just saying there's a reflection of our society that we're not looking after everyone, and we have this extra cash. It has to be affordable; there's no question about it. But it seems to be affordable right now. To be concerned about debt so much and to pay it off....

I'm just going to tell you a little story. I know I'm taking time....

**B. Lekstrom (Chair):** We're going to have to be quick.

**A. Naqvi:** All right. It's about this couple who came to see me. The young lady is about 37, and the husband is about 38 or 39. They had no children. They both had very good jobs, and they wanted some financial advice as to what to do with their money. I said: "What are you doing?" He said: "Well, we don't travel anywhere. We owe \$400,000 on our home, and we're going to pay it off in seven years. That's all we're going to do." No holidays, no Christmas gifts, no going to the bar — nothing. They're going to pay off their home in seven years. He said: "What do you think?" Well, I told the fellow to take his wife and go to Hawaii for two weeks, and when they come back, she'd better be pregnant. I said: "Get a life."

What I'm saying is that there has to be balance in life, as in government. So government should not forget its real purpose. I didn't quite answer your question, but I'm thinking about extra funds and how we could spend them at this point. I think all of these things require proper study to say: "What is the proper way to spend the money?" It's the extra funds I'm asking the committee to look at.

**B. Simpson:** I'll be brief. It would be great to have a longer conversation.

Going to Dave's comment around the cyclical nature — we're a resource-based economy — and the idea that we're sort of stuck on that, so if we get into a situation where resource prices fall, we then get into retracting social services and so on.

What about, therefore, the idea of some kind of heritage fund or something that Alberta did and has been talked about? Do you feel that's a good idea as well — where you hedge against those times where you're going to get a decline?

**A. Naqvi:** That's a wonderful idea.

**B. Simpson:** That was a short answer. Very good.

**B. Lekstrom (Chair):** Amed, I want to thank you — and maybe a quick question from me.

Jenny, I'm not sure if I heard.... The federal child care — you had indicated they have scrapped the federal child.... I believe the province has maintained its portion of that for now, and I thought you said they'd cut that.

**J. Kwan:** Sorry. It was meant to be an expanded national program. When the feds pulled out, the province actually didn't carry through with that level of commitment to bring it to the national child care program that it was meant to be.

**B. Lekstrom (Chair):** But they have maintained the funding they put forward, I believe. I just wanted to make sure people have seen that. There are challenges ahead; there's no doubt. But at the present....

Amed, if I could ask you for clarification. At the bottom of page 4 you mention: "Increasing accessibility to health care and education and social services comes to mind. Remember, there were huge cuts in this re-

gard when the government took on the crusade to operate at a surplus."

Are you referring that there were cuts to health care and education? I just want to be clear, because we hear that, when in fact there's been over \$4 billion added to health care and hundreds of millions to education. So that part — I wasn't sure what you were referring to.

**A. Naqvi:** Well, that's very close to home for us. I will admit that my wife and I are very strong supporters of the government. But my wife says: "I cannot believe that my government would do this to me." When we have to have services that were available to us locally and are now not available to us locally because the money was moved to, say, a larger centre....

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

**A. Naqvi:** It's the rural communities that had to pay a very big price. There are the demographics; there's the physicality. They're saying: "We can't provide a full-fledged hospital in a 10,000-population zone because we're giving the same service to a 100,000-population zone." Those are very easy statistics, but it causes horrendous hardships to people.

**B. Lekstrom (Chair):** So then, no. That helps, because it's the allocation of the funding that really is the question — not: is the pot big enough? At this point it's where that pot's being put.

[1110]

**A. Naqvi:** That's absolutely correct — the allocation of the funding. It was all based on statistics, just like when Ottawa decided to have this northern allowance. My neighbour across the street happened to be outside Nelson, so he was getting a northern allowance on his tax return, and he was living across the bridge. We were laughing about it. He said: "Well, I don't get any services." I said: "Right, you so-and-so."

**B. Lekstrom (Chair):** Certainly where I come from, this doesn't seem too far north. Amed, I do want to thank you. As with all the presenters, 15 minutes is a tight time frame. The discussion has been very good, so thank you very much.

Our next presentation this morning is from the British Columbia Arts Council, and Aspen Switzer is with us.

Good morning, Aspen. Could you just state who's joining you? I didn't have your name. I apologize.

**A. Girvan:** My name is Allison Girvan, and I'm here to support Aspen and the presentation.

**A. Switzer:** Thank you for coming to Nelson, one of the most creative small communities in Canada. We really appreciate your efforts to reach out to people in smaller and rural communities. So thank you for being here.

My name is Aspen Switzer, and this is Allison Girvan. We are here to tell you about the importance of

the B.C. Arts Council to the youth in our community. Before we do that, I would like to ask those people in the audience who have come to support this presentation to please stand up.

**B. Lekstrom (Chair):** Aspen, before you go on, I have to tell you that you bring out one of the greatest support groups at all of our meetings. The Arts Council has done a marvellous job.

**A. Switzer:** Well, thank you very much for coming and for still being here on a workday. I will tell you a bit about myself. I grew up in Nelson. I have had a very artistic education from the very beginning. I went to the Nelson Waldorf School until grade 8, where many different art forms were a central part of my elementary education. I sang with Allison Girvan in her youth choir for many years. As a teenager I had the privilege of being part of the summer theatre program at the Capitol Theatre.

I am sure, especially in hindsight, that I am privileged to have received this full education that encouraged and supported the development of the many facets of who I was in my early years. It continues to serve me well, both as an artist and as a functional adult in my further education and in the world.

This past April, I graduated from the Selkirk College professional music program here in Nelson. I majored in performance and directed studies. I am a singer-songwriter, voice teacher and independent record producer at the very beginning of my career. That makes me a business person. Most artists have to be entrepreneurs. My learning right now, on top of always developing as an artist, is to be a good business person. I learned this summer, through booking and promoting my first tour and selling my first CD, that it is an overtime job all on its own — never mind rehearsing the band and eating and sleeping.

Education is critical to B.C.'s future prosperity and to the full engagement of our young. In the 21st century we will be called upon to be both informed and creative problem-solvers. The studies and statistics demonstrate conclusively the connection between arts exposure and academic performance. Yet over the past ten years access to arts education has decreased in schools, creating an increased need for that education to be provided by the artist, both in the schools and in the community.

A 2004 report entitled *The Arts in Ontario's Public Schools* shows that only 20 percent of schools in smaller centres have art teachers, in comparison to 63 percent of schools in Toronto. The smaller the school, the less likely it is to have a teacher with specialized art training.

British Columbia has a similar situation. For those in smaller communities and for those whose parents can't afford art lessons, school might be the only exposure they have to art. This means that artist residencies, performances and other services that professional artists provide within the school system are critical.

[1115]

In 2005 the B.C. Arts Council, through the Artists in Education program, provided funds to 61 school dis-



tricts for performances, workshops and residencies of arts events to young audiences. The Kootenay Lake board received \$10,800 with 20 elementary schools and one middle school spread throughout the district. That works out to less than \$500 per school per year. Significantly increasing investment in the B.C. Arts Council would allow artists and education programs to dramatically increase the access youth have to the arts in communities like Nelson.

This program also helps to teach the teachers. Many schools do not have teachers with fine arts training, and those that do are often working in isolation. Bringing professional artists into the schools to work with the students also provides teachers with inspiration and professional development.

There are those of us who do come through the school system and wish to become practising artists. Increased investment in B.C. Arts Council can help us in this phase of our development as well. Support for emerging artists in smaller communities is especially critical, because it helps us to create opportunities at home without having to go to Vancouver or Toronto to practise our art. This increases our chances of receiving funding from our other sources and engages local businesses through increased sponsorship and opportunities.

I have been fortunate enough to receive funding and other very important forms of support in my pursuit for an artistic post-secondary education and a career as a singer-songwriter. I received a four-year scholarship from Columbia Basin Trust that helped to support the costs of going to school. I also have parents who let me live with them. I still, like most people, have debt but not what it would have been without the support. Let's be honest: there are absolutely no financial guarantees for a graduate of a music program.

I received some funding from the Columbia-Kootenay Cultural Alliance to produce my first CD this past year and then another grant from them that helped support a tour I did this summer of the Columbia basin. Both of these projects were huge and took a lot of support.

I live in a very generous community of artists who gave me their time and talents. I have a family friend who is an amazing Web designer, who designed a beautiful website for me. Another family friend mastered my CD, a very expensive part of making a CD. I had teachers who took extra time to help me with the huge process of producing my own CD from start to finish. I have a dad who made it almost his full-time job to help book and promote the tour with me, not to mention the musicians who played on the CD and on the tour.

This list goes on and on. Most of these people I wasn't able to pay. Some of them I paid what I could, which was far less than their expertise and time were worth. So Nelson does have a rich artistic community, but it is tough for many of us to do what we need to do for our art, and the promotion of our art, and still eat.

I know that art is important. It is not just important to a professional artist; it is important to the health and vitality of a community. Keeping artists in our smaller communities is essential to creating sustainable com-

munities. Our art-making and community activities and our work as teachers attract and retain employees for private industry by ensuring that small communities are stimulating and creative places to live for workers and their families.

Another underutilized resource in small communities is the local museum. Education and learning are at the heart of gallery and museum work. Every small centre in B.C. has a museum of some sort. In fact, there are 423 museums in B.C., but only 43 are funded by the B.C. Arts Council due to lack of investment in the council.

Increased investment in B.C. museums will create learning centres and generate revenue for the local economy by stimulating tourist visits. According to research done by international and provincial tourism organizations, cultural tourists spend more per day, stay longer at a destination and use more commercial accommodation. In addition, 51 percent of visitors to B.C. claim an interest in culturally based travel.

