

Thursday, December 17, 1987

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TEN O'CLOCK A.M.

Prayers by Mr. Speaker.

The Hon. *M. B. Couvelier* (Minister of Finance and Corporate Relations) presented the Public Accounts of British Columbia for the fiscal year ended March 31, 1987.

The Hon. *M. B. Couvelier* (Minister of Finance and Corporate Relations) moved—

That the Public Accounts for the fiscal year ended March 31, 1987 be referred to the Select Standing Committee on Public Accounts.

Motion agreed to.

By leave, the Hon. *M. B. Couvelier* (Minister of Finance and Corporate Relations) moved—

That this House authorize the Select Standing Committee on Finance, Crown Corporations and Government Services to examine, inquire into and make recommendations with respect to the regulation of the financial planning and advisory industry, and, without limiting the generality of the foregoing, to consider:

1. The desirability of a regulatory regime to regulate the financial planning and advisory industry;
  2. The objectives which regulation of the industry should attempt to accomplish and the principles upon which regulation could be established;
  3. The policy considerations inherent in regulating this industry; and
  4. Alternative approaches which could be used to design a regulatory regime;
- and to report to the House as soon as possible, or following any adjournment, or at the next following session, as the case may be.

In addition to the powers previously conferred upon the said Committee by the House, the Committee shall have the following additional powers, namely:

- (a) To appoint of their number one or more subcommittees and to refer to such subcommittees any of the matters referred to the Committee; and
- (b) To sit during any period in which the House is adjourned, is prorogued, and during any sitting of the House;
- (c) To adjourn from place to place as may be convenient; and
- (d) To retain consultants as required to advise the Committee generally and during its deliberations.

Motion agreed to.

By leave, the Hon. *M. B. Couvelier* (Minister of Finance and Corporate Relations) moved—

That this House authorize the Select Standing Committee on Finance, Crown Corporations and Government Services to examine, inquire into and make recommendations on the matter of replacing industrial property taxes presently imposed under the

*Municipal Act* and the *Taxation (Rural Area) Act* with a single tax at a uniform rate, the proceeds of which would be distributed to local government and, in particular, to consider:

1. The nature of industrial property to be included in such a tax;
2. The basis for the assessment of such property;
3. The appropriate level of taxation; and
4. The basis for distributing the proceeds of the industrial property tax to local government,

and to report to the House as soon as possible, or following any adjournment, or at the next following session, as the case may be.

In addition to the powers previously conferred upon the said Committee by the House, the Committee shall have the following additional powers, namely:

- (a) To appoint of their number one or more subcommittees and to refer to such subcommittees any of the matters referred to the Committee; and
- (b) To sit
  - (i) during any period in which the House is adjourned, is prorogued and during any sitting of the House; and
  - (ii) to adjourn from place to place as may be convenient; and
- (c) To retain consultants as required to advise the Committee generally, and during its deliberations.

Motion agreed to.

The Hon. *B. R. D. Smith* (Attorney General) presented to Mr. Speaker a Message from His Honour the Lieutenant Governor, which read as follows:

ROBERT G. ROGERS  
*Lieutenant Governor*

The Lieutenant Governor transmits herewith Bill (No. 71) intituled *Family Maintenance Enforcement Act* and recommends the same to the Legislative Assembly.

Government House,  
December 16, 1987.

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Bill introduced and read a first time.  
Second reading at the next sitting after today.

Mr. *Cashore* made a statement relating to Bill (No. 71).

The Hon. *C. H. Richmond* (Minister of Social Services and Housing) presented to Mr. Speaker a Message from His Honour the Lieutenant Governor, which read as follows:

ROBERT G. ROGERS  
*Lieutenant Governor*

The Lieutenant Governor transmits herewith Bill (No. 72) intituled *Guaranteed Available Income for Need Amendment Act, 1987* and recommends the same to the Legislative Assembly.

Government House,  
December 16, 1987.

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Bill introduced and read a first time.  
Second reading at the next sitting after today.

By leave, the Hon. *W. B. Strachan* moved that leave be given for the Select Standing Committee on Forests and Lands to meet later today.

By leave, the Hon. *W. B. Strachan* moved that leave be given for the Select Standing Committee on Labour, Justice and Intergovernmental Relations to meet later today.

Ms. *Marzari* presented the Second Report of the Select Standing Committee on Public Accounts.

The report was taken as read and received.

By leave of the House, the Rules were suspended and the report adopted.

By leave, the Hon. *W. B. Strachan* moved—

By leave, that the proceedings in regard to the third reading of Bill (No. 68) intituled *Miscellaneous Statutes Amendment Act (No. 5), 1987*, be declared null and void and that the Bill be re-committed forthwith with respect to section 51.

