

MAY

1970

These are
the weeks
that were ...

What happened on the major newsfronts during the 13 weeks we were away? This special 18-page section will bring readers up to date on top stories in the Legislature, Parliament, world and local scenes.

Quiet session turned out to be a real Pier Sixer

It was supposed to have been a quiet, reflective session.

After all, the political observers told each other, it was the first gathering of B.C. MLAs since last August's overwhelming election victory of the 17-year-old Social Credit government. The opposition was expected to concentrate on binding its wounds and not pay much attention to a seemingly unstoppable government. And government forces were expected to bask in the glow of their triumph at the polls.

But that's not how it turned out.

The government burst forth with a remarkably wide range of legislation of social, economic and political significance to all British Columbians, and the opposition (particularly the NDP) was surprisingly scrappy as it sought to expose alleged government failures and misdeeds.

No cabinet ministers were toppled and no opposition members were ejected from the House for alleged abuse of

the legislature's privileges, events that did occur in sessions preceding the 1969 election. But at times debate became so heated and out-of-control that MLAs of all parties acted more like backwoods roustabouts than dignified lawmakers.

When it was all over on April 3 the opposition was sure the government had sown the seeds of its own defeat, come the next election three or four years from now. It based its confidence on:

- The government's ramming through of a vote in effect giving majority House approval to increases in B.C. Hydro electricity rates and transit fares, without making Hydro justify the increases to a public inquiry;

- What the opposition called "authoritarian" legislation, including the power to take over any B.C. hospital whose administration the government finds wanting, and new death duties legislation restricting charitable, religious and educational bequests;

- An alleged government refusal to openly and clearly deny Bahamian gambling interests participation in the winter recreational development of Cypress Bowl in West Vancouver; and

- The government's failure to hold down premiums for car insurance while insisting that such insurance be compulsory for all drivers.

For the government's part, it argued that it was taking, or would take, action in all these fields — and produced legislation to back up most of its claims.

A new Landlord and Tenant Act makes it tougher for landlords to increase rents, to arbitrarily confiscate deposits on premises rented, or to evict tenants.

To bring about tighter administration of Crown lands, the government enacted a new land act, the main feature of which prohibits direct transfer of title of Crown lands to anyone but Canadians, although foreign nationals may continue to lease Crown lands.

Dowding sought protection of accused's phone right

VICTORIA — A new provision of the Summary Convictions' Act giving a person the right to make a phone call within 12 hours of being arrested could be open to abuse, according to Gordon Dowding (NDP — Burnaby-Edmonds).

He said during debate on second reading of the amendment to the act on March 23 that he had asked for the right to seek aid after a case in which a man had not been

allowed to phone for help until 12 hours after he was arrested.

"I am afraid that 12 hours will become the norm, and I ask the attorney general to take a closer look at this," Dowding said.

Attorney General Peterson said the amendment clearly shows that 12 hours is the maximum period, and provides that a phone call shall be permitted "as soon as possible" after arrest.

In practice, he said, police will be expected to permit more than one call and ensure that when a call for aid is made contact is achieved.

"Normally access will be provided immediately to a phone," he said, "but in larger centres sometimes there may be a line-up for available phone facilities, depending on the number of prisoners being processed at a given time. But there had to be some outside limit, and 12 hours was decided upon."

Socreds bid to make B.C. cleanest spot

VICTORIA — The Social Credit government has pledged itself to make B.C. "the cleanest place on earth" by 1975.

The commitment was made by Municipal Affairs Minister Dan Campbell during debate (on March 23) on second reading of amendments to the Pollution Control Act. His statement was supported by other members of the cabinet, who pounded their desks in approval.

Campbell's promise came after opposition members castigated the government for failing during its 17½ years in office to bring pollution under adequate controls.

NDP spokesmen said their party would back the amendments because they include a major step they have been

putting forward for more than four years — placing air pollution controls under the administration of the pollution control branch and pollution control board, as water and land pollution have been.

Stung by the accusations of government failure, Campbell singled out educators for angry criticism, accusing them of devoting too much attention to pollution problems.

He referred to university professors in ivory towers and teachers in "teaching cubicle classrooms," saying they had done harm that will take much time to correct. He said a widespread teaching performance in B.C. on pollution is "unethical and completely intolerable."

Students getting 'uptight'

"Any teacher spending more time on problems than on solutions," he said, "is doing absolutely zilch." He spoke of one teacher, by way of example, who had suggested to his class there will be nothing but a pall of smoke over B.C. in the future because of a lack of pollution controls. He said some teachers are getting students "uptight" over pollution.

He claimed B.C. has tougher pollution control measures than any other jurisdiction. Commenting on opposition suggestions that the E. B. Eddy Match Co. of Hull, Que., plans to come to B.C. because it is easier than any other place when it comes to pollution control, Campbell said:

"Before that rumor goes more than one inch out of this chamber," he said, "let me

tell you that if the Eddy Match Co. has any such ideas about pollution control in B.C. I say, 'stay home,' because I say to the Eddy Match Co. that the regulations they face will not be easier than they are anywhere; they will be tougher.

"It is easy to knock down that kind of a straw man. Go home and stay home if you have any idea that B.C. will be easier than any part of Canada, North America or any other part of the world."

"Strike another match," interjected Opposition Leader Barrett.

Campbell noted that New Westminster has been able to pave most of its streets and lanes, and put flower boxes on the main street — but still can't seem to afford sewage treatment.

'Legislative amnesia'

"You could have stopped them 17 years ago," said Robert Williams (NDP—Vancouver East).

"We started in 1969 with a statement on pollution . . ." said Campbell, when Barrett again interrupted, "but you didn't stop pollution."

No matter what the opposition says, Campbell continued, he is able to predict that "by 1975 B.C. will be in terms of air, soil and water the cleanest place on earth."

Gordon Dowding (NDP—Burnaby Edmonds) said Campbell is suffering from "legislative amnesia," having forgotten that he and the government voted down an NDP proposal in 1966 to include air pollution in controls exercised

under the Pollution Control Act.

Liberal Leader McGeer said in response to Campbell's prediction about B.C. being the cleanest place on earth in 1975:

"It was the cleanest place on earth until that minister and his government took over, and that is the problem today.

... He puts a lot of fire in his speeches, but I think he should put more of these speeches in the fire."

McGeer repeated his charges that the coliform count in the waters of Vancouver beaches makes them unsafe for swimming and possibly to blame for hepatitis outbreaks. He said the truth is being covered up and that information on official coliform counts is "kept locked away from the public."

WATER NOT FOR SALE

Province Victoria Bureau

VICTORIA — "Not one single drop" of B.C. water will be exported so long as his government stays in office, Premier Bennett has declared.

He made the pledge (on March 19) both inside the legislature and in interviews outside after he was challenged by Opposition Leader Barrett to issue a clear outline of government policy on water export.

"Our water is not for sale, not for money, not for gems, not for security, not for promises, not for anything else," Bennett told the house. "It's just not for sale. As long as I am premier not one single drop will be exported."

He referred to reports of talks between the U.S. and Canadian governments on taking a continental approach to resource development, especially in the energy field.

If such a policy applied to water, he said, "this is the only thing on which I would really try to arouse the people of B.C."

His statements drew applause from all members of the house.

A new Litter Act

A new Litter Act — subject to proclamation by the cabinet before it takes effect, possibly in June — with attempt to encourage people not to litter the landscape with tin cans, bottles and other containers by making all such containers deposit-returnable.

The first step in liquor law reform came through the lowering of the legal drinking age — in fact, the legal age for all matters, including marriage — from 21 to 19. However, no other major liquor reforms appear imminent, despite a royal commission's proposals for such changes, to bring about more civilized and gracious drinking.

The government countered opposition attacks over alleged failures in environmental control and resource management with amendments to the pollution control act and introduction of a new Mineral Processing Act.

The pollution act amendment brings under the juris-

dition of the pollution control board air pollution, an addition to the board's present powers to control water and land pollution.

Again in the pollution field the government passed a bill empowering it to draw up regulations limiting exhaust emissions from motor vehicles — regulations that won't be introduced until the auto manufacturing industry can readily supply vehicles with built-in controls.

The new Mineral Processing Act empowers the government to force processing in B.C. of any mineral prior to export. It is aimed primarily at encouraging establishment of a copper smelter in B.C. and seeks to answer opposition critics who say the Bennett government pursues policies designed to keep B.C. a province of "hewers of wood and drawers of water."

And, for further reassurance to those concerned about the need to protect B.C.

resources, Premier Bennett gave an unequivocal promise that his government will not permit the export of water from B.C.

One other main political development of the session came towards its end. The NDP caucus came out in favor of acting leader David Barrett as the party's new leader, to succeed Tom Berger, who was defeated in his own riding of Vancouver Burrard last August and submitted his resignation as leader.

NDP caucus endorsement of Barrett virtually assures his election as new NDP leader at the party's convention next month in Chilliwack.

For details on these, and other major events of the 1970 session of the legislature, read on . . .

Party slush fund gifts by liquor firms rapped

Province Victoria Bureau

VICTORIA — Liquor industry contributions to political slush funds should be looked into by the attorney-general, says Alex Macdonald (NDP—Vancouver East). He charges such contributions are "part of the taproot of political corruption in B.C."

Macdonald said (in a March 2 debate) that consumers in B.C. need protection not only as purchasers but as voters, too. Sometimes, he claimed, the voters' own money is used against them for political advertising.

When a Social Credit MLA shouted "sour grapes," Macdonald flared up.

"Grapes is right," he said. "Listen to this — \$2,000 every quarter contributed to Social Credit campaign funds by Growers Wines and \$4,000

every quarter by Calona Wines."

Herb Capozzi (SC—Vancouver Centre) protested that Macdonald was inaccurate and that Calona Wines, of which Capozzi is a director, makes no such contribution to the Social Credit party.

Macdonald said the facts had been published in the press, and that neither Growers nor Calona as companies had denied them. Referring to evidence given to the Morrow royal commission on liquor, Macdonald said 14 companies had said they made no "involuntary" contributions to political funds.

"They should have been asked if they do it voluntarily," Macdonald said, "because they do it with their eyes open — so much a keg, on a regular basis . . ."

Deficit on Columbia rejected by Bennett

Province Victoria Bureau

VICTORIA — Latest Columbia River Treaty project figures, tabled in the legislature by Premier Bennett, show that just over \$49 million remains of U.S. payments assigned to financing the development.

He provided the figures (Feb. 19) in reply to questions placed on the order paper by Opposition Leader Barrett with reference to the U.S. payment of \$273,291,661 on Oct. 1, 1964.

Here are details of expenditures to Dec. 31, 1969:

Duncan dam and storage, \$31,503,996; Arrow storage, \$191,659,666; Mica storage, \$153,902,900; general development costs, \$2,443,109; total, \$379.5 million, including interest charges and overhead

Interest earned on the original \$273.2 million, said Bennett, is \$81.1 million, including interest on flood-control benefits and additional downstream power benefits received subsequent to Sept. 16, 1964.

After expenditures, said Bennett, the total remaining of the original and subsequent payments and interest is \$49,033,299.

In a television interview broadcast Feb. 22, Bennett rejected claims by Barrett that the Columbia project is headed for a \$419 million deficit because of increased costs. Bennett said B.C. still is entitled to about \$20 million per year, in either power or power returned, as downstream benefits from the last 30 years of the 60-year treaty. This, he said, would total at least \$600 million — thus even if costs do come to \$419 million more than originally anticipated B.C. still will have a surplus of \$181 million.

In other answers to Barrett questions about Hydro, Bennett said that of \$121 million in Canada Pension funds made available to B.C. for investment since Feb. 1 last year, \$75 million has been invested

in Hydro. Of the balance, \$30 million has gone into school financing, and \$16 million into hospitals.

Since the Canada Pension plan began a total of \$397.4 million has been made available to B.C. for investment, said Bennett, but no breakdown was made available.

Other Hydro details given the House by Bennett:

Total cost of the Peace River power project to date has been \$559.1 million, including \$108 million on the W.A.C. Bennett Dam, and \$133.7 million for transmission lines.

Cost of Peace power "delivered to the integrated system including the Lower Mainland" from April 1 last year to Dec. 31 was five mills per kilowatt hour.

Net profit to Hydro from sale of natural gas in the last fiscal year was \$8 million, on gas sales totalling \$21.9 million.

Mineral refining legislation passed

Province Victoria Bureau

VICTORIA — Legislation aimed at forcing the processing, smelting and refining within B.C. of minerals produced in the province has been passed by the legislature.

The bill calls for such processing, smelting or refining of all minerals "subject to the availability of processing, smelting and refining facilities within B.C." and subject to orders by the mines minister for allocating up to 50 per cent of any ore produced to processing, smelting or refining.

Mines Minister Richter said the immediate objective of the legislation is to assure an adequate supply of ore in the event a copper smelter is established in B.C., although the act can and probably will

in future be applied to other types of mineral.

He said European interests are considering establishment of such a smelter in B.C., but he did not name them. Minimum cost of an "economic" copper smelter would run between \$80 and \$120 million, he said.

"We don't want to be hewers of wood and drawers of water forever," Richter told The Province.

The bill provides for appeals related to prices paid under any ministerial processing order. An arbitration board of three will be set up to hear such appeals, and appeals from decisions of that board may be made to the cabinet.

Richter said a mining company may, under an order, sell its ore directly to a processing, smelting or refining

company, or it may pay a fee for having its ore processed, then market the final product on its own.

Failure to comply with the written directive of the minister is punishable by a fine of not less than \$1,000 per day for each day the contravention continues.

On April 1, in a statement outside the House, Mines Minister Richter said the mining industry had "pushed the panic button" with its criticism of his new act.

Richter said the intent of the legislation is to encourage establishment of a copper smelter in B.C., although all types of mineral could be subject to the same control.

In response to protests from the B.C.-Yukon Chamber of Mines, Richter said the industry is "looking for the worst."

He said that only a year ago he had warned that the government expected the mining industry to establish a copper smelter through its own efforts.

Since it has not he said the government felt legislation was necessary to provide further "encouragement."

On April 24, the government gave in partially to the mining industry objections. In regulations passed by the cabinet under the legislation the government decided that in its initial application the law will apply to the copper mining industry only, with only 12½ per cent of production being sent to smelter processing — when a smelter is established in B.C.

The loudest complaint about the original legislation came from Lornex Mining Corpora-

tion, whose president, R. D. Armstrong said the bill could kill Lornex plans to put the company's Highland Valley property into production by 1972, in co-operation with Japanese interests, which would buy the ore for use in Japan.

On April 25, Sir Val Duncan, chairman of Rio Tinto Zinc Corp., the Lornex parent firm, said in England that he felt the original worries of Lornex would be eased — and the next day the less stringent regulations were made public by the cabinet.