Stephanie Fischer was here before, and she was going to talk about the museum a little bit, but she actually had to go to a meeting.

Interjection.

**A. Switzer:** Oh, she's still here. She's going to just speak briefly about the museum.

**B. Lekstrom (Chair):** Good morning, Stephanie.

**S. Fischer:** We are doing an amazing project right now in Nelson. We received a building from the city of Nelson right downtown with \$1 million to convert it into an art gallery, museum and archives. This is a huge step for a small community to actually put that kind of money towards a cultural project. Because we had the \$1 million, we could actually match that funding.

[1120]

When we started the project we did an economic impact study on the arts in Nelson and the region, and the study showed that the direct impact of the arts in Nelson and the region is \$7 million, and the indirect impact is \$50 million.

We hired Commonwealth Cultural Consulting from Vancouver to do that study, to really have a hands-off study. They interviewed, I think, over 500 artists and looked at the income, and that was their finding. This study was really our basis for going to the city and working with the municipal government in showing them that arts and culture really are worth investing in. We know from federal studies that every dollar invested in the arts triples by the time it goes through the system.

We received funding from Western Economic Diversification, which is a federal-provincial funding program. That funding was really based on recognizing that arts and culture are part of diversifying the economy in small communities, so that was fantastic.

What else can I say? We are moving ahead. We have our grand opening on October 14. In the end, we have a project that is now \$2.8 million. We work very closely with the Canadian Conservation Institute, and

we hope that this will be an example for other small communities to invest in the arts and culture.

**B.C. Arts Council funding.** We all know the B.C. Arts Council gives operational funding to museums, art galleries and archives. They are really one of the only funding agencies in the province that can support the operations of an operation we have, a cultural institution. So we in the arts community think it would be really important to support the B.C. Arts Council and increase their funding to be able to do that and to be able to support regional, small-town museums to do their programming, not only to provide funding that's always attached to a specific project but to really say: "Okay, here's funding that goes to your operations. We can provide that to you so that you can provide education and programming to your community."

**A. Switzer:** This is a good-news story for Nelson, and we wish good news like ours for other small communities throughout B.C.

I know that you've been hearing this important message from many people throughout your consultation. We are united under the name Arts Future B.C., and we represent thousands of people and hundreds of communities across the province that are making this request. To ensure an adequate investment and sustainable communities throughout British Columbia, we request all-party support for a significantly increased investment in arts and culture through the British Columbia Arts Council in the 2007-2009 budgets.

Finally, I would like to add that making this investment in the B.C. Arts Council would generate revenue far beyond the investment you make. Tax revenue will be generated from enhanced economic activity. If there was more access to arts experiences and goods, there would be more paying customers and increased tourism. Through stimulating jobs and increasing wages in the arts and culture sector, the province will receive additional revenues through income tax and from new residents who will be attracted to B.C. communities because of the availability of arts experience for their families.

According to employment statistics provided by Service Canada, from April 2005 to May 2006 employment in the information and culture sector in B.C. increased by 22 percent, almost ten times the provincial average of 3 percent. The government has seen the wisdom in investing marketing dollars by sustainably increasing revenues to Tourism B.C.

[1125]

It is now time to invest in the artists that create the quality cultural attractions tourists want to experience. As well as direct benefit from increased tax revenues, investment in the B.C. Arts Council will create cost savings in social programs due to the positive impact of arts and culture programs increasing self-esteem and confidence in young people and enhancing the health of our senior citizens. This is where Allison comes in to talk a bit about that.

**A. Girvan:** I'll be brief, as I'm aware of the time issues right now.

I am a director of choirs. I am a professional singer as well. In the last few years I've had the privilege to direct children as young as five and senior citizens as old as 80, and everywhere in between.

In my experience, having seen interactions between these people because it's a choral environment, where it's a cooperative environment.... In this case arts is doing so much more than just providing a little side benefit to whatever other impact things like financial things have in our lives. I've seen community-building in action. I've seen things at a high-school level where you have very tangible groups — the jocks, the geeks, the academics — and I've seen these groups of people come together in a profound way. I've seen people embracing somebody who you know in another environment would not be the cool guy, and he is in this environment.

I think also, speaking a bit less tangibly — certainly not financially at all — that the feeling of arts being central to our survival as a species and the feeling of reaching across cultures and being able to share art as a common bond with every culture on the planet.... Last year my youth choir invited a choir from Namibia to participate in a performance with them, and the bridging of cultures was astonishing. In a mere 15 minutes they were actually physically touching and sharing music. So I would argue this is a very important investment for many reasons, all of which Aspen has stated — financially and those intangible aspects as well.

**A. Switzer:** Thank you, Allison.

In your report to the Minister of Finance, please ensure that substantially increased funding through the B.C. Arts Council is a central and key message, because increasing access to arts and cultural programs for youth and emerging artists in smaller centres will reap important economic and social returns to communities like Nelson and to the taxpayers of B.C.

Thank you so much, again, for being here and inviting us to come speak.

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

We have some members wishing to ask questions.

**I. Black:** I suspect we're almost out of time, so I'll be as quick as I can.

One of the four communities that I have the privilege of representing is Port Moody, which calls itself the city of the arts, and by background I'm a musician, a trained performer myself, so a lot of what you said touches.... Good points to keep in my mind.

Let me ask you this, though. We heard the presentation from the Arts Council. I'm sensitive, as well, especially from the last presenter, with respect to the needs of rural British Columbia.

Notwithstanding the clear benefits that the Arts Council is bringing to the table here in terms of being a funding vehicle, are there other alternative vehicles that government should be looking at in terms of delivering and supporting the arts community in rural British Columbia, as opposed to the larger urban cen-

tres — whether that's tax relief or heritage funding, etc.? Do you know what I mean? Is the Arts Council the only method or the only vehicle? Are there other alternatives that we should also be contemplating if we try to be creative about this?

**A. Switzer:** What I know of is the B.C. Arts Council and then, on the federal level, the Canada Council. This is what I know of.

I think anyone who's making grants available to artists in all phases of their careers.... The Canada Council for the Arts, of course, is federal, and I haven't actually applied for any of their funding, but that's what I'm spending my fall doing. I hear that it's a bit difficult to break into, which is okay. But what's nice about the Arts Council is that I myself have been fortunate to receive money, with zero experience but just an obvious love and drive to make this thing work for myself and groups that I've been working with.

[1130]

It's been small, because that's been what they can afford, and I'm 24 years old and would rather not live with my parents for the rest of my life. Not that I'm complaining; I know that my situation is very lucky. I guess what I'm trying to say is that I don't really know, but I think the Arts Council is good for an emerging artist and probably for established artists as well.

**B. Simpson:** My riding has Wells and Barkerville in it. Of course, Wells lives and dies these days on the arts and the mountain school of the arts. We've seen quite a bit of activity recently. It was busy as all get-out this summer, with one event after another. It's the only economic activity that that community really has. Then, of course, down the road is Barkerville, which is a living museum and a major attraction.

My question is along the lines of Iain's question. I've asked this a couple of times and, maybe through you, back to your organization, I guess. It would be very helpful, I think, if we understood what "significant" was. Asking for a significant increase — what is that? I don't know if you can answer that, but if not, I know there's an intent to have other presenters. If you can pass it down the chain — to come back and actually tell us what "significant" is. Do you know what it is?

**A. Switzer:** Yeah. I don't know, but I've been told to tell you that a proposal is being prepared and is going to be sent soon.

**B. Simpson:** Okay. Terrific. Good.

Then Iain's comment about rural.... I've raised this as well. It's not just the rural. There's that sense of the social dimension for mental health — self-esteem and so on — and whether or not that also should be a targeted apportionment so that it actually gets to what the intent was. That would be helpful too.

I'll go to my other question. That's my pitch for more information. The other question, which I think it would be very good also to understand, is the implications of what has been presented here already in terms

of undermining some of the rural infrastructure, some of the rural services, on the ability of those rural communities to sustain an arts community.

I have an example I'm working on just now, where we have two phenomenal painters who live in a little community called Big Lake. They're now approaching their 80s. The woman just broke her hip, so she can't continue to live in Big Lake. She now has to move into another centre, with all the implications of that detracting from her as an artist. That correlation between some of the other things that have to happen in those communities in order to sustain an arts culture would be interesting as well, because arts doesn't stand on its own.

I guess I'm asking for more information, and I'm happy to hear there's a proposal coming forward. I think it would be helpful for us to look at the numbers.

**A. Switzer:** Yeah, for sure. I know that for me, I'm seeking out larger centres. The reality is that right now it's helpful for me to be here because my family's here, and I'm getting support. But in terms of being an artist living here, there's some space for being a teacher of art, which I totally value and want to be as well, in terms of being a young person who's interested in pursuing performance art.

Nelson is.... There are so many people here who are talented and stimulated by the arts and wanting to be performing artists, but there are not a lot of people willing to pay for the amazing talent that we have here. The reality is that people either have to leave or get a job, which means that their art is just going to be significantly.... If we don't put effort into our art and don't make it a huge priority....

I was totally blown away by how much time it took for both me and my father to make just one very small tour fly. I mean, it was my first one. It was great, but it was also very sobering.

**B. Ralston:** I appreciate that your main interest is to pitch on behalf of Nelson, but I also understand from having visited the area over the years that there are other locations in the region that are rich in history — Sandon or Kaslo. So would the same arguments go in terms of a regional strategy based on the arts and culture for this area?

**A. Switzer:** I think we would all nod our heads to that one.

[1135]

**S. Fischer:** Absolutely, yes. Actually, we started that push with the new museum and art gallery to really look at the region and to try and get projects together that bring regional museums and regional art galleries together to strengthen the support that we can get from the provincial government and the federal government as a whole region, not only as those little spots that sit in rural British Columbia.

