



Second Session, 38th Parliament

REPORT OF PROCEEDINGS
(HANSARD)

SELECT STANDING COMMITTEE ON

**FINANCE AND
GOVERNMENT SERVICES**

Fort St. John

Wednesday, October 4, 2006

Issue No. 31

BLAIR LEKSTROM, MLA, CHAIR

ISSN 1499-416X

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

Fort St. John
Wednesday, October 4, 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:* Anne Stokes
- Committee Staff:* Jacqueline Quesnel (Committees Assistant)

-
- Witnesses:*
- Fred Banham (Peace River Regional District)
 - Mark Benton (Executive Director, Legal Services Society)
 - Jim Collins (Save Our Northern Seniors Society)
 - Jim Eglinski (Mayor, City of Fort St. John)
 - Bob Fedderly
 - Brad Filmer (Councillor, District of Taylor)
 - Karen Goodings (Chair, Peace River Regional District)
 - Bruce Hardy (Legal Services Society)
 - Aleisha Hendry (Fort St. John Community Arts Council)
 - Karen Hiebert (Legal Services Society)
 - Ernie Inglehart (School District 60 — Peace River North)
 - Calvin Kruk (Mayor, City of Dawson Creek)
 - Jean Leahy (President, Save Our Northern Seniors Society)
 - John Locher (City of Fort St. John)
 - Bob Nicholson (Councillor, District of Chetwynd)
 - Laurie Petrucci (Executive Director, Fort St. John Community Arts Council)
 - Mike Redfern (District of Chetwynd)
 - Evan Saugstad (Mayor, District of Cheywynd)
 - Linda Sewell (Trustee, School District 60 — Peace River North)
 - Jodi Staples
 - Glenn Stasiuk (Legal Services Society)

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MINUTES

SELECT STANDING COMMITTEE ON FINANCE AND GOVERNMENT SERVICES



Wednesday, October 4, 2006
9 a.m.
Ballroom, Quality Inn Northern Grand
Fort St. John

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

1. The Deputy Chair called the Committee to order at 9:04 a.m.
2. Opening statements by Mr. Bruce Ralston, MLA, Deputy Chair.
3. The following witnesses appeared before the Committee and answered questions:
 - 1) District of Chetwynd
Mayor Evan Saugstad
Councillor Bob Nicholson
Mike Redfern
 - 2) City of Fort St. John
Mayor Jim Eglinski
John Locher
 - 3) Legal Services Society
Mark Benton
Bruce Hardy
Glenn Stasiuk
Karen Hiebert
Laurie Petrucci
Aleisha Hendry
 - 4) Fort St. John Community Arts Council
4. The Committee recessed from 10:16 a.m. to 10:38 a.m.
 - 5) District of Taylor
Councillor Brad Filmer
 - 6) Save Our Northern Seniors Society
Jean Leahy
Jim Collins
 - 7) Peace River Regional District
Karen Goodings
Fred Banham
 - 8) School District No. 60 (Peace River North)
Linda Sewell
Ernie Inglehart
 - 9) City of Dawson Creek
Mayor Calvin Kruk
 - 10) Bob Fedderly
 - 11) Jodi Staples
5. The Committee adjourned at 12:11 p.m. to the call of the Chair.

Blair Lekstrom, MLA
Chair

Anne Stokes
Committee Clerk

WEDNESDAY, OCTOBER 4, 2006

The committee met at 9:04 a.m. MST.

[B. Ralston in the chair.]

B. Ralston (Deputy Chair): Good morning, everyone. I'm Bruce Ralston. I'm the MLA for Surrey-Whalley. I'm the Deputy Chair of the Select Standing Committee on Finance and Government Services. I want to welcome everyone in the audience and thank you for agreeing to participate in this process.

The purpose of the meeting is to hear from British Columbians about what their priorities are for next year's budget. By legislation, the Minister of Finance, Carole Taylor, issues a budget consultation paper no later than September 15 of each year. We as a committee will tour the province to speak with British Columbians about their specific budget priorities.

The Select Standing Committee on Finance and Government Services is charged with carrying out those public consultations on the minister's behalf. This all-party committee is required to report back to the Legislative Assembly no later than November 15 of this year.

Today we are going to hear from a number of presenters who have preregistered with the Office of the Clerk of Committees. The rules are set out as follows: the presentations are to be no longer than ten minutes, with up to five minutes allotted for members' questions. We may also have time near the end of the hearing for an open-mike session, should time permit. Open-mike presentations are to be no longer than five minutes.

[0905]

I'll now ask other members of the Finance Committee to introduce themselves.

I. Black: Good morning, my name's Iain Black. I'm the MLA for Port Moody-Westwood.

B. Simpson: Bob Simpson, Cariboo North.

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

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

R. Hawes: Randy Hawes, Maple Ridge-Mission.

J. Kwan: Jenny Kwan, Vancouver-Mount Pleasant.

B. Ralston (Deputy Chair): We will be joined later in the morning by two other members, Blair Lekstrom and John Horgan, who are in Dawson Creek at the oil and gas conference but are expected here later in the morning. Also with us today are Anne Stokes, our Committee Clerk, and Jacqueline Quesnel, who's staffing the registration desk. Also here recording the proceedings on behalf of Hansard are Wendy Collisson and Graham Caverhill. This event is also being webcast — the audio only — over the Internet.

I think that completes the introductions.

I. Black: Harry is here, but....

A Voice: He'll be here shortly.

B. Ralston (Deputy Chair): Oh, pardon me. He'll be here momentarily.

Perhaps with that we could hear from our first presenters, who are from the district of Chetwynd. Good morning, Mayor Saugstad. I understand that with you is Bob Nicholson, who is a councillor, and Mike Redfern, who's the chief administrative officer of the district. Go ahead.

Presentations

E. Saugstad: Thank you for giving us the opportunity to come and present. We have left off our list character speaking notes.... We've got copies of.... It's the usual, in the health and education and that. It's not that we don't believe it's important, but we thought we'd bring up some of the more minor issues.

For the district of Chetwynd one that's been in the news a lot, of course, is the industrial taxation and the concerns for the potential changes to the industrial taxation and what it does to the budgets and everything. It's been back and forth. For Chetwynd we're not opposed to the change, but we need to understand what it is. Our needs are similar, so we need to maintain similar levels of funding, but we're not opposed to looking at different methods of funding through taxation.

For those of you aware of Fair Share.... We're not opposed to having industrial taxation looked at within the municipality at a Fair Share-type level. We also believe that industry should not all be lumped into two categories, heavy and light. In Chetwynd we have multiple heavy industry: we have sawmills, pulp mills, gas plants, coalmines and sulphur plants. They all look on different economic cycles and have different needs, but we're forced to tax them all at the same level.

We believe that the province should continue with the infrastructure grants. We believe that you shouldn't be penalizing the.... We believe there's somewhat of a penalization now with the Fair Share agreements — that the infrastructure grants do not come to the communities with Fair Share. We're looked at as a "have" community compared to some other parts of the province. We simply look at Fair Share as part of our tax base. With our growing communities we need this to sustain our industries.

Policing. We need to understand what the changes were with policing. It's more if under-5,000s pay for their policing. What's it going to cost? To date we haven't been able to get any figures of what it's going to cost. We need to understand what those numbers mean and what the province is going to charge us so that we can look at our northeast model or something different. What are some alternatives to the status quo of what the province has proposed?

We need to understand the impact of what the policing model is on our industrial tax base. If we go back to point 1, the industrial taxation, there's some concern from industry about the taxes they pay. When it comes

to the police costs, there are additional taxes to industry, which then puts pressure back on less taxation coming back to municipalities. It becomes a vicious circle.

Housing. Housing in the north is probably similar to the lower mainland in that there is a lack of it for our growth and especially a lack in low-cost housing. I believe that the government has to seriously look at some type of low-cost, subsidized housing. The high occupancy rates in Chetwynd are driving housing beyond the affordability of low incomes. This lack of housing for the lower incomes is creating real issues in attracting and retaining employees, especially in the retail and service sectors and the lower-paying jobs.

[0910]

Number 5 is line ministry funding. Growth in the northeast is being hampered by the lack of ministerial staff in Chetwynd and the region. Ministries that approve permits — Forests, Environment, Agriculture and Lands, Energy and Mines — issue permits. But those ministries cannot compete on the wage scales with the industrial counterparts. The government employees are leaving to go to work for industry, which leaves a void, and the time frames to get permits keep going longer and longer.

I believe the government needs to look at a different wage-rate structure or something to compete to keep that because without permits, of course, industry slowly grinds to a halt, which affects us all.

In communities like Chetwynd you need assurances that there are sufficient employees hired to meet these gross needs. Chetwynd has all of this industrial growth, yet we have no line ministries based there. We have no inspectors on that, and we need some assurances to the communities that all of this industrial activity is meeting the rules and the regulations.

Social agencies. Over the past few years, whether it's social services or health, there's been the regionalization of services to the larger centres, basically removing them from the smaller centres. I think that needs to be looked back at — putting some services back into the smaller communities. We're always expected to go to other places to meet our needs. I think whether it's social, youth or healthy communities, we're ending up funding those programs to keep them going, which traditionally would have been a provincial responsibility.

The last, number 6, provincial funding for amalgamated ministries. In Chetwynd, particularly, a lot of our lands within town are held by the former B.C. Lands. When the government changed and amalgamated B.C. Lands into Agriculture, they didn't give the budget there to transfer the land titles. We've been sitting for over a year, waiting to purchase lands. The lands titles aren't correct, so we're told to simply wait.

It's hampering our growth while the land titles branch actually physically changes the land title into the new title on every piece of land that the former B.C. Lands owns. So it's been over a year that you can literally not purchase a piece of land. The reason? There are no people to do it.

If you have any questions, or if you'd like to add any more....

B. Ralston (Deputy Chair): Thank you for that very succinct but full presentation.

D. Hayer: Can you please describe to me how the situation is in trying to find workers here? Are there enough workers here, or is there a shortage here? Any suggestions, if there is a shortage of workers, of how we might solve that, from your perspective?

E. Saugstad: The shortage of workers generally seems to be along the lines of in the service and lower-paying jobs, whether it's in stores or that. It comes back to whether they can afford to live in the north for that, in the housing especially. When they come to places like Chetwynd, they literally cannot find accommodation.

Accommodation is the key. I think we're seeing a lot of younger people coming north to work, with the opportunities. But to have to instantly go into what we consider a large mortgage in Chetwynd, which is probably a very small one in Vancouver.... But if you have to pay \$200,000 or \$250,000 for a home in Chetwynd and try to support it on a service-sector job, it's becoming very difficult.

We don't have the solutions other than that money does attract people. I think as long as you retain your industrial growth, it will attract people.

J. Kwan: You spoke of the social services that had been regionalized, and as a result, some of that pressure is obviously happening in your community — and the off-loading that's taking place in your community as well. Can you outline for the committee what those services are, more specifically?

E. Saugstad: In the social, whether it's the.... I'm not sure what the titles are in the social welfare type of things. A lot of the jobs got moved to Dawson Creek, where the workers are expected to drive to Dawson to deliver services on one day or three days a week or whatever it is. Those now become the least desirable positions in Dawson Creek to fill because people have to drive, and they don't want to be doing that.

[0915]

There's steady turnover. Say somebody wants to become a mental health worker or anything, because we really have very little of that based in Chetwynd. There are some at the hospital, but there aren't enough, so they're continually driving.

It seems like every three months or six months those positions are vacant, so we're told: "Well, we can't deliver it because we have nobody in those jobs." But if you're required to travel a lot at those levels, they don't become desirable jobs for people to seek out.

B. Simpson: Thank you for the presentation. It's nice to have something as tight as this and to cover all the bases that you wanted to cover with us.

With respect to the regionalization, is there a priority order given to the permitting process? I'll give you an example. Down in the Quesnel area, because it was regionalized to Prince George, what we're hearing is

that priority is going to the larger developments, which means that the small-, medium-size folks are getting bumped. So you get an exacerbated situation for the small-, medium-size developers as the resources go to the larger developments.

Are you seeing that in this region at all, or is it just kind of a general, across-the-board permit issuing and some of the things you talked about in Lands?

E. Saugstad: You're talking about resource industries in the permits part?

B. Simpson: And the staffing issue that you've raised here, compounded by the regionalization process.

E. Saugstad: No, I don't believe there are any priorities over one or another. There's just a stack of papers on people's desks. When you inquire about where your permit is, well, it's in the, you know....

B. Simpson: It's in the queue.

E. Saugstad: It's in the queue, but it takes forever. So you can literally, in the numbers of permits you need for projects, take all winter to get your permits in place. By the time you're ready to get your permits in place, it's spring breakup, and then works don't happen.

The second part of the question was on...?

B. Simpson: No, that's fine. That's a difference in what I'm hearing down in my area, where there is some prioritizing.

If I could just have a quick follow-up?

B. Ralston (Deputy Chair): Sure.

B. Simpson: With respect to the oil and gas industry in particular, are there concerns being expressed about how the flow-through share structure is with respect to the permitting? If you've got the flow-through shares that have to be dealt with — and I don't understand this myself — within a year, but you can't get your permitting to actually do the work on the ground.... Are you hearing that as an issue with folks?

E. Saugstad: I'm not really hearing that as an issue, other than that I know the Oil and Gas Commission struggles with employees. But they are, I guess, a little bit different in that that ministry is funded, actually, by the oil and gas industry itself.