Mines Minister Richter said in an interview that the regulations did not result from pressures from Lornex or other mining firms. The cabinet, he said, still has the authority to extend the proportion of ore requiring B.C. processing to 50 per cent.

An increase in electricity rates to the residential consumer is close to being the equivalent of a general tax increase, and it has deep political implications. Thus the issue of the April 1 B.C. Hydro increase was the subject of intense debate during the 1970 session of the Legislature, with the opposition claiming that the government will suffer severely for the rate increase at the next election, and the government pleading Hydro was caught in a cost-price squeeze.

The details of those debates are contained in the following two reports — highlighting the government's refusal to let the House examine the crown corporation's officials, to make them justify electricity and transit rate increases, and the government's disclosure that planning is under way for B.C.'s first nuclear power plant.

B.C. to force car makers to cut fumes

VICTORIA — An act empowering the provincial government to ban the sale or operation of motor vehicles lacking pollution control devices has been approved by the legislature.

Attorney General Peterson said the amendment to the Motor Vehicle Act will be put into effect "as soon as it is humanly possible," but that it would depend upon the speed with which new vehicles offered for sale are fitted with emission-control devices on manufacture.

Asked if his legislation "amounts to telling auto manufacturers that B.C. is serving notice it wants pollution control equipment on all new vehicles," Peterson said: "Yes, that is right."

He expects the controls will apply only to new cars when it is put into effect by cabinet proclamation on a date yet to be set. However, if devices that can be fitted to used cars

are developed, then their use will be made mandatory.

The act provides that: "No person shall sell, offer for sale, expose or display for sale, or deliver over to a purchaser a new motor vehicle or a new motor vehicle engine of a class or type that is required by the regulations to have installed on or incorporated in it any system or device to prevent or lessen the emission into the outdoor atmosphere of any air contaminant unless the motor vehicle complies with the regulations.

"No person shall operate a motor vehicle of a class or type that is required by the regulations to have installed on or incorporated in it any system or device to prevent or lessen the emission into the outdoor atmosphere of any air contaminant unless such motor vehicle has installed on or incorporated in it such system or device and makes effective use of such system or device.

Maximum fine \$500 for persons convicted

"Every person who contravenes any provision of this section is guilty of an offence and on summary conviction is liable to a fine of not less than \$50 and not more than \$500."

The legislation will empower the cabinet to make regulations covering the following:

- Classifying motor vehicle and motor vehicle engines for the purpose of any regulation and exempting any class or type of motor vehicle or motor vehicle engine from any regulation.
- Requiring motor vehicles

or any class or type thereof and any motor vehicle engines or any class or type thereof to have installed thereon or incorporated therein one or more systems or devices to prevent or lessen the emission into the outdoor atmosphere of any air contaminant.

- Prescribing the standards and specifications of any such system or device.
- Prescribing the standards of emission into the outdoor atmosphere of any such contaminant to which any such system or device shall comply.

Provision for testing and inspection

- Providing for the testing and inspection of any such system or device.

- Providing for the issuance by the superintendent of certificates of approval of systems or devices proposed to be installed on or incorporated in motor vehicles to prevent or lessen emission into the outdoor atmosphere of air contaminant.

- Defining and designating new motor vehicles and new motor vehicle engines for the purpose of any regulation.

- Designating the areas of the province to which the regulations are applicable and designating the date on which the regulations become effective in any area.

New U.S. cars are being manufactured with pollution-control equipment installed, as are those being manufactured in Ontario, which has copied U.S. control laws. However, imported cars from Europe and Asia have no

standard of pollution control devices.

Other changes to be introduced by the amendment to the Motor Vehicle Act include: Auto dealers will be made responsible for any tampering with odometers (mileage gauges) by employees. (Peterson said the purpose of this amendment is to overcome the legal situation represented by the ruling of a court that in a recent case an auto dealership firm was not responsible for odometer tampering by an employee.)

An increase from \$100 to \$200 the amount of vehicle damage that may be repaired without a certificate of damage required to be obtained from police.

To make way for an emergency vehicle such as ambulance or police car a driver may pull over to the nearest side of the road, rather than only to the right side as now required.

B.C.'s nuclear power plant ready by 1976

Province Victoria Bureau

VICTORIA — Western Canada's first nuclear power plant is being planned for Vancouver Island by B.C. Hydro. It would produce 500,000 kilowatts of electricity at a cost of about \$150 million.

B.C. Premier and Finance Minister Bennett, fiscal agent for the crown corporation, told the Legislature (on Feb. 24) that B.C. wants federal government assistance in financing the nuclear generating plant.

Bennett said the nuclear plant would provide electricity for Vancouver Island, which has exhausted its major hydro-electric sites and gets supplementary power by cable from the mainland, and also for the Vancouver area, so long as its output is surplus to the Island's needs.

PROVIDE LOANS

Bennett made the announcement while the legislature debated a bill increasing Hydro's borrowing power by \$250 million to \$1.250 billion.

Later, Hydro chairman Dr. Gordon Shrum said the corporation hopes to have the plant in operation by about 1976. He said the federal government is being asked to provide loans at moderate interest rates to help finance the plant, as it has done for hydro projects in Ontario, Manitoba and Quebec. Without such federal aid, he said, Hydro probably would not be able to proceed.

Commented Bennett: "Whatever Ontario gets, we want, too."

Shrum said the plant probably will be located near Duncan 40 miles north of Victoria by bringing in Kootenay coal. He said thermal generation of electricity would not be practical on the Island because of dust and air pollution problems.

There will be no pollution from a nuclear plant Shrum explained; waste materials such as the by-product plutonium can be sold to Britain and France.

Heat created by the nuclear reactor Shrum said could be

used on southern Vancouver Island to heat greenhouses and possibly to warm up cool coastal waters to develop the fishery.

Shrum said the Vancouver Island project would be similar to four nuclear reactors being built on Lake Huron by Ontario Hydro to come on line in 1971-72.

In explaining the increase in Hydro's borrowing authority Bennett told the House the nuclear generating plant is one of several Hydro developments to be financed by the extra borrowing power.

Part of the money also will be used to construct a second transmission line from the Peace River Power project and to extend the provincial grid to Mica Dam on the Columbia River where generators will be installed by 1977.

Bennett said that in the past 18 years the Social Credit government has built the structure of a new economy for B.C., providing the highest and best standard of living in "the whole world."

"Now we are building the superstructure," he said.

BUS FARES JUMP

Bennett announced the government accepts the proposal by Shrum for increases in Hydro electricity rates ranging between 13 and 20 per cent for residential users, as well as a 25 per cent boost in bus fares, to a straight 25 cent fare from 20 cents for adults. A feature of the new bus fare is that exact change must be given by customers, otherwise they can't get on a bus. The purpose of this is to eliminate the need for drivers to carry substantial amounts of cash for making change — and are targets of attack by hold-up artists.

In attempting to justify the power rates, Bennett said it actually represents a decrease — when compared with B.C.

Electric rates of 1961, the year the government took over the BCE.

While opposition members howled with laughter at this, Bennett said the government must accept the Shrum rate recommendations so as not to endanger Hydro's revenues.

"Only B.C. of all Canada today has lower electricity rates than we had in 1961," he said. "This is the only place."

Another argument he used in the government's favor was inflation.

"Since the dollar today in B.C. is worth 21 per cent less than the dollar in 1961, the people who are buying electricity are really paying 21 per cent less than they did then."

Opposition leader Barrett said the government has mismanaged B.C. finances, pour-

ing funds into Hydro while telling the people they must wait for funds to finance schools, hospitals and other needed services.

"This government has lost its nerve," he said. "It's just like the Coalition. In 1949 the Coalition received a huge mandate, but 36 months later it fumbled disastrously because it had lost its nerve. The answer to the questions we're asking today will be found in the government's performance over the next 36 months."

Liberal Leader McGeer said the government was trying to conceal the "deadweight debt" that Hydro has. He claimed that servicing of Hydro's debt represents \$2.90 out of every \$10 paid in Hydro bills.

The Hydro borrowing power bill was unanimously approved by the House following the debate on the principle of the bill. The opposition said it favored the expansion of Hydro but was critical of the policies pursued by the government in planning expansion.

The House also gave unanimous second reading to two Pacific Great Eastern Railway bills — one authorizing the government to spend \$35 million out of current surplus account on PGE equity shares (the government already owns 100 per cent of the PGE), the other to increase the PGE's borrowing authority by \$50 million to \$240 million.

Bennett rejected opposition claims that the \$35 million outlay is a simple, direct grant to the PGE (since the government already owns the railway outright), claiming the financing legislation is designed only to "balance equity capital against the borrowing authority." He claimed the opposition knows nothing about equity capital.

Bennett said the increased capital would pay for extensions of the PGE from Fort St. John to Fort Nelson and from James to Dease Lake, some 100 miles from the Yukon border.

"TOE THE LINE"

Liberal Leader McGeer was condemned by both Social Credit spokesmen and NDP speakers when he said the Bennett government might have obtained federal subsidies for the PGE if it had shown a "more reasonable" attitude in Ottawa on other matters.

But when the Bennett government goes to Ottawa it is "considered as a group of wreckers" of Canadian unity, McGeer said.

Barrett said bitterly: "I won't stand and see any

government of this province blackjacked politically by the federal government. I won't have any urban rich Liberal come into this House and say toe the line with Ottawa, or else."

Bennett thanked Barrett for his remarks about McGeer, saying that while the Socials differ on philosophy with the NDP, it was good to hear Barrett reject the political manoeuvring endorsed by McGeer. He said the B.C. government is a "great friend of Canadian unity," and said many Liberals past and present would "hang their heads in shame" over McGeer's statement.

SECRET RATES

On Feb. 25, during third reading of the PGE-Hydro borrowing bills, Robert Strachan (NDP-Cowichan-Malahat) was ruled out of order several times by a gavel-banging chairman, Herb Bruch (SC-Esquimalt), as he tried to obtain from Bennett a reply to the question, "will you let the Public Accounts committee examine the books of Hydro and the PGE?"

An outraged Gardom came to Strachan's defence and himself became the victim of Bruch's gavel.

"We do not have a democracy in B.C.," said Gardom. "We have statism, pure and simple."

When third reading finally was given to the Hydro PGE bills there were cries of "jackboot government" and "big government riding rough shod over the opposition" from opposition benches.

Gordon Dowding (NDP-Burnaby Edmonds) said the government had kept the Hydro rate increases secret before the August election last year otherwise it would have lost.

The government is now trying to rush Hydro financing bills through the House, he said at a time when Vancouver newspapers are not publishing. (The Hydro bill got second and third reading on successive days an unusually swift handling of legislation.)

"Oh, no," protested Premier Bennett to Dowding's charge.

Opposition members extremely angry over Hydro increases

Province Victoria Bureau

VICTORIA — The Social Credit government rejected Liberal-NDP demands that B.C. Hydro's rate and capital structure be placed under the scrutiny of a special house committee so the public could learn the full reasons for proposed Hydro rate increases.

The government chose instead to offer its own explanations, and argued that an urgent need exists for a 13 to 20 per cent boost in electricity rates and a 25 per cent boost in transit fares.

After Lands, Forests and Water Resources Minister Williston, a director of B.C. Hydro, explained that a "fantastic" growth in power demand required huge new capital expenditures, and after Opposition spokesmen flayed the government for reneging on election promises to bring ever-decreasing power rates, the government voted down the committee-study motion 35-17.

Debate covers five hours

The debate covered five hours of house sittings over two days, Feb. 20 and 23.

(New electricity and transit rates went into effect April 1.)

"We have to make these decisions right now to get us through this coming year," Williston said. "If we get into a committee and this committee moves from now to the end of the session both the rate increases which are absolutely mandatory . . . if we are to be above the level for the next year, the action must be taken right now and that date for action is March 1."

Opposition Leader Barrett scoffed at this suggestion that the increased rates depended on some action by the legislature.

"That decision is going to go ahead no matter what happens in this House," he said. "This resolution to put the rate issue before a committee has been on the order paper since Jan. 29.

"A committee could have

increases last spring, but the government for "political reasons" ruled them out, knowing an election was coming.

This, said McGeer, was cheap politics. The government should allow Shrum (who sat in the House while the debate ensued) to be called before the committee. He was set up almost a month ago. Who's he trying to kid?"

Demanding that democracy be allowed to work, Barrett said it was "sheer nonsense and political escapism to pretend that a crisis now exists when the government knew rates were going up long before the provincial election last August."

He accused the government of blundering mismanagement of B.C. electricity development policies and repeated his prediction that the Columbia Treaty projects would run a deficit of some \$419 million.

"It's costing us \$419 million to provide low cost power for the U.S. Pacific Northwest, giving the Americans new industry and jobs while this province is without financing other needed services."

'Telling it like it ain't'

According to Liberal Leader for schools and hospitals and McGeer, who proposed the committee-study motion, the government is "telling it like it ain't" when it tries to excuse its failure to make good on election promises to bring continuing electricity rate decreases.

These customers, who use less than 400 kilowatt hours of electricity per month, will "get socked with a 20 per cent" increase, McGeer said. No other power authority would attempt to foist such an

increase on the public with so little justification, McGeer declared.

He quoted newspaper interviews in which Hydro Chairman Dr. Gordon Shrum said there was justification for rate increases last spring, but the government for "political reasons" ruled them out, knowing an election was coming.

"Let's not put the affairs of Hydro back into dark closets," McGeer said. "We have in our hands the power to turn the lights on as far as Hydro is concerned. Let's end this blackout of the legislature."

McGeer met with laughter

He appealed to Soered cabinet benches to "ignore the cabinet benches and think of the little people who elected you, and vote for this motion."

He was met with laughter from government MLAs.

Williston read from letters sent to Premier Bennett Jan. 7 and 8 by Shrum, in which Shrum outlined the need for power and bus rate increases. Most of the information with the exception of details of the rate increases had been made public earlier by Shrum.

Under the new schedule of rates McGeer said, 47.5 per cent of Hydro's residential customers are being forced to pay the lion's share of the extra funds needed by Hydro.

Shrum told Bennett a decision on the increases is required by March 1 in order to implement the boosts by April 1, the beginning Hydro's fiscal year.

Williston said these costs have confronted the Crown corporation: Load growth up 9.9 per cent in the last nine months; interest rates up 34.9 per cent; depreciation up 15.8 per cent; employment costs

up 11.9 per cent; operating and administrative costs down 4.7 per cent.

If load growth is not met, he said, "we'll have to say, so sorry, we can't have new industry . . . if that's what you want, you'll have to take responsibility for it."

In response to opposition attacks about "selling out" to the Americans, Williston said a good example of the "interrelationship" in power between the Americans and B.C. was given about two weeks ago (prior to Feb. 23) when a break occurred in the Peace River transmission line to the coast.

He said the U.S. power authorities dumped all interruptible power customers in order to turn around for B.C. consumption about one million kilowatts of electricity. This caused a severe strain on U.S. transmission lines, to the point of a threat of breakage by melting of lines from overloading.