**J. Horgan:** I'd like to say that my son is the front guy in a rock band, and he's just out of high school, and he's a paid musician. He got some money over the weekend, so he's pretty happy about that.

I also want to tell the crowd that when the committee was in Vancouver, there was a significant contingent supporting the arts, but it's not as lively or as large as the group that's here today. So hats off to Nelson.

Stephanie, I'd like to focus, if I could, on museums. In my constituency, which encompasses Sooke and the Cowichan Valley and smaller areas, it's dotted with museums, and there's a crisis in each community with respect to funding. If there was a significant lift in funding for the B.C. Arts Council, what portion of that could we anticipate would be diverted or directed towards museums? Have you done any of that math yet, or is it just an open-ended question?

**S. Fischer:** We haven't really done any of that math at this point. It's really difficult because museums have totally different needs than art galleries and artists have. We had a discussion with Iain a few months back, with other regional art galleries. When we had discussions around that, we were talking about that there maybe should be a separate funding pot for museums because their needs are so different.

There are the collections that have to be taken care of. There is storage that is used. There is restoration of artifacts. The issues are really different from arts and Arts Council issues. There should really be a study around that to look into whether the Arts Council should carry both museums, art galleries and artists or whether there should be a separation of those.

**R. Lee:** You outlined the Artists in Education program. That was a new program last year. You outlined that this is a very good success. That's great.

**A. Switzer:** Sorry, can you say that again?

**R. Lee:** The new program for Artists in Education. That's artists going around to school districts — that program.

My question is.... There is also some suggestion on extra curriculum in music programs — as programs outside the school system — and some of the proposals say, I think, that probably we should provide tax credit for parents so that when they pay the fee, they have some help in the system. What do you think about that kind of suggestion?

**A. Girvan:** Maybe I could speak to that. I have all my programs as extracurricular. They're community-based. I make sure that people know that if it is unaffordable, we will do something about it.

I think that would be a wonderful idea just based on my experience in the last few years. Because the experiences in schools are getting fewer and fewer, people are coming to community-based arts organizations such as mine and asking if there's any way that the tuition can be defrayed. I would think that that seems like a very logical thing to do.

**B. Lekstrom (Chair):** Well, Aspen, Allison and Stephanie, I want to thank you very much for your

presentation to our committee here today. I want to thank the supporters that you brought. It certainly is encouraging when you show that kind of support to a committee of the Legislature.

Just prior to calling our next presenter.... Jenny?

**J. Kwan:** Thanks, Mr. Chair. You asked the question earlier with the previous presenter around child care funding. I just want to be clear on the record. The funding to child care actually, even with last year's budget — and there was a slight lift to last year's budget towards child care — doesn't bring child care support back to 2001 levels. If my memory serves me correctly, we're still about \$40 million behind in terms of child funding in the province. I just want to be very clear about that.

[1140]

With the national program, the idea was to have federal moneys but, as well, for the province to lift further into the child care arena, so in terms of provincial funding, we're operating now in 2006 with less funding than there was available in 2001.

**B. Lekstrom (Chair):** Thank you, Jenny, for that, and for getting it on the record. I guess my question was based on when the national program was suspended by the existing federal government. I thought you indicated that the provincial had cut theirs, while at this time, actually, the commitment is to maintain what's there under the existing program.

**J. Kwan:** Under the existing program, but the idea for a national program was actually to put a substantial lift for a national program, so therefore, there would be additional federal moneys. But the idea was that there would also be additional provincial moneys, all of which was lost.

**B. Lekstrom (Chair):** Okay. Well, I guess that's debatable. Where it comes from or where it goes, I guess, is the question on that. But thank you for that.

Our next presentation this morning — and, certainly, following that discussion — comes from the Kootenay Kids Society, and joining us is Deb Jarvis.

Good morning, and welcome, Deb.

**D. Jarvis:** Good morning. My name's Deb Jarvis, and I'm actually new to the Kootenays. I've only been here for seven months. I've come from Abbotsford, and I've been working in the child care and early childhood field for 25 years. It's a real pleasure, and I really appreciate this opportunity to talk about the important issues of investing in our children.

Moving to the Kootenays was shocking to me as an early childhood educator, and I wish to share some of the things that I have discovered in my very short time here that I think are really important issues in the next budget.

I have come as an advocate for early childhood development and to share my thoughts in regards to the health and well-being of our youngest citizens. We don't pay enough attention to this. It is a huge issue.

They cannot speak for themselves; therefore they need people like us, as caring citizens, to do it for them.

We have come to the place with enormous understanding of the importance of the early years. I knew 25 years ago that this was important. I couldn't prove it. Now we can prove it. We have spent millions of dollars both provincially and federally. We now know this, and yet still it is not on everyone's agenda. It should be spoken every day. Everybody should understand how child care works, and they don't.

We have programs such as HELP, the human early learning partnership, at UBC. We have entities such as programs for prevention of FAS and FAE that cost us millions of dollars as a society if we don't put the money where it is most effective. We have just taken initiatives to expand our child care resource and referral programs around the province, which were almost decimated four years ago.

We have had this huge back-and-forth: we care about children; we don't care about children; we care about children; we don't care about children. It has been a dog's breakfast and a nightmare for parents, for politicians and for all of us people that really care and work in this field.

With the federal dollars earmarked for early childhood and child care being halted after this fiscal year, I have some huge concerns about how we are going to sustain some of these really vital programs. As Jenny has just pointed out, the amount of money taken away from child care is horrific. If we took this money away from seniors, there would be a revolt. Young children can't speak for themselves. It's up to us, as responsible citizens, to speak for them.

I would like to ask how this government is proposing to sustain or address some very key issues. One is the idea of even training early childhood educators. We can put an ad in the paper every week. I have not one response from a person in this particular region who is qualified who's not already working. There is no one.

Our training program was decimated here four years ago. We have a two-year program, not a one-year program. It's part-time. It's hit-or-miss all over the place. Some students go to school 12 hours a day to get their early childhood. They start at eight in the morning; they go till ten at night. For Selkirk College to actually find other people to teach early childhood, we went from a faculty of four full-time staff to one. Appalling.

There are six students taking early childhood education, as we speak, at Selkirk College. Those people already have jobs before they even finish. It's a huge crisis.

I have moved here as an.... I'd been teaching early childhood education at Kwantlen College, Capilano College and Langley College for 20 years. I'm totally shocked at what I see up here in the Kootenays.

[1145]

I'm teaching a post-basic course for people to work with infants and toddlers. I have six students. That's a regional program. They come from Trail, Castlegar, Salmo, Kaslo and Nelson. All six students who are taking what's called the IT course already work in infant and toddler care. They are not new staff to this com-

munity. They are already existing staff that we are trying to upgrade. They only offer IT classes every second year. It's a huge crisis.

I want to say that sustaining the level of funding to operate child care programs — it's called the child care operating funding program that was lifted this year — is helping a little bit. Kootenay Kids, where I'm the executive director, operates two programs. We had five huge, viable programs five years ago. We had to sell property. We had to lay off 25 staff. We could operate five more programs if I had staff and money to operate them. We operate two programs right now, and I have a wait-list of 40 for eight spaces in our IT program. It's appalling.

I had 115 parents utilizing 32 spaces as of July 1, when we changed some policies to run our program more efficiently. Our child care program is in deficit every single year. We pay our staff here an appalling \$12.50 an hour as early childhood educators. I use 90 percent of all of my funding in our child care budgets to actually.... I have to take money from other projects to pay my staff a measly \$12.50 an hour — totally appalling and not acceptable. They're looking after our youngest children, and they get treated disrespectfully.

I want to see us continue to support the child care subsidy program to help working parents access child care services. For the first time in my entire life course — and I'm shaking because this absolutely appalls me — someone offered \$500 to get a spot in our child care program, to be bumped up on our wait-list. People with access have money. That is the first time I've ever had that happen, and it actually makes me cry to assume that the only way you can access our programs here in Nelson.... We are the only licensed IT program. People with money have access. The working poor, the students could never afford \$42 a day, which is what we have to have to even run our program, paying \$12.50 an hour to our staff. Horrendous.

The whole early childhood education and development funding is complex. It's messy; it's horrible. I was so optimistic, as an early childhood educator for the last 25 years, to have the federal government finally buy in, give us enough money to put together a provincial program. I had huge optimism. I am an optimistic, passionate person, if you didn't know that by now. I have been advocating for children for a long, long time. There was optimism. I was thinking we were going to get there in my lifetime, only to have it totally destroyed and taken away. It's not okay. It is not acceptable, and this provincial government has done nothing to lobby the federal government to continue. We should be screaming and kicking all the way. I hear very little of what we're doing.

ECD is challenging and complex. The average parent on the street has no idea how child care is even paid for and where their money goes and how much it costs to run a program. The average person, the average taxpayer.... My parents, who are fairly well-educated, middle-class citizens, were all thrilled that Stephen Harper is giving all these working parents with children under the age of six \$100, and what a

clever plan that was. As you can tell, my parents and I don't agree.

Shocking — totally shocking. It has not helped us sustain anything. It has not helped parents. In fact, many of the parents that access our program because they already make money don't actually even get the \$100, or if they do, it's taxable. So it is not a benefit. It does not help our child care programs. It is just a federal ploy to.... It is called the universal child care benefit program. I have no idea where they decided that notion came from because it's not being put toward child care.

The program at Selkirk College has been decimated. We need to find a way to not only recruit people who want to work in early childhood, but how do we retain them? We don't retain them by paying them \$12.50 an hour. My particular agency is BCGEU. I'm supposed to be paying my child care providers \$17.50 as the baseline to be on the grid that we bargained for, but the only way I can pay \$17.50 to our child care workers is by increasing our parent fees to about \$60 a day. That is the only way I can pay my staff what I've actually bargained to pay them.