B. Simpson: Right.

R. Lee: My question is on the.... You mentioned about the industries, that they should not be all lumped into two categories, namely the heavy industry and the light industry. Currently what do you expect? Say if you have a range of categories in between, then some of the industries in the light category will be moving up or some of the heavy industries will be moving down?

E. Saugstad: It's more the heavy industries, I think, that need to be looked at — whether pulp mills are the same as gas plants, which are the same as a sulphur plant.

Their economic cycles are different. If we look at the pulp industry trying to compete on the world markets and the troubles that they're having with that, we as a municipality cannot vary their tax rates any differently than we can with the sawmill or the pulp mill or the sulphur plant. There's only one heavy industry.

When they come to us saying, "Well, we believe we're paying too many taxes," we want to reduce it. For a small municipality, then, we have to reduce everybody's across the board because we have no latitude with that. They're all the same.

R. Lee: Do you have any proposals on the categories?

E. Saugstad: Well, it's that, or we've looked at.... Like you said in here, we're not in disfavour of looking at heavy industry taxation on a fair share-type basis, as long as the provincial government doesn't look at it as a grant and in five years cancels your grant and you have no taxes. Or you look at the province actually getting out of the property tax basis, and the property taxes become the sole purview of the municipality or local government.

That would free up all the room in the world because if it's Chetwynd, 35 percent of the taxes stay in Chetwynd, and the rest goes to the regional districts and the province.

[0920]

I mean, a big chunk goes to the school taxes. Yet we're always hammered with being the bad guys that are taxing industry, overtaxing them, when most of it's going to the province through the school tax system, and we can't change that.

R. Hawes: Just on that point, I'd recommend you take.... I don't know if you already have a resolution going into UBCM, but certainly UBCM can take a position and can....

E. Saugstad: I think most municipalities would take an opposing view from ours.

R. Hawes: What I want to ask you about is.... I think you'd characterize it more as lack of employees. I think earlier we were talking, and you were saying that a lot of government employees that provide government services are being lured away into industry because the pay right now is much, much higher. The economy is pretty super hot up here, and there are a lot of jobs that are going unfilled. Would you say that the use of foreign workers would be of big assistance up here to help bridge that gap, that employment problem?

E. Saugstad: Without a doubt. I fully support the foreign workers, and we're actually involved with the Ministry of Energy and Mines in their process that they're looking at for recruiting foreign workers.

I think in terms of the ministry, it's.... You can't just set somebody in the job and tomorrow expect them to produce a permit. No matter who you have there, you still have to have it if you're paying 50 percent less than industry, and every time you get somebody who gets up and trained and becomes valuable to industry, they hire them away. That is a real problem. I think industry needs to look at it, too, about what they're doing about continually hiring away from the government and then asking for permits when there's nobody to permit that.

B. Ralston (Deputy Chair): Good point.

I had a question, just to follow up on this issue about the title. There was B.C. land and water corp. It was dissolved. The land is then registered in the title of the B.C. land and water corp., and the issue is just to transfer it over to — the name of the certificate of title — the Ministry of Agriculture and Lands. Is that the issue?

E. Saugstad: Yeah. The title changed to integrated land management or something. Our understanding is that every individual land title that was held had to be transferred. So when we're asked to buy property which was being advertised for sale, we have to wait until the land title is changed.

There was no way to do it. They started in the south and worked north or wherever, so there was no system to handle that. We literally have people who've been waiting for over a year to purchase land, and the sole reason they couldn't is because they have to wait until the title's changed so that they can legally sell the land. They cannot sell the land. Integrated land management couldn't sell it because the title on it says B. C. Lands or whatever.

B. Ralston (Deputy Chair): So these are people waiting with a cheque in their hand to buy land from the government, and they haven't been able to do it for a year.

E. Saugstad: Yeah, and then compounding the problem is that a year later when they go to finally get it, and they say: "Oh, yeah. By the way, the price has now tripled because land values have gone up." A secondary issue.

B. Ralston (Deputy Chair): That's clear. I think our time has come to an end, so thank you very much for that presentation.

E. Saugstad: Thank you for having us, and thank you for taking the time to come to the northeast.

B. Ralston (Deputy Chair): The next presenter, although they're scheduled on the timetable for a little bit later, is the city of Fort St. John. I understand they're ready to go now, so perhaps we can call those representatives forward.

Thanks very much for coming and agreeing to move up into a slot there. You're Mayor Jim Eglinski, and with you is John Locher.

J. Eglinski: Mr. John Locher, our CAO for the city of Fort St. John.

B. Ralston (Deputy Chair): Chief administrative officer. Great. Welcome.

J. Eglinski: Ladies and gentlemen, you know my name is Jim Eglinski. Thank you for inviting us to speak with you today.

Finance Minister Carole Taylor is asking British Columbians to focus on two basic questions. First, where would you like the province to spend more? Then, to pay for it, where would you spend less? This is the challenge of budget-making: increases in one area means doing less somewhere else. The province's consultation paper asks some very valid, specific questions, and we will respond to them in our written brief.

As a municipal government, the city of Fort St. John would like to put forward a challenge to the provincial government: to ensure that the reduction in provincial spending in area does not translate to aspiring downloading on municipal governments.

[0925]

Provincial governments know all too well when the federal government cuts or reduces programs or services, the immediate pressure is put on the province to fill the void. Likewise, when the provincial government cuts or reduces programs or services, groups, organizations and individuals come to the local government for assistance. We all know that there is only one pocket to draw from. It is the same taxpayer who funds all government services and programs, be it federal, provincial or local government.

As the province deliberates on its finances, the city of Fort St. John urges the province to think outside of the box. We encourage you to think about the diversity and different needs throughout the province. The cookie-cutter approach does not necessarily work for everyone.

I'd like to deal with health. With the challenging demographics of the province, there is the involving need to address the current and future needs of independent, affordable housing for seniors, as well as assisted-living, complex care, respite care and palliative care beds in each community. It is a travesty that communities do not have the facilities and resources to care for the seniors in their own home communities. We need to look at how we provide health services to seniors. Can we provide some minimal care to seniors in their homes and extend their stay in their homes longer, at a more economical cost to health care, rather than moving them to assisted-living units outside of their community?

There is an urgent need to build a new hospital to serve the Fort St. John and northeast region of the province. Our existing hospital is bursting at the seams. Renovations are only providing a band-aid solution. Along with the planning for the new hospital has to be planning for resources such as family doctors, specialists and nurses.

I'd like to address the social services. Lift tax for homeless, homeless-at-risk and detox centres. The city of Fort St. John and the UBCM are on record with the following resolution to support homelessness and detox needs through the revenues generated by the sale of alcohol in the province:

"Whereas the abuse of alcohol places a burden on society and whereas the abuse of alcohol is a contributing factor to homelessness and whereas dealing with the effects of alcohol abuse would place an undue strain on municipal tax base, therefore be it resolved that the provincial government be requested to allocate 5 percent of the existing revenue received from the sale of liquor sold through the rural agency stores, licensed retail stores and government liquor stores be directed to the municipality in which that outlet is located, with the funds to be utilized to fund homeless and homeless-at-risk shelters and detox facilities for those communities and regions."

I'll deal with low-income housing. A booming economy is a double-edged sword for small municipalities like Fort St. John. We are challenged to attract sufficient employees to the community, to support the resource industries and the growth in these communities. Affordable housing is a real issue for first-time homebuyers, young families, the handicapped and now our seniors.

The city of Fort St. John applauds and supports the government's newly announced housing matters. The six goals dealing with the homeless: (1) they have access to stable housing with indicated support services; (2) B.C.'s most vulnerable citizens receive priority for assisting; (3) aboriginal housing needs are addressed; (4) low-income households have improved access to affordable housing; (5) home ownership support is an avenue to self-sufficiency; and (6) the B.C. housing and building regulatory system is safe, stable and efficient.

With this in mind, the city of Fort St. John encourages the province to look at the needs of each region and not use the cookie-cutter approach to all regions of the province.

Again dealing with homelessness. The opening of the new shelter in Fort St. John in partnership with the Salvation Army and B.C. Housing addressed a need. However, as the community grows, homelessness issues will grow. There is an emphasis on providing shelter for those in large urban areas, perhaps because of the TV media exposure. It is with dismay that Fort St. John watches the attention and what seems more immediate response to the homeless issues in the lower mainland when the temperature dips to minus zero. What about the homeless in Fort St. John, where three or four months we're down to minus-15, minus-20 degrees?

I'd like to deal with protection of purses and property. Regional police in the city of Fort St. John has been working hard in advancing the regional policing initiative, an opportunity to share human resources as well as infrastructure, buildings and equipment. It's a good idea, yet the made-in-the-northeast for the northeast initiative doesn't seem to get the light of day, because it does not fit the cookie-cutter approach that will work for all of the province.

[0930]

I encourage the province to work with the people in various regions of the province to help build solutions that will work for them and make allowances for the northeast B.C. regional policing model.

I'll just touch on education. With the recent B.C. Supreme Court ruling, the school boards may not

charge for any goods or services that are an essential part of the K-to-12 program because the B.C. School Act says education must be free of charge for every school-age resident. We encourage the province not to simply change the School Act to allow fees but to adequately fund programs so that parents and guardians are not burdened with fees that are central to the educational components and programs offered from kindergarten to grade 12.

There is a need to partner with the province to build a UNBC stand-alone campus in Fort St. John. Our strategic plan has been approved by the board of governors of UNBC. We need further provincial support, both financial and moral, to see our vision of a campus specializing in nursing, business, environmental engineering and the recertification of foreign health professionals realized here in the northeast.

I'd like to deal with infrastructure grants. Expand the definition of infrastructure to include not just roads, bridges and sewers, which may not be appropriate for every municipality, but to support the full range of municipal infrastructures expected by British Columbians, such as transit, libraries, museums, conference centres, parks, sports and cultural facilities.

Budgeting for infrastructure improvements has to be a long-term and sustained program. Municipalities cannot plan adequately on a wait-and-see program: "We will wait and see if we get the infrastructure funding." That's not appropriate anymore. Municipalities need to adopt a five-year plan. Infrastructure programs need to be long term.

To address the infrastructure deficit and allow us to address quality-of-life issues, reduce our dependency on property tax and give back a portion of what is generated locally in sales and other taxes. Fort St. John is a service centre, an economic hot spot for the province of B.C. The area is struggling to attract enough employees to continue the development of our area resources.

Without continuing to improve our health, education, recreation and cultural amenities, the city will not be successful in attracting new residents. Taxes will not have to go up; they just have to be redistributed. Municipalities like Fort St. John will be able to plan long term to meet their infrastructural needs.

We're willing to do our bit to make the province strong. You must do yours by giving us the tools we need to get on with the job. Together we can make this province the most prosperous and liveable place in the world.

B. Simpson: Thank you very much for that. It's terrific to see the local leaders having that longer vision and being very articulate in what you put forward as your needs to achieve that vision.

We're not allowed to engage in a long discussion, so maybe at UBCM we can do that. My question just goes to some numbers. It helps if the committee has some numbers. You've got some suggestions in there around the 5 percent for the liquor tax and things like that. It would be very helpful if you can actually put some numbers to that and some numbers around your

homelessness figures — how many units you think would be necessary.

J. Eglinski: Okay.

B. Simpson: So that would be the only suggestion I would make: rather than engaging in this now, if we could have a written submission that then fleshes out some of the recommendations you've got in there and gives us some hard numbers. That would be very helpful to us.

J. Eglinski: Could we also extend that on to deal with our seniors' issues — housing issues for the seniors?

B. Simpson: Yeah. As you go through the thing, give us a suggestion of what kinds of actual numbers we might be looking at so that we have a better sense of what.... Ultimately, it boils down to playing with the budget — right?

J. Eglinski: You're right.

B. Simpson: So the more you give us numbers, the better we're able to assess what that impact would be.

J. Eglinski: Okay.

H. Bloy: Thank you very much for your presentation. I would like to ask you a favour. You talked about the foreign-trained doctors. The international medical association just met with George Abbott earlier this week. If you could send a letter of support to George Abbott in regards.... I've been working for a long time on how we get licensing and the doctors in the system. So if you'd write a letter of support, I would appreciate it.

J. Eglinski: We'd be very willing to do that.

H. Bloy: Okay — thanks.

[0935]

J. Kwan: Just on the foreign doctors and nursing issue. There is actually an organization that is working with professionals, particularly doctors, from different countries. There's one thought, and one concept, and I'd just like to get your take on it. It is to have the doctor, if they've met all the credentials in their home country and, for one reason or another, cannot get their licence here.... What about putting them on a practicum kind of process — or what someone might say a fast-track evaluation of their capacity and ability to perform the tasks?

I believe it costs about \$70,000 to assess each doctor in that capacity, and then once they prove that they have the ability to do the job, they are licensed. That concept has been floated around by these organizations. Is that something that...? I'd like to just get your thoughts on that.

J. Eglinski: I'll answer that, and I'll ask Mr. Locher to answer it after me too.

We'd be very supportive of such a program. We have a situation in our community at the present time where we have a doctor that's very highly qualified. She has written her Canadian medical exams and has passed, but because of the requirements under our current system of bureaucracy, she has to go back to university. She has higher qualifications than most of our local physicians. She can go to the United States and start working there immediately, yet she cannot work here in this country.

We would really support a program such as that because we know that there are a number of doctors that probably have that skill. They may have a little bit of a language barrier, or something like that, but they would pick that up very quickly if they were in a working environment.

I'll just let Mr. Locher add to that, please.