Because of this help, a severe power outage in Vancouver was prevented.

Nothing serious in Vancouver

"They ran completely over capacity to save us at the time," Williston said. In the result, there were outages from Prince George and down the line to the coast, but nothing serious occurred in the Vancouver area.

Robert Strachan (NDP-Cowichan Malahat) accused the government of "political adventurism" in its power policies, quoting Bennett as having said all the Columbia power would be free — "nothing's cheaper than free, my friends."

This winning of elections by misleading the voters no doubt springs from Bennett's philosophy that politics is "war."

"You can never pursue war with a conscience," said Strachan, "and that's why the world had Hiroshima and Rotterdam and London. Politics cannot be pursued without conscience. Mankind can't survive without conscience."

The proposed bus fare increases brought opposition demands for rapid transit systems in Vancouver and Victoria.

Elderly poor most effected

Alex Macdonald (NDP-Vancouver East) said the \$2.5 million to be raised by the increases was a piddling sum and could easily be covered by a provincial government subsidy.

The elderly, the poor and students will be the ones most severely affected, he said.

Recreation Minister Kieran, also a Hydro director, said one of the reasons for the fare increase is the high cost of bus drivers' salaries.

Opposition Leader Barrett said the interest on the money spent on a second Burrard Inlet crossing alone would meet the cost of near-free rapid transit for the whole Lower Mainland.

Not only would traffic congestion be decreased, but so would there be a reduction in the parking jam.

Power, transit questions figured

Power and transit questions figured prominently in the debate on estimates for the premier's office and for the department of finance on Feb. 26.

Under opposition probing, Bennett claimed the proposed B.C. Hydro rate increases for residential power users were cleared in advance of being detailed to British Columbians by Prime Minister Trudeau.

Replying to Gordon Dowding (NDP — Burnaby-Edmonds), who asked if B.C. had agreed at the recent federal-provincial conference on economic matters to hold back on hydro rate boosts as a means of fighting inflation, Bennett said:

"I outlined the recommendations to the conference and it was agreed and understood that these rates would be put into effect," Bennett said.

Dowding also repeated his concern that a major landslide could threaten the Mica Dam on the Columbia River, now under construction. The MLA said he was not satisfied with a report of a committee of Hydro experts that the slide threat behind the Mica reservoir is so small as to be hardly worth considering.

No experts below dam

"None of the experts live below the dam," he told the House, "and in the Italian disaster of 1963 (at Vaiont Dam, which killed 2,000 after collapsing) none of the experts lived in the village that was wiped out."

On transit, Premier Bennett said his personal view is that metropolitan transit systems of B.C. Hydro should be operated by regional governments, with the government continuing its \$2 million per year subsidy.

Speaking off the cuff

"Speaking off the cuff," he said in response to MLAs who claimed the government is not doing its job in seeing that Hydro provides adequate transit services, "I think the solution for bus service is that the regional district should operate it as a regional authority."

Harold Merilees (SC-Vancouver Burrard), one-time public relations man for the B.C. Electric, had urged that transit be divided from Hydro and operated as a separate authority. He also called for increases in the transit subsidy.

Robert Williams (NDP-Vancouver East) suggested that Vancouver citizens should take legal action to obtain a larger portion of Hydro's revenues for transit operations, on the basis that transit obligations were a vital factor in determining the price the government had to pay for the B.C. Electric.

Liberal Leader McGeer accused the government of deliberately holding back on aid to Hydro's transit operations so it could continue it as a "sick" operation and have an excuse for "dumping" transit on the municipalities.

Minister thinks otherwise

Mercury pollution no problem, says Kiernan

VICTORIA — B.C. has no problem with mercury pollution, says Recreation and Conservation Minister Kiernan.

He made the statement in an interview on April 22.

He told a reporter he had looked into the matter and found that in only one area —

Pinchi Lake — was there anything approaching what might be termed a problem. A mercury mine operates at Pinchi Lake, and traces of mercury have been found in fish livers — which no one eats, anyway, Kiernan said.

"To the best of my knowl-

edge, and I think we have a pretty comprehensive picture on mercury, there is no mercury problem anywhere in B.C."

A short time after he made that statement, Federal Fisheries Minister Davis announced the closure of the upper end of Howe Sound to

sports fishermen pending investigation of mercury discharges into the sound by F.M.C. Corp., a Squamish chemical company.

On April 23, Opposition leader Barrett accused Kiernan of "making light" of the problem.

He was referring to Kiernan's statement only an hour

or two before Davis announced the halt of Howe Sound fishing.

"Perhaps the threat of mercury poisoning doesn't upset the minister," Barrett said. "But if he finds it a matter of light import, that's his decision. As far as I'm concerned any government that doesn't treat pollution as a serious

matter and mercury poisoning as a threat to the citizens of B.C. doesn't deserve to govern."

Kiernan said later he agreed with Davis's move, but added that the public should recognize "the difference between a problem identified factually and the suspicion of a problem."

Trust scandal smellier than ever, says MLA

VICTORIA — Charges of "non-performance and mal-performance" over failure to police the Commonwealth Trust group of companies have been made against the government by Garde Gardom (Lib.—Vancouver Point Grey).

Gardom, a lawyer, said on Feb. 25, that the Commonwealth Trust scandal is "sourer and smellier today than it ever has been," and accused the government of continuing a policy of silence and refusal to give the public the facts as to how many British Columbians were bilked of life savings.

Listing 25 cases in which

individuals lost sums ranging from \$1,500 to \$41,500, Gardom quoted one letter stating the government gave Commonwealth "a licence to steal."

People went to Commonwealth to buy trust certificates, but wound up getting certificates in Commonwealth Investors' Syndicate "junk."

One of the lost investments to which he referred, said Gardom, occurred only four days before the provincial government sent in the RCMP to seize Commonwealth records — a time when the government "knew a lot was wrong."

Calling on the government to let Commonwealth victims sue the government for failure

to police the Trust Companies Act, properly, Gardom said: "In my opinion these people would be successful against you (the government) in the Supreme Court for non-performance and mal-performance."

Premier Bennett, who as finance minister has responsibility for policing the Trust Companies Act, refused comment on Gardom's demand. Spending estimates for the premier's office were being discussed at the time.

Alex Macdonald (NDP—Vancouver East) said he had not done the right thing when he first raised the Commonwealth Trust issue during the 1967 session of the legislature

before any government alarm was sounded.

"Duncan Crux threatened to sue me if I would repeat my statements outside the House," Macdonald said. "I regret now that I didn't because if I had that law suit would have uncovered the rottenness in that empire."

George Mussallem (SC—Dewdney) said the hindsight of the opposition in connection with Commonwealth "is almost too much to behold."

"As long as we have crooks like Crux this kind of thing will happen," he said.

Earlier, on Feb. 20, Attorney-General Peterson indicated in his windup speech in the budget debate that the

government has no intention of acceding to demands that persons who were bilked out of their life savings by the Commonwealth Trust scandal be allowed to sue the government for damages for failing to protect them.

Peterson said there is no guarantee that anyone investing in a public company will fail to lose money. The taxpayers should not be expected to "pick up the tab" for those who do lose.

Earlier in the debate, Barrie Clark, (Lib.—North Vancouver Seymour) criticized Health Minister Loffmark for having "blamed it (the Commonwealth affair) on the federal government" because Ottawa

granted Commonwealth deposit insurance.

Ottawa gave the insurance only after the B.C. government approved Commonwealth. The "debacle," Clark said, was like knowing there was typhoid on the Oronsay and then inviting people to come aboard.

Gordon Dowding (NDP—Burnaby-Edmonds) said those who lost their savings were not asking the taxpayers to pick up any tab — but merely want the courts to decide.

"Let right be done," he said.

On March 3, Peterson was upheld by a vote of 32-17 when Gardom moved that his salary be reduced by \$1. Gardom

moved the non-confidence motion in the attorney-general on the grounds that he failed to carry out his duty to protect people who invest in trust companies — namely, investors in Commonwealth Trust.

In his own defence Peterson said that the government did act to protect the public. He said that from Feb. 12 1968 when the government took over control of the firm no shares in Commonwealth were "issued."

Gardom disputed this, saying Peterson was "categorically incorrect." He held up a photostat of a certificate for 200 shares of Commonwealth Trust, sold on March 4, 1968, for \$7,000.

Act changes laws on land

Province Victoria Bureau

VICTORIA — B.C. has a new Land Act, first major revision of the law covering the administration and disposal of provincial crown lands since 1888.

In introducing it (March 2) Lands Minister Williston said it will prohibit direct transfer of title of crown lands to anyone but Canadian citizens although foreign nationals may continue to lease crown lands.

He said these were the main provisions:

- New powers for prohibiting unauthorized use of government lands including removal of squatters on beaches and prohibition of swimming and shellfish gathering in polluted areas. (Some Socred backbenchers have complained about "hippie-types" occupying provincial land at Long Beach on the west coast of Vancouver Island.

- Removal of restrictive covenants barring title holding on the basis of color creed or ethnic origin.

- Reduction of age limit for persons holding tenure or purchasing crown lands from 21 to 19.

- Limit of 1,280 acres set on individual applications for crown grants.

- Authority for the government to inquire into the financial resources and backing of applicants for crown lands.

- Authorization of the cabinet's land use committee to define provincial government policy on land use.

The act got second reading on March 16, with the NDP voting for it along with the government, but with the five-man Liberal group opposing it on grounds that it doesn't do enough to change the provincial government's

policy of allegedly allowing "plunder" of B.C. lands.

Liberal Leader McGeer also objected that because only a "once over lightly" debate was being allowed by the government (the bill was brought up for second reading by the government at nearly 11 p.m., with the vote called at midnight) the opposition had too little chance to give it adequate consideration.

NDP spokesman Bob Williams (Vancouver East) criticized the bill for omitting action to prohibit the transfer of land titles in perpetuity to non-Canadian absentee owners. He said it appears to prohibit alienation of crown land to non-Canadians, but contains nothing to stop dummy corporations being set up to acquire ownership for foreigners. He called for public bidding in disposal of any crown land.

On third reading (on March 24) Opposition Leader Barrett said the bill doesn't prevent U.S. interests from using their "unfair" bargaining position and buying up B.C. land "with their \$1.10 dollars."

Liberal Leader McGeer said foreign competition has pushed up bid prices to a level where Canadians can't afford to live on the most attractive land in B.C., "and this bill is an acceleration of this process."

Opposition critics also attacked a provision of the new act which allows the lands minister discretion on whether lease or purchase applications need to be advertised. Although the section was approved, Williston promised to follow the current procedure for leasing or sale of crown lands advertized in the B.C. Gazette.

Bennett warned B.C. oil firms

VICTORIA— Some form of government intervention in the B.C. oil industry was threatened in the legislature by Premier Bennett if the industry doesn't "do the right thing."

He made the comment, without elaboration, during discussion on Feb. 26 of finance department spending estimates. It came as Bennett, in a review of previous B.C. government approaches to federal-provincial affairs, mentioned that Duff Pattullo, Liberal premier of B.C. from 1933 to 1941, had taken a similar attitude to his.

Bob Williams (NDP—Vancouver East) interjected, "He tackled the oil industry — will you?"

"If they don't do the right thing, certainly, like the B.C. Electric, yes I would," Bennett snapped back.

Bennett offered no explanation of his remarks. However, about two years ago he opposed pricing gimmicks by oil companies, and over the past three years there have been two legislative committee inquiries and a royal com-

mission inquiry into gasoline marketing in B.C. No government action has been taken on committee recommendations on marketing practices and competition in the industry.

His reference to the B.C. Electric alluded to the Social Credit government takeover of the privately-owned electricity utility in 1961 when the B.C.E. refused to provide a market for power to be developed from harnessing the Peace River.

University fills vice-presidency

GUELPH, Ont. (CP) — J. Percy Smith, former executive secretary of the Canadian Association of University Teachers, has been appointed academic vice-president of the University of Guelph, president W. C. Winegard announced.

Dr. Smith, 56, is to succeed B. C. Matthews, recently named president of the University of Waterloo.

B.C. gets power to take over of any hospital

VICTORIA — The government has armed itself with the power to take over the administration of any hospital if it considers such a take-over to be in the public interest.

The legislation — an amendment to the Hospitals Act — appears designed as a club to bring into line hospitals which are not co-operating with the B.C. Hospital Insurance Service on costs.

A prominent example of such a hospital is New Westminster's Royal Columbian, which has had a long-running battle with Health Minister Loffmark and BCHIS over projected operating costs, which BCHIS says are too high, and has thus held up construction of a proposed new unit.

The bill says:

"Where the minister considers it necessary in the public interest, he may appoint an examining board to examine any aspect of the planning, construction or operation of a hospital.

IN WRITING

"An examining board appointed under this section shall proceed in accordance with instructions issued by the minister and shall report in writing to the minister within such time as may be specified by him.

"If in the opinion of the minister circumstances warrant the minister may refer to the lieutenant-governor in council the report (mentioned above) together with such recommendations as he deems appropriate.

"(The cabinet) may at any time appoint a person as public administrator to manage the affairs of a hospital society or corporation that owns, operates, or is planning, or constructing a hospital . . . if he considers it in the public interest to do so.

EXCLUSIVE RIGHT

"A public administrator so appointed has (a) the exclusive right to exercise all of the powers of such a society or corporation and of the board of directors or trustees thereof; and (b) exclusive control of the property, assets, and revenues of such a society or corporation and the disposition of same.

"The (cabinet) may prescribe the terms and conditions governing the powers, duties, and responsibilities of a public administrator appointed under this section.

"Upon the appointment of a public administrator to conduct the affairs of any hospital society or corporation, the

trustees or directors of such a society or corporation cease to hold office.

"(The cabinet) may, at any time, terminate the appointment of a public administrator and may specify the conditions under which the planning, construction, or operation of the hospital shall be carried on after such termination."

VOTED DOWN

On March 23 the opposition was voted down 36-17 when a division was held on second reading of the amendments to the hospitals act.

While NDP and Liberal members banded together against the bill declaring it to be authoritarian and threatening the bill was supported by all Socreds on hand.

However Dr. G. Scott Wallace (SC—Oak Bay) expressed personal reservations about the bill saying he is "uneasy" about it but prepared to vote for it to give it a chance.

The Socred "rebel" issued this warning:

"If in future — and I want to make this very clear — the government proceeds to use this bill in a subtle way to take over all hospitals I will be the first to scream the loudest and longest over the loss of hospital autonomy in this province."

At an April 13 press conference Opposition Leader Barrett accused Loffmark of punishing all hospitals in B.C. whether or not they are guilty of fiscal irresponsibility.

THREATS MADE

Loffmark, said Barrett, is enforcing limits on increases in hospital workers' salaries on orders of Finance Minister Bennett and not out of any particular concern for correcting specific abuses.