[1150]

We are a non-provincially funded.... There is no contract from this government to pay the difference between what it actually costs to run our program to pay staff adequately and what we get. It blows my mind how this could be. How could we have all agreed to pay this when we can't even pay this? I am going into local bargaining on October 24 to say that I can't pay my staff that. If you ask me to pay what I bargained for, I'll have to close the program; thank you very much. Our agency cannot afford to pay the difference.

When the Munroe agreement was taken away four years ago, we had to pay severance to 25 staff. We sold a property to actually pay them — to do that. We lost 25 ECE people — who are now working, by the way, in all other sectors, making more money being a barista at this lovely coffee shop, Oso Negro, than they do working with children.

Out of the 25 staff that severed four years ago — as we're trying to build more programs — two are willing to come back, but only if I pay them more dollars than what I'm offering right now. So as an agency, I am totally looking for ways to be creative in helping to give my staff what they so rightly deserve. It's appalling.

Accessibility and quality are really important, and sustainability of staff. If we can't keep the staff that we have.... The most important factor in quality of child care is the ability and consistency of staff. I can't do that. I have staff right now who only work when we have enough kids on the floor. I can't even offer them a full-time job because I don't actually know if I can afford to pay them.

Child care happens by the day, by the month, by the week. So I can't even say to you: "I think I'll hire you, but I'm only going to hire you when we have enough kids to pay your wage. So could you just kind of hang around and wait, because maybe I'll need you Monday but maybe not Thursday, and can we just do this week by week, for 12 to 15 hours?" What a deal.

I have some recommendations. First of all, there has to be a provincial plan somewhere to talk about all these issues. It's not going to go away. It's going to get worse. We in the child care field are more than happy to sit down with people to chat, but we have to also be listened to and respected for what we know and what we see in the field every day.

I have worked in the lower mainland for the last 24 years, and now I am here in the Kootenays. Let me tell you; there is work to be done.

We need to strategically place dollars and restore funding into the training programs that were decimated four years ago. Selkirk College lost out big-time. I lost a faculty job at Kwantlen University College. Cap College was strapped. Every college where I worked was in huge jeopardy of losing fabulous instructors because they, too, couldn't decide whether the EC courses were going to continue or not continue.

We need to continue with and increase the child care operating funding program that the provincial government has put in place. We just got a letter the other day from Linda Reid, saying that up until the end of this fiscal year things are going to stay status quo, but we are not sure what the future brings. How good is that for an agency that provides services? We gave this letter to parents, saying: "Well, you know, right now you get this, but we're not sure what next year brings." That is not acceptable.

Children can't speak for themselves. We need to educate parents and the government. This is not okay.

Instead of starting new ECD initiatives, we need to.... This is one of my big pet peeves. We go on to flavours of the month. I don't know if you all know this, but we just spent \$12 million on Roots of Empathy, which is a wonderful program. But that \$12 million really should have been put into child care. We need to actually invest in what we've got, what we know works — high quality — because that's what brings us economic stability at the other end.

If we invest in our children in a good way, we all reap benefits at the other end — not to do these flavours of the month, all these wonderful projects that have been started with this ECD money that was earmarked for child care.

We need to continue to expand our child care resource and referral programs. I don't know if you're all aware, but we just put millions of dollars into making these programs all storefronts. I went from paying rent that was sustainable for my agency to having to move them to a storefront, because this is what this government pushed me to do. Now I have made a lease for five years that I'm not sure I can even pay.

[1155]

It's totally shocking that next April 1, I don't even know if I'm going to have money to pay that rent, and we have just invested huge amounts of dollars to renovate it, to make it so that we could run our program "storefront," because that's the way it's going, with no guarantee that I'll be able to operate there next year. So I might have to bring all of them back into my other agency at the end, spend more money on renovating

one more time, because we're going back and forth, back and forth — not a good way to do business.

Provide funds that also recognize and respect the value of family drop-in programs. We now know there used to be a spectrum of programs for families, not just licensed, quality group care where 25 kids go. Good family day cares. Good, licence-not-required care. Family drop-ins for people — parents, mothers, fathers, grandparents.

As this government you put a tiny, tiny little bit into family drop-in programs. Our drop-in program in Nelson alone sees thousands and thousands of kids and families every year. We have parents coming and saying that if they didn't have this service.... We spend so much money on tertiary care after these problems. It is a huge piece that we need to invest in.

Our family — what I call family support programs — is funded by the federal government. I get nothing from the provincial government to provide parenting programs and things that I think make a difference.

We need to continue lobbying the government to not lose sight that investing in Canada's children is not only the right thing to do; it is the economic, long-term, good thing to do. If we pay attention to the needs of our children today and we make that huge investment that we need to do right now, we will develop into a humane and social society.

Thank you for your time, and I appreciate you listening to me rant on and rave. Thanks for the opportunity. Any more questions? I'm really happy to share.

**B. Lekstrom (Chair):** I think there will be. Deb, thank you for your presentation. You're obviously very passionate about the work you do.

**I. Black:** Wow. Deb, that was phenomenal. Your passion in this area is clear. Your sincerity and drive are evident in spades. I have a quick comment and then a question for you.

The comment is this. I am aware of some of the activity of the provincial government. At the federal level, I can't articulate it very well, but I know someone who can. I'll have them follow up with you to let you know what's happened there. I just want to let you know that.

I wanted to ask you about the parental drop-in centres. This is just more a point of educating me a little bit. The area of early childhood development and child care covers a lot of ground. You've touched on, I know, just a surface area here.

Can you touch on, for me, the drop-in centre concept, because that intrigues me a little bit? Where does that fit within the spectrum, and what happens there that doesn't happen in these other centres? Is it a different audience that is being...? Is a different set of clients, if you will, or citizens benefiting from that? Can you just expand on that a little bit and put that in a context of the broader backdrop of funding for me?

**D. Jarvis:** In one minute or less. That could be a whole three-hour discussion.

**I. Black:** You're the only person I've met who talks faster than I do, by the way. I'm impressed.

[D. Hayer in the chair.]

**D. Jarvis:** I'm trying to get it all in.

Family drop-ins have been.... Right now there's a federal program called the Community Action Plan for Children, which is the family drop-in program. They provide support for us. The provincial government has some family.... There is the B.C. Family Child Care Association in Vancouver that provides us a small amount of funding — nothing here in Nelson.

My experience is that family drop-ins are the place that start.... When the parents are staying home in their first year with their child, it's a place for them to get connected to other parents. It's a place for them to get some parenting support. It's a place for them to chat with each other.

It's \$10,000 to run a really good family drop-in for a year — a small amount of money. Since I've been here, I've managed to find \$20,000, and the school district is very keen to now give us room in their schools, because they realize that connecting family drop-in programs brings people, students, to their.... It's the hub approach, which is the big catchword of ECD at the moment.

What I really would like is that this provincial government recognize and find more ways to fund them more adequately. Once again, I have a 20-hours-a-week person that provides about ten drop-ins all over the community a week, and we see thousands of kids. On a weekly basis there are about 150 drop-ins that we provide a two-and-a-half-hour kind of playgroup, with Parent-Child Mother Goose, which is a literacy program.

I kind of weave whatever money I can find. You have to be creative in the Kootenays, and the collaboration here is second to none, by the way. The other parts of the province.... Probably the north is good as well, but the coast and the valley could really learn from the Kootenays on how to actually collaborate and work with small amounts of money.

It's a way to bring all of those things together. It's free, or we ask for a donation of a loonie if they can afford it. If not, then we provide it as a free service. We usually have an early childhood educator as the facilitator, and we try to connect them up with the Literacy B.C. people or the school people or the health nurse or the speech and language.

We do an amazing job of providing similar services. It's not child care; it's early learning and care.

[1200]

**I. Black:** My follow-up question would be this. Again, you've touched on several different types of programs and several different needs and issues addressed in the community. Ultimately, we want a big bucket. But if the bucket is smaller than what you would ideally want, how would you prioritize those different programs? Is it a case of just proportionately less money for everybody? If you could put money in

one place out of the five or six I've articulated....? "This is the one." Could you give me a sense of that?

[B. Lekstrom in the chair.]

**D. Jarvis:** As the executive director of Kootenay Kids Society, absolutely, the child care programs are the ones that cause us the most deficits. They're the most expensive to run.

**I. Black:** So when you say deficits, you're talking financial deficit versus social?

**D. Jarvis:** Oh, big-time.

This is the first year we actually have come out with a non-deficit budget in all the years of Kootenay Kids providing child care — off the backs of parents, by the way, because we've had to raise fees to cover that difference.

**B. Simpson:** I'm going to ask a question because I want an explicit statement from you on the record.

As you heard earlier today, there's sort of a bonus of another \$600 million of surplus. The surplus will be doubled based on current projection. Am I understanding you correctly that you believe some of that should be apportioned to deal with the issues you're suggesting? As well as the other point that you made of long-term, sustainable funding, are you suggesting that some of that money be directed into the kinds of programs you're speaking about?

**D. Jarvis:** Oh, absolutely, and large amounts of it, which was already taken away. We need to bring it back up to the level it was at, and then we need to add more.

There's a child care crisis in B.C. I'm sure you've heard that. It's absolutely imperative that we spend money, or we will.... I'm not sure what's going to happen if we don't. I truly don't. I am the optimist, and for the very first time I am actually really.... I am truly concerned about the long-term viability of our child care centres.