Bill (No. 68) was re-committed.

The Committee reported Bill (No. 68) complete with amendment.

Section 51 of Bill (No. 68) defeated.

By leave, Bill (No. 68) read a third time and passed.

On the motion of the Hon. *W. B. Strachan*, the House proceeded to "Public Bills and Orders and Government Motions on Notice."

Bill (No. 70) intituled *Forest Amendment Act (No. 2), 1987* was committed, reported complete without amendment, read a third time and passed.

The Hon. *A. J. Brummet* tabled the Annual Report of the Ministry of Education for the period July 1, 1986 to June 30, 1987.

Mr. Speaker declared a short recess.

By leave, the Hon. *W. B. Strachan* moved that Messrs. *Williams* and *Sihota* be substituted for Messrs. *G. Hanson* and *Stupich* on the Select Standing Committee on Finance, Crown Corporations and Government Services.

By leave, the Hon. *W. B. Strachan* moved that the Hon. *B. R. D. Smith* be substituted for the Hon. *C. S. Rogers* on the Select Standing Committee on Labour, Justice and Intergovernmental Relations.

His Honour, the Lieutenant Governor having entered the House, and being seated in the Chair—

*Ian D. Izard*, Esq., Law Clerk and Clerk Assistant, read the titles to the following Bills:

- (No. 34) Health Statutes Amendment Act, 1987.
- (No. 48) Insurance Amendment Act, 1987.
- (No. 51) Mineral Amendment Act, 1987.
- (No. 58) Open Learning Agency Act.
- (No. 59) Miscellaneous Statutes Amendment Act (No. 4), 1987.
- (No. 60) Property Purchase Tax Amendment Act, 1987.
- (No. 61) Softwood Lumber Products Export Charge Compensation Act.
- (No. 62) Pension (Public Service) Amendment Act, 1987.
- (No. 63) Motor Vehicle Amendment Act (No. 2), 1987.
- (No. 67) Assessment Amendment Act, 1987.
- (No. 68) Miscellaneous Statutes Amendment Act (No. 5), 1987.
- (No. 69) Legislative Assembly Allowances and Pension Amendment Act, 1987.
- (No. 70) Forest Amendment Act (No. 2), 1987.

His Honour was pleased in Her Majesty's name to give assent to the said Bills.

The said assent was announced by *Ian M. Horne*, Q.C., Clerk of the House, in the following words:

"In Her Majesty's name, His Honour the Lieutenant Governor doth assent to these Bills."

His Honour the Lieutenant Governor was then pleased to retire.

The Hon. *E. N. Veitch* moved—

That the House, at its rising, do stand adjourned until it appears to the satisfaction of Mr. Speaker, after consultation with the Government, that the public interest requires that the House shall meet, or until Mr. Speaker may be advised by the Government that it is desired to prorogue the First Session of the Thirty-fourth Parliament of the Province of British Columbia. Mr. Speaker may give notice that he is so satisfied or has been so advised and thereupon the House shall meet at the time stated in such notice, and, as the case may be, may transact its business as if it has been duly adjourned to that time and date; and

That, in the event of Mr. Speaker being unable to act owing to illness or other cause, the Deputy Speaker shall act in his stead for the purpose of this order.

And then the House adjourned at 12.04 p.m.

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**Tuesday, February 23, 1988**

TWO O'CLOCK P.M.

Prayers by Mr. Speaker.

Mr. *Sihota* rose on a deferred matter of privilege relating to statements previously made in the House with respect to the Coquihalla Highway and allegations of contempt by virtue of deliberately misleading the House, and tabled the following documents:

The *Report of the Commission of Inquiry into the Coquihalla and Related Highway Projects* (Mr. MacKay).

A copy of the *Public Accounts* for the fiscal year 1985–86.

A copy of the *Financial and Economic Review*, 46th Edition, August 1986.

A copy of the *Estimates* for the fiscal year ended March 31, 1986.

A copy of MacKay Commission Exhibit No. 3.

Mr. Speaker stated that he would defer the matter until tomorrow with a view to hearing further representations.

Order called for “Oral Questions by Members.”

Ms. *Smallwood* asked leave, pursuant to Standing Order 35, to move adjournment of the House to discuss a definite matter of urgent public importance, namely, the Government’s reaction to the Supreme Court of Canada’s decision concerning the right of equal and unencumbered access to a legal medical service, that is, therapeutic abortion.

The Hon. *B. R. D. Smith* (Attorney General) submitted that the matter raised by the Honourable Member for Surrey-Guildford-Whalley was *sub judice*.

Mr. Speaker stated he would take the matter under advisement.