"I can't find words to describe the performance of the minister" Barrett said. "In the House he made threats against certain unnamed hospitals for showing fiscal irresponsibility and now it appears that those hospitals which have been prudent and have disciplined themselves are going to suffer equally with those which haven't."

Barrett said he sympathizes with Dr. Wallace's concern over the provincial government's hospital policies.

"I hope he will continue his efforts to let the people of B.C. realize what a desperate shortage of hospital beds there is in this province," said Barrett of Wallace.

In an earlier interview, Wal-

lace had said the government's hospital policies could lead to its downfall.

"I've had a lot of reaction from various people," he said, "and I'm afraid the government is losing public support. I am distressed and becoming exasperated. This government was elected on its promise of services to people."

He said he hopes to have a

B.C.'s current hospital crisis relates to two events of the 1970 session of the provincial legislature — imposition by the provincial government of new, strict spending curbs on hospitals, plus a threat of a government takeover of any hospital not operating according to the government's wishes. Details of these policies and debate on them are contained in the following two reports.

ake over administration

politically to the extent that it could ultimately endanger the survival of this government."

First use of the takeover provisions appeared probable on May 7 when Health Minister Loffmark said he was considering appointing an investigating team to look into the administration of New Westminster's Royal Columbian Hospital — a move which could lead to a takeover of the hospital's operations by a government administrator.

INVESTIGATION

He described as "irresponsible" reports that he does, in fact, intend to do so without taking the proper steps, the first being an investigation.

For several months Loffmark has been criticizing the Royal Columbian's level of operating costs. The B.C. Hospital Insurance Service, under Loffmark's jurisdiction, has refused to share projected Royal Columbian operating costs.

In his latest comment, Loffmark said the hospital won't be permitted to operate on a higher patient per-day cost than B.C.'s largest hospital, Vancouver General, which has a per-diem cost of \$60.

On reports that resignations had occurred at the Royal Columbian in protest over his hold-back on costs policy, Loffmark said that resignations are frequent in large hospitals and should cause little surprise.

Meanwhile, Loffmark has been accused by Opposition Leader Barrett of injecting partisan politics into the hospital situation.

RESPONSIBILITY

Suggesting Loffmark doesn't "truly understand your responsibilities as a minister of the Crown," Barrett said in a letter to Loffmark that the minister was letting party politics "interfere in decisions relative to human services."

"Partisan politics from a cabinet minister at the very least should be confined to election campaigns," Barrett wrote. "Statesmanship and responsibility is what we expect between elections."

In what appeared to be an indirect comment on the Barrett letter, Loffmark said (without mentioning Barrett's letter) that British Columbians might wish to have the kind of hospital system of "socialist Britain," but if they did they should expect to have the same kind of standard of living "where a carpenter, say, gets about \$1.40 an hour... these things have to be paid for..."

The May 7 statements relate back to a March 9 debate in the House.

Loffmark, answering com-

plaints by Dennis Cocke (NDP-New Westminster) that the provincial government is holding up construction of a new wing for Royal Columbian Hospital, told the house that the Royal Columbian is to blame.

He said the hospital is demanding \$1.25 million per year more in operating grants than Vancouver General, "the most expensive, elaborate hospital in British Columbia."

"They have not only made these demands but they have held up construction in order to enforce their demands," Loffmark said.

"They will get construction approval as soon as they present a rational operating budget. The price asked for by the Royal Columbian is a complete breakdown of responsibility and they are prepared to get it at the expense of the needs of the people in that community."

In threatening some form of government action, Loffmark said:

VERY SOON

"These hospital beds are going to get under construction very soon indeed, and if they are not constructed by this (Royal Columbian) hospital board within the framework of a figure that is fair in relation to other hospitals we will have to look to some other alternatives."

Opposition Leader Barrett said Loffmark was playing "cheap politics" with the Royal Columbian.

"There is not one hospital board safe from his threats," said Barrett. "He has threatened the very fabric of regional hospital boards in B.C. You had better repudiate that statement or abolish hospital boards."

Liberal leader McGeer, himself a doctor, told the House: "I wish the members of my profession would put the kind of intense pressure on the government to get hospital beds built that they put into negotiations for the medicare scheme."

"We need only look at the figures on doctors' earnings published in the medical journal the other day to see that the profession got the kind of fee schedule that it wanted."

McGeer claimed there is a decay in B.C.'s hospital system. While general health spending over the past decade remained at about 14 per cent of the provincial budget, he said, the percentage for hospital construction has progressively diminished. Last year the figure was only one-sixth of the amount spent in 1958, McGeer said.

meeting with Premier Bennett to discuss the hospital situation with him in depth."

"I want to let him know my own personal concern and my uneasiness at the present direction the government is taking. I personally consider that the effects of restricting funds for adequate hospital operations will be very far-reaching both medically and

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Last election cost Socreds \$870,557 to remain in power

Province Victoria Bureau

VICTORIA — Cost to B.C.'s political parties of last year's Aug. 27 provincial election was more than \$1.5 million, with the Social Credit party and its candidates accounting for 58 per cent of this.

The official opposition party, the NDP, spent 20 per cent of the total, with the Liberals accounting for nearly 32 per cent and Communists and independents spending a fraction of one per cent.

Here is how the spending by parties and candidates breaks down according to figures tabled in the house by Provincial Secretary W. D. Black:

Social Credit central committee \$526,815; Socred candidates, \$343,742; total: \$870,557. \$156,876; Liberal candidates, \$184,226; total, \$341,102.

NDP central committee, \$79,363; NDP candidates, \$222,570; total, \$301,933.

Total, all parties (including \$8,081 for "other" candidates): \$1,521,673.

\$2.5 MILLION COST

In addition, more than \$1 million is estimated as the cost to the provincial treasury for the actual taking of the vote including registrations, for a grand total election cost of more than \$2.5 million.

When the cost to parties and candidates is related to the number of candidates elected, the election can be termed the costliest for the Liberals and least expensive for the Socreds, with the NDP in between.

The Liberals spent \$341,102 to elect only five candidates — for a cost per candidate elected of \$68,200.

The NDP spent \$302,933 to elect 12 candidates — for a total per candidate elected of \$25,240.

The Socreds spent \$870,557 to elect 38 candidates — for a

total per elected candidate of nearly \$23,000.

When the figures were made public Opposition Leader Barrett said: "Political parties should make full disclosure of the sources of their campaign funds. 'We're prepared to put out our books for the public to examine."

"The people of B.C. should have an opportunity to know where political donations come from. It is their right to know who gave Social Credit over three-quarters of a million dollars to run the party's campaign. After all, the government says it likes to keep the people informed."

BIG SPENDER

The biggest spending candidate of all was Howard McDiarmid, who won re-election as a Socred candidate in Alberni. He spent \$21,480 on his campaign, compared to \$7,100 for the NDP candidate, and \$2,000 for the Liberal.

Next highest Socred spender

was Dr. Charles Ennals, who tried unsuccessfully to unseat former NDP leader Robert Strachan in Cowichan-Malahat. He spent \$15,969, to Strachan's \$2,049.

Premier Bennett's South Okanagan re-election cost him or his local campaign committee \$4,688, compared to \$2,639 for the NDP candidate and \$1,996 for the Liberal nominee.

The NDP's biggest single riding expenditure was in Vancouver Centre where William Deverell and Emery Barnes split \$19,700 in campaign costs. They failed to upset Socreds Herb Capozzi and Evan Wolfe, each of whom spent \$14,108.

In Vancouver Burrard, Socred candidates Bert Price and Harold Merlees spent almost \$10,000 each to defeat the then NDP leader, Tom Berger, and Dr. Ray Parkinson, each of whom spent \$6,164.

Biggest single-riding

expense incurred by a Liberal candidate was the \$16,648 spent by Liberal Mac Brysen in his markedly unsuccessful bid to unseat then Minister Without Portfolio Phil Gagliardi in Kamloops. Gagliardi's expenditure was \$11,285, and the NDP candidate in Kamloops spent only \$5,319.

In Vancouver South, Socred candidates Health Minister Loffmark and Mrs. Agnes Kripps each spent \$14,413, Loffmark to win re-election and Mrs. Kripps to upset NDP candidate Norm Levi.

In Vancouver Little Mountain, Attorney General Les Peterson and Minister Without Portfolio Grace McCarthy each spent \$10,810 to win re-election.

In Vancouver Point Grey, Liberal Leader McGeer and his running mate Garde Gardom won re-election by spending \$4,232 each, while Socred candidates blew \$13,950 each.

CONTINUED 1

Loffmark says cuts justified

VICTORIA — Tight curbs on provincial government expenditures for hospital operations were announced by Health Minister Loffmark on the final day of the 1970 session of the B.C. Legislature.

He issued his statement outside the house. Opposition spokesmen accused him of waiting until the last day of the session (April 3) to avoid any debate.

In an interview following his announcement Loffmark warned that similar restraints would likely have to be applied to the cost of medicare.

Asked if this meant the government will refuse to pay doctors' bills it considers too high, or if it will cut payment of bills to a certain percentage with medicare subscribers having to pay the balance themselves, Loffmark would give no answers.

He also was asked what he

would say if he was accused of "letting people die" through lack of sufficient funds to run hospitals. Loffmark said: "I have been accused of that before. I only have so much money and I will try to save as many lives as I can, but no matter how much I have, some lives I can't save."

Loffmark said he doubts that his order limiting provincial contributions to operating costs will result in the closure of any hospitals, but it will lead to reduced staffs.

When it was suggested that there is no reason for cutting expenditures when the provincial government has surplus funds running into the scores of millions of dollars, Loffmark said the federal government, which shares hospital insurance costs, had asked the provincial government to bring in restraints on spending.

Problem is nationwide

"This is a nationwide problem," he said. "It would not be right to assume that this is some capricious act by the provincial government. We are taking these steps on the urging of the federal government, and with no objection from us. We are doing this willingly."

In his prepared statement Loffmark said despite a \$25 million increase this year in the amount made available by the provincial government for patient care, the money available "will not be sufficient to cover payments for additional facilities that will come into operation during the year, plus the large operating increases projected by hospitals."

The greatest portion of increased operating costs, he said, will result from salary

increases and additional fringe benefits agreed to by the hospitals, averaging for members of one unnamed union about 13 per cent for 1970.

"The total cost of salary increases cannot be accepted by the hospital insurance service, and available funds will be allocated to hospitals on as fair and equitable a basis as possible," his statement said.

"This allocation will mean that the hospital insurance service will be able to absorb approximately 70 per cent of the total increases in salaries. In order to avoid serious financial problems, hospitals will have to take immediate action to reduce costs by an amount sufficient to finance the approximately 30 per cent of salary increases that will not be met by the hospital insurance service."

Individual decision

"It is considered that reductions in staffing should be applied primarily to those employees involved in the largest wage increase group. However, the decision as to how the uncovered cost increase should be absorbed is a responsibility of each individual hospital."

Loffmark said \$77 million was appropriated for the 1965-66 fiscal year to hospital operations. For the current year, the appropriation is \$175 million, an increase of 126 per cent over the five years.

If expenditures are to increase over the next five years at the same rate, then it will be necessary to appropri-

ate \$370 million in 1975 and at least three-quarters of a billion for 1980.

"It is clear that a continuation of the cost escalation which I have quoted could within a relatively few years bankrupt any government. That is why the government of Canada stated positively that increases in the cost of health services must be held within satisfactory limits and with the co-operation of all the provinces, the medical profession, hospitals, and other health agencies, established task forces to study and report on the cost of health services."

Landlord-tenant act gives renters break

VICTORIA — A new landlord and tenant act aimed at providing new rights for tenants has been approved by the legislature.

Attorney-General Peterson, who introduced the bill, said he didn't think the bill would fully satisfy either tenants or landlords, but would introduce fair measures for both.

The act prohibits rental increases for the first 12 months of a "tenancy agreement" — either an oral or written contract governing terms of occupancy — and then not without three months' notice.

It also abolishes security deposits, except where municipal bylaws on rental accommodation require them.

Such deposits must carry a six cent interest fee, payable to the depositor on leaving the premises, less deductions approved by a court.

Opposition spokesmen, led by NDP house leader Barrett, said the bill is a "cruel hoax" because it does not, in fact, provide for at least three months' notice of rental increases. The opposition complained that landlords will evade the provisions of the bill by simply refusing to enter lease or "tenancy agreement" arrangements.

Government spokesmen say, however, that all tenants are covered, whether they rent on a weekly, monthly or longer basis, or have leases.

On March 16, the government's new landlord and tenant act got second reading, but not before an NDP member repeated the "cruel hoax" charge.

Gordon Dowding (NDP-Burnaby Edmonds) said nothing in the bill can prevent a landlord giving a tenant one month's notice to vacate, then

increasing the rent for the new tenant.

The rent increase won't be applicable to the tenant given notice, said Dowding, but the continuing ability of a landlord to take such action will enable him to improve his return and at the same time retain too much power over tenants.

Later, during committee study of the bill on March 24, Dowding charged that terms of the new landlord and tenant act were leaked to landlords before the legislation was introduced. His charge went unanswered by the government.

Dowding claimed that the leak permitted landlords to order rent boosts in advance of regulation of increases.

Under debate was an amendment put forward by Ernest Hall (NDP-Surrey) to retroactively freeze rents

back to Jan. 22, the day of the opening of the legislature when the government announced in the throne speech that a new landlord and tenant act would be introduced.

His amendment would have amended a government amendment freezing rents back to Feb. 25, the day Attorney-General Peterson introduced the new act.

Despite support of the Hall amendment by one Socred — Dr. Scott Wallace (Oak Bay) — the government defeated the Jan. 22 rollback proposal by a vote of 34-17, sticking with the Feb. 25 freeze.

Barrie Clark (L.—North Van.—Seymour) asked for — but got no answer — a "strong statement" from Peterson on the question of landlords pressuring tenants to not hold them to the new law.

"If the answer is yes," said

Clark. "they are being told 'then here's your notice'."

Although he did not answer Clark's plea, Peterson did explain why he was not accepting Hall's amendment.

He said no one could have anticipated the changes in the landlord and tenant act on the basis of the forecast in the throne speech and that it is "unfounded" to say anyone could.

"It is difficult to justify retroactive legislation especially back beyond the date of the introduction of the legislation," Peterson said. "It would be arbitrary and therefore I can't accept the amendment."

Opposition Leader Barrett said anyone who read the government "propaganda" attached to the throne speech — "any astute landlord" — would have known "this is the time to up the rents."

Government acceptance of the Hall amendment, he said, would "end once and for all the suggestion that somebody had some inside information."

"This question and accusation has frequently come up on open-line programs — that the fix was in, that somebody had information that the rates would be pegged and subject to a long period of notice before increases could take effect."

Dowding then made his accusation about advance information being in the hands of a representative of the Rooming House and Lodging Association.