I don't know if you know that there's one right now in Kaslo which is the only licensed child care centre that provides services for supported child care, as well, for children with special needs. It's going to close momentarily if we don't find a way to better give operating funds to make sure that those children get the services they need.

They're in a crisis, and it's going to go to the media. Very soon you will hear about it. We are trying to negotiate with our local....

We need more money to do the job that we do. It needs to be back to where it was and then more. And I think it needs to be strategic, Bob. It can't just be thrown into all these other initiatives. We need to think about what really is working. Where do we really need to invest to get a strong child care program? And then all the other pieces work off the side.

Our family day cares feed into our group day cares. Our family drop-ins feed into our child care resource.... That's what we get our people to do — child care at home. It's through our drop-ins, so that the per-

son down the street that lives between here and the valley or Winlaw.... These people can't drive 30 miles to drop a child off.

Licence-not-required family day cares work in rural communities. We need to have an infrastructure that supports that.

**B. Lekstrom (Chair):** We do have two more presenters yet and two more questions, if we could.

**B. Simpson:** The second quick question on support services — speech pathologists, FASD intervention, autism intervention and things like that. How are you finding that capacity, let alone the funding, to attract those professionals into rural communities?

**D. Jarvis:** Appalling.

When I came here, we had an occupational therapist position. We only offer them a 0.5 position. We can't offer them any money to actually relocate here. We have them travelling geographically from Nakusp.

We provide regional PT/OT through my agency. Trying to find someone to come here.... We found that somebody right out of college with no experience was the only person we could draw here, and it was because of the skiing, not because of the money.

**B. Simpson:** Again, I don't want to put words in your mouth, but just to be explicit: sustainable funding and a plan.

**D. Jarvis:** You bet.

**B. Simpson:** And you think that you can attract.... It's not the community that's undermining that. It's the fact that you can't offer that sustainably in the long term.

**D. Jarvis:** We can't.

**J. Kwan:** Do you know of or do you have information on an inventory of the child care services across the province? You mention, for example, that here in Nelson you don't have a parenting program. I suspect that Nelson is not the only community. There are many other communities as well.

Do you know if you have that information or who we can go to, to access that information on a good inventory of what is available in which communities? Then we can get a fuller sense of where the gaps are.

[1205]

**D. Jarvis:** I think there are two places we can look. I'm pretty sure that Marianne Drew-Pennington at the B.C. Association of Family Resource Programs and the B.C. Council for Families' Carol Matusicky are really good point people to ask those questions to. That would be my first choice of where to go for that information.

I was totally shocked that.... I know that in Abbotsford we were given bigger sums of money to do our family drop-ins beyond the federal dollars. When I



came to Nelson, there was nothing beyond the federal dollars.

That's a big issue for me, as well, for collective bargaining. Half of my agency is non-provincially funded programs. Yet I am told that I need to pay them what we've bargained for. I have no means to pay them the difference between what we bargained for over the next four years and what I'm actually getting to run my programs. It's a huge issue up here in the Kootenays.

**J. Kwan:** Mr. Chair, I wonder if we can follow up on that, if we can have the committee ask for this information, to see if we can access it for the consideration of members of this committee.

I know it's very challenging as we travel the province. Sometimes it's hit-or-miss in terms of who comes to present. But I think it's really valid for us to have a fuller understanding of what that overall picture looks like across the province — and, therefore, where the gaps are — and to take that into consideration as we make our report to the Minister of Finance.

**B. Lekstrom (Chair):** I will ensure that our research staff gathers that information.

**D. Jarvis:** I'm actually planning to put kind of a small paper in that I haven't brought with me today. In that, I will definitely make note of that so it's on the record, both verbally as well as written.

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

**J. Horgan:** My question is about your comments about storefront. I don't understand that. I've been doing other things, I guess, but I don't know what you were talking about. I was wondering if you could expand on that for my edification.

**D. Jarvis:** Don't get me going.

I will be concise. Child care resource and referral programs have been around for 25 years. I actually had the privilege of running the first one in the province in Abbotsford, which has been going for 25 years. We were in the same location as other non-profit societies — Abbotsford Community Services. Child care resource and referral was housed in our core kind of building.

For all of you that don't know, they provide services to train people to do family day care. We provide toys and a lending library — books for parents and for people that want to do child care. We also provide first aid and all sorts of things for the people that want to do child care at home. We're also an agency where parents can come looking for child care.

It's absolutely a wonderful program and a support system, but up until recently they've been housed within core kind of agencies. Our child care resource and referral was part of our big Family Place, which to me was an ideal location because it's where families come. It totally made sense to build it within my core operations.

We were given a mandate a year ago to make them more visible. There was a huge marketing campaign of \$182,000.58 that was given to my agency to do provincial marketing and a new campaign to lobby around the province to make this whole idea more visible.

For some reason, it became somebody's idea — they didn't ask us — that they needed to be more visible by putting them in storefronts. In North Vancouver it's in a mall. In Abbotsford we're now on the main drag on South Fraser Way. In Surrey it was moved to King George Highway.

Now we have storefronts where we sell supplies and stuff to care providers. They're supposed to have traffic and people off the streets that just decide: I think I'll go and find out about child care today because I'm walking by.

Go figure. I mean, parents come to hubs and ECD places. To me, we've spent enormous amounts of money. I can tell you that my agency alone has spent close to \$40,000 to make this building viable to put us there, and my rent has tripled. The government, up until the end of March, is willing to pay that.

**B. Lekstrom (Chair):** As with most presenters, more time would always be nice, but we're certainly moving along. Deb, I want to thank you for coming and presenting to our committee.

Our next presenter — I guess this afternoon, now — is Sheila Haegedorn. Good afternoon, and welcome.

[1210]

**S. Haegedorn:** Thank you. I want to say that I'm from the town of Kaslo, which Deb has just referred to. I'm glad she addressed one and only one topic that is of huge concern to the community.

I don't know if it is good or bad when Kate recognizes me. It must be from my years in Victoria.

Thanks to Amed Naqvi, who did a very balanced presentation. I think he characterizes the concern about health care in this region. He was a prof of mine in accounting years ago. I know our politics are different, but he speaks....

I'm going to start on health care. I left the Kaslo health care centre this morning, where my mother is a resident. I'm in there, basically, volunteering hours and hours, because there is insufficient staffing. I don't know where you've been so far in the Interior Health Authority, if you have. I'm not saying that just throwing more money is the answer. But I do think, personally — and I've watched the Kaslo health centre for five years now.... I can't believe that health care for our elders is sustainable, with what I'm seeing.

I'm going to give one illustration. Experienced nurses are saying they can no longer work in the capacity that they are. They're giving up their full-time positions. They will agree to being casual. More and more nurses are driving from Nelson to Kaslo, working 12-hour shifts, an hour each way driving. This is summer. I don't know what it's going to be like in the winter. The caring people who are there — the way we're treating them as employees is upsetting to me.

When I hear that nurses additionally, then, by making this decision that they will still be of service to the community.... But they can't work the shifts that they're asked to, partly because of the insufficient support staffing. So it means for them — that's a separate issue, I realize — that they're letting go of their pension benefits and their benefits. I would never have thought that in Canada and in B.C. this would be happening.

I hear from the woman who is the chair of the Kaslo Area Health Advisory, who goes to meetings in this region and says that what she senses is that people just want to gloss over and smile at one another and not look at the concerns.

As recently as Friday, when we spoke about Kaslo specifically — and the area, but my familiarity is with Kaslo.... Is there a possibility that the province can, with some funds, give directives to Interior Health Authority for strategic allocations of funds? I know technology is the future, but in the meantime I don't think that's going to be sufficient. I think some strategic funding requests to Interior Health Authority would be a huge injection to the health care system, the people who live in elder care, the primary health centre that we're still working to develop in Kaslo and employee morale.

If you've been in the Kootenays over the weekend, you may have seen a Nelson paper that has an Ontario-based consulting company reporting, as a follow-up still to the Fanny Albo case in Trail, and talking about the control and command structure. That is management, I understand. What I'm saying is: be careful, if you're going to put more money, how Interior Health will spend the money.

Secondly, on health care. The supplementary services that were previously funded — naturopathy, chiropractic, massage therapy, podiatry and physio — are still, to my knowledge, of extremely limited access to residents in this province. I recognize that some of that may be because it's an arrangement with the federal government. In other provinces they don't fund.

I would hope that some analysis may have been done. I'm not saying, "Go and spend more money on studies," but I'm wondering if there is some general data your committee can access through the Medical Services Commission to see if, by putting money in preventative health care or lower health care cost initiatives, it might in the long run help to reduce some of the costs.

People who are in a certain income bracket qualify for ten and only ten services amongst those five modalities, and if they take a fall, they've got to think how they can spend their money. In Kaslo people are not able to afford to access these services, and I think that's probably characteristic within this province.

[1215]

Thirdly, within health care. It was already addressed — mental health services and addiction services. That's not something that I'm intimately knowledgeable about. I am concerned, though, when I hear from people who are in advocacy groups for mental health who are saying that some of it isn't money; some of it's the reorganization that has taken place. Parents, family members of people with mental health condi-

tions are finding it very difficult to actually be heard and to find ways that they can be of support to their loved ones. Again, that may be more a management or policy matter.

The fourth area is environment. If not out of the surplus, I would like to see in the next budget an increase in regulatory staffing components in this province. The more we move to a corporate, self-monitoring.... I'm not sure what the results will be for worker safety, for environmental impacts.

On that note, I'll just mention that in Kaslo there was a very well-attended meeting with a mining company that I think has good intent at the north end of the lake. People weren't as concerned about the lack of regulation as they were about what the mining corporation is going to do. Of course, the CEO would say: "Well, we're within the guidelines." So regulatory staffing components for land and water protection in this province is where I see some.... And certainly worker safety.