J. Locher: Just to follow up on Mayor Eglinski's comments. The United States does have a similar program where you do go for a two-month evaluation. It's the local obstetrician-gynecologist out of Argentina that Mayor Eglinski is referring to. That will then allow her to do her training in the States — her specialty training.

In Canada the other obstacle, of course, is residency training. That is a four-year period for this individual, and there are only 42 spots in all of Canada. I'm sure the committee will recall from some comments made by Ujjal Dosanjh when he was Health Minister that we're talking about 5,000 foreign, uncredited doctors in Canada. So with 42 spots, that does not address the issue. I think additional steps are required, but the ability to train in Canada under supervision would be a great step forward.

J. Kwan: Thank you.

R. Hawes: Thank you for your presentation, Jim. Just quickly back to the seniors issue and housing for seniors in terms of assisted living and complex care. I'm sure you know there are economies of scale at play too. Here in the north there are some communities that are very, very small.

Hudson's Hope. I don't know how many people live in Hudson's Hope, or if they have assisted living. Maybe it's not possible in a community like that to have seniors at home, if you will, in assisted-living complexes or complex care. There's just not enough population. So these things, to some degree, have to be regionalized.

I'm wondering, then.... Fort St. John obviously has the size to be a regional centre. I don't know what the needs are in the whole region. I don't know if that's been calculated. You're speaking from the perspective of Fort St. John, but really we need to be talking about the whole region. I wonder if your numbers reflect that.

J. Eglinski: We can give you those numbers to show you. An example: we have people sent from our community to Pouce Coupe because we do not have facilities locally. Yet, we are the largest centre in the area. It's a makeshift. Wherever you can find room to

put these people that need that assisted care, you move them to that facility, which means it could be out.... If it were more centrally located, yes, it would definitely be more appropriate.

I agree that it might be very difficult in a place like Hudson's Hope, but there are certain levels that could still be provided in those communities. The more serious cases may have to come to a regional area. When a regional area has to go away from its own area for treatment or to be looked after, it makes you wonder if our system is correct.

R. Hawes: I would commend you to the conversation on health that's starting and invite you to make a submission to that.

D. Hayer: I was going to say, following up with foreign-trained doctors.... I remember in the 1990s there were some doctors on strike trying to find out how to get credentials here. It's been taking a long road, but it hasn't changed much other than we changed the seats from, I think, six to 18 in B.C.

[0940]

Has the UBCM made any proper resolution on this? I had a constituent in my riding yesterday who was talking about exactly the same issue and saying: "Why can these doctors work in the States, England, Ireland and other places but not here?" If not, maybe you should look at UBCM to pass a resolution so you can utilize the skills of doctors that are already here and get them integrated much faster than what has happened in the last 15 years.

J. Eglinski: That's a very good point. I don't know what has been addressed, but I will discuss it at the upcoming meetings with some of my counterparts. It's a very good idea, because we have to put pressure on the B.C. Medical Association.

R. Lee: The number of doctors trained naturally in the next few years and coming through the pipeline after they graduate from UBC will be double, from 128 to 250, so there will be more new doctors coming.

My question is: in the north, say, the city, how can you help to attract those professionals? Not only doctors but professionals.

J. Eglinski: We've had a number of programs. Northern medical trust funds were raised within the region to help for training medical professions. The city alone has made two residences available to the Northern Health board to have accommodations available for young doctors to train here or young specialists to come in here.

I think there are a lot of areas we can address as municipalities or as local areas. We're willing to work that way, but we need to have the people come here to fill those spots. We're having difficulty getting UBC to give accreditation to Dawson Creek Hospital or Fort St. John Hospital to let these specialists come here and train, and that's one of the problems that has to be addressed.

R. Lee: Okay. Thank you.

B. Ralston (Deputy Chair): Great. Thank you very much. I know that time goes by quickly in these kinds of encounters.

J. Eglinski: Thank you for the opportunity, gentlemen, and welcome to the Peace.

B. Ralston (Deputy Chair): We're going to move slightly out of order again here to the Legal Services Society. I think they're here and ready to go.

I think Mr. Benton and your colleagues could come forward, please.

Thanks very much, Mark. You have a written presentation that all members of the committee have as well, so perhaps if you could introduce your group there.

M. Benton: It would be my pleasure, Mr. Chair. Let me start at my immediate right with Karen Hiebert, who works with the Legal Services Society local agent in Fort St. John. She has 15 years' experience working in the legal aid business and can provide perspective on the local circumstances here in Fort St. John. To my immediate left is Glenn Stasiuk. He's our local agent in Dawson Creek. He's been involved in legal aid since 1980 and can give you perspective on what the current circumstance is.

To my far left is Mr. Bruce Hardy. Mr. Hardy is on the faculty of Douglas College and is a past CEO of a number of not-for-profit agencies in the social service sector. He also is one of the longest-standing board members of the Legal Services Society, a past chair of the board, a past chair of the board's finance committee and will be talking from the board's perspective on needs and alignment of the society with government objectives and broader policy objectives.

I am the executive director of the Legal Services Society. I'm a lawyer. I've been involved with legal aid for a little more than 20 years. I'm going to start by introducing you to the package itself and run through a couple of our key issues before we start talking about what that means locally. Bruce will close with what it looks like from a provincial strategic perspective from the perspective of the Legal Services Society board.

It's a pleasure to be here. We haven't had the opportunity to make this submission before. I have spoken to a number of you in your capacity as MLAs and working with your constituency assistants to make sure that our services are accessible to your constituents. By the time I appear here again, I hope to have spoken to many more of you.

That note of making sure that our services are accessible is one of our major challenges. As most of you are aware, we were obliged to restructure our organization in 2002 following 40-percent funding reduction from the province.

[0945]

Since then we have developed a number of innovative programs that we have been getting out to people in a number of ways. One of those ways is through

your constituency offices. Basically, in making the submission today, we are here to let you know that the federal government's criminal changes will have a serious impact on legal aid. We are advised by provincial government officials that that impact over time can be as much as \$3.2 million a year resulting from longer trials. Mandatory minimum sentences will mean more people will be eligible for legal aid since our test is likelihood of jail, circumstances like that. It is the only thing that we're giving you a notice of now. Details of that are contained in the package.

Our principal reason for being here, however, is to let you know that we've got a number of programs that are working very well. We've increased our funding from outside sources, and we're able to keep legal aid operating in this province for the time being. However, we anticipate — not in this budget cycle, but in ones that will occur in the next couple of years — that in order to sustain that service, we'll need increases in core funding.

We've had a number of recent successes that some of you may be familiar with. One of them is a program that has proven very effective here but may not be sufficient. I know that both Karen and Glen may be speaking to that in a minute so let me tell you about that.

With our budget cuts in 2002, we took funding from some of our other sources and started a program called family duty counsel. It's one where we placed two lawyers in every courthouse around the province. Those lawyers were charged with the responsibility of getting as many resolutions as they could. Their success exceeded our expectations. In more than a third of the cases our clients were getting their problems finally resolved, from their perspective, within 90 minutes of assistance.

We've just done a follow-up review on those clients. We found that with 85 percent of them the problems were completely resolved. They didn't recur. Maintenance got paid. Child custody arrangements stood up. Basically, with a relatively small intervention by lawyers committed to getting resolutions, we're able to solve a lot of problems for a lot of people.

That program is now funded at its current level by the provincial government. That was as a result of a funding increase we received in 2004.

That's an example of one of several initiatives we have developed. Others are Internet-based service delivery — Canada's first telephone hotline service to provide legal advice and assistance over the phone — telephone application services and Internet-based services, as well as advice and information in courthouses provided by non-lawyers. Those are all pieces that are underway right now that we're currently funding from other resources or from this modest accumulated surplus that we have underway.

By the way, that surplus, once we exhaust it, is the reason why we'd be looking for increased funding. Again, that's looking a couple of years out.

The reality is that our services aren't as accessible as they have been in the past. The first nations people, in particular — because we have become a centralized agency, accessible largely by telephone rather than in

person — don't have the same kind of access that was available when we offered remote offices throughout the province. We're currently working with native court workers and others to try to resolve that, but frankly, we recognize it as a serious gap in our service that affects the northeast and the north generally far more than it affects the south of the province.

We continue to work to develop early intervention programs and continue to evaluate those externally in an effort to make them work. While we're closing a number of those gaps, there still remain serious gaps. Some of those are particularly apparent here. I'm going to turn to my colleagues from Fort St. John and Dawson Creek, first Karen Hiebert and then Glen Stasiuk, to talk about current circumstances here.

K. Hiebert: Fort St. John, as you people probably know, has probably one of the highest disposable incomes in the province, if not Canada. That alone brings with it its own problems — drugs, alcohol, transient people coming and going and things like that. But it doesn't matter how much disposable income you have, you are always, always going to have the working poor — the people who are working at the minimum-paying jobs in restaurants, grocery stores and stuff like that — who just cannot come up with a retainer to hire a private bar lawyer at \$250 an hour. The minimum retainer being, you know, \$3,000 to start. You're always going to have those.

[0950]

We also have three reserves within an hour of Fort St. John that have their own problems, of course. Not only that, but because of the high disposable income and the drugs, alcohol and everything, it brings the high rate of child apprehensions and things like that, young mothers into drugs and alcohol. You have all of that, and then to top it all off, we have very few lawyers who will take legal aid, because of the fact that they get paid at such a low rate. They get \$83 an hour. Why would they take a legal aid referral if they can make \$250 an hour from a paying client?

It's a struggle every day when I get these young people in there asking for and needing a lawyer for child apprehension matters. They have to be into court within seven days. I often have to go to Dawson Creek, to Prince George — sometimes even as far as Vancouver — to find a lawyer who's willing and able and available to come up and look after these cases. That's a struggle.

We have one lawyer in Fort St. John who will take family files. He is also the counsel for the director, so for any child apprehension matters, that puts him out. Then we're in a real bind.

It's tough. Some days I don't even know if I want to go to work, because I know I'm going to have to face these people. It's really hard to have someone crying across your desk and not be able to help them. It's really hard.

That's where I see it, coming from here.

G. Stasiuk: The situation is much the same in Dawson Creek. If you look at the stats, I think it says that six lawyers are taking legal aid. There are actually

three who mainly do the legal aid in Dawson Creek. The rate of pay for legal aid cases is somewhere around a third to a half of what they would get for a private client.

They are taking those cases. They largely take the cases because they like the work, and it's fortunate. To some degree the legal aid system is subsidized by the lawyers who are willing to take the work. In Dawson Creek there is one lawyer willing to take family cases.

I don't know if you know what duty counsel is. Duty counsel provides service to people who are in jail, picked up on various charges overnight. They're in jail. There's a bail hearing to see whether or not they can get out, either to go back to the job or go home. Often those cases are dealt with by duty counsel. It's one of the primary needs for criminal duty counsel.

There are days, when we're going to Prince George, where those people are attending by telephone only because there's nobody available in Dawson Creek. It's just a lack of lawyers.

There's family duty counsel. If the local lawyer doesn't take that on, then there is nobody available unless we go out of town — unless we're fortunate enough to get somebody from Fort St. John or Prince George to take the case. Regularly there are people from Prince George coming up to take family cases in Dawson Creek. There's no availability.

The duty counsel program that was mentioned earlier has been really effective. I've been watching it. I do some of the referrals for the family duty counsel.

What happens is that two duty counsel go into court. They have clients coming up to them. They're able to negotiate a settlement rather quickly. The parties, because they're going to court, are keenly focused on the issues.

The lawyers assist so that they know, basically, what their legal rights are, and they're able to come to some kind of agreement, usually on the courthouse stairs. That relieves a lot of stresses in families and is probably beneficial, for a number of reasons, throughout the community.

However, right now there is duty counsel once a month in Dawson Creek. So unless you're scheduled for court that day.... Usually those are the only people who are accessing it. It would probably be beneficial to have increased family duty counsel days, where you have two family duty counsel. These people can come in, sit around a table, each with their own lawyer, hash out a deal and get on with their business.

There's a small availability of that on duty counsel day. But as I said, on those days there are a number of matters going on in court. The family duty counsel are dealing with as many cases as they can as fast as they can, but additional time would probably be more than worthwhile in that particular area. It's a low-cost, high-resolution area.

B. Ralston (Deputy Chair): Thank you. We have time for some questions.

[0955]

I. Black: I want, first of all, to commend your organization for reacting as creatively as you did under

the financially distressing times of the early 2000 time frame and restructuring yourselves the way you did.

Mark, you and I had a chance to chat a couple of times, and the programs you introduced and your reaction to that was really very commendable and very creative. Good for you.

My question pertains to the introduction of the pilot program about community courts that's being done down in the lower mainland. It's a multifaceted question, but I'll try to be brief.

B. Ralston (Deputy Chair): I hope so.

I. Black: Granted, that is being tested and piloted in the lower mainland. My question is: are the benefits that are hopefully going to be derived from that with respect to faster resolutions for cases that would very often end up in the legal aid doorstep...? Would the benefits of something like that be applicable if you could run a pilot program like that up north? I'll keep it at that.

M. Benton: We believe that this kind of approach, which looks at the problem more holistically and links people up with health care, has got to be the future of the justice system. I'm going to ask Bruce to respond in part, because my board is directing the organization into those programs aggressively. We think that this is going to get better results for people and produce better social results.

Bruce, do you want to speak to that?

B. Hardy: Very briefly — only to say that our focus from the board of directors' perspective is renewing and renewal in legal aid, looking at new solutions to old problems, being creative and spending our money wisely and offering the widest range of service we can. Our concern as a board of directors is that the situation as described by the people from the local scene.... We're fearful that that's potentially the future of legal aid in many communities — fewer and fewer people willing to deliver legal aid services and thus less and less access to services.