He said a man named James Clayton from Vancouver Centre was present at a meeting in Burnaby discussing the provisions of the new act before it was introduced in the House.

He said the meeting occurred between 7 and 8 p.m. on Feb. 25, the day the bill was introduced in the House. However, the bill was introduced at 8 p.m. that day, according to the votes and proceedings of the legislature.

"How he could have got it that soon I don't know," Dowding said. Such advance information, he said, "can be a source of profit to those who know and a source of loss to those affected."

Wallace then told the House that he has received similar complaints from people in his riding who had rents increased prior to introduction of the bill.

To freeze rents as of Jan. 22, he said, is "no less or more arbitrary" than to freeze them as of Feb. 25, "and I would have in all conscience to support this (Hall) amendment."

Benguet battle continues in limelight with Barrett move

By ALEX YOUNG

Province Victoria Bureau

VICTORIA — The saga of Benguet Consolidated Inc., and its interest in developing the winter recreational potential of West Vancouver's Cypress Bowl, held a top spot among the leading issues of the 1970 session of the Legislature — and continues today to attract political attention.

Benguet and Cypress Bowl were raised at least once a week in the final six weeks of the session and, since the session ended April 3, have continued a subject of controversy.

Latest development has been an attempt by Opposition Leader Barrett to link what he called a "sister company" of Benguet with a company in which Social Credit campaign fund raiser Einar Gunderson is a shareholder and director.

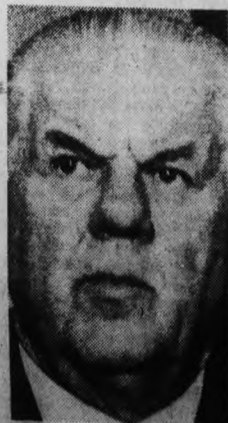
Link denied by Gunderson

Gunderson, with the backing of Attorney General Peterson, denies any such link and states he and other principals of the B.C. company involved are trying to prevent the so-called Benguet sister company from taking over their firm.

Gunderson says he has no idea why the Bahamas firm in question, Residential Resort Development, has bought 33 per cent of the company in which he is a principal, N.W.L. Financial Corp., or of a second company in which he is a director, Federated Investments Ltd. of Vancouver and Calgary.



DAVE BARRETT
... suggests link



EINAR GUNDERSON
... denies it

He also says he has no information that indicates Residential is associated with Benguet.

The attorney general, in response to Barrett's suggestion that N.W.L. was being made a "front company" for Benguet, said Gunderson and other "reputable" directors of N.W.L. are fighting Residential's attempted takeover.

Benguet not involved

"They (Residential) filed a statement with the Securities Exchange Commission in the U.S. as late as Feb. 26, setting out their corporate structure," Peterson said, "and Benguet is not involved. That is all I will say."

"As far as our department is concerned we are fully in touch with the situation through our securities branch. I had a meeting with the president of the company (N.W.L.) before the story broke."

"Einar Gunderson is not connected with these people in any way. But neither Mr. Gunderson nor the president of N.W.L. can control who buys shares on the stock market or from individual shareholders. No treasury shares have been sold to these people."

Peterson said that on April 22 (the day before Barrett



LES PETERSON
... gives backing

made his statement about Residential and Gunderson) he met with Peter Ropchan, president of N.W.L. and had it confirmed that no treasury shares had been sold to Residential.

In a Vancouver statement, Ropchan said Residential's acquisition of shares does not mean acquisition of control, which remains with directors and long-time shareholders of both N.W.L. and North West Life Assurance Co. of Canada.

In reply to Barrett's renewed call for a judicial inquiry into the whole Benguet-Cypress Bowl matter, Peterson said: "You mean just because a fellow named Barrett asked for one? I think we can run this department without his help — or hindrance."

Barrett made his statement about Residential, the "sister company" of Benguet, at an April 23 press conference. He said the fact the company was trying to take over some B.C. firms with Gunderson as a director gave a new sense of urgency to the need for an inquiry.

He pointed out that the government had declared Benguet unsuitable to participate in the Cypress Bowl development (through Alpine Outdoor Recreational Resources, a B.C. firm it had bought control of) because of Benguet's associations with Bahamian firms with gambling and bribery backgrounds.

Corporation in negotiations

Barrett said Residential is a Louis Chesler Company and "Louis Chesler is the partner of Wallace Grovers, of the Grand Bahamas Development Co., and of Benguet . . . both Grand Bahamas and Benguet featured prominently in a royal commission on organized crime and gambling in the Bahamas."

Barrett continued:

"The Benguet Corporation is presently in negotiations about completing their plans for Cypress Bowl.

"Chesler and Grovers through their dealings as stated in the royal commission through front companies paid large sums of money to Bahamas cabinet ministers and paid \$10,000 per month to the government's political party campaign funds — that's detail from the royal commission.

"The B.C. companies — N.W.L. and Federated Investments have one prominent political figure as a director. That figure is Einar M. Gunderson, who is the publicly acknowledged Social Credit Party fund raiser, and he is now in a company that has a direct connection with Benguet."

Protestations questioned

Barrett also questioned government protestations that Benguet is not welcome in B.C. (On April 6, Peterson announced to reporters that the investigation launched into Cypress Bowl by his department last November had ended, and that it confirmed Benguet as "undesirable" to

participate in the Bowl development. He would not release the bulky report.)

Barrett said he wrote on April 16 to Russell, Dumoulin Vancouver legal representatives of Benguet, asking if they continued to represent Benguet and what their intentions were. He said he received this reply on April 20:

Receipt of letter acknowledged

"We acknowledge receipt of your letter . . . As you are aware the minister of lands and forests and water resources has suggested that our client should by May 31 provide the provincial government with a proposal regarding the future of the Cypress Bowl area and our client's interests therein.

"Our client is hopeful that an acceptable proposal can be made within the time suggested and that such proposal will be acceptable to both the provincial government and the municipality of West Vancouver. If a proposal can be made to the satisfaction of both governments then the matters referred to in your letter have little or no consequence."

Barrett said it is "unbelievable" that the lawyers representing Benguet are negotiating with the provincial government when the attorney general has told the company it is not welcome in B.C.

"Who is making the decisions in this matter — the Benguet corporation or the attorney-general's department?" he asked.

Hoover asked for information

Barrett said he had written to FBI director J. Edgar Hoover asking for specific information about the Benguet firm and Louis Chesler as well as information about Chesler's relationship "with Mr. Myer Lansky which forced the emigration of three Mafia employees of Mr. Chesler to the United States from the Bahamas."

Barrett said he also has written to RCMP Commissioner W. L. Higgett asking for any information he may have on Benguet and pointing out that B.C. government officials continue negotiating with the company even though Peterson says the company is undesirable.

During the final six weeks of the legislative session these were the most noteworthy comments and developments on the Benguet-Cypress Bowl case:

March 2 — Barrett complained that the government was taking too long to complete its investigation of Benguet perhaps intentionally; Peterson denied that any "veil of mystery" was being drawn over the Cypress Bowl scheme, said the investigation still isn't complete but doubted that when it is he will give any green light to Benguet.

One of the few notes of humor entered the Benguet discussion when Peterson said Benguet is pronounced "Ben-get," not "Ben-gay" as many members had been pronouncing it.

"No, no," interjected Robert Strachan (NDP — Cowichan-Malahat), "you are wrong it is 'Ben-got.'" Barrett said both were wrong, that it was pronounced, "Ben-had'."

Anti-Mafia law urged

March 3 — Allan Williams (Lib.-West Vancouver, Howe Sound) called for legislation to prevent criminal elements like the Mafia from infiltrating legitimate business in B.C. He suggested there had been a Mafia link with Benguet. There was no way he declared the government could prevent anyone from holding shares in B.C. companies and keeping that knowledge a secret through a front man — unless the government specifically prohibited it by law, a corporations disclosures act to record "precisely who the beneficial owners of shares are."

Among types of businesses which have attracted crime groups in the U.S. have been laundries, dry cleaners and undertakers he said. He charged that a Benguet associated company Grand Bahama Port Authority had paid \$1 million to "buy" the Bahamas government.

Peterson told the House prior to Williams' statement that the government is making an "exceptional effort" to prevent establishment of organized crime in B.C.

Two government members came to Peterson's defence in the Cypress Bowl affair. Welfare Minister Gaglardi urged Peterson to proceed with his investigation "on the basis of caution" because "people can be smeared and integrity is involved."

Two defend Peterson

Herb Capozzi (SC-Vancouver Centre) said he didn't like the use of the word Mafia. He accused the opposition of find-



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ing guilty the companies involved in the Cypress Bowl affair when it should be willing to grant a full investigation before reaching conclusions.

To be fair he said the opposition should also raise charges of corruption against the Teamsters' Union: "What's sauce for the goose is sauce for the gander."

"People are innocent until proven guilty," Capozzi said. "A kangaroo court has no place in this chamber."

Still very much involved

Barrett told the House during the March 3 debate that he had phoned the office of Wallace Groves chairman of the Grand Bahama Port Authority at Freeport and was told by a company official that Benguet still considers itself to be "very much" involved in Cypress Bowl.

He accused the attorney general of attempting to indicate that Benguet had purged itself of undesirable elements to "show that the dirty money of Benguet is being washed clean."

"Once an immoral illegal act has acquired money" he said "that money cannot become clean no matter how much it is washed. It is dirty crooked crime syndicate money. It still owns 75 per cent of Alpine, \$1 million of it and you (the government) still haven't said you'll have no truck or trade with that corrupt organization."

March 18 — Barrett and other opposition members reviewed the Benguet case again. Lands and Forests Minister Williston insisted Benguet had been told it wasn't welcome in B.C.

The answer is 'no'

March 19 — Lands and Forests Minister Williston said "the answer is no" when asked if any administrative problems stand in the way of the Greater Vancouver Regional Parks District acquiring a leasehold control of Cypress Bowl.

The question was asked by Robert Williams (NDP-Vancouver East), who urged Williston to give serious consideration to turning over the area, most of it provincial crown land, to the parks district rather than let any private firm develop it as a winter recreation area.

March 20 — An amendment to the Mineral Act was opposed by both NDP and Liberal MLAs because, they claimed, it will help those who stake mineral claims to acquire real estate development rights on the land under claim.

Mineral claim amendment

The amendment will enable holders of mineral claims to acquire the land at going real estate values rather than at the old set rate of \$5 per acre.

Barrett said the change means those involved in promotion of Cypress Bowl will be able to establish a claim to surface rights in the area because they earlier staked mineral claims on the land there. Williston replied that the objective of the amendment is merely to "tighten up" control over acquisition of surface rights by mining companies.

Long shoreline park feature

VICTORIA — Canada's newest national park — and the first national park on the Pacific coast — was signed into existence April 21 by Provincial Recreation Minister Kiernan and Federal Northern Development Minister Chretien.

The park, on the west coast of Vancouver Island and stretching some 60 miles from Long Beach in the north to Port Renfrew in the south, covers property "conservatively" estimated by Kiernan at \$23 million in value.

Included in the park are the Effingham Islands in Berkeley Sound.

An agreement establishing the park, under which the

necessary property will be acquired by B.C. and turned over to Ottawa, with the costs shared equally, was signed in Kiernan's office by Kiernan and Chretien.

It is Canada's 21st national park and has the longest shoreline of any (other coastal parks are in the East) — an unofficial 125, including the Effingham Islands.

Prior to the signing, Chretien flew to the old "Lifesaving Trail" area of the park-to-be between Port Renfrew and Bamfield and inspected it for two hours.

"It's a great place," he said on his return. "The coast and the forest are beautiful. It's too bad I only had a couple of hours. I would like to have spent a couple of days there."

Park will become top tourist attraction

He predicted the park would become one of B.C.'s outstanding tourist attractions. He added: "I am just happy that it now belongs forever to the people of Canada rather than to some American citizens."

Agreement on establishment of the West Coast national park was announced after a 90-minute meeting here on Feb. 27. Also attending the meeting was Socred Alberni MLA H. R. McDiarmid within whose constituency a major portion of the park will be situated centering on the scenic Long Beach area. McDiarmid is a real estate operator in the area.

Land needed for the park is to be acquired and assembled by the B.C. government. Substantial private holdings will have to be acquired, Kiernan said.

Kiernan said the old "life-saving trail" will be included in the park. It will vary in width from a few hundred yards to as much as two miles he said. Decision to keep the trail followed protests from conservation groups after it was indicated the trail might not be included in a wilderness setting. The federal government wanted a two-mile strip while B.C. indicated 660 yards was enough and at one point it was announced the trail would be dropped. A compromise was reached — the trail will have varying widths.

On April 30 the provincial government began acquisition of privately held property needed to complete the West Coast National Park.

Letters were sent to some 250 property owners in the Long Beach and Effingham Islands areas advising them that the government wishes to

negotiate purchase of property at a fair market price.

Cost of acquisition of the property — some homes in the Long Beach area have been valued at up to \$100,000 — is expected to total about \$5 million with the cost to be equally shared by the provincial and federal governments. Among property to be acquired is the Wickaninnish Inn at Long Beach. Its present owners and operators are expected to be permitted to continue its operation on a lease hold basis.

Certain prisoners to get leave

VICTORIA — B.C. jail prisoners may get up to 15 days leave under a bill piloted through the legislature by Attorney-General Peterson. The bill, an amendment to the B.C. Corrections Act, provides for leave to "certain" prisoners for humanitarian reasons. Decisions as to individual leave would be made by the director of corrections.

The bill also would permit leave for rehabilitative purposes, for education or medical reasons, as well as providing relief arrangements under which prisoners would go out to work for specified periods on the understanding their earnings would be applied to the upkeep of their families.

Peterson said the major emphasis in the legislation is on rehabilitation of prisoners.

Wolfe urged higher car-use taxes

VICTORIA — Yet another Social Credit backbencher has called for imposition of higher taxes on motor vehicle users.

Evan Wolfe (SC—Vancouver Centre) told the house on March 11, that the government should raise more revenues from vehicles and drivers to narrow the gap between vehicle-user revenues and expenditures on highways.

In 1965, he said \$28 million more was spent on highways than was collected in user revenues, but since then the gap has widened significantly. Currently expenditures are running more than \$70 million ahead of such revenues he said.

"Looking to the future," said Wolfe "we should be anticipating that revenues from motor vehicle usage will pay for

highways otherwise we will use up revenues from other sources that can be used for other purposes. I think we should look to increasing our revenues, gasoline taxes, etc. as we look to the future."

Robert Strachan (NDP—Cowichan Malahat) said he finds "interesting" the pressure being applied by Socred backbenchers for increased taxes. (Earlier in the session Socred backbenchers Alex Fraser (Cariboo) and Frank Ney (Nanaimo) proposed increases in the per-gallon gasoline tax to pay for road improvements in their districts.)