That was just spontaneous, by the way, as I drove in along the lake this morning. I could go on. I was on the phone to the Minister of Health's office just over a week ago about health care.

Education, so well addressed by the arts.... I concur with and appreciate the lady speaking for funding for the Arts Council. I would ask if there's a possibility for Selkirk College — and maybe the policy applies to all colleges — to have a look at the cost recovery model for continuing ed courses. We think that Nelson doesn't have services. Go an hour and an half up the lake and see what it's like there.

Selkirk College does very well with the adult basic education. However, for the continuing ed that serves a community and keeps a community vital.... Often courses that are offered are cancelled because there aren't enough people who can afford the fees, and it has to be run on a cost recovery basis. That can't be a huge sum of money, I don't think. To me, continuing education is important. It's another way of keeping people part of community, interested in life and developing their interest in learning.

I suppose the one part that's somewhat related to that in the arts.... Hearing the Arts Council presentation, I was thinking of Kaslo and the proliferation of non-profit groups we have there. What I see happening, undermining part of a fabric of community, is the competitiveness in applying for funding. People then become turf-protective, and there is a hesitation to work together in a very positive way overall because they're concerned that if their group gets funding, somebody else won't.

Therefore, I think some of the constants of funding that are not specific to grant after grant after grant application are essential. I'm not going to get into any more detail other than mentioning the one about Selkirk College and removing the cost recovery for continuing ed courses. I wanted to keep it brief.

**B. Lekstrom (Chair):** Well, Sheila, thank you very much. I'm sure there will be a couple of questions.

**I. Black:** Thank you for the presentation, Sheila. I think it was wonderfully balanced. I think you made your points really, really well. You also struck a chord

vis-à-vis the mandate of this committee, which is to get a sense from the public of where the different priorities are. I think you've identified the pros and the cons within your own presentation of a lot of the choices that have to be made.

[1220]

You touched on the area of health a couple of times and used the expression that money may not be the issue. Certainly, the data backs you up on that in terms that there is no question that we're spending more money in that area.

My question to you, though, because of some of the specific elements that you raised, had to do with the accessibility that you've got and the responsiveness of the local health authority. In large part, irrespective of who's in power, your government collects an enormous amount of tax dollars and puts a very high percentage of that into health care. Then it's up to local health authorities to make some of the local — on-the-ground, if you will — community decisions about how that money is spent. Presumably, within that there is some sort of interaction with the community to get some input.

How would you describe your experience with the local health authority in that respect and vis-à-vis...? Some of these are great concerns. They don't necessarily go directly to the ministry versus the health authority. My line of questioning is kind of along that. Can you just expand on that a little bit?

**S. Haegedorn:** I'm going to say nonexistent in these times. We don't want to relive past history over and over. This speaks to 2002 on a warm summer evening, when 300 people packed into the Legion in Kaslo, concerned about health care, and the representative of the chief operating officer from Kootenay-Boundary didn't make himself available.

I know we have the patient representative for Kootenay-Boundary who takes concerns. And I now will speak of my own circumstance. I filed a complaint a year ago. Nothing has changed. All I was told is that it was recorded in some file.

I know for a fact that there are other people who are doing this. That's about the only way they feel they can reach out to the health authority, beyond going over to some offices somewhere. Nothing seems to be changing. This is why I actually called George Abbott's office, and I was asked to write a letter. Well, I've been so busy attending to my mom that I haven't had time to do the letter yet.

I don't know how you can't... Whoever pays someone's salary — then that's really who they're ultimately responsible to, I suppose. I wonder if some more neutral advocacy, or somehow where we feel that the patient representative, who is maybe on individual cases and not the system, can have a little more influence or clout or is better heard in Kelowna than just making notes in a file...

If I read accurately the *Nelson Daily News* on Friday, I believe... I forget his first name. Albo, I think, has actually called for such an approach, to bring — where it seems more objective or where there is a real concern about what the residents...

The nurse or patient representative who took my... She put so much energy in. I put effort in. This is all taking time. Money doesn't solve this — right?

**I. Black:** You're right. Absolutely.

**S. Haegedorn:** But where is this all going? As for Kelowna and the overarching offices of Interior Health, I don't know. I'll mention again that the Kaslo area health advisory chair, who has worked so thoroughly, at the onset of creating the physical structure in the building there for primary care model, had said: "I think it's getting worse now than it was." We thought: well, this is how it first started, and there'd be some levelling out. She said to me: "It's getting worse." So I would say non-responsive.

**B. Lekstrom (Chair):** Well, Sheila, I want to thank you for your presentation. If I could — and I had asked this before, just so I understand. The nursing issue that you raised earlier: was the issue the allocation of where those nurses are put? Right now in British Columbia I think there are a little more than 3,000 new nurse training seats that have been established. Of course, there's a time frame, depending on what field you're going into there, to get them out into the field to....

**S. Haegedorn:** Right. Well, in Kaslo, staffing component-wise, we have one and only one RN or BSc nurse on at a time, with a whole centre responsible for elders, out-patient, ambulances, the community phoning. That's one position. The nurses that seem to be coming.... They're getting trained now. I don't know where their... Well, some of them are within the region, and they've been displaced because of the closing of Willowhaven, for instance, on the North Shore here and the OR being cut in Nelson. These nurses obviously still have contracts, and they need places to work.

[1225]

I'll mention — I don't know how factual this is, but I think the lady who represents Kaslo area health advisory is very thorough in her work — an observation that Interior Health made a commitment that they would be hiring the Selkirk grads. I'm not sure of the Okanagan, where the school.... Some of these grads don't want to work for Interior Health, and they're going elsewhere. Maybe you or someone can document or find out how true or how valid that is. It's disconcerting, if that is the case.

**B. Lekstrom (Chair):** All right. Well, thank you very much again for taking the time out of your day.

**S. Haegedorn:** Well, thanks for being here.

**B. Lekstrom (Chair):** You're very welcome.

Our final registered presentation to the committee here while we are in Nelson today is from the Selkirk College Faculty Association. Joining us is Tracy Punchard.

Good afternoon and welcome.

**T. Punchard:** Thank you for sandwiching my presentation in between my teaching commitments. For-

give the pun, because I know we're getting very close to lunch.

I'm here representing the faculty and staff at Selkirk College. Like many other post-secondary institutions, we have some concerns about the government's funding priorities for their February 2007 budget. I'll elaborate on those concerns in a moment, but before I do, I'd like to provide the committee members with a bit of background on Selkirk College.

We have a current enrolment base of over 2,000 students, and we offer degrees, diplomas, apprenticeships and certificate programs in everything from university arts and science courses to aviation, forestry, digital media and tourism. This year we are celebrating our 40th anniversary. I'd like to echo what the women from Kaslo said about the role of Selkirk College in the community, as we go through our archives and dig up pictures of what Selkirk College was 40 years ago — a portable in a hole in the mud. We're here where we are today because the community, at that time, was absolutely dedicated to the notion of post-secondary education in the community.

Our mission statement is to develop empowered, effective citizens through rewarding educational and life experiences that are built on our region's distinct identity. It's an undertaking that our faculty supports and encourages in the classroom, the lab, the lecture hall and the community every day. Unfortunately, it's an undertaking that has become increasingly difficult to fulfil over the last five years.

The policy and funding choices made by the current government in their first four years of office have put an enormous financial burden on our students. At the same time, the government has allowed real per-student funding to our institutions to fall. This has produced institutional whiplash across the public post-secondary education system.

As real per-student funding has declined, program options and course offerings have been reduced. As tuition fees have skyrocketed, students have been forced to leave because they can't afford to continue or take on the massive debt just to complete their programs.

One of my students in multimedia dropped out this week. Her employer can't accommodate her schooling, and she can't afford to go to school without working. I feel sorry for her because she clearly wants to advance and move on, but she's trapped where she is. In short, students are paying more while access is getting more difficult, a move which closes the post-secondary education door on thousands of potential students.

On the question of real declines and per-student funding, I want the committee members to consider a few facts. In 2001 dollars, the government's operating grants to public post-secondary institutions averaged \$8,920 per student. By 2005 and 2006 these 2001 dollars had dropped to \$7,930 per student. Even using current dollars, we saw per-student funding declining over that period. It went from \$8,920 in 2001 to \$8,625 in '05-06.

How that chronic underfunding has played out at individual institutions varies across the province. I can tell you that at Selkirk College it's meant cutting back on courses, on teaching time, on student support ser-

vices and on a whole range of what I would describe as access issues. In fact, the number of counsellors at Selkirk College remains at three. It has remained at three for three decades. We've not had any increases there, yet the area which those counsellors cover, the number of students and the issues and problems that students bring with them to the college today have increased.

At the same time, as a result of tuition fee deregulation, tuition fees have skyrocketed. Standing committees such as these are meant to provide a vehicle for informed participation in the political process. Yet at Selkirk College a student can no longer take a course in political science. The program was eliminated a few years ago because of budget shortfalls.

[1230]

Another example of how real funding cuts have undermined access is in the English department in which I teach. The number of contact hours, the hours that we spend with students in the classroom, was reduced from four hours a week to three hours a week because of budget shortfalls. This decision came at a time when universities were — and they still are — insisting on a writing-intensive curriculum. In other words, at the very point that we should have been devoting more time to improving writing and communication skills, we were forced to cut back.

This same phenomenon describes a disconnect between the provincial government's fiscal and policy choices in post-secondary education and the needs of our broader provincial economy. We've noticed for some time that we are facing a looming skills shortage. We also know that one of the most effective ways to deal with that shortage is to increase access to post-secondary education. What has happened, unfortunately, has only undermined efforts to address the skills shortage. We've made post-secondary education far more expensive for students and chronically underfunded the institutions that were set up to deliver the skills we know our province will need.