If you believe, as we do, that legal aid is a cornerstone of the justice system, then that causes us a great deal of concern over what's going to happen in coming years. How do we encourage lawyers to take on more responsibility for legal aid? How do we spend our money wisely? When legal aid isn't available or doesn't work, the system starts to grind to a halt for a significant number of people. There's less access, and in reality, costs go up.

We're willing to experiment on any number of fronts. Even in the event that we tried an idea and it wasn't as effective, we'll have tried it, and then we can move on to another idea so that we can get the most people serviced the most efficiently. We're looking at effectiveness and efficiency in what we do.

From the board of directors' perspective, we do have some concerns for the future. We aren't seeing the same degree of commitment to the service of legal aid

from as wide a range of lawyers as we have done in the past. Part of it is that when you have a booming economy, people can make an awful lot more money not doing legal aid.

D. Hayer: My question is on having more involvement with the mediation and more involvement with the video conferencing and maybe using more duty counsel, trying to hire more, because it's more economical. Is that some other way to sort of look at it? On your case, like Air India, and also one in front of the courts sometime.... They take such a large amount of money in legal support, and then cases like this sort of get left behind. Any thoughts on that?

M. Benton: Yes, we have a number. Time doesn't permit the range.... From our perspective, there needs to be much more discipline exercised by everyone in the justice system about how resources are allocated. We need to break down some of the barriers. Traditionally, we all honour the independence of the legal aid plan from the prosecution, from the judiciary. And that independence is very important and a critical value. But we also need to look at the interdependence and how costs in one area drive up costs in others. I think, as participants in the justice system, that not enough has happened in that area, and it's one area to look at.

We are strong proponents of mediation. In fact, in the child protection area we have worked to encourage the Ministry of Children and Families to embrace mediation in child protection cases, because our clients — the parents who are on legal aid — have a higher satisfaction rate with those. It doesn't save us any money. It gets our clients a better result for about the same cost. We like that a lot.

Yes, we are expanding duty counsel where we can. Glenn was talking about doubling or tripling the level around. We think that that may be cost-effective too. But the difficulty with any publicly funded agency is we work on annual budgets, and those downstream effects typically fall outside the fiscal year.

[1000]

J. Kwan: Two parts to my question. Could you refresh my memory? In 2002 when the budget reduction took place, how much money did legal aid lose? Also, particularly in the areas of service gap for poverty law.... I come from a riding where we have a significant need for that kind of service, and I can certainly appreciate, in the rural communities, the difficulty of accessing that service.

The provision of things like the Law Line and so on.... While it does provide, I suppose, some element of support for people in need of those services, my experience with my own constituents is that it doesn't come nearly to the place where they really need it. Many of them are so marginalized that they don't even have the wherewithal to get through the phone lines and so on.

To that end, if there was an ideal world where you envision a provision of legal aid services and where

access to justice were to be made available to those kinds of individuals, what would that service look like, and how much do you think it would cost?

M. Benton: I think what our vision is, is that there's a continuum of service which meets people's needs. There are significant parts of the population — and I think you'd know this all as MLAs — who need direct assistance. You can't just refer them to a brochure. You can't just deal with them on the phone. They often will need to talk to you face to face or need the help of your constituency assistance face to face. That's the reality of our work on a daily basis.

In my discussion with Karen Hiebert this morning, it was about the third thing that she mentioned. I used to see people all the time and was able to help them, and I can't do it now. It just doesn't happen. We don't know what's happened to those people, actually.... They're in many of your offices.

In our vision of what that would cost, we would keep everything we currently have and start using additional services where they're needed, quite targeted for that one-on-one assistance or group assistance. We're learning as we go.

We're very much leading the country in British Columbia in terms of looking at early intervention to provide people with reliable advice which is accessible to them and which they can use, or direct assistance to get the problem solved earlier. We know that if we solve those problems earlier, it's cheaper for us. I think that was part of Mr. Hayer's point. It's far cheaper for the province and the federal government in terms of other social assistance supports.

J. Kwan: And my earlier question to the cut in 2002?

M. Benton: My apologies. The \$30 million — it was about 38 percent of our budget. We lost about two-thirds of our staff.

B. Ralston (Deputy Chair): Thank you very much. I can't let you go on any further. Being a lawyer myself, I'll be accused of being too soft on you. You've gone slightly over time, so thank you very much for a very comprehensive presentation.

The next group will be the Fort St. John Community Arts Council — Laurie Petrucci and Aleisha Hendry.

Thanks very much and welcome.

L. Petrucci: Thank you for having us. My name is Laurie Petrucci. I'm the executive director with the Fort St. John Community Arts Council. I have been volunteering in several strands of the arts, and I'm also a parent of four children at the local Central Elementary School, which is a designated fine arts school. So I have a lot of background in the arts and am directly involved with the Fort St. John Community Arts Council.

Fort St. John Community Arts Council is an umbrella organization. We represent 23 member arts groups. These groups represent hundreds of local participants directly involved in arts and culture pro-

gramming in all four strands of the arts: visual, music, drama and performing arts. The groups also represent the thousands of spectators who attend these groups and programs locally.

I'm here today to stress the importance of continued support and increased funding to the B.C. Arts Council. The Fort St. John Community Arts Council is a recipient of provincial government support for core operations through the programs of the B.C. Arts Council. The Fort St. John Arts Council plays a significant role in arts and cultural programming in the city of Fort St. John.

Increasing our core operations budget would further enhance our existing and expanding programs such as our Art that Moves You, which highlights a transit bus art gallery — it literally moves you; the Elves Christmas; High on Ice and the B.C. Ice Carving Championship, which involves both local amateur ice carvers as well as professional ice carvers from across the country as well as internationally. We see carvers come to Fort St. John from Italy, Belgium and Russia, which is very exciting. We also have the Flower Pot Project and Art in The Park. All of these programs go a long way to increase the quality of life for residents of Fort St. John.

[1005]

Our programs directly benefit residents of all ages — from children, students, adults and seniors — and enhance the community culturally and economically.

Arts and culture serve four of the British Columbia provincial government's five goals to make B.C. the best place on earth: education, health, social supports, employment and economic growth. The Fort St. John Community Arts Council strongly supports serving the community's need to address these same goals that the provincial government has set. A vital, well-supported arts community can reduce health care costs, contribute to better-educated youth with more positive attitudes, make a significant positive contribution to the economy by increasing the skilled labour pool and drawing industry to locate here, and make our communities more inclusive by strengthening the social fabric and supporting diverse cultural groups.

I will close with one example of how the Fort St. John Community Arts Council is working to address the provincial government's mandate of addressing education and making B.C. the best place on earth. One year ago the elementary schools of Fort St. John and area were busy with arts activity. Arts Umbrella, an arts organization based on Granville Island that provides arts programming for youth aged two to 18, brought their outreach program to Dawson Creek and Fort St. John and gave direct, hands-on instruction to 5,000 children. Every child of elementary age in Fort St. John received this hands-on opportunity. Artists from Arts Umbrella, along with local artists, worked together and had every elementary-age child do self-portraits.

The outreach program was a pilot project, and Fort St. John and Dawson Creek were very fortunate to be chosen as the first communities to collaborate with Arts Umbrella. The artists had as much fun as the students working on this project, and it was a great success.

From every school 20 portraits were selected and were hung in different businesses and sites around Fort St. John. The portraits were an incredible display of varying colours and self-interpretation. Each one was unique. One portrait perfectly illustrated how original and imaginative children are. It showed a round circle for the head, covered with scratch marks. The art teacher turned around and said: "Could you please explain your art work?" He said: "Well, it's the back of my head." The teacher said: "Wow."

Children are so imaginative and need to express themselves. Art is a creative outlet for them. So many times you can see children and youth discovering their voice through drama, confidence through music and discipline through dance. Drawing and painting provide for individual expression in how they view the world around them.

Wired magazine published an article in February 2005 called "Revenge of the Right Brain," written by Daniel Pink. According to the author we have moved from the information age to the conceptual age. Local and precise left-brain thinking gave us the information age. Now comes the conceptual age, ruled by artistry, empathy and emotion. Logical, linear and analytical thinking is necessary, but it is not enough in providing meaning to our lives.

Along with high-tech abilities comes the need for high concept and high touch. High concept relates to innovation and creativity, and high touch is the ability to understand the subtleties of human interaction and finding joy in oneself and others.

We — the Fort St. John Community Arts Council — believe that increasing arts funding to the B.C. Arts Council will greatly benefit our ability to support local arts initiatives and provide community residents with rich and engaging community arts programming. It starts in the sandbox and continues on through life.

The city of Fort St. John is experiencing phenomenal growth, which is expected to continue in the next five years — tripling in growth. The Fort St. John Arts Council will have to cater to the growing community and will need the funding to do so, through the B.C. Arts Council. Thank you.

I would like to introduce Aleisha Hendry. She is new to Fort St. John and is a staff member of the Fort St. John Arts Council.

A. Hendry: My name is Aleisha Hendry. I am the executive assistant on the Fort St. John Arts Council, recently hired — and I'm grateful for that. I am a recent graduate from the bachelor of fine arts program at the University of British Columbia, Okanagan campus, in Kelowna. After four gruelling years of enduring individual and group critiques, fights over studio time, space and equipment and the occasional breakdown over a serious lack of inspiration, I actually want to take that next step to becoming a full-fledged practising artist.

[1010]

I'm here today to impress upon you, the budget committee, the importance of increased government budget support to the B.C. Arts Council. As I am a re-

cent graduate, it should really come as no surprise that I really have little financial stability at this point, having to pay back student loans and other things. The same most likely goes for all my classmates and peers in the arts field. It's difficult for anyone to break into the art scene but even more difficult once we leave school, and all that space and equipment we had access to for the last four years is no longer at our disposal.

This is why so many of us look to grants and bursaries to help us pursue our artistic goals. Paper, paint, wood, ink, cameras, lights, camcorders, all these things.... Basically, any and all materials cost money, which is desperately needed if we want to continue our practices and help expand the arts in B.C. and in Canada.

Arts and culture serve four of the provincial government's five goals to make B.C. the best place on earth, such as goal 5, employment and economic growth. It is increasingly true that industry locates in areas with a high concentration of arts and cultural opportunities. Employees prefer to live in communities rich with cultural facilities and artists. As more products use the arts as a necessary ingredient for their products, such as photography and graphic arts, companies need to be located where there's a pool of artists to select from. Therefore, we need people trained in these artistic fields in order to fill these jobs.

I have applied for grants from the B.C. Arts Council in the past and was rejected quite a few times. There were over 300 applicants, and there was only enough money for 50 people. More funds need to go to the B.C. Arts Council so that they may continue helping those who want to pursue their artistic dreams.

B. Ralston (Deputy Chair): Great. Thanks very much.

B. Simpson: We had a young woman make a presentation to us in Nelson, and I had the pleasure of hearing her sing. She was talking to us about a CD she had to make and some of the struggles she went through. I'll put it on the record that while I was in Nelson, she actually sang at an event I was at on the weekend, and it was just phenomenal.

One aspect of the presentations we've had to date.... You've covered off the youth component in art in the schools. You covered off supporting our artists and the impact of culture in our communities. The other aspect that's been presented to us is art and culture as an intervention in society, as well, for troubled youth, for seniors, for individuals with disabilities or dementia, etc.

Is there work being done in that area in this community as well, and is that something that the arts community here would also like supported?

L. Petrucci: The arts community, specifically the Arts Council.... We are a member of the WinterLights committee, which is a strand of the Communities in Bloom program. Through that, there are seniors programs. The Arts Council has been involved with ice sculpting. Last year we took ice sculpting right to the seniors home, and there were some in-class demos. So we have some impromptu programming, but we are

working at developing better programming to address those needs. There is an aging community, and we recognize that.

R. Lee: You raised the point that moving to the north is getting.... I believe there are distinct advantages in a location like Fort St. John to attract cultural tourism. Is there any thought to combining tourism, arts and other educational opportunities in this area?

L. Petrucci: Yeah, in B.C. specifically, cultural tourism — that's how it's labelled now — is becoming quite popular. The Arts Council is working with tourism on developing some programs relating to the Alaska Highway.

As well, the Arts Council.... We have 23 member groups, and of those member groups.... The historical museum is a member. The cultural centre, all of these different strands in Fort St. John — we are working together. We network, so even if we aren't directly involved, we are supporting them. The financial assistance we get through the B.C. Arts Council does filter to these different things, like heritage.

One thing I would like to stress as well. We are quite unique, living in the north. People don't move to Fort St. John just to move to Fort St. John. They move to Fort St. John to work. Normally we see couples moving to Fort St. John.

[1015]

A lot of the men — I'm being a bit stereotypical — move for oil, and they're bringing these very talented wives. So we have world-class Irish dancing in Fort St. John. Jo Watt leads the Fort St. John Irish dancing, and a few years back we had the top Irish dancer living in Fort St. John. We have world-class Scottish dancing.

The level of excellence of the arts in Fort St. John is fantastic. In all strands of the arts we have these high-profile, high-calibre instructors, if that addresses your question as well.

B. Ralston (Deputy Chair): I don't see any further questions, so thank you very much. I know the arts councils throughout the province have made a point of coming to each location we've been to and made very strong presentations, so this is yet another one.

Our next is the Fort St. John and District Chamber of Commerce. I think we're a little bit ahead of schedule, so perhaps we could take a brief recess, and we'll go back on the record shortly.