As Wolfe made his proposal — he did not specify any particular amount of gasoline or other tax increase — some opposition MLAs shouted

"You didn't tell the people that last August before the election."

Wolfe, a car dealer also asked the government to prepare to make major contributions towards necessary highway improvements in the Vancouver area in the next decade.

He said between \$300 and \$400 million worth of highway expenditures — freeways, crossings, approaches — will be required in the area and that "obviously this will mean the need for massive amounts of money from senior governments."

"It will become the responsibility of all sections of the province and we can't avoid it" he said.

Wolfe suggested the B.C. government should follow a

policy of the Alberta government — adoption of a five-year plan of highway aid to urban areas under which the provincial government pays 75 per cent of the cost of freeways, 50 per cent of expressways or arterial highways and 100 per cent of highways in a city's "fringe" area.

On March 17, Wolfe introduced a bill to empower the Greater Vancouver Regional District to establish a transit authority to construct and operate a rapid transit system.

Wolfe proposed in his bill (which was not acted upon) that the authority's projects and operations be financed by the proceeds of a special urban transportation tax on all gasoline sold at retail in the Greater Vancouver regional district.



EVAN WOLFE



WELFARE MINISTER GAGLARDI

Gaglardi hit on patronage

Province Victoria Bureau

VICTORIA — Welfare Minister Gaglardi has been accused of violating Premier Bennett's promise to keep political patronage out of the provincial government.

Opposition Leader Barrett, debating welfare department spending estimates on March 26, said Gaglardi's Provincial Alliance of Businessmen, an organization designed to find work for the hard core unemployed, would be better known as the "Pork Barrel Alliance."

Charging that Gaglardi had appointed two active social Creditors to top positions in the Alliance, Barrett declared:

"This is straight civil service patronage outside the civil service commission. It is a straight payoff of public funds to the political friends of the minister. This is straight political patronage that no other minister of the Crown has shown involvement in and

worse than any other form of patronage that can be displayed in the history of this province.

Barrett challenged Socred backbenchers to "pound your desks if you support that way of hiring civil servants." None did, but one called out, "have you stopped beating your wife yet?"

Barrett paused, then said:

"That is not my problem. It is over there on that side that it is a problem." (This was an apparent reference to accusations made against John Tisdalle (SC—Saanich) by Tisdalle's wife last year that Tisdalle had beaten her. They have since been divorced.)

Barrett said Gaglardi's action was in direct contravention of non-patronage rules laid down by Premier Bennett. He quoted Bennett as having told Socreds that it is easier for a person to go through the eye of a needle than to obtain any provincial government patronage.

Inexperienced workers

Yet Gaglardi had hired Ron Price, son of Vancouver Burrard Socred MLA Bert Price and a former federal Socred candidate, at \$1,050 per month to head up his Alliance. He claimed Price has no experience in the field of social work, is not a trained social worker — yet the government pays much less for fully experienced social workers — \$820 starting salary.

At the Kamloops regional office, Gaglardi has appointed D. G. Stewart, a former Gaglardi campaign manager, at \$730 per month — another person with no experience or training in social work.

This, said Barrett, is "blatant patronage" and is made even more "disgraceful" by the fact that these people on "plush salaries work out of plush offices." Gaglardi himself, Barrett claimed, not only has a plush office in Victoria but another in the Avord building in Vancouver, one of the city's most expensive office buildings.

Receiving no answer when he demanded to know how Price and Stewart qualify for such salaries, Barrett said such patronage should lead Socred MLAs to "hang your heads in shame."

Gaglardi accused Barrett of "misrepresenting" the situation, stating that of 14 persons employed by the Alliance "only" two were Socreds — and they were selected "on merit and merit alone."

He said he had approached the civil service commission for advice on how to hire personnel and was told the Alliance was outside the civil service.

Price, he said, is "one of the finest young men in B.C. and is doing an extremely good job."

Gaglardi reviewed the performance of the Alliance, saying he operates it as the "champion" of the working man and that his staff works arduously to provide jobs for those needing them.

The Socreds' albatross

Since it began last summer the Alliance has provided 1,350 jobs, Gaglardi said.

"At no time was politics ever used in the department," he said, "and at no time will it be."

Robert Williams (NDP-Vancouver East) said Gaglardi's handling of the Alliance shows that he "once again proved to be the albatross of the Social Credit government."

In general debate on welfare, Barrett, himself a social worker, claimed Gaglardi's promise to remove "deadbeats" from welfare rolls has "done more harm and set back rehabilitative programs more than any statement the minister could make, fed on ignorance, fed on prejudice, fed on a panacea approach."

He said the use of the word "deadbeat" by Gaglardi was "stupid, foolish and ignorant."

Barrett declared the expenditure of \$94 million on welfare allowances a waste and a "testimony to the failure of your way of life, of your economic way of life."

It was waste, he said, because it is not accompanied by any comprehensive system of helping recipients improve their status, such as an adequate number of day care centres where mothers can leave their children to work or improve their education. It is waste also because it contains serious contradictions—such as a policy under which the government will spend \$480 a month to "break up a family" by dispersing children to foster homes, but will pay only \$260 in direct welfare payments to keep a family together.

Gaglardi said it was "disgraceful" for Barrett to speak in this manner. He read a list of expenditures on various aspects of welfare operations, including more than \$200,000 for day care centres. He also pointed out his new welfare concept, with emphasis on rehabilitation through the Provincial Alliance of Businessmen, was designed wholly to help people improve themselves and permit them to escape from the welfare cycle.

Moran Dam plans revived by Socred

VICTORIA — Evan Wolfe (SC—Vancouver Centre) revived the 15-year-old Moran Dam proposal. He said the dam, which would be one of the world's largest, should be built on the Fraser River about 220 miles upstream from Vancouver.

The problem of interfering with the Fraser River fishery could be overcome, he considered.

At a cost of \$1.2 billion the dam would provide 7.5 million kilowatts of electricity — the cheapest power in Canada, at 1.6 mills per kilowatt hour.

One problem, however, would be the loss of about \$5 million per year in salmon, or one-tenth of the B.C. catch.

"If we could spend a fraction of the savings in power on spawning beds and ladders we could wind up in fact with a net increase in fish output," Wolfe told the House on Feb.

25. The advantages would be full flood control for the lower Fraser without the need for dykes, an end to the lower Fraser silting problem, and deepsea shipping all the way to Chilliwack.

Opposition Leader Barrett asked Premier Bennett: "Is he (Wolfe) flying a kite for you?" Bennett replied: "No." (A day earlier Bennett had told the House there would be no power development on the Fraser if it would damage the fishery.)

George Mussallem (SC—Dewdney), a Haney car dealer, told Wolfe, whom he described as a "common car dealer from Vancouver": "Hands off the Fraser. You might get the fish up the ladders, but there's no way you can get them down through those turbines, because then they're dead fish."

Litterbugs face penalty

VICTORIA — A litter act designed to outlaw non-returnable bottles and containers, and to prohibit littering and "spoiling and fouling" of water and land was approved by the legislature.

Recreation Minister Kiernan said he believes the legislation is the first of its kind in Canada. He hopes to see the cabinet put it into effect about three months after its passage through the legislature — possibly June. The "grace time" he said is to give the merchandising industry to make "adjustments" enabling it to comply with the new law.

"We are a wasteful society," Kiernan said, "and that wastefulness is centred on beer and soft drinks to a large measure. We believe we

should put the responsibility on the people selling these soft drinks and beer to provide a refund on the empty container, and by this method we expect to materially reduce this type of hazardous litter where it is lying around the countryside where people have just abandoned it."

The bill says a person may make arrangements with an agent, or with a wholesaler or distributor in the same locality "to provide a depot, convenient for his customers, for the acceptance of containers purchased from him and for refunds to the purchaser."

The refund provisions apply to government liquor stores, the bill states. (Kiernan explained that this applies

only to beer containers, and not to wine and hard liquor bottles — although section 9 of the act will permit the cabinet to pass regulations restricting or adding to the list of containers covered.)

The act also prohibits discharge of domestic sewage or waste from a trailer, camper, portable housing unit, boat or house-boat into any fresh water or watercourse or on land, with the following exceptions:

Under a pollution control act permit; where disposal facilities are provided "in accordance with proper and accepted methods of disposal using those facilities and in accordance with the health act; or by excavating a pit on land

and burying and covering the domestic sewage or waste with not less than 12 inches of clean soil."

The act provides that except on privately owned or occupied land, no person shall establish or maintain a camp on any land, unless: toilet and sanitary facilities are provided and properly used; or the person excavates and maintains and uses a pit toilet.

No person shall abandon a camp unless he first buries and covers the pit toilet with at least 12 inches of clean soil.

Anyone contravening the act is liable on summary conviction to penalties prescribed under the summary convictions act — six months in jail or a \$500 fine.

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Socreds accused of fascism over succession duty

VICTORIA — Cries of "fascism" and "dictatorship" came from opposition members when Social Crediters voted approval to a new section of the Succession Duty Act retroactively prohibiting appeals against certain rulings under the act by Premier Bennett.

The section of the act gives Premier Bennett, as finance minister, absolute discretion to state what bequests are exempt from death duties if made to charitable, religious or educational institutions — retroactive to April 1. All right of appeal contained in previous legislation has been cancelled. The discretion, in another section, ended on April 1 this year, when determination as to whether bequests are for charitable, religious or educational purposes will be made according to terms of the federal Estate Tax Act.

Opposition members blasted Bennett for giving himself absolute and arbitrary powers.

Garde Gardom (L-Point Grey) led off the debate (on March 17) angrily shouting that the bill was a "singular example of dictatorship . . . Someone must have been baying at the moon."

When chairman Herb Bruch (SC-Esquimalt) complained that the term "dictatorship" was unparliamentary and should be withdrawn, Gardom exploded, smashing his fist on his desk. A pencil he had been holding flew 20 feet in the air from the force of the blow.

He said he found it difficult to use any other word than dictatorship, because Bennett was denying access to the courts and thus "emasculating the courts."

Pointing in anger at Bennett, sitting grimly, Gardom declared: "You are afraid of the courts of this land . . . This is a complete denial of centu-



GARDE GARDOM
... angry shouts

ries of philosophy, a denial of natural justice."

Opposition leader Barrett said: "If that kind of legislation continues we will fall back on the statement of the minister of health that we ought to do away with the opposition and just have a one-party legislature."

"The man who once said he was plugged into God is now trying to act like God," he said. "Who do you think you (Bennett) are to have this kind of power, this kind of legislation. You should be ashamed of yourself. This is legislating absolute power by a premier who thinks he has absolute power, but let me remind you that there are some rules left and we will fight to preserve the 'a'."

Liberal Leader McGeer said he suspected the legislation was directed at the Woodward Foundation, to

which Bennett had denied exemption and now sought to uphold his ruling arbitrarily.

"Who could ever believe that the Woodward Foundation was not a charitable organization?" asked McGeer. He said it had helped a long list of hospitals, the Salvation Army, and many people trying to get an education, as well as "church after church."

"Who in their right mind would deny that that foundation was devoted to charity?" he said. "Who would be afraid of the courts except someone who had done a wrong and knew it?"

"This is unbridled arrogance, and when someone puts himself above the courts it is time to trim his powers."

Bennett laughed and said McGeer still "wears short pants." Other Socreds taunted and ridiculed McGeer.

Gordon Dowding (NDP-Burnaby Edmonds), a lawyer, brought silence to the house with this statement:

"This jeering and laughing reminds me of the incident when some judges did some crying, when the parliament of South Africa abrogated the rights of the courts on habeas corpus. The judges found they no longer had the power to stand between the citizen and the state when injustice occurred."

"When you reduce all that to this question and you hear the scoffs and the jeers around this chamber, it sends chills down your back."

"Think about that. You have reposed your trust in a form of justice that is people and from the government, and that is the protection of the courts of the land."

They are sworn to uphold the laws and to protect the individual and his rights—and a state that is prepared to destroy that function between the state and the individual has no bounds, and those who laugh today may cry tomorrow."

No government member spoke in support of the section, but it was approved and third reading was given the bill.

In an earlier debate, on March 13, the government's amendments to the Succession Duties Act were fiercely attacked by the opposition for the heavy new burden of taxation they impose on bequests for charitable, religious or educational purposes.

In three hours of debate, during which no government spokesman made any effort to answer opposition criticism, opposition speakers described the bill as undemocratic, contrary to Christian ideals, Castro-like, greedy and a denial of justice.

The bill, approved by the Social Credit majority in a 33-16 vote, applies succession duties on 90 per cent of the net value of an estate willed to a charitable, religious or educational organization.

Ten per cent of estates so willed is exempt from succession duty if the bequest qualifies as being provided for charitable, religious or educational purposes.

In a statement opening debate on second reading of the bill, Bennett said the amendments mean that "most beneficiaries of estates in B.C. will be exempt from succession duty." In recognition of complaints that the new provisions on charitable, educa-



GORDON DOWDING
... brings silence

tional and religious bequests could curb donations of paintings to art galleries, Bennett said objects of art will be given a nominal value of \$1 if bequeathed to a public library, museum or art gallery and accepted for display and retention in B.C.

Highlights of the debate: McGeer called the bill "the most offensive piece of legislation" ever introduced in the legislature. He said it meant the government was "robbing the poor of their legacy."

He promised that a Liberal government would remove succession duties entirely. (In the coming fiscal year the government estimates revenue from succession duties will total \$17.5 million, up \$500,000 over the current year.)

Barrett said the NDP would oppose the bill, not because it opposes succession duties, but because the 10 per cent exemption is "cheap."

"What's wrong with leaving money in any amount to charity?" he asked.

"For a rich province like this," said Dennis Cocke (NDP-New Westminster), "I think this is pretty greedy of us."

Barrie Clark (L-North Vancouver Seymour) appeared near to tears when he emotionally attacked the new provisions on charitable donations, saying his college education was made possible only because of Union College in Vancouver, largely supported by bequests.

Gardom termed the bill "the last piece in the jigsaw puzzle of financial control" established by Premier Bennett.

"One would expect this sort of thing from Cuba," he said. "It's machete legislation, straight Castro stuff. It is cheap, rank and it smacks of statism."

An NDP backbencher failed in an attempt to get the House to look into the circulation of a letter attacking MLAs for not protesting the succession duty amendment strongly enough.

William Hartley (NDP-Yale Lillooet) said the letter was being circulated under the letterhead of the Family Counselling Association. He asked speaker William Murray to issue a warrant ordering Glen Ringdal of Port Moody before the House to explain. Ringdal, he said, owns the post office box number shown on the letterhead. Murray said members should be concerned that such literature was being circulated, but found there was no clear-cut case of abusing privileges of members.

Bennett said he shared the concern of Hartley.

Williams sought public airing of giants' tree farm licences

VICTORIA — Robert Williams (NDP—Vancouver East) called for renegotiation "in full public view" of millions of acres of tree farm licences which he says are now held on a basis of privilege by the "kings" and "giants" of the forest industry.