Many people seem to think the skills shortage is a trades training issue. Of course, it isn't. The skills shortage will affect every occupational group, whether it's white collar or blue. Yes, we need to do a better job of supporting and encouraging trades training and apprenticeships, but we also have to apply the same effort in tourism, earth sciences, university transfer programs, developmental education programs — the whole range of degrees, certificates, diplomas and completed apprenticeship programs that post-secondary institutions like Selkirk College are able to deliver.

The woman from Kaslo mentioned the cost-recovery basis for continuing ed and that a number of programs are often cancelled because people can't afford to take them. Because of funding difficulties, when we do offer new programs at Selkirk College, we often have to offer them on a cost-recovery basis. A recent example is our new international digital film diploma. It's a very exciting program. It has a tuition fee of over \$9,000. This week two students dropped out of that program. They simply can't afford to pursue their dream at that cost.

The critical question is one of funding. Without proper funding, our post-secondary education system can't afford to fulfil the training and education mandates that we were established to meet.

We think this committee's recommendations can go a long way toward addressing this funding shortfall in the February 2007 provincial budget. Certainly, the latest fiscal update confirms that Finance Minister Carole Taylor has the capacity to reverse the situation. As well, there's compelling economic reason to make the significant funding increases in post-secondary education. The looming skills shortage threatens B.C.'s economic growth prospects. According to the B.C. Business Council, if we don't address the skills shortage now, we run the risk of stagnating economic growth in the future.

I would add to this argument by noting that post-secondary education and training strengthens equality across our communities as well. Fairly 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 suggested a number of targeted measures become recommendations from this committee and priorities in the February 2007 provincial budget.

Let me briefly summarize what those priorities include: increase post-secondary institution operating grants to ensure that our public post-secondary education system has the programs and options necessary to support higher enrolments; make all adult basic education delivered in our post-secondary education system tuition-free for all; as well, use targeted funding to support publicly delivered ESL programs for adult learners; 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; fund and use the capacity of the existing public post-secondary education system to deliver both entry-level and apprenticeship training; improve the student grant program so that students are not forced to take on more debt to access or complete their post-secondary education; and finally, enable and fund colleges and university colleges to provide lower-cost university transfer programs in their areas.

Thank you for your time. I'd be pleased to answer some questions.

**R. Lee:** Thank you for your presentation.

We heard that there are some waiting lists on some programs in your college. Do you know what the problem is there? Is that the result of not enough to open up some of the faculties?

[1235]

**T. Punchard:** In terms of developing the programs?

**R. Lee:** Not new programs, existing programs.

**B. Simpson:** Waiting lists for existing programs.

**T. Punchard:** Do we have a problem with waiting lists?

**A Voice:** Yeah.

**T. Punchard:** Well, certainly in some programs we do — nursing, for example. Really, our problem at Selkirk College is one of under-enrolment. With under-enrolment, then, we face further funding cuts because we don't have the bodies in the seats.

I think there are a couple of issues there. Certainly, affordability for students is one. When I first came to Selkirk College seven years ago, the change in teaching was that I was in a classroom with an incredible diversity of students in terms of ages and backgrounds. A lot of students were coming in on retraining programs. I've noticed in the last couple of years — and others have too — a more homogenous group. I've got all the 17- and 18-year-olds. What happened to diversity? Where did all of my single mothers go? Where did my adults who were coming in, who wanted to change careers...? We've lost students there.

I think we also need to be able to improve our recruitment measures. Students want to leave. Wherever they live, they want to go elsewhere. Alberta is coming in and aggressively targeting our high school graduates. They start at grade 10. We don't have the funding to go out and get students from elsewhere. There are wait-lists, as you know, in the lower mainland. We could accommodate some of those students here.

In the past the problem has been that we didn't have jobs. If students came here, we didn't have jobs to offer them. I think that's starting to change, so we should be able to attract more students. But we need to....

For example, in university arts and sciences we have to keep cutting courses, cutting courses and cutting courses to meet the budget. Well, after a while students say: "Well, you know, I can't take a poli-sci course. I can't take an anthropology course. I can't get a second-year chemistry course. So why go there at all?" This is happening particularly in our second-year courses. We've cut back so much. The students might as well just go to another institution. Faculty have been looking very creatively at ways that we can offer more courses without additional funding to encourage enrolments, but it's a difficult task.

**R. Lee:** Some students are actually attracted to some of the universities because now they have opened up more seats — so more opportunity for them to go to universities instead of colleges. So it's probably this. I don't know what.... I heard there was a 200-student drop this year in your college.

**T. Punchard:** Yup.

**R. Lee:** Do you have any sense that the universities are getting your students?

**T. Punchard:** I'm sorry. The last part?

**R. Lee:** Do you have any sense that this is true, that some universities are actually getting some of your potential students?

**T. Punchard:** Yes. I certainly don't want to hold a student back from an opportunity to go somewhere else and pursue the education. I mean, there are students who have the grades and have the finances to go to McGill, and I think that's wonderful, and I wouldn't want to hold them back. But I think there are a number of students who, for financial reasons, would prefer to stay in the area, but they're not getting the courses that they want here, and so they're going elsewhere.

**R. Lee:** My last follow-up question is on.... The student representative actually talked about one of the waiting lists, which is the welding and the electrician course. He said there is a two-year waiting list on that course. Do you know why there is a waiting list? Can you reallocate some of the resources from other programs so that you can eliminate the waiting lists in that program?

**T. Punchard:** I can't speak specifically to the trades. At Selkirk College we have two faculty associations, so the trades are taught by the BCGEU faculty. But I could give you Al Walker. I could give to you the name and address of somebody who could answer that question specifically.

That's the crux. If they want to take funding from one area into another, it means cutting that program. I mean, we would literally be cutting a program in order to reduce waiting lists in another. Then we once again reduce the scope of our offerings to the community.

[1240]

There are, also, often other factors to consider. If you bring more students in, do you have the facilities to cover them? For example, in multimedia if we have more students, we can't take them because of the cost, then, of getting more computers and more lab space. It's not just a matter of pulling up a chair and saying: "Come on in." That can happen, say, in an English class, but it's very difficult in a science class or in a media class or in an apprenticeship, where you have to have all of the other facilities.

For example, nursing. We can't take more nurses, because we can't place them in clinicals. We've had hospital closures. The only way to.... If we increase the number of students, we would be reducing the quality of the clinical placement, and we can't do that. So we can't increase the number of nurses in the program.

**J. Horgan:** Thank you, Tracy, and I apologize — I missed the first portion of your presentation. But I came in at the right time to hear you discussing adult basic education, and I wanted to ask you to help me explore that a little bit further, inasmuch as the current government has made literacy and education a high priority, a golden goal, an objective to be reached in a short period of time.

I'm wondering: how do you reconcile that goal with the...? Would you consider the financial obstacle of fees for adult basic education a deterrent to achieving

that goal? If that's the case, how would you enhance adult basic education, absent those fees, to try and achieve the goal that the government has put forward?

**T. Punchard:** My understanding is that some aspects of ABE are free but that people returning have to pay tuition for those courses, so again, it becomes a barrier to advancement. The position of the Federation of Post-Secondary Educators is to make all ABE courses tuition-free, because these are very basic literacy, remedial skill-type courses that everybody should have.

**J. Horgan:** It's the position of your organization that there should be no fees whatsoever for those types of programs?

**T. Punchard:** For those types, yeah.

**J. Horgan:** Excellent.

**J. Kwan:** You've called for an increase in the operating funds for the institution. Do you have any sense of what kinds of dollar figures we're talking about?

**T. Punchard:** My association is calling for a \$20 million increase in the budget next year overall.

**J. Kwan:** On the tuition, you mentioned, for example, that one student for a particular program — I think it was the filming program — has to pay \$9,000 for the tuition. Is that a semester cost, or is that a year-round cost?

**T. Punchard:** I'd have to double-check that figure. It's a cost recovery, so the tuition is much higher than other programs, because it....

I'll just add onto that point, because I know the president of my college has lobbied on this front in terms of the funding formulas for colleges. I'm moving a little bit off my program here.

In rural colleges, at Selkirk College particularly, we offer a number of what are called high-cost programs. University transfer programs like humanities, where you just have students in a classroom or in a lecture hall, are very low-cost to operate. But at Selkirk College we offer a disproportionate number of high-cost programs — like aviation, multimedia, forestry and renewable resources, nursing — which, because of all of the clinical practices, all of the technology involved, are higher cost. But the funding for the institutions — my understanding — doesn't reflect that, so we face this added challenge.

I know that in the lower mainland, when there are funding challenges, they just open up all kinds of English courses and psych courses because those are the cheap ones to offer. We can't change in that kind of way and still meet the community needs.

**J. Kwan:** Thank you very much. Actually, it raises an interesting point, and it would be very good to get a fuller sense of that picture amongst different colleges. For example, a college in my riding, which is VCC, has historically provided some very specialized vocational

training, particularly with people with special needs and so on. But because of the funding crunch a few years ago, a lot of those programs are now gone, so therefore, you have a bunch of people who otherwise might have become contributors to the economy who no longer are able to get that education to put them in that place. It sounds to me like Selkirk is faced with that situation.

VCC was forced to make a decision to cut those programs, to go with the cheaper programs, because they're cheaper to operate, and then they would collect more tuition.

[1245]

**T. Punchard:** I think rural colleges.... For example, we look at the need for doctors and health professionals in rural areas and setting up training centres to meet their needs. I think at places like Selkirk College we could do more to capitalize on the needs of people living in rural communities and develop course offerings that reflect those needs, but when you're trapped in, necessarily, a provincewide budget you're kind of competing for the same turf.