The committee recessed from 10:16 a.m. to 10:38 a.m. MST.

[B. Ralston in the chair.]

B. Ralston (Deputy Chair): We're going to resume our hearings of the Select Standing Committee on Finance and Government Services here in Fort St. John. I'm pleased to welcome Councillor Brad Filmer from the district of Taylor.

Welcome, Brad.

B. Filmer: Thank you. We want to welcome all of you here to the North Peace.

First of all, I'll start with.... I will try to follow my outline as closely as possible, but I may wander from it.

B. Ralston (Deputy Chair): We all do sometimes.

B. Filmer: Yeah. That's what brings us to the North Peace, I think.

I'd like to begin by saying, once again, that it is a pleasure to see you all here. There is no doubt that the economic growth being experienced throughout our province, and especially in this area, is due directly to the results of efforts from our government. Furthermore, the efforts to negotiate a public sector contract to ensure labour peace up and through the 2010 Winter Olympics have displayed a level of professionalism that we haven't seen from our governments for long.

We'd also like to congratulate you on being able to be forthright and upfront and open in all areas. It is because of this wisdom and forethought that have been consistently shown by the government that I'd like to bring to you three issues. I'll start with, perhaps, the simplest issue.

[1040]

There's the issue that impacts greatly upon small communities, especially those the size of Taylor — that is, the aging population and the need to accommodate it. I'm sure that you have heard a lot about this, especially since the seniors dialogue, which was promoted by your government, has opened many of our eyes to that exact issue. Now that we've had discussion and openness, it's clear that we must move to the next step of starting to fulfil the needs of our seniors that have been identified through these open discussions.

The primary concern within our community is the lack of housing. It's been our experience and that of our local community church, which I am a part of, that seniors are being moved out — exported from our community — at a time when they least desire the change and in some cases are least able to deal with it. Of course, such moves affect the entire family structure. It has a ripple effect that spreads throughout the close-knit family of our small community. It is particularly trying, as leaders within the community, to counsel people who are content to stay in the community but have to move because of the first signs of aging.

Aging does not mean that they're incapacitated, but it does result in the need to reduce the daily household chores by downsizing. It is especially difficult when their only desire is to spend their golden ages in the community which they've come to love. But because of their age, many of them can't handle the housework. In rural communities, most of these seniors are coming from a life experience of being outdoors — large areas, large yards, some even on farms — but are no longer able to keep up that pace of life.

The reality is that the private sector hasn't been able to keep up and basically has failed in providing housing for people who need it. There are no townhouses and only two semi-decent apartment complexes within

our small community. These apartments are multi-storey, no elevators — have to be walked up — typically single bedrooms, maybe a couple with two bedrooms. Understandably, the residents that reside in these areas have a radically different lifestyle than our seniors are looking for.

We recognize and acknowledge all the initiatives in seniors housing in the south and the larger regional settings. We also recognize that not all requests can be accommodated. However, we would request that consideration be given to initiate within smaller communities a seniors retention program that has a housing component. As a council, we are prepared to stipulate our belief that such initiatives should be a joint venture or a partnership between the Crown and the local government.

We recognize and accept such obligations on behalf of our residents. We are prepared to take on that responsibility. If such a program is an initiative you are prepared to consider, we would suggest that the program parameters be worked out with the committee working group within the UBCM in a small communities forum.

The other two issues we would like to raise we will link, even though they are perhaps considered separate issues. They are the Competition Council report and rural policing taxation. Again, it is appreciated that the Premier has stated that the municipal component of the Competition Council's report would not go forward without consultation with the UBCM. However, we would want to go on record here, now, as being opposed to the attitude that somehow rural communities are dining out on industry. As supporters of the current Liberal government — our MLAs in both the north and south Peace — we recognize and accept the professionalism and expertise displayed in the areas under provincial authority in the Competition Council report and would not presume to pass judgment upon them.

[1045]

Out of consideration for our residents, we must take exception to the municipal taxation section contained in the forestry component of the Competition Council's report. Any such report recommending sweeping changes to legislation without the involvement of the body it affects or the provisions of an opportunity to present a balanced picture is flawed. At best, it can be deemed to be prejudicial — at worst.

Statistics can be manipulated to colour a picture. Taylor can be coloured to have an excessive percentage of industrial taxation making up a large portion of its taxation pie. Of course this would be the case. We are a community that virtually has no business sector. We have been working hard to build up our residential section, but we are still small in comparison, in taxation purposes.

Utilizing comparables which are in fact a service centre, as opposed to resource communities, is also simply inappropriate. One size does not fit all, as frequently stated. The Competition Council's report is also specific to tax exceeding the value of direct service provided. We would argue the point that this does not take into account the service standards demanded by employees of the plants to live within the communities. In a competitive environment for housing, these ser-

vices need to exceed the normal municipal standards to offset some negative influences associated with industry.

Many of the activities associated with our industry would not be tolerated within any major city or large community where a taxation base for an industry is not critical to the financial welfare of that community. These include such things as trucks utilizing jake brakes in all hours of the night, plant odours, premature road breakup, excessive noise — but more importantly, the danger that hazardous goods can have within a community.

We can use as an example the gas plant explosion that we experienced in 1999 where, as a result, \$40 million damage was done to a plant. The total community of Taylor had to be evacuated in a matter of moments.

Those are hard to balance in a taxation pie. Given such factors, we trust that the comments previously made about industrial communities are not prevalent throughout the government.

Moving on to our third point, rural policing taxation. We need to state upfront that we separate the taxation of rural policing from the service that we receive. We strongly appreciate the work that our local RCMP are doing, and any comments in part or in whole should not be a reflection upon the quality that we are receiving.

I would also like to note that we are supportive of the contributing financial since we do receive some service. However, given the current government surplus, we are disappointed that the additional revenue is not being utilized to increase policing resources that are available.

What we must draw your attention to is the hypocrisy of some components of this initiative, in light of the acceptance of the Competition Council's report. While understanding the principles associated with the funding formula, there is no doubt that the province is targeting the same industries that municipalities are accused of dining out on.

There are two communities in the Peace region area without police detachments: Pouce Coupe and Taylor. Both are comparable in size. Pouce Coupe is being asked to pay approximately \$19,000. We are being asked to pay \$121,000.

[1050]

The amount exceeds the contribution being asked of two communities in the area with detachments and is only slightly below that of our neighbouring community with a 12-man detachment. This is largely because of our industrial tax base as opposed to having a relationship to the service provided — again, one of the focuses that has come out of the Competition Council's report.

The bill to our main industrial partners in our community will exceed \$50,000 for the region. It will exceed more than 100 percent of the policing costs generated, instead of the 50 percent targeted. In other words, the industry in our region will be taxed once again to support the south, with there being no direct link to service provided. This is largely because of our industrial tax base as opposed to having any relationship to service provided.

We simply do not see the fairness and equality we have come to expect from our current government. When looking at these two issues together, we would

ask that you respectfully consider the impact it has upon small communities, and we would request that you consider such factors when these issues are brought forward to you in the Legislature.

B. Simpson: Thank you for the presentation and the obvious passion you have around the dining-out phrase. I was actually at the meeting at Council of Forest Industries when the phrase was used, and you could have heard a pin drop in the room because it was a local government luncheon.

Anyway, my question has to do with the seniors component you have in this. You mentioned the retention program. You mentioned some of the immediate needs. I know some communities on the coast have got pretty active strategies for recruitment and retention. What they're realizing, though, is that at some point you've got a loaded social cost that you also have to plan for. As those seniors age, then you need to deal with the impacts down the line of the kinds of services they need.

Has the community thought to that next phase? If you want to retain those seniors, have you thought to the next phase of what that means in terms of additional services over and above housing for them that the community may or may not have to look at providing?

B. Filmer: I think that's the essence of it, and to answer the question: yes, we are looking at the housing aspect. We have a seniors committee going at present. We have a location where senior housing would be able to go.

I need to perhaps clarify what we would be looking for. We would be looking for senior housing where it is not a care facility but rather more of a communal service where seniors can share a common ground. They don't have to take care of the yard work. If they want to leave, somebody's going to be there looking after the place.

We have entered into negotiations for development in that area. We are looking at some developers coming in, but the district of Taylor is one that has to balance all of this out. While the seniors are a growing concern in the Peace area, we also have a vibrant young family coming along. That's what is going to drive this whole economy here. So we have one aspect of a seniors component, but we also balance it with trying to provide affordable homes for the other ones.

We have applied to be part of the small communities program. I've lost the actual name of it, but it's called a seniors friendly — I believe the term is friendly — community. With that, we are looking to see exactly what you say: what other aspects do we need to do besides getting the housing in? The area we're looking at would put the housing right in our centre core. We'd look to develop a town centre around the seniors. They are easily accessible to the community hall. They'll be close to the golf course and a walking trail that is also part of that.

[1055]

R. Hawes: I have no idea how many seniors you're talking about in Taylor. What is the population of Taylor?

B. Filmer: Taylor has a population of approximately 1,300 right now. We'll see what comes out of this last census. We have over 40 seniors that have come out to our seniors dialogue. Referring to seniors, they would be over 55.

R. Hawes: I think you're talking about what's called supportive housing.

B. Filmer: Right.

R. Hawes: Of those, how many would be interested in supportive housing right now?

B. Filmer: We have 20 to 24 that are interested right now.

R. Hawes: I don't know why you wouldn't be able to attract somebody in free enterprise to build something.

B. Filmer: Well, it is an interesting question. Taylor has had difficulty attracting developers over the years. We're a lovely small community, but when a developer comes through, that's exactly what they do. They drive through Taylor. They look in, and they say: "Well, 15 minutes away there is a community of 17,000 to 20,000. Why would we think about developing something in a community of 1,300?"

We've had that difficulty. We've been battling to get them for residential, commercial and seniors.

B. Ralston (Deputy Chair): Thanks very much, Brad, for giving us a sense of the issues in Taylor. That was a very full look at it.

Our next presenter is the SONS organization. I'd invite them to come forward.

J. Leahy: I'm Jean Leahy, and I am the president of our society. Jim Collins is a director in our society, and Rick Bourdon, who was also to be here, is a director. Thank you for coming here and providing us with this opportunity to present our concerns and give you some ideas of what we want in the budget.

Our society was formed, basically, to look after the needs of seniors, partly because Northern Health does not provide for public input. The people in the community are concerned about how their seniors are being treated and what's available for them, so we organized our group. We have 110 members and a corporate membership or two.

Our goal is to pursue having more long-term care beds in the north Peace and all other avenues of support — we name them in the submission — and to raise awareness of the fact that our northern community is growing and continues to grow. In the wintertime it's probably worse, when there's an influx of workers here. Fort Nelson, for instance, doubles its population in the winter. We have a need for more facilities. As you heard from the mayor this morning, we have a need for a larger hospital because it is bursting at the seams.

We last presented to this committee two years ago, and not much has changed. We still have a 40-bed hospital with 29 acute care beds, with as many as 14 alternate-level-of-care patients in the 29 beds. It was a real problem, because it means that some surgeries are cancelled for other people. We can't really afford to have that happen either. If there was a large accident, we'd need those beds. Sometimes there are accidents here.

[1100]

Our 95-bed care home, due to renovations, now has 85 beds and two respite beds. A number of our residents that require care are being housed in Peace River Haven in Pouce Coupe, some 50 miles away. They stay there until a bed is available in Fort St. John.

That didn't just happen overnight. People have been going from Fort St. John to Pouce Coupe for a number of years, because there's not enough room at the care home. We kept being told that we were over-bedded, that we didn't need more beds, and of course in our minds, that was never true — in the last 20 years.

While we're sort of between a rock and a hard place, it's nicer to have people go to Pouce Coupe and stay in the Peace rather than what the rules are — to find a bed anywhere in Northern Health that would be available — because they could end up in Prince Rupert. On the other hand, for spouses, with one in Pouce Coupe and one in Fort St. John, if they don't have family and don't drive anymore, they simply don't get to see each other.

The \$250 million slated for long-term care beds, in our view, is just a fraction of the need and will not address the moneys required to put in place the 5,000 beds that were promised in 2005. That's not to mention the beds that are promised in 2008. We would suggest that those funds be raised to \$500 million and that the projects get underway.

We do appreciate that construction is underway for a 24-unit assisted-living facility in our town — it's to be done in the spring — but remind you that assisted living is not long-term care and is not part of the 5,000 beds. We are still short of home care workers, so people wanting to stay in their home often have difficulty getting enough hours so that they can. Rural elderly people are not always able to get home care, because they're too far out of the urban centre.

That brings up another issue. Some of the rural people who are 75 or 80 or thereabouts would like to move into Fort St. John. They still have their home and a quarter section, but were they to sell that, they could not realize enough money to purchase a house in Fort St. John and have some money to live. But they would be able to afford good rent.

It would appear that the mandate for B.C. Housing to build social housing has been changed to building assisted-living units. We would like more information on the various plans available for affordable housing from the B.C. government. Just recently there was a notice in the *Vancouver Sun*, and they talked about housing facilities that we have not heard of. So government must have the information on those housing situations that are available, which we could show to our developers and other people.

It is imperative that the problem be addressed for the benefit of seniors and young families. Not everyone here makes oil wages.

I think I'll let Jim have a say here.

J. Collins: I think you've covered the points, Jean. Thanks.

J. Leahy: I guess we're open for questions.

R. Hawes: First, I'd better mention that yesterday's announcement on housing by the minister responsible — I don't know if you've gone through that — does address some of the concerns that you're talking about. That's a very recent announcement — yesterday.