He singled out MacMillan Bloedel Ltd., saying the company has three million acres of timber licences, 2½ times the size of Prince Edward Island. These licences should be given special public attention, he said, because a former long-time member of the Social Credit government is now senior vice-president of M. & B. He referred to Robert Bonner, former attorney-general.

"Clearly any negotiations with M. & B. must take place in public," Williams said in closing the budget debate for the opposition on Feb. 20. "There must be full public hearings. This is the only way that justice will be seen to be done."

Public negotiations will be difficult, he admitted, but argued that any failure to let the public in on the details will "leave a cloud of doubt over the relationship between government and the forest kings."

The giant forestry firms get their timber acreage for an "abysmally low" one cent per acre per year, Williams claimed.

"If that isn't privilege then I don't know what is," he said.

This was his answer to an outright denial issued two weeks earlier by M. & B. Chairman J. V. Clyne to earlier charges that Clyne and his firm get privileged treatment from the government. Williams said he rejected Clyne's description of him as a "coward" for making charges

against M. & B. under legislative immunity.

Calling Clyne "probably the most powerful man in B.C.," Williams said companies like M. & B. regard the public's timber domain as their own personal property.

Clyne had shown "cheap bravado" by attacking Williams, the MLA said, for when he was a Supreme Court judge he had issued a judgment in a defamatory libel case declaring that a person in a position of public trust must be given full immunity. Clyne was referring to a member of a jury, but the same principle applies to a member of the legislature, Williams held.

Williams claimed there is no real competition in the B.C. forest industry, that government timber sells to companies at approximately 30 per cent lower than the national average. The difference is the "gravy" that the industry is given by the government, he said.

In a later debate (on March 19) Williams proposed another royal commission inquiry into the B.C. forest industry.

"We need a royal commission to review the whole question, this whole conspiracy of silence in the industry," Williams said. The last forestry royal commission, conducted in 1956 by the late Chief Justice Gordon Sloan, recommended another inquiry in 10 years, but the government has done nothing about it, Williams said.

The MLA said it is next to impossible to get information from the industry and a royal commission would open it up to public scrutiny.

Gordon Dowding (NDP—Burnaby-Edmonds) said the resources department could conduct an inquiry of its own to "see if there is a monopoly in the forestry industry." It is easy, he said, for the industry



ROBERT WILLIAMS
... new deal sought

to become "rigged" when there is little competition.

"The people who talk most about private enterprise," he said, "don't believe in it. Their whole drive, their whole thrust is towards monopoly."

Robert Strachan (NDP—Cowichan Malahat) demanded an explanation of why lumber prices are high during a period of decreasing revenues to the government from forestry "when there are trees all around us."

Lands and Forests Minister Williston said the industry depends on export markets and "can't live for fifteen minutes on local marketing."

"Our whole operational base is to keep the industry working," he said. "Our whole philosophy is to keep the industry working when prices are going down, so wages can be paid."

Williston was accused by Williams of pursuing policies of "economic insanity" by promoting resource development but at the same time failing to get a big enough return for the people and failing to stop resource pollution.

Williams said Williston is "living with the big companies" and is "only interested in the get-a-buck ideas of private enterprise."

"The old school teacher image long associated with the minister no longer prevails," Williams said. "Now it is an image of unhappiness and also of arrogance. A good example of this is what he said about the Benguet money — he called it a 'good citizenship dollar'."

"That's what he said about money from these people who bought the government of the Bahamas. But perhaps on the whole the Cypress Bowl fiasco has been a good thing. It means people will have to think twice about anything he says in future, and that probably we should review all the

deals that have gone through his hands."

Williams also said a mass cynicism is growing among young people over the legislature and its ability to control pollution. The cynicism is generated by such facts as the lack of any cabinet representation at a recent teach-in on pollution at the University of Victoria.

"This government," Williams said, "is unwilling to have its cabinet ministers mixing with the students of this province."

An example of the government's failure is to be found in plans of the Eddy Match Co. of Ontario and Quebec to relocate in B.C. "because the pollution control standards are low."

Williams also proposed (in a Feb. 26 debate) that the provincial government insist on collection of real property taxes from B.C.'s big forestry companies. He said these companies would "think twice before locking up an empire" if they had to pay taxes.

Resource policies of the B.C. government were described as encouraging "buccaneers" to come to B.C. by Opposition Leader Barrett.

He referred specifically to "huge profits" that will be made by Kaiser Resources Ltd. from Kootenay coal, and claimed Bennett is prepared to defend Kaiser's right to such profits.

Barrett said B.C. has become "the last raiding ground of the buccaneers." He asked Bennett for a commitment to press the federal government for all-Canadian rail shipping routes to the coast for the Kootenay coal, but Bennett's answer was "no."

On another resource question, Williams proposed a provincial government products corridor across B.C. to head off an attempt by the CPR to dominate new transportation over the next half century.

He said a CPR subsidiary, Cascade Pipelines, has applied for the right to build a pipeline from a point near the Alberta border to the coast, and also has indicated it wants to establish a products corridor.

"If they are allowed to obtain right-of-way where there are good grades and through the passes and on special routes to growth communities to the Lower Mainland they would be put in the driver's seat once again, in a monopoly position," he said.

Commercial Transport Minister Richter said Cascade had not yet been granted any right-of-way. He said his department is looking into problems related to the application, adding that government policy is to confine pipelines and transmission lines to a transportation corridor.

Ranting, rumbling, walkout marked end of House session

VICTORIA — The final day of the 1970 session of the B.C. Legislature was one of bitter argument between the opposition and the government — so bitter on one issue that the official Opposition walked out rather than vote.

These were the highlights of prorogation day, April 3:

- Social Credit majority votes censure against Prime Minister Trudeau and federal Health Minister Munro for allegedly favoring legalization of marijuana, despite opposition protests that Trudeau and Munro denied making such statements.

- NDP opposition group walked out rather than vote on "mockery, sham" resolution of government introducing limited Hansard system, covering only formal debates on throne speech and budget.

- Government permits limited debate on several minor opposition bills, but allows several contentious bills and motions — including one setting rules for preventing conflicts of interest in the public service — to die on the order paper.

Alcohol problem

During debate on the censure motion against Trudeau and Munro, Health Minister Loffmark spoke in favor of outlawing alcohol just as marijuana is outlawed.

He said:

"We have a more serious

problem with alcohol (than with marijuana)."

Opposition leader Barrett interjected: "Stop selling it then. Don't be hypocritical."

Loffmark continued, "If we were facing the problem of alcohol today the way we are that of marijuana I would speak out just as strongly against it. There is very little difference between alcohol and marijuana in debilitating effects."

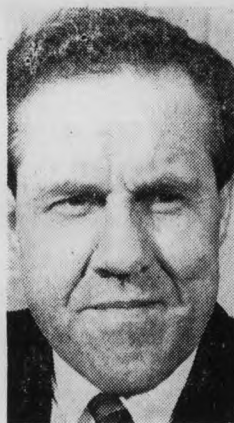
Premier Bennett pounded his desk in enthusiastic support of Loffmark's statements.

Very material

While Munro may have "changed" the statement attributed to him in January, said Loffmark, such a change is immaterial.

Speaker William Murray said if there was a denial or a change in Munro's statement, then it would be "very material" to the motion and might, in fact, make it out of order, since all members should be prepared to accept the word of a minister of the crown. However, after Bennett commented, "They (Munro and Trudeau) said it, they said it," Murray made no attempt to rule the motion out of order.

Opposition members, both NDP and Liberals, complained that the government "for cheap political purposes" was trying to make the Legislature a "kangaroo court" to "libel and condemn" Trudeau and Munro for statements it



RALPH LOFFMARK
... outlaw alcohol

was not proven they had made.

Sponsor of the motion was Minister Without Portfolio Mrs. Grace McCarthy, a Vancouver florist.

The motion expressed the Legislature's "deep concern over recent statements attributed to the Hon. John Munro and the Prime Minister of Canada relating to the smoking of marijuana by Canadians, particularly considering Canada's international obligations to repress the unauthorized use of marijuana except for medical and scientific purposes" under international convention.



GRACE MCCARTHY
... moves censure

The motion also called on the federal government to "fulfill their obligations in regulating and controlling the use of drugs for any purpose except those permitted" under the convention.

Opposition Leader Barrett, a social worker, said he and every member of the 55-seat legislature opposes legalizing marijuana. But he said he would oppose any motion which attempted to "make cheap politics" out of the drug problem, since no one had proved that Munro made the statements attributed to him or that they had in fact been endorsed by Trudeau.

Mrs. McCarthy quoted from a Canadian Press report of Jan. 19 which said Munro, during the taping at Ottawa's Carleton University of the CBC program "Under Attack" stated that if a significant minority of Canadians smoked marijuana Ottawa would be irresponsible "if we didn't legalize it."

She did not quote Trudeau on marijuana, but referred only to statements he is alleged to have made on Jan. 18 — statements she said are "well known" to all.

In support of her motion Mrs. McCarthy read from a telegram she had obtained from entertainer Art Linkletter condemning the use of drugs. His daughter died in a fall from a Los Angeles apartment building after using LSD last year.

Statement denied

Liberal Leader McGeer protested that if Mrs. McCarthy had checked with Munro she would have found he never made the statement she attributed to him.

"The minister telegraphed me personally saying he didn't make the statement," said McGeer. "Then, the following week, he was in B.C. on an open line radio program and denied it again."

Garde Gardom (L — Point Grey) suggested that Mrs. McCarthy reword her resolution to simply oppose legalization of marijuana. She would get unanimous approval if she did, he said, but would get nothing but opposition from him if she insisted on pursuing her unsubstantiated attack on Munro and Trudeau.

Ernie LeCours (SC—Richmond) said he heard Munro deny the statements attributed to him and urged Mrs. McCarthy to withdraw her resolution or reword it so as not to reflect on Trudeau or Munro.

Outraged cries

The vote was 34-17 in favor of the resolution. Dudley Little (SC—Skeena) voted with the opposition, explaining later outside the house that he did not think Mrs. McCarthy should busy herself with such matters. LeCours said he would have voted with the opposition, too, but was paired with a missing Liberal member (Barrie Clark—North Van Seymour).

When the government motion covering the introduction of recording house debate

on a limited basis was put forward, its sponsor, Provincial Secretary W. D. Black, announced that it would apply only to formal debate on the throne speech and budget.

His announcement drew outraged cries of "what a mockery, what a sham" from opposition benches.

"What a farce to allow the people of this province to think they were going to bet a complete, verbatim record of this house," said Barrett.

Tape recorded

The government plan, under which the budget and throne debates will be tape recorded, then transcribed at the end of each session, will not record the "real meat, the real heart" of the business of the house—debate on the principle of bills, committee study of bills, or committee of supply examination of all government policies when dealing with spending estimates.

It is doubly insulting to the people, said Barrett, coming at a time "when there is a great newspaper strike" in Vancouver.

"What are they afraid of?" demanded Alex Macdonald (NDP-Vancouver East).

"Any premier or cabinet minister or member of this house who is ashamed to see his words in print should not be sitting in this house," Barrett replied.

"They are beginning to believe they are plugged into

God," he added. "They use their parliamentary majority to stifle parliament. We don't buy it. It's sick and it's an insult to the people of this province."

"What have you got to hide?" asked Liberal Leader McGeer.

"What is so shameful about those words that leads you to keep them from the people of B.C.? This is the only legislature in Canada that lacks a Hansard system."

A mockery

Robert Williams (NDP-Vancouver East) stood up after 30 minutes of debate and announced: "Once again the man who would play God makes a mockery of parliament. We refuse to take part in this destruction of parliament that we see today and we refuse to take part in this vote."

With that the 12 NDP members marched out of the chamber.

Barrett said outside the government intends only to "frustrate democracy" because it believes it has "a divine right to rule."

Among proposals permitted by the government to "die" on the Legislature's order paper were:

● A Barrett motion suggesting the appointment of an all-party committee to "act as an impartial and non-compulsory conciliator in an effort to bring about a settlement in the lockout-strike at Pacific Press in Vancouver."

Gardom plan

● A Gardom proposal for establishment of a House committee to investigate all matters involving Commonwealth Trust and its affiliated companies;

● A motion of Ernie Hall (NDP-Surrey) opposing all offshore oil exploration and drilling;

● A Barrett motion urging the federal government to oppose shipping of toxic gases in Canadian waters.

One motion that did pass called for the Clerk of the House to give Industrial Development Minister Waldo Skillings expenses that he would have been entitled to had he not missed one day of the session more than permitted by the rules, when he attended official opening ceremonies of Expo 70 in Osaka. The amount involved was \$24.

"I'd be glad to take up a collection for him," offered Barrett.

"Half of it goes to Ottawa," said Premier Bennett.

800 copies of liquor probe sold

Special to The Province

VICTORIA — The Queen's Printer says about 800 copies of the royal commission report on B.C.'s liquor laws have been sold since the report was tabled in the legislature earlier this year.

The report, now under study by government officials, sells for \$2.50.

ABORTION LAW RELAXED

Province Victoria Bureau

VICTORIA — Therapeutic abortions are to be made available on a wider basis to women who wish to terminate pregnancies, Health Minister Loffmark announced on Feb. 19.

He told the legislature that he is instructing B.C. hospitals on procedures involved. His main objective, he indicated, is to eliminate the need for women in outlying communities to travel long distances to obtain abortions.

He said he is authorized to take such action under the criminal code amendment which broadens the basis on which abortions may be obtained. Under it, he said, doctors may consider not only whether the life of the pregnant woman is threatened, but also her mental condition.

Loffmark held that an ideal abortion law would rest between two extremes — narrow rigidity and licence. He added:

"This an area that requires from all people a sympathetic understanding and as much compassion and kindness as we can confer on an individual consistent with an environment in which there is no licence."

On March 26, streamers and banners were hurled onto the floor of the legislature by a group of 15 women — members of the Women's Caucus of Vancouver — campaigning for establishment of government abortion clinics.

The women were ordered out of the chamber.

Campbell urges delay in municipal financing

VICTORIA—The inaugural meeting of the new B.C. Municipal Financing Authority was urged by Municipal Affairs Minister Campbell to defer borrowing until this fall. He predicted that interest rates will be lower then.

He said the authority should have to pay no more than eight per cent for any funds it borrows and added that he expects interest rates to be down to between seven and eight per cent by September or October.

Campbell, at the April 22 meeting, also suggested that the authority, representing the borrowing power of municipal governments in B.C., with the exception of Vancouver City, should market its first bonds in B.C.

He said it is "unconscionable" that municipalities should be paying as much as 10 per cent for capital funds obtained from foreign money lenders.

"Surely a case can be made for keeping that kind of money at home," he told the municipal and regional district representatives.