The Hon. *J. Savage* (Minister of Agriculture and Fisheries) tabled the Annual Report of the Provincial Agricultural Land Commission for the year ended March 31, 1987.

On the motion of the Hon. *W. B. Strachan*, the House proceeded to “Public Bills and Orders and Government Motions on Notice.”

On the motion for second reading of Bill (No. 28) intituled *Election Amendment Act, 1987*, a debate arose.

Mr. *Hanson*, seconded by Mr. *Harcourt*, moved the following amendment:

That the motion “That the Bill be read a second time now” be amended by deleting the word “now” and substituting “this day six months hence”.

The debate on the amendment continued.

On the motion of Mr. *Clark*, the debate was adjourned to the next sitting of the House.

The Hon. *W. B. Strachan* advised the House that the House would sit Wednesday.

And then the House adjourned at 5.55 p.m.

**Wednesday, February 24, 1988**

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TWO O'CLOCK P.M.

Prayers by Mr. Speaker.

Order called for "Oral Questions by Members."

On the matter of privilege raised yesterday by the Honourable Member for Esquimalt-Port Renfrew, the Hon. *W. B. Strachan* made representations.

The Hon. *B. R. D. Smith* (Attorney General) made representations.

Mr. *Rose* made representations.

Mr. *Harcourt* made representations.

Mr. *Sihota* made representations.

The Hon. *M. B. Couvelier* made representations.

Mr. Speaker stated he would take the matter under advisement.

On the motion of the Hon. *W. B. Strachan*, the House proceeded to "Public Bills and Orders and Government Motions on Notice."

The House resumed the adjourned debate on the amendment to the motion for second reading of Bill (No. 28) intituled *Election Amendment Act, 1987*.

The debate on the amendment continued.

On the motion of Mr. *D'Arcy*, the debate on the amendment was adjourned to the next sitting of the House.

Mr. Speaker delivered his reserved opinion as follows:

*Honourable Members:*

Yesterday, the Honourable Member for Surrey-Guildford-Whalley sought to move adjournment of the House, pursuant to Standing Order 35, to discuss a matter of urgent public importance, namely, "the Government's reaction to the Supreme Court of Canada's decision concerning the right of equal and unencumbered access to a legal medical service, that is, therapeutic abortion."

The Honourable the Attorney General advised the House that the matter sought to be raised by the Honourable Member was presently the subject of proceedings in the Supreme Court of British Columbia.

As is well known to the House, it has frequently been ruled that there are both general and specific restrictions on motions for the adjournment of the House under Standing Order 35. Sir Erskine May's *Parliamentary Practice*, 16th ed., at pages 370, 373

and 374, states that the matter must conform to general rules of order and that matters which are offered when facts are in dispute, matters which entail legislation and matters which are *sub judice* do not qualify for debate under this particular procedure, which is in part designed to dispense with the usual notice of motion.

As the matter raised is *sub judice*, and on that ground alone, the Honourable Member's application cannot qualify under the provisions of Standing Order 35.

J. REYNOLDS, *Speaker*

And then the House adjourned at 5.50 p.m.

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**Thursday, February 25, 1988**

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TEN O'CLOCK A.M.

Prayers by Mr. Speaker.

On the motion of the Hon. *W. B. Strachan*, the House proceeded to "Public Bills and Orders and Government Motions on Notice."

The House resumed the adjourned debate on the amendment to the motion for second reading of Bill (No. 28) intitled *Election Amendment Act, 1987*.

The debate on the amendment continued.

On the motion of Mr. *Gabelmann*, the debate on the amendment was adjourned to the next sitting of the House.

And then the House adjourned at 11.57 a.m.

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**Thursday, February 25, 1988**

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TWO O'CLOCK P.M.

Order called for "Oral Questions by Members."

Ms. *Edwards* presented a petition relating to the Chevron Mansfield gas well in the Elk Valley.

The Hon. *L. Hanson* (Minister of Labour and Consumer Services) tabled the Annual Report of the Ministry of Labour and Consumer Services, 1986-1987.

On the motion of the Hon. *W. B. Strachan*, the House proceeded to "Public Bills and Orders and Government Motions on Notice."

The House resumed the adjourned debate on the amendment to the motion for second reading of Bill (No. 28) intituled *Election Amendment Act, 1987*.

The debate on the amendment continued.

Upon a point of order being taken by the Hon. *E. N. Veitch* (Provincial Secretary and Minister of Government Services), Mr. Speaker ruled that Schedule 3 of Standing Order 45A provided for a designated member on an amendment to the motion for second reading.

On the motion of Mr. *Lovick*, the debate on the amendment was adjourned to the next sitting of the House.

And then the House adjourned at 5.55 p.m.