J. Leahy: I heard a bit this morning.

R. Hawes: As you go through it, I think you'll find that it does address some of the needs, in particular for seniors.

I guess my question would be: has the Northern Health Authority done a full assessment and provided you with numbers? Do you have the numbers that they have for what the needs are, and how much at odds are your calculations from what the Northern Health Authority is saying is required here?

J. Leahy: We do have numbers from them. I can't tell you exactly what they are now, but we have not always agreed on their numbers as compared to our numbers. They do have some plans to add more long-term care beds, but they have to buy property from another housing society that happens to be very high. If they don't get that property, which would be attached to the present care home, they'll have to go to a new site, and that means delay. We'll be sending people to Pouce for another four or five years.

[1105]

B. Simpson: I don't want to challenge my colleague about the relative merits of the announcement yesterday. Rather than doing that, it would be very helpful if you actually looked at it — if you can go on the website, look at what's being proposed and, as part of a follow-up submission, address the statement that's been made. Does it address your issues or not? I think that would be very helpful to us — to see that.

The second thing that I think would be helpful for us to know — and I think you were here when I asked this before — is if you've got a sense of the numbers that we might be looking at in your estimation so that we've got a sense of the order of magnitude.

The final comment I would make is that the Kootenay-Boundary region.... The seniors group down there did a survey that really showed the degree of seniors that have very fixed incomes relative to the affordability of housing. Maybe I'll get your contact information and see if we can get you a copy of that. Again, it addresses the issue that you've got, but it gives some data to it. As you're both well aware, it's

data that informs decisions. If we can find out what is going on in a more substantive way, that would be helpful.

If you can follow up on that one, in terms of the announcement yesterday, I'll make sure you get a copy of what they did in the Kootenay-Boundary region. You may be able to use that as an example of gathering some data yourself to feed forward to us.

Thank you very much for your time.

J. Leahy: We can do that. I just heard the announcement this morning, re the housing, so I certainly don't have any details or know about it.

B. Ralston (Deputy Chair): There is a deadline on follow-up submissions of Friday, October 20.

D. Hayer: Thank you very much, Jean and Jim. Actually, yesterday's announcement.... I was coming back from Surrey on SkyTrain. I stopped by one of the rotary clubs of Surrey for a few minutes. A few of the members came and talked to me. They said that was a really good announcement. Their family members could use that. It seemed to be a different perspective depending where your political background is.

I'd like to find out what the public thinks — a person like yourself, your friends and your family members — so I would appreciate your input after you've looked at it.

In your statement on the second page.... I think it's about the fifth line where it says: "We agree that it is not the total responsibility of government to provide these facilities, that the community must do its share in addressing the problem." What do you mean by that statement?

J. Leahy: Well, I think our developers need to have their conscience pricked and maybe be able to build some lower-cost housing or at least build some housing and have a society take over the management of it so that the rents are sort of reasonable. Some seniors here are well-off and can pay good rents; on the other hand, there are lots who can't.

The community has to be involved in all these issues. It can't just be government, and we know that.

J. Collins: Just to add to that, if I may. We're aware that in other parts of the province, and especially at the coast, there is a lot of this type of housing that is private. But in this area the capital tends to flow to the area where it's going to get the best return, and that is not in social housing. It's in the oil patch or buildings associated with residential for the community.

It's a fast-growing, high-priced community. An investment that's going to draw 5 percent or 6 percent is not of that much interest. It's unfortunate, but that's what it is.

J. Kwan: Two parts to my question. One is around the need for not just seniors housing, but you mentioned housing for families as well. What is the vacancy rate here for rental accommodation? Is there a

large stock of housing available for people to rent, even if they were able to get the rent supplement that the government announced yesterday?

The second part is: in your presentation you talked about home care workers and the shortage thereof, which seniors and individuals would need for supportive housing. Can you elaborate on the home care support shortage issue?

[1110]

J. Leahy: Well, the home care shortage has been for some time. Part of the problem is that people who made applications to take the training had to pay for their own training. They had to go to Dawson Creek, Northern Lights College, to get it. Some of these people are single parents and cannot afford to be driving to Dawson Creek and cannot afford to pay for their own training.

Then, when they are trained, other times they get hired on for part-time work. They don't want part-time work; they want full-time work. Of course, the other problem is that once they have the training, they're good first-aid attendants, and they can go into the patch, working at first aid, and get good money.

As to the shortage of housing, we're told that we're 400 units short of rental housing here.

J. Kwan: So your vacancy rate is...?

J. Leahy: None.

J. Collins: Negative 400.

R. Lee: You mentioned that assisted living is not long-term care, and you say the 5,000 beds are still not starting. But I believe the commitment is to have the 5,000 beds finished in two years. In the meantime there are a lot of renovations going on for old facilities. The need here for long-term care beds — how accurate is the need, instead of assisted living?

J. Leahy: You know, we're telling you that there are up to 14 people daily in the hospital, in 29 acute care beds, waiting for long-term care mostly. Now, they stay there for a time, and then they go to Pouce Coupe. But there's also adult day care. The care home here is full of adult day care. They can take up to 16 people. That's all they can handle. So if those 16 people don't get the proper care and can't get home care service, they'll end up in the hospital too.

It just compounds one thing after another. And yes, assisted living can't be viewed as taking the place of long-term care, because it isn't.

B. Ralston (Deputy Chair): Thanks very much, then, Jean and Jim, for your presentation.

The next presenter is with the Peace River regional district, Karen Goodings.

Good morning, Karen.

K. Goodings: Good morning. Thank you for coming to the north.

B. Ralston (Deputy Chair): It looks like you're being joined by someone there.

K. Goodings: I'm being joined by my deputy administrator with the Peace River regional district, Fred Banham. Of course, many of you are aware that no presentation ever gets done without having administrative staff to assist, so I welcome Fred's presence.

Before I start, I do want to add a little bit to the SONS presentation. The Peace River regional district has undertaken a study of seniors needs, which is getting started within the next two to three weeks, that will give us some of those numbers we require for data collection and will make sure that we are all fully aware of what those needs are. So we are looking forward to that being done.

Thank you for the opportunity to comment on your 2007 consultation paper. The Peace River regional district, first off, would like to commend the province in identifying \$900 million in new funding for next year. We recognize the fact that there is no easy solution to meet the needs of all British Columbians. The Peace River regional district feels that the province should continue to support critical areas like health care and economic growth through the maintenance of a competitive work-business environment in order to continue to be successful.

We also want to take a moment to commend the province on the continuation of the Canada-B.C. infrastructure program and would like to encourage you to strive for improvement to allow more projects to receive this much-deserved assistance. We also commend the Premier and the province for the initiative to improve communication systems, such as high-speed Internet connections. In our world of international markets reliable high-speed communication is critical.

[1115]

Now on to the issues. Health care. You've heard lots about health care this morning. Health care remains a primary concern for residents of the Peace, and we would encourage the province to continue to support health care spending, especially in reducing wait times and in accommodating seniors needs in both assisted-living and acute care facilities.

[B. Lekstrom in the chair.]

There is a definite trend in more of our seniors choosing to remain here in their retirement years. Encouraging our seniors to remain active and living in their own homes results in a greater need for home support. The concept of additional affordable housing for seniors is an important one that will require partnerships among all levels of government. The encouragement of not-for-profit housing societies and volunteers would be beneficial.

Our strong economy in northeast British Columbia has been a financial boon for the province. However, it has presented us with challenges that will require innovative remedies. One such challenge is retaining ambulance attendants. The dangerous work environment of the oil and gas industry requires them to provide first-aid attendants at each worksite and campsite.

Unless changes are made to the compensation for B.C. ambulance workers, we will continue to lose the well-trained attendants to the more profitable industry — first-aid providers.

The success of our strong economy in the northeast will depend on our ability to attract and then retain the labour force necessary to sustain production. Currently much of the labour force is transient. The challenge facing us and, therefore, the province is how to translate those high-paying jobs into strong, viable communities now and into the future.

Affordable housing, attractive education opportunities, good health care facilities and infrastructure, improved transportation links and excellent recreation opportunities are all very necessary to attract and retain any workforce.

Last but certainly not least is our agricultural industry. This year, following lower-than-normal snowfall, our summer has been one of the hottest drought summers on record. Drought, coupled with high grasshopper infestations, has led to very low cereal grain production and poor hay crops. One of the most serious concerns is the ability to water the stock through the winter. We depend on dugouts for storing spring runoff, and with the low levels of water, many of those dugouts are in danger of freezing solid.

Our agricultural industry is concerned that the federal-provincial Canadian agricultural income stabilization program, otherwise known as CAIS, will not be able to address the needs of the industry in time. Input costs are rising, and cash flow is short. Interim assistance is critical.

I would like to summarize with the following recommendations, and there are four: health care service delivery, including ambulance staff; seniors health care initiatives; strengthening the economy through workforce stability and infrastructure funding; recognition of drought conditions and assistance for the farm community.

On behalf of the Peace River regional district, I believe that included in your package is a drought declaration report, which we have spoken about to our local MLA Blair Lekstrom. We are looking forward to seeing support for federal and provincial governments declaring this area a drought. I would call it a disaster.

With that, thank you very much for allowing me to represent the Peace River regional district. I'm open to questions.

B. Lekstrom (Chair): Thank you very much, Karen, and welcome. I apologize for being late. We have the oil and gas conference going on, and I was part of that. Then I rushed up here to take on the duties that I've been assigned here as well.

We do have some questions, I believe.

B. Simpson: Thanks for the overview presentation. Blair and I have had a conversation about the drought conditions up here. It was interesting to fly over this morning and see the colour of the landscape. Last time I was up here, it was lush green, even at this time of year.

I live in the heart of the mountain pine beetle epidemic. I live in Quesnel. Are the communities talking about this as a climate change event? Are you looking at it as maybe something that's part of what's going to happen over the next little while?

Dealing with it in the immediate term is one issue that needs to be addressed. Are people starting to talk about the longer-term implications, and is this potentially an outcome of climate change and something that may have to be addressed longer term?

[1120]

K. Goodings: I think that's a very good question, and it's one that we all contemplate. What is the future? Is the future trend to hotter, drier summers and therefore to necessary changes to how we do business? Certainly, that is being talked about with our local organizations.

This has been an extreme year. I've been in the farming business for some 35 years. I have never, ever seen it this dry. We've never seen our rivers so low, and our water supplies on the farm are really critical.

R. Hawes: Just a very quick question that I wonder about. You've heard other presenters talking about affordable housing. To a big degree, the affordability of housing is dependent on the availability of land that can be developed and translated into housing. I'm just wondering about the supply of raw land here, of undeveloped land in the various parts of the regional districts. Are there areas where there is very little land that's available for development? Is that driving the cost of raw land up?

K. Goodings: I think we do have a good supply of raw land. Both the cities of Fort St. John and Dawson Creek, with the regional district in partnership, have currently been going through and have been through a comprehensive development plan for those two main municipalities that would recognize what their future growth patterns may look like.

I'm not sure who did the planning way back when, but they sited both of these cities on class 2 agricultural land. So we are dealing, also, with the loss of good agricultural land to development.

Those are issues that we need to work with the Agricultural Land Commission and with the community on, because even though agriculture is questionable as far as earning a family an income, we still have a lot of people very dedicated to preserving farmland.

Those are the ways we are working through it now.

J. Kwan: On your recommendations on the drought declaration report, do you have any sense what the cost implications are for each of these recommendations? For example, on recommendation 1, where you say that taxes on fuel be exempt for farmers and livestock producers, do you have any sense of what that cost might be for the provincial treasury? Likewise, on the transportation cost for livestock shipped to alternate feeding and watering areas, etc. — just so that we get a bit of a sense of what magnitude we're talking about.

K. Goodings: Thank you, and that's an excellent question. Given enough time, we probably would be able to put those figures together, but we have not done that as yet.

J. Kwan: Is it possible, then, for you to submit that information to us after this meeting, before the deadline of October 20? That would be most helpful.

K. Goodings: I'll have to look at my able administrator.

F. Banham: I'll certainly try and provide that information to you.

J. Kwan: Thank you very much. That would be very helpful.

R. Lee: You mentioned that the labour force is mostly transient. People come and work for the winter, as the drilling is happening more in the winter. Now, I think, summer drilling is becoming more popular. I think the challenge for the region is to somehow retain the labour. You have to somehow get employment opportunities year-round. What do you suggest to achieve that?

K. Goodings: Certainly, the provincial initiative to expand the summer drilling program has levelled out the fast and furious three- or four-month season with the oil and gas industry. It has made it much better for families to come in and realize a longer-term, stable financial picture.

We're not totally there yet, because we still, of course — on a normal year, at least — have a shutdown during wet weather. That hasn't happened this year. But a lot of that is also dependent on the economy and the price of oil and gas — right? In order to have the companies wanting to drill, the price has to be right for them.

We do have a diverse economy. We don't just have oil and gas. We have forestry, and with the building of the new OSB plant in Fort St. John, we're going to see a lot more harvest of poplar wood. That's going to be across our region.

[1125]

Agriculture is always there, struggling but still trying to grow and be viable. There are opportunities for people to come, take up residence and work in the production end of the oil and gas industry, which is 12 months of the year. I think a lot of the shortfall that we have right now is in the production end of it — the engineers and the production people that are required to keep the pipelines flowing and compressors working.

B. Lekstrom (Chair): Karen and Fred, I want to thank you for coming out and presenting to our committee. I'm sure it was put forward that we are mandated to go out and listen to British Columbians and speak to them about the upcoming year's budget and what the priorities may be and what issues the people of British Columbia see in order to move us ahead. I thank you for taking time out of your day. I know your schedules are extremely busy as well.