**J. Kwan:** Can the committee get information from you in terms of these higher or more expensive courses that your college offers in terms of what those programs are and how much they're costing versus the cheaper programs? Just so we get a sense of that differential.

**T. Punchard:** Yes. I can arrange that information.

**J. Kwan:** And then submit it to the Clerk's office, and we can have that information for consideration.

**B. Lekstrom (Chair):** Tracy, maybe just before we wrap up, I was going to ask a couple. You'd pointed out early in your presentation that access was getting more difficult, but at the same time, the province has embarked on a 25,000-seat expansion, the largest in 40 years. So I'm trying to meld those two. Can you maybe...?

**T. Punchard:** I think, particularly for people in rural communities, access is an affordability issue. Either they have to travel and look at the costs of living in another area, if Selkirk can't offer what it is that they want, or they're looking at the raised tuition fees.

I think, listening to the Premier on Saturday's constitutional report.... He mentioned — he was speaking about universities — that it's fair to ask students to invest in their own future; they're going to make lots of money when they graduate.

Now, the Canadian Federation of Students is really only asking for a 10-percent reduction in tuition fees, so it's not huge, but it would go a long way. I don't want to stereotype, but let's face it: not all jobs are high-paying jobs. For example, early childhood educators require a minimum of a two-year diploma, and they're graduating and looking at \$11-an-hour jobs. You can imagine a young person saying: "When would this investment ever pay off?"

I mean, I'm paying student loans. I know what a huge chunk it is. I can't imagine what it's like for people who are planning to go into these high-paying jobs, and we desperately need really good early childhood educators.

**B. Lekstrom (Chair):** If I could, one other question. You've mentioned that sometimes access.... The course may be there. It may be full, but there are other areas that offer the same program. I guess, just your view: would it make sense that students, if they can't get in at one college, would be given the opportunity to say: "Hold it. I'll use Northern Lights again. That's where I'm at. A course is full there, but you know, Selkirk has seats"? Would it not make sense if we encourage the students to say: "Look, rather than putting off for another year, there's an opportunity at this college. We want to look that way"? I thought that's what I heard you say.

**T. Punchard:** I'm not sure what the politics of recruiting are, because we make this joke every year: why don't we go down and stand on the doorstep of Langara and bring students over here? It perhaps is a question of marketing, perhaps a question of getting our name out.

I think people have, perhaps, the perceptions that small community colleges maybe don't offer high-quality educational experiences. Yet for example, in our university transfer program the majority of the faculty have PhDs. We have just developed a geospatial centre for excellence. We have world-class faculty and programs here at Selkirk College, but I don't know how well known that is.

The other thing that we offer, because we are a small college, is that small learning environment. So every once in a while our students will go to the lower mainland and become very frustrated by the computer registration system, or they get bumped out. They get on waiting lists. They sit in huge lecture halls, and they come back to Selkirk College because they discover that the kind of teaching that we do is different. So certainly, we best serve students who perhaps need a little more preparation before they're ready to embark on the full university experience.

**B. Lekstrom (Chair):** One final one, and again, just for myself, if not the other members. You talked about tuition-fee deregulation. That was pre the ceiling of cost-of-living increases. I'm sure you're talking about when the freeze was lifted, because there is now....

I wouldn't consider it deregulation when you do have a ceiling as to what you can get. I just want to flesh that out and see if you're referring to pre the decision by government on the capping of tuition.

[1250]

**T. Punchard:** Yes — the numbers changing before the ceiling was lifted.

**B. Lekstrom (Chair):** Tracy, again, I know that we have spent a little more than 15 minutes, and I'm sure that your classroom is waiting, but I want to thank

you for taking time out of your schedule to come and present.

**T. Punchard:** Thank you for all the time. Thank you very much.

**B. Lekstrom (Chair):** We do have at this point in our session an open-mike session. I am unaware that anyone has registered to the open-mike session. I will canvass the crowd.

**G. Kalinski:** I wasn't planning on speaking today.

**B. Lekstrom (Chair):** What we will need when you sit, if I can ask you, is your name for Hansard. As well, the open-mike session is a five-minute presentation with no question and answer. It's really an opportunity for people such as yourself who have sat here and mulled things over.

**G. Kalinski:** My name is Garry Kalinski.

**B. Lekstrom (Chair):** Garry, welcome.

**G. Kalinski:** I've been a resident of the Kootenays for the last six years. I retired here from Calgary six years ago, and since then, I've been working mostly in volunteer work. As I said, I'm retired.

I had the privilege of chairing a health task force for the regional district of Central Kootenay early on when the restructuring of health care was first initiated in the area. I thought I would speak, after sitting and listening to some of the comments, because I want to reinforce what some of the people said here today — that there does seem to be a rural-urban disconnect when it comes to services such as health care. I wouldn't have thought that when I lived in Calgary, but having experienced it now, it's clear that it's there. We have all the challenges here that you don't have in the major centres — of providing the same types of services and not having the volume to justify or to get the economies of scale.

Overall, our health task force agreed with the restructuring of health care and the introduction of the health authorities. We realized that there needed to be rationalization of acute care services, because we were burning up so much money in the acute care field. We had small population.

But we also recognized that the geography and topography of the area created unique challenges, and you're hearing about those today from some of these people, specifically people from Kaslo and outside the area of Nelson. We have the problem in Nelson with having to travel. With those people, the problem is magnified ten-fold.

What I found out doing this study was that, historically, acute care has eaten up the budget, and it continues to grow. We weren't doing even a good job of chronic disease management. The services that are currently being provided in Nelson are ten times better than they were in the past in terms of chronic disease management and those types of issues. So I don't want

you to think that nothing good has happened in our city in terms of health care, because it has.

Having said that, by the Interior Health's own admission, the health authorities haven't even gone to prevention. They're so busy with acute care needs and trying to implement management needs.

It seems to me that by cutting child care — and I probably never thought I'd say this — we've cut into the area where prevention should be happening. We're told that chronic diseases are often fuelled from mental health issues. The place to recognize and deter that is at the youth level, at a very young age.

It seems to me that we need to invest more money in prevention, way upstream. We don't seem to be looking there. Maybe the programs that we currently have don't address that anyhow. It's not about throwing more money; it's about throwing some targeted money — at least, at prevention — as far upstream as we can go. Otherwise, we're not going to stop the crunch, the health care crisis. It won't happen.

[1255]

Education is a big issue. I agree with Amed Naqvi, as well, in terms of reconciling the budget. If there were targeted dollars to be spent in health care for rural communities, I think we could consider targeting more money at making sure that telemedicine and technology infrastructure are put in place so that we can eliminate some of the geography and topography issues that these people have talked about.

The real crisis is travelling on winter roads. Once we can eliminate that for things like consults and stuff.... None of us are that upset, if we're really ill, at having to travel for that surgery. It's travelling for the consult and the follow-ups that creates the most inconvenience for the patients and the families of the patients in the rural areas. We don't seem to be recognizing that.

Part of the initial plan that we were presented with when IHA introduced the health care cuts was that this stuff was on the way, and the frustration with people here is we don't see that happening. So targeting funds at technology that will improve or close the gap between rural and urban would be a great way to spend some of the excess money — and then continuing to look at targeting some money for prevention, upstream prevention, so that we can nip the mental health and the chronic disease issues in the bud. That has to be way farther upstream than what we're doing today.

**B. Lekstrom (Chair):** Garry, I want to thank you. You've certainly sat through most of the hearings here today and heard the presentations. Certainly, our open-mike session is for exactly as you've said. You listened and came up with some ideas, so thank you very much.

#### Election of Deputy Chair

**B. Lekstrom (Chair):** Okay, just before we conclude today's hearings, we will deal with a small housekeeping issue. We have had a change of committee mem-



bership over the last little while, and we also have to select a new Deputy Chair. What I will do is read the new list of committee membership into the record: Blair Lekstrom, MLA for Peace River South and Chair of our committee. As well, we have Iain Black, the MLA for Port Moody-Westwood; Harry Bloy, the MLA for Burquitlam; Randy Hawes, who is MLA for Maple Ridge-Mission; Dave Hayer, MLA for Surrey-Tynehead; John Horgan, the MLA for Malahat-Juan de Fuca; Jenny Kwan, MLA for Vancouver-Mount Pleasant; Richard Lee, the MLA for Burnaby North; Bruce Ralston, the MLA for Surrey-Whalley; and Bob Simpson, the MLA for Cariboo North. That makes up the committee membership for our Select Standing Committee on Finance and Government Services.

At this time I'm going to open the floor for nominations for the position of Deputy Chair of the Select Standing Committee on Finance and Government Services.

**J. Kwan:** I nominate Bruce Ralston to be Deputy Chair.

**B. Lekstrom (Chair):** Bruce has been nominated. It has been moved and seconded. I will call a second time for nominations. Are there any further nominations for the position? I will call a third and final time.

With no further nominations, I will ask Mr. Ralston: do you accept the nomination?

**B. Ralston:** Yes, I do.

**B. Lekstrom (Chair):** I will put the question.

Motion approved.

**B. Lekstrom (Chair):** Bruce, congratulations for a very fair and hard-fought battle for the position of Deputy Chair of this committee.

With that, I want to thank the residents of Nelson and the surrounding area for coming out to present to our committee. It is our goal to try to reach every region of this province and try to cover as many areas as we can. As I indicated in my opening remarks, we will travel to 14 communities in every region of this province. I encourage all British Columbians to take the time, if they can, to put a written submission forward or go on line and fill out the on-line questionnaire. It helps the committee in their deliberations and the development of our report.

With that, I will again thank you all. We stand adjourned.

The committee adjourned at 12:59 p.m.



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