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### Friday, February 26, 1988

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TEN O'CLOCK A.M.

Prayers by Mr. Speaker.

Mr. *Hanson* presented a petition relating to Bill (No. 28) intituled *Election Amendment Act, 1987*.

Order called for "Private Members' Statements."

By leave, on the motion of the Hon. *W. B. Strachan*, the House proceeded to "Public Bills and Orders and Government Motions on Notice."

Bill (No. 65) intituled *Cooperative Association Amendment Act, 1987* was read a second time and *Ordered* to be placed on the Orders of the Day for committal at the next sitting after today.

On the motion for second reading of Bill (No. 72) intituled *Guaranteed Available Income for Need Amendment Act, 1987*, a debate arose, which was, on the motion of Mr. *Gabelmann*, on behalf of Mr. *Cashore*, adjourned to the next sitting of the House.

The House resumed the adjourned debate on the amendment to the motion for second reading of Bill (No. 28) intituled *Election Amendment Act, 1987*.



The debate on the amendment continued.

On the motion of Mr. *Williams*, the debate was adjourned to the next sitting of the House.

**30** Mr. *Blencoe* asked the Hon. the Minister of Finance and Corporate Relations the following questions:

With reference to the Ministers of State—

1. How much has been spent on the authority of the Special Warrant dated October 29, 1987, by each of them?

2. For each recipient of expenditures provide:

(a) the amount paid;

(b) the purpose for which it was paid;

(c) what was purchased with the money; and

(d) the name of the Minister on whose authority the transaction was made.

The Hon. *M. B. Couvelier* replied as follows:

“As of December 11, 1987, there were approximately \$170,000 in commitments against the \$8 million Special Warrant approved October 29, 1987. The term “commitments” is used because the majority of these expenses, while owed, have not yet been processed through the Government accounting system. There is always a delay between the time a commitment is made and when the bill is paid.

“The commitments vary from a low of \$1,200 in Region 5 to \$68,800 in Region 3. The majority of the funds committed were for start-up and administrative costs for the regions, including salaries, travel, supplies and equipment. Detailed information can be obtained from the Public Accounts Committee when all regional spending will have flowed through the accounting system.”

And then the House adjourned at 12.32 p.m.

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**Monday, February 29, 1988**

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TWO O'CLOCK P.M.

Prayers by Mr. Speaker.

The Hon. *W. N. Vander Zalm* (Premier) made a ministerial statement relating to the Government's policy on abortion.

Mr. *Harcourt* made a statement.

Mr. *Rose* raised a point of order relating to the scope of ministerial statements.

The Hon. *W. B. Strachan* replied to the point of order.

Order called for "Oral Questions by Members."

The Member for Surrey-Guildford-Whalley, having disregarded the authority of the Chair, was *Ordered* by the Speaker to withdraw from the House for the remainder of the sitting, pursuant to Standing Order 19.

The Hon. A. J. *Brummet* (Minister of Education) made a ministerial statement relating to Education Week in the province.

Mr. *Jones* made a statement.

By leave, on the motion of the Hon. W. B. *Strachan*, it was *Ordered* that leave be given for the Select Standing Committee on Forests and Lands to meet today and tomorrow at Cowichan Bay, and Monday and Tuesday next at Kamloops, while the House is sitting; for the Select Standing Committee on Labour, Justice and Intergovernmental Relations to sit Wednesday next; and the Select Standing Committee on Finance, Crown Corporations and Government Services to meet on Wednesday next, while the House is sitting.

On the motion of the Hon. W. B. *Strachan*, the House proceeded to "Public Bills and Orders and Government Motions on Notice."

The House resumed the adjourned debate on the amendment to the motion for second reading of Bill (No. 28) intituled *Election Amendment Act, 1987*.

The debate on the amendment continued.

The House divided.

The amendment was negatived on the following division:

YEAS—18

<i>Edwards</i>	<i>Sihota</i>	<i>Kempf</i>	<i>Harcourt</i>
<i>Clark</i>	<i>Williams</i>	<i>Blencoe</i>	<i>Rose</i>
<i>Jones</i>	<i>Lovick</i>	<i>Gabelmann</i>	<i>Marzari</i>
<i>A. Hagen</i>	<i>Guno</i>	<i>Boone</i>	<i>Barnes</i>
<i>Miller</i>	<i>Cashore</i>		

NAYS—33

<i>Peterson</i>	<i>Gran</i>	<i>S. Hagen</i>	<i>Michael</i>
<i>Messmer</i>	<i>Weisgerber</i>	<i>Veitch</i>	<i>Parker</i>
<i>Davidson</i>	<i>R. Fraser</i>	<i>Mercier