Our next presentation this morning is from school district 60. Joining us are Linda Sewell and Ernie Inglehart.

Good morning. Welcome. How are you today?

L. Sewell: Good, thanks, Blair.

I want to thank you for the opportunity to present to you and thank you for taking the time to travel the province, as you are, to hear the needs of the communities in the north, whose voices often go unheard.

I'd like to thank you also for the commitment to education that this government has shown in the increased funding per student as the enrolments are declining — that you're keeping that money in education. We see our children as the future for our culture and our society and feel very strongly and passionately that we're going to shape our society through the education services we provide to our children.

I'd also like to introduce Ernie Inglehart. He is our secretary-treasurer. I don't know if he was introduced. I am the chair of the finance committee for school district 60.

We really do appreciate the local autonomy that we have in our districts and across the province, because it allows the school districts to zero in on the specific needs that are unique to our regions. In our area we've managed to develop courses that provide dual credits for students in trades and other opportunities that keep these students in school and help to increase the graduation rates, which is a goal of our government — to provide the most literate society. We appreciate that autonomy.

Further to that, I'm going to turn things over to our secretary-treasurer, because he's much more articulate at presenting the needs that are not being addressed. There are certain things that are specific to our region. You're probably hearing a theme through the day. I will turn things over to Ernie and allow him to introduce those items to you.

E. Inglehart: Good morning. The first issue that our board would like to introduce is the issue of support staff, trades rates in particular. I've indicated that there's a significant gap between what we're paying for our trades locally and what is being paid across the province. I think the province is obviously suffering from its own success somewhat, in that trades in any area are very difficult to get.

[1130]

I recently read an article with respect to the Peace River South school district and the challenge it's having in keeping school bus drivers in the seats and the efforts that are necessary to keep all the routes open. We've been experiencing that for some time. Our supervisor drives, our mechanics drive, and our dispatcher drives. Given that I have a class 2 and air endorsement, I'm the next one on the list. We haven't quite got that low yet, but I'm expecting it.

Nonetheless, there is a similarity, in that we're facing a similar problem to the rest of the province. The difference is that our rates are significantly lower than in most of the others in the province. I'm not saying

that the government isn't doing something about it. They are, in fact.

There is an opportunity to address local-market adjustments. There was a committee struck within the Ministry of Finance. But I am told that while we may be in line for some small adjustment, we expect.... We are told that it'll probably be cents rather than dollars. So we don't believe that our problem is going to go away.

We appreciate the fact that our support staff, along with the rest of the province, received a 2-percent bump. That's very positive, but given that it was across the board, it doesn't do anything for our local situation. I'm sure you could hear, from earlier presenters, that this is a very vibrant economy, as anybody in the province knows. It makes it a real challenge for the school district to deal with it. So we would just ask the committee to be mindful of that and vigilant.

You know, to be really honest about it, our board has gone on record saying that they would be interested in supporting local raises themselves. They would be prepared to do it in order to keep the staff necessary to run the district. Certainly, the first alternative would be to ask government. It's the easiest way to go — to ask government to support it — but they have gone on record saying that they would deal with it themselves, if they were given the latitude.

The next issue that's mentioned is the issue of the rising cost of energy. We did mention that a year ago when we presented to the committee in Dawson Creek. It is a very expensive issue for the district.

As an example, we have 50 buses on the road at any given time, not to mention other vehicles, and then all our square footage is heated by natural gas and propane and, in some cases, heating oil. It's very expensive for the district. Any money that we have to siphon off the system to deal with the rising cost of energy obviously comes from the classroom, if you will.

The district appreciates the work the province has done with respect to settlement of contracts. Any issues with labour most often filter down to school districts. We appreciate the fact that settlement has been attained, and we're looking forward to a much more stable labour climate over the next few years.

There seems to be one issue that slipped off the table, and that was the issue of non-certified TOCs. The non-certs in this area make up the largest portion of our teachers on call — the replacement teachers when our teachers are off sick, on training or whatever. They weren't recognized for any support from the ministry. The issue of non-certs was silent.

If we follow board policy, which is paying non-certs 85 percent of what certified TOCs get, it would cost this board approximately \$50,000 a year. It would seem to us only fair that we would offer the non-cert TOCs the same as certified teachers or certified teachers on call are getting.

The emerging issue for school districts seems to be the issue of the annual facilities grant. In this district for the last number of years we get about \$1.3 million a year to take care of all that which is not covered in major capital or replacements over a million and a half

dollars. That's fire alarm upgrades, roof repairs, exterior repairs, windows and doors — that sort of thing.

We recognize that this is a very challenging capital environment to be involved in. In other words, what I'm saying is that you never really know what a capital project is going to cost you until you've closed the tenders. Then often it's very surprising.

[1135]

I will say that the district has been fortunate in the past few years in catching a few capital projects. We're upgrading Prespatou. We've just finished upgrading Duncan Cran. I will tell you, quite frankly, that our submission is a great deal lower than the support we ended up receiving. That's, I think, a victim of our vibrant economy again.

The problem is that the annual facilities grant has not been announced for this year. It's normally announced in the spring. We do our planning, and we make our changes over the summer. The ministry saw fit to announce the capital envelope for April to the end of June, which included three or four buses. I'm not sure — four, I think. Beyond that, we haven't received any funding.

I think most districts in the province are in the same position. We do our planning in the spring, we make commitments for roofing upgrades, flooring replacements or whatever it is, and then we try to go into them as early as possible in July. We didn't get the partial announcement until July this year, and we have spent, as I think most other districts have, several hundred thousand dollars of the money that hasn't been announced yet.

Sooner or later, that's going to have to be addressed. I think it creates a lot of challenge at school district level to have that money pulled at the last moment after the planning has taken place.

We did include our last submission for the committee's recollection and consideration as well.

B. Lekstrom (Chair): Well, thank you Ernie, Linda, for your presentation here before the committee. It's always nice to see you. I'll begin with questions.

J. Horgan: I'm wondering. Certainly, the trades issue is an obvious one, even for someone from southern Vancouver Island — the activity here and retaining and attracting staff to the school board. But you made no mention of the implementation costs of Bill 33. I know that in other districts I've had numerous superintendents and secretary-treasurers raise that issue with me.

Is the enrolment challenge in district 60 such that there have not been significant implementation costs, or were you just not able to quantify them for your presentation?

L. Sewell: Well, we had a presentation by our superintendent yesterday showing how Bill 33 issues had been addressed within our classroom. There doesn't appear to be anything significant. I believe we've had a history of staying within those guidelines, at any rate.

Ernie, do you have something further?

E. Inglehart: No. I would say that in this district we're pleased to say that it was very positive, in fact. It had little significance for us.

L. Sewell: The positive comment from our superintendent was that principals now know exactly what's in the classrooms. They know students by names, and it's put them more in touch with the education in the schools that's happening in the classrooms. It's positive.

I. Black: I had a similar question to Mr. Horgan, actually, and your answer is quite similar to what I've been hearing from other school districts with respect to Bill 33.

My question — actually, where I thought Mr. Horgan was going — was with respect to availability of TOCs. In your presentation you made some comments with respect to ideas on the payment for TOCs. On the supply side, how are you doing for availability of teachers, availability of TOCs within the district? How has that been trending relative to the boom in the economy that's happening locally?

E. Inglehart: Yes, that is very much a challenge. Certified TOCs are almost nonexistent. When they come on to our TOC list, sooner or later they get hired within the district. So we are left to work with uncertified TOCs, and without question, we're always short.

We have historically had a very vibrant teacher-training program within our system — professional development, that sort of thing. We spent a lot of effort, a lot of money, a lot of time locally, and in fact, we have had to probably halve our training because we simply don't have replacements for the classroom. So that's the unfortunate down side.

L. Sewell: Additionally, we hired how many new teachers this year? Was it 70? We were looking for 70, I know.

[1140]

E. Inglehart: I believe it was 70.

L. Sewell: Out of...? What is our total teachers?

E. Inglehart: About 350.

L. Sewell: That's quite a high percentage.

B. Lekstrom (Chair): We are going to have to move on due to time constraints, but Linda and Ernie, I want to thank you for taking time out of your busy schedules to come and present to our committee here this morning in Fort St. John. Thank you very much. I have the unique experience in the riding I represent, Peace River South.... Both school districts 59 and 60 fall within the boundaries. I appreciate the work you do, certainly, on behalf of all the people.

L. Sewell: Thank you for the opportunity.

B. Lekstrom (Chair): Our next presentation this morning is brought to us from the city of Dawson Creek. At this time I will call on His Worship, Mayor Calvin Kruk.

Good morning, and welcome.

C. Kruk: Good morning, and thank you. I trust you're all using your city of Dawson Creek pens this morning.

I. Black: Yes. We have a pen to present to you, actually.

C. Kruk: Thank you.

Before I begin the actual presentation, I just want to say thank you once again for making an appearance at our oil and gas conference. To have you guys there was a great way to show the community, I guess, of our province.

Thank you for the opportunity to speak to you today. I understand how diverse B.C. is, and I can appreciate that you've taken the time to visit all over the.... It's 14 communities — correct?

For those of you who haven't spent much time in the Peace, I'm here to represent Dawson Creek. Along with Fort St. John, we're the two major cities in the region with significant urban and rural populations. While I can't speak on behalf of the city of Fort St. John, I'm here today to give you an idea of the challenges and opportunities facing Dawson Creek right now.

We're at a pivotal point in our history. Before I answer the questions in the budget consultation paper, I need to give you an idea of how our city differs in its current situation from other cities and municipalities in B.C.

In short, we have been very successful at creating jobs in the community. We now need to provide the amenities and infrastructure to meet the needs of our young and growing population. We have the opportunity to ensure this growth happens in a healthy, sustainable and productive way. To do this, we'll need your understanding and perhaps even a partnership.

We are indeed at the centre of B.C.'s energy sector. EnCana's Steeprock plant opening yesterday shows Dawson Creek's position as a geographic centre and service centre for the B.C. energy sector. Other energy-producing opportunities include wind generation, which was recently announced on Bear Mountain, about ten kilometres from downtown Dawson Creek. We also explore biodiesel for energy content and also in support of our agricultural community, which is obviously very important to us.

We've also had a demographic shift. Recent activity in the energy sector makes Dawson Creek's population a little bit different than other communities. We have just over 50 percent male, but 71.1 percent are under the age of 35, which I think is a little different, perhaps, than other areas of the province. Population growth is projected to continue for the coming decades, and it's building community. It's the skilled workforce, yes, but it's also the families that come along and make it feel like home.

A stable and well-trained employment base is critical to corporate investment decisions. We've assisted with this economic development in many ways, including by convincing energy sector workers to locate in

Dawson Creek. With population growth expected to continue along current trends for at least the next 20 years, municipal services must also keep pace.

The city is continuously reviewing its services and amenities to meet the needs of its population, including a \$43.5 million multiplex facility that is currently under construction. You're all invited back when it opens next year. I hope you can make it. That does include — and thank you — a \$3 million contribution from the province of British Columbia. I think it's that confidence that we've seen from the province that we're very appreciative of.

The facility itself includes equestrian, aquatic and the largest event facility. It will accommodate up to 6,500 people for events. It will position Dawson Creek as the centre of activity today and well into our future, including sharing the excitement of 2010. We're very much looking forward to that.

[1145]

Current opportunities in our community. The arts and community meeting facilities centre, our Kiwanis Performing Arts Centre, is set to close in June of 2007. The library needs a new roof and accessibility upgrades. Other amenities of similar-sized cities are also required, including day care, youth space and archive facilities.

I can speak with some experience in terms of our current performing arts centre. The term is a little bit misleading; it is actually a community centre. It's used for everything from guild work to guitar. Also, the songwriters guild meets there. Ballet lessons, the home of the horticultural society.... It also houses a day care facility.

The centre is run by a not-for-profit society but owned by the school district. It is too old to be used as a school, and frankly, it doesn't even meet the needs of the groups using it right now. I've begun working with my council and the community to identify how we're going to replace the facility. It's a great opportunity and a great challenge, so we're going to be careful to balance the need to replace the facility quickly with the need to make the right decisions for the long-term use of that facility. This is just one example of how our city must meet the challenges of growth.

I'm not in the position to make specific requests for provincial support today. Are you happy to hear...? I also don't think this is the best place to do that.

Rapid growth in Dawson Creek has made a small contribution to the province's current surplus. Replacing and enhancing infrastructure like community facilities will allow us to maintain a healthy, sustainable and stable city, and it benefits everyone in the province. I'm hoping that you will see the opportunity that all of us in Dawson Creek see. That's the direction we're moving.

Part of the provincial surplus can be attributed to the growth in the energy sector in and around Dawson Creek, and by reinvesting a small portion of that provincial surplus in our community, you can help us provide the infrastructure and services that our growing population needs. In turn, we can ensure, once again, healthy and sustainable communities, which I think helps the entire province.

It's sometimes easier to understand things that one can actually see. There are many significant events

occurring in Dawson Creek in the coming year. Again, I invite each one of you to come by and visit to see the tremendous opportunities that are available in our community. I'd be more than happy to give you a personal tour of our community — multiplex or various other areas of growth in the city. I think you'll be impressed.

Until then, I guess, thank you for your time and attention.

B. Lekstrom (Chair): Thank you, Your Worship, for coming before our committee. I know that your schedule is extremely busy as well with the oil and gas conference going on. For you to take the time to come and speak to our committee is much appreciated.