"If it's desirable to have pollution control and abatement at the municipal level, and I think it is, then the people who save internally in this province should have the opportunity to make their savings applicable to this and other things which we consider to have priority.

"I would recommend that the financing authority, as a first move, not go to the financial market at all. Instead you should present to the people of B.C. a case that it is a good thing to keep the interest on our social capital at home, and therefore that it is good on projects at a priority level."

Saanich Mayor Hugh Curtis, president of the Union of B.C. Municipalities, was elected chairman of the seven-man board of trustees required to

be established under the financing authority act passed at the recent legislative session. He defeated Burnaby Mayor Robert Prittie.

Curtis said: "I realize this financing authority was born in some dissension and that it is viewed with varying degrees of enthusiasm, but I want to assure you I will work to the best of my ability to overcome these initial difficulties to make it an effective tool of the municipalities of B.C."

An act setting up the municipal financing authority to finance water, sewer and pollution control facilities was passed by the legislature on March 23. Municipal Affairs Minister Campbell said then that the authority will be wholly-owned by the municipalities and will be backed by the \$6 billion in total property assessments throughout B.C., including unorganized territory.

Regional districts will have to join the authority, but individual municipalities will have until July 2 to decide whether to join, Campbell said, and if they opt out they will not be able to join later.

Should any municipality or regional district member of the authority default on payment of any loan made through the authority, the default will be covered by a province-wide assessment, according to the bill. Campbell said he doesn't expect any defaults will occur.

"After two years of examining the market it is our view that the debentures issued by this authority will be the finest pieces of municipal paper available in North America," he said.

Discussions about such an authority were opened by Campbell with the Union of B.C. Municipalities last fall.

Exempted from the legislation are the Greater Vancouver sewerage and drainage district, Greater Nanaimo sewerage and drainage district, Greater Victoria water district and Greater Campbell River water district.

Bennett's new budget heralding a slump?

VICTORIA — Liberal Leader McGeer claims Premier and Finance Minister Bennett's 1970-71 budget in effect predicts an economic slump.

He based the statement on the difference in revenue for the 1969-70 fiscal year and the year covered by the budget, which started April 1.

(The House voted approval of the \$1.165 billion budget on Feb. 20.)

Revenues for the current fiscal year, McGeer said, are 23 per cent ahead of Bennett's original estimates and should total \$1.2 billion by March 31, the year end. However, the 1970-71 budget is calling for revenues of only \$1.166 billion, while at the same time describing the economic outlook as "buoyant."

"But what are the dreadful facts in these figures?" he

asked. "Are we heading for a slump? The premier should let us know."

Robert Strachan (NDP — Cowichan-Malahat) accused the government of misleading the public with "false propaganda" paid for by public funds with advertisements detailing Hydro rate increases. This shows the government "still has its hand in the public purse," he said.

Strachan called for Bennett to ask the federal government to ensure Canadian sovereignty against intrusions and encroachments by computer systems controlled from outside Canada.

Bennett did not respond directly but replied that while he is a Canadian citizen, he also is a "world citizen" and gives thanks daily that Canada's closest neighbor is the U.S.

Public funds used—McGeer

VICTORIA — Liberal leader McGeer has charged that Premier Bennett used public funds to pay for some of the expenses he incurred while campaigning for Social Credit candidates during the 1968 federal election.

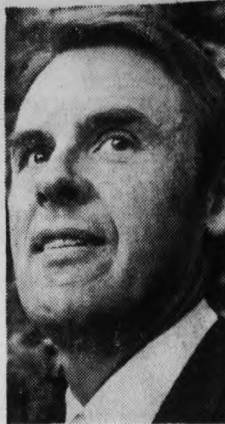
He questioned vouchers covering Bennett's travel expenses during that campaign, as well as those of Bennett's chauffeur, Arthur Vickers, a public works department employee.

McGeer claimed on March 25 that the expenditures, chiefly for motel bills, should have been met by the Social Credit Party, not the public treasury.

He also said he wants to question, in the House public accounts committee, vouchers covering travel and hotel expenditures of Welfare Minister Gaglardi when he was a minister without portfolio and of Minister Without Portfolio Jordan.

He said Gaglardi ran up a bill of \$1,500 at the Hotel Vancouver in eight months of 1968, and made plane trips to Alberta, Oregon and Washington that were paid for by the public but did not involve any public business.

Mrs. Jordan, said McGeer, charged to the public purse



PAT McGEER
... public funds used

expenses of more than \$2,900 over three months, including a stay at Banff. No public business was recorded as justification of the expenditures, McGeer said.

McGeer made the statements about the ministerial vouchers in a corridor interview and not before the public accounts committee, of which he is a member.

Refused to attend talks

He refused to attend a meeting of the committee, stating he would not attend because chairman George Mussallem (S C—D e w d n e y) had announced it would be held in camera.

Besides questioning the ministerial expenses McGeer said he had wanted at that meeting to deal in public with accounts of the Liquor Control Board, and had asked in a letter to Mussallem to do so.

Mussallem said before the meeting that he wanted it held in private to permit the committee to prepare its report to the legislature, a common procedure for committees. However, he said McGeer's request to summons LCB officials would be discussed in a public session of the committee if McGeer so requested.

McGeer did not show up, but two NDP members did. Oppo-

sition leader Barrett and Gordon Dowding (NDP—B u r n a b y E d m o n d s) protested behind closed doors that Mussallem was acting improperly in declaring that the meeting be held in-camera without having the committee pass a motion to that effect.

At one point, Dowding got up and flung the door of the committee room open — which prompted Mussallem to move that it be closed, and Industrial Development Minister Skillings to rush over to the door and slam it shut.

After further loud argument and gavel-pounding, Barrett and Dowding walked out of the meeting.

"It is absolutely incredible that they call a public accounts committee meeting in-camera, reading the minutes in camera and then asking for a motion to go into camera . . ." Barrett said.

Breaking the rules

Dowding added:

" . . . before they even dealt with a matter before the committee, that is the request from Dr. McGeer for vouchers and accounts of the liquor control board . . ."

Barrett cut in with: "What is involved here more seriously than anything else is an attitude reflecting government view that with 38 seats they can do anything they want with the rules and the procedure . . ."

Dowding: ". . . and a chairman with a big gavel . . ."

Barrett: ". . . and the whole scrutiny of how public money is being spent is now being subverted worse than the coalition did through orders-in-council, and unlike any other legislature in Canada . . ."

Dowding: ". . . and the worst of it is that the chairman admitted he was breaking the rules and then asked the committee to uphold that."

McGeer later said he had wanted to go into LCB accounts to check into allegations made by the Morrow royal commission on liquor that collusion and favoritism was involved in liquor board marketing practices.

On March 26, Premier Bennett rejected as "stupid" the claim by McGeer that Bennett charged some of his 1968 federal election campaign expenses against the public purse.

If he did make political speeches at various places in the interior during that campaign, Bennett said, it was only because he happened to be at those places as premier and on government business.

Between June 11 and June 22, Bennett campaigned on behalf of the unsuccessful Socred candidates in the federal constituencies of Okana-

gan Boundary, Okanagan Kootenay, Kootenay East and Fraser Valley East.

"The premier is always the premier," he explained when asked to comment on McGeer's charges, made after McGeer examined expense vouchers for Bennett's office during 1968.

"That stupid McGeer," Bennett said.

Policing of auto insurance rates urged

VICTORIA—The legislature's special committee on auto insurance has found that rates under the new compulsory car insurance scheme, which started Jan. 1, are too high, and urged the government to establish an auto insurance board to police rates.

Provision for such a board is contained in the government's no-fault insurance legislation, but subject to being put into effect by the cabinet—which has not indicated whether it accepts the committee's recommendations.

The committee, in a March 24 report, urged that the government proclaim the section of the act providing for establishment of an automobile insurance board.

The board, said the committee's report tabled by chairman Herb Capozzi (SC-Vancouver Centre), would hire an actuary and the companies would be "asked to justify their rates for the present compulsory package and be required to obtain approval for future changes in these rates."

"This board should be asked to study the cost and ramifications of various proposals whereby the compulsory package or portions of it could be operated by other than the industry," said the report. This apparently was a reference to the threat contained in another unproclaimed section of the existing act, a section that would permit the govern-

ment to move into the auto insurance business.

Commenting on his committee's report, Capozzi said it amounts to "telling the industry to perform or we'll move in."

The NDP minority on the committee issued its own findings, stating the answer to the question of whether the public is getting fair rates is "an unequivocal no." They called for establishment of a government-run car insurance plan.

The majority report of the committee said the committee was "dismayed" to learn "how little" is being done by the insurance industry to:

Exert pressure on the auto industry to manufacture safer cars; encourage defensive driving courses and offer

reduced premiums for graduates; reduce claims costs adjustment expenses and excessive motor vehicle damage claims.

Said the committee report:

"The committee felt that better control and policing is required by the companies to reduce costs of claims. Since the insurance companies base their rates on the Green Book (of actuarial records) which in turn is based on the claims costs of the preceding year, there is no real pressure on the companies to reduce costs.

"There is, however, considerable evidence that the pressure of the auto repair industry, the agent and the automobile owner himself on the adjuster and the insurer is

a definite factor in increasing costs. It is hoped that the industry would become its own watchdog and take steps to reduce claims costs, duplication and commission expenses."

However, the committee said the public must realize that the cost of auto insurance "merely reflects in dollars the real problem of human suffering, and accidents that careless and irresponsible drivers cause."

Because there can't be significant changes in rates until there are safer cars and safer drivers, the committee said, the following is recommended, along with investigation of insurance rates by the auto insurance board:

- Driver training in all schools.

- Defensive driving courses a requirement for all major violators of the point system.

Mandatory motor vehicle testing on a province-wide basis.

- Legislation requiring interim payments for property damage in clear liability cases.

The committee also recommended against adoption of a proposal to limit suits for recovery of property damage in car accidents to \$250, and that the no-fault disability benefits should not apply to passengers in public passenger vehicles like buses and taxis.

Health test fee plan dropped

Province Victoria Bureau

Premier Bennett gave in under opposition criticism and announced the government would not proceed with one of his minister's bills — an amendment to the health act to permit charging of fees for tests examinations and treatments by public health personnel.

The retreat followed opposition from both the NDP and Liberal ranks. Complaints were typified by the statement of Gordon Dowding (NDP—Burnaby-Edmonds) that the bill would bring an increase in venereal disease and tuberculosis, and a deterioration of child health because people would be discouraged from seeking public health services were charges to be levied.

Another section of the bill — permitting the cabinet to place the functions of a union board of health under a regional district — was criticized by Allan Williams (L—West Vancouver Howe Sound (as another step by Health Minister Loffmark to take more and more power into his own hands.

Credit card obligations tightened

Province Victoria Bureau

VICTORIA — If you get an unsolicited credit card in the mail, don't worry about it. A new provincial law says you can't be held responsible for obligations assumed under it, if you don't acknowledge its receipt.

An amendment to the Consumer Protection Act, approved at the 1970 session of the legislature, removes any legal obligation from persons receiving such cards or unsolicited goods of any kind.

The amendment stipulates that no suits can be held against the recipient of unsolicited goods or cards in the event of loss, misuse, damage or misappropriation of the goods or cards, so long as the recipient does not acknowledge receiving them.

The law will not apply to credit cards that renew or replace old ones and won't apply to cards or goods received before the amendment came into effect — April 6.

In weighing public demand and public fear," the report said, "caution could well be the watchword."

It proposed such outlets be introduced in small numbers and on an experimental basis. "If experience shows them to be desirable community outlets, than more outlets should be considered."

Added the commission: "The commission feels there are people in places away from the congested

downtown areas who would appreciate a smaller type of outlet, where the owner would be in a position to know his patrons and we feel that wishes of these people should be catered to.

"Another advantage would be that patrons would be within walking distance of the outlet and thus reduce the possibility of being classed as impaired drivers."

Such outlets could be named community clubs or village clubs, said the commission. The report found there is "no basis for the cry of wolf" put up by the B.C. Hotels Association about neighborhood pubs.

However, the "very substantial investments" represented by hotels would be protected. In addition, neighborhood pubs would not be allowed to "interfere with gracious living in the neighborhood."

Public drinking

About drinking in public view generally, the commission said such practice no longer is offensive and the prohibition against public drinking should be repealed.

Price gouging on wine has been indulged in by the Liquor Control Board and by some restaurants, the commission found.

Through high markups many people are denied "the experience of gracious eating and drinking habits" it said.

Some dining establishments in Victoria and Vancouver had marked up wines by from 100 to 300 per cent. The commission called this reprehensible and discriminatory.

The authoritarian one-man rule of the LCB said the commission has led to problems at the staff level.

LCB rapped

"Considerable criticism" the report said "has been levelled at the LCB both at the administration level and at those employed in liquor stores."

"The attitude of the administrative staff of the LCB in the past seemed to reflect the philosophy of the government which was and is control and regulation."

"The uncompromising attitude of the board has resulted in an abrupt and rigid attitude in their dealing with most persons doing business with the board in writing or personal contact."

"Employees have been severely criticized for failing to assist the public with their purchases by refusing information or counselling to prospective purchasers." However said the commission some employees said they

were more than eager to assist but were prevented by rigid rules.

"It is the opinion of the commissioners that the philosophy must change from control and regulation to one of public service, the public service to include as its primary ingredient courtesy to the public."

The commission called for retraining of LCB personnel at public expense to fit them for the new approach

with commensurate upgrading of salary scales.

In its recommendation for control of bay rum, the commission said: "There is a large trade in this very shoddy product. It sells for 35 cents for four ounces and apparently contains a greater amount of alcohol than an equivalent amount of whisky and further it provides a longer hangover than whisky."

"From what the commission heard people who drink it prefer it to whisky for this reason."

Protection urged for buyer seeking 'genuine' Scotch

On March 10 the Morrow royal commission submitted additional recommendations to the government, urging delisting of Canadian "highland" whiskies to ensure that those who desire to purchase genuine Scotch whisky be not misled.

The commission, in an addendum to the report it submitted to the government March 6, also recommended that the government implement the request of the Scotch Whisky Association of Edinburgh for pricing by the B.C. Liquor Control Board of their

product on the same basis as domestic whiskies, instead of higher as at present.

The commission said the recommendations on Scotch — and others on hours of opening of licensed premises — were "inadvertently omitted" from its original report.

In its hours of opening recommendations the commission said premises operating under the proposed new omnibus (food with all types of liquor and cabarets) licence should be permitted to open seven days a week until 2 a.m., with later closing at 3 a.m. on December 31.

(This recommendation complements the commission's proposal in the original report that liquor service be permitted on Sundays.)

The commission also recommended, in its supplementary report, more flexibility in opening hours for beer parlors. It said public houses should be permitted to sell liquor for up to 14 hours per day, continuous or broken, commencing no earlier than 7 a.m. and ending not later than 2 a.m., to accommodate the request of many shiftworkers.

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