B. Simpson: Thanks for the presentation. Unfortunately, I had business in Victoria, so I didn't get to the reception last night.

C. Kruk: I have a pen for you.

B. Simpson: I didn't have a question. I just wanted the pen.

The proposal to flow revenue back to resource communities isn't an old one, and it's not just restricted to here. Wherever we go, we hear that. I live in a forest industry town down in.... The Kootenays would argue the same thing, etc. I guess the question I have for you is: what would be the mechanism? What kinds of dollars are we talking about? Do you have any suggestion, or is there talk around here of a suggestion, of a mechanism to actually do that? How much are you talking about?

C. Kruk: I think right now we're still in the process of working with the community to discover what the needs in our community are. I would hesitate to comment on an actual mechanism to put that in place. I think we have to make decisions today that are lasting decisions that move us towards a more sustainable community.

I think prior to getting into a discussion about dollar figures or how those are arrived at we need to determine as a community where we want to go.

J. Horgan: I think what the mayor meant when he thought there was a better location for raising issues was the drive up with the Chair and me. It was a very enjoyable hour, and the mayor expanded significantly on the issue we just touched upon, which is sustainability in and around Dawson Creek.

I'm wondering, for the benefit of those members who didn't have the speedy drive up, if you could expand a bit on your discussion you had with us with respect to biodiesel and how that could be something that would lend itself to a provincial investment in the agriculture sector that would also have spinoffs in the energy sector.

[1150]

C. Kruk: As I understand, you have had presentations from our agricultural community. I think Karen did a wonderful job.

They're facing some really difficult times. I think if you provide a second market for products, including the energy sector.... In our case, biodiesel and canola production seem to go hand in hand. It also moves us to the whole sustainability issue. It's a visible sign of support for our agricultural community. It's also a natural in that the city of Dawson Creek has moved on the direction of sustainability, and biodiesel is a cleaner fuel than what's currently being used.

As I understand, one of the holdbacks is the tax system. I'm not completely aware of the mechanisms in place there, but as I understand it, in the United States it is far more beneficial for even Canadian companies that are interested in biodiesel to purchase it there, because of tax.

H. Bloy: When you're talking about the arts council and the building that's owned by the school board, it's a theatre, as well, and I assume it has practice facilities around the theatre?

C. Kruk: Actually, there are two. We had an opportunity to chat briefly about it last night. We have what is called the Unchagah Hall, which is a 630-seat performance theatre. It's attached to South Peace Secondary School, and it is utilized by the school district.

The Kiwanis Performing Arts Centre is in an elementary school built.... I bet you that Mr. Chair went there.

B. Lekstrom (Chair): That was my school.

C. Kruk: Its intended purpose was, of course, education. It has been remodelled, renovated. It is certainly showing its age — unlike Mr. Chair.

Interjections.

B. Lekstrom (Chair): Take note of that, members.

C. Kruk: It's certainly showing its age, and the school district, as I understand, has given them a deadline of June 2007 to be out. I think ongoing maintenance issues are certainly a consideration where that is.

But in response to your question, it is two separate facilities. I guess what the community wants is what is at the current Kiwanis Performing Arts Centre — the former elementary school — where you have guild rooms and dance studios and things to practise in or rehearse in prior to making it to the big stage at Unchagah.

H. Bloy: Are they going to put students in that school next year? Or is it just a question of maintenance and dollars?

C. Kruk: It's a question of maintenance and dollars. It hasn't been utilized as an actual school for....

D. Hayer: Thank you for our meeting yesterday at the oil and gas conference. It was really enjoyable to talk to many people from Dawson Creek and other parts — people who gave input into how things are going there.

One thing I heard in common was that they can't find any workers there, and they're paying very good money for them in the labour and trades field. They can't find any workers.

Our province is looking over the next ten years to create more than one million jobs. If every student that graduates from high school takes a job, we will still be about 350,000 people short and looking for workers. What are your feelings about bringing in immigrants to fill some of the jobs that we'll have a shortage of — 350,000 over the next ten years?

C. Kruk: Again, I think it comes to amenities. We have to provide not only a place for people to work but also to raise families and live. We're very supportive of the idea. We've been discussing that with both federal and provincial agencies — how to encourage foreign workers, but it is providing.... That, I think, is part of the cultural awareness. That's the direction we need to go. It's not only providing the job; it's providing things to do.

B. Lekstrom (Chair): Well, Your Worship, I want to thank you again for taking the time out of your schedule. Certainly, knowing what's going on right now with the oil and gas conference and the activities of all of our elected officials in the region, everybody's very busy. So I thank you for taking the time to come and present to us here this morning.

[1155]

We are now going to move to the open-mike session. At the end of each of the hearings that we hold, we allow time for an open-mike session for people who have come to listen and present some ideas.

Our first presenter this morning is Mr. Bob Fedderly. How are you, Bob?

B. Fedderly: Very good, thank you.

I'd like to welcome the committee to the north again, as others have. Thank you for the opportunity to make a few comments to you.

I might take on a bit of a different tone than some of the other presenters, because there've been some requests for funding and that sort of thing. I'd like to make some suggestions, as this is the Standing Committee on Finance and Government Services, as how to maybe increase your revenues a little bit.

I've spoken to many people about this in the past — as well as to this committee the last time it visited the area, I believe — regarding mainly oil and gas revenues, and how we're handling some incentives that we're offering to the industry. I think that the numbers that have been tossed around are in the neighbourhood of \$250-plus million over the last three years that some of the programs have been in existence.

A little bit of background on what I do, because you should know where I fall into the picture. My companies.... I have a few that provide services to the oil and gas industry at all levels of production as well as transportation, pipeline and infrastructure support. We earn our living providing these services to the companies

that explore for our resources. My feeling is that if we took away all of the incentives that are in place right now, the bottom line for our businesses would have changed negligibly.

We've heard discussion around the room this morning about inability to find staff, housing shortages, social problems with our legal aid society and so on and so forth. We feel that there's a prize at the end of the tunnel, if you will, of at least \$250 million that would not negatively impact the activities in the oil and gas industry, with the high price levels that we've seen.

Having said that, our natural gas prices have dropped considerably. Their storage levels are full. However, with winter approaching, the demand will probably creep up. We've seen drilling equipment being parked right now in the last few days. You don't have to travel too far in this community to find a drilling rig parked in someone's yard. The transient workers are being brought in to do work that could be done by residents.

I think the biggest thing where we can spend some of that money we could save is on our road infrastructure. From where I sit, being involved in the transportation industry, the single best thing we've done is increase and enhance our road infrastructure to allow legal axles to be transported throughout the area year-round. That's done as much as anything to stabilize our drilling season. That you can take to the bank. From someone who earns a living doing that type of work, I can assure you that that's had the biggest effect.

Summer drilling. We've heard a lot of discussion around it — how great it is, how it levels out the seasonality and all that sort of thing. But if you can't access that drilling, you can't do that drilling. So the road infrastructure has, I think, done more to support that summer drilling than the incentives. I can assure you. I've got money in small, independent producers that will tell you that.

[1200]

The big producers. These incentives are designed to support big producers with gas factory operations, such as Greater Sierra and Cutbank Ridge, to some extent. They're already seeing savings because of economies of scale. They're using the same equipment over and over and over again, and they're already seeing a savings.

With those comments on incentives, I would urge the committee to look at what we're doing with royalties in this province. We have to take a different approach. It's ironic that there's a discussion on royalties in Alberta where, in the past, they have chosen to almost give away their resources, with certain areas like the oil sands paying a 1-percent royalty fee. The reason for that is the large capital infrastructure which spins off mainly into their economy.

In B.C. we don't get those spinoffs. We have to be very clear about that. The biggest portion of the province sees virtually zero oil and gas revenue, with the exception of royalties. I think that we have to really take a serious look at increasing our royalties to reflect our level of spinoff return to the province. We don't have to look too far. We see all kinds of programs in place with the forest industry for the very same reason

that Alberta can offer its royalties at 1 percent to the oil and gas industry.

We can't be held to task by the producers to say that we should be competitive with the next jurisdiction or the other jurisdiction — we can't do that. We have to see a net benefit from the resources that we have in place. It's great to see that we are increasing our reserves. I believe that we will increase those reserves — we're relatively unexplored — but when the price goes up, let's let the market determine the level of that activity.

I think it's very important for anybody that's making an investment here to know that you have to have an unfettered, non-manipulated economy to deal with. I don't like to remind people, but we did elect a government that promised us no subsidies. I'd like to see that.

Having said that, my bread and butter comes from the oil and gas industry indirectly, and I don't feel that I've lost any cake over not having the incentives in place. Some of the incentives are actually disincentives to small producers to enter B.C.

When you see production curves on wells — initial production rates of wells — as they drop off, we do lower our royalties, and then we lower our royalties again. What that does is lower the threshold at which large producers will unload those properties to more efficient, smaller producers. It thereby takes those smaller producers out of the picture.

Some of the smaller producers have made the biggest finds in B.C. I think that we should encourage the small producers to get in there and take the.... They're more apt to roll the dice and take chances on outlying production than big producers. So we need to have a good mix with that.

B. Lekstrom (Chair): Bob, time is certainly getting short.

B. Fedderly: Did I use up my ten minutes?

B. Lekstrom (Chair): Well it's actually five on the open mike, but we've stretched it some now, so....

B. Fedderly: Okay. I apologize. I know it's lunch time, so I will.... I'm pretty much at the end of things. Just to put one thing in perspective with the biodiesel thing, which I think we should be encouraging all the way, to lessen demand on our oil and gas resources. So \$75,000 was announced recently to be spent on research and development for biodiesel. If you want to call it an incentive, compare that to the 250-plus that we let out to crude oil and natural gas production.

Thank you again for the opportunity to comment.

B. Lekstrom (Chair): Under this, there isn't the ability to dialogue with questions, but I certainly encourage you.... If you have more, as well, there is opportunity to put in a written submission and so on.

[1205]

B. Fedderly: I feel fortunate to have been able to be here today because I just caught the ad in the paper last night...

B. Lekstrom (Chair): Terrific.

B. Fedderly: ...so I didn't realize this was happening today. I certainly hope the oil and gas conference is going well.

B. Lekstrom (Chair): All right. Bob is one of our premier race-car drivers in the area as well.

Our next open mike presentation is brought to us from Jodi Staples.

Welcome, Jodi.

J. Staples: Thank you for giving me the opportunity to share my concerns. I'm Jodi Staples, and my position is a behavioral consultant for the Gateway Society. I'm also a front-line interventionist, and I work specifically with families that have children and youth with autism. My service category goes between the ages of five and up. We're contracted through CLBC, which is Community Living British Columbia.

I'm going to go quickly over my concerns. Before I do, my main job is to assess, plan, reassess and also look at implementing the plans and making sure that there's success for the families as well as for the child, whatever the behavioral concerns are at that time.

Our services and who I serve throughout the north are Mackenzie, Hudson Hope, Fort St. John, Dawson Creek and Fort Nelson, and I'll possibly be serving Chetwynd. My wait-list grows as referrals come in to me through CLBC. Right now CLBC has contracted me 18.75 hours per week to work as a consultant: eight hours for family direct service, travel time is four hours per week, outreach for family is one hour per week, consultation days are 1.5 hours per week, and administrative hours are 4.25. So with that, there are no hours left over.

[B. Ralston in the chair.]

My concerns come with the hours and no hours left. There are no hours left for building community capacity. There are no hours left for building team services. There are no hours left for ongoing training for me. There are no hours left for areas of expansion or coordinating or training other interventionists during that time.

The other part of it is that there are also no hours left for raising community awareness or even putting on workshops about autism and the effects and what we can do within that area.

Parents' concerns within that are that because I serve them on a bi-yearly standard, they only receive services every second year. So then their intervention dollars and the intervention dollars that they're given

through autism funding are withdrawn. To have an interventionist and have maybe four hours max a week.... They get four hours, and that is their full funding. If they want other consultation on a private level, that takes away from their intervention. It also takes away from their resources. It also takes away from their equipment or any sensory diets that they may be on.

It's a concern just on my level as a consultant and raising awareness. It's also a concern for the parents, too, and the children that are receiving those services. I guess mainly my concern would be.... My recommendations would be to expand that contract and to somehow look at expanding those hours to serve the families within the north area.

B. Ralston (Deputy Chair): Thank you very much, Jodi, for making that presentation and bringing us the benefit of your personal experience in this area.

The next presenter in this portion is Doug Muir. I think he was here earlier. Perhaps I can turn it over to the Chair, who's back.

[B. Lekstrom in the chair.]

B. Lekstrom (Chair): All right. Thank you. We did have another presenter in Mr. Doug Muir. I see that he is not in the room at this point. I'm wondering if he had to vacate to get to another commitment he may have had. We're about 15 minutes behind.

With that, I see no further speakers that have signed up. I do want to welcome Jean Leahy, a long-time resident of our area and a former elected official in Peace River regional district.

Jean, welcome.

[1210]

With that, I see no further presenters at this time. I would like to thank the people that came out — the organizations and individuals that took time out of their schedules to present to us. It is our mandate now, once we complete the consultations and the written submissions that will be concluded by the 20th of October, to put a report together and submit it to the Legislative Assembly no later than the 15th of November. This report is then used by the Minister of Finance as one tool in the development of next year's budget. I can assure all of the presenters and the people that do put written submissions in that they are all given equal consideration in the development of our report.

Again, I thank you. I wish you a good day, and we will adjourn our meeting here in Fort St. John.

The committee adjourned at 12:11 p.m. MST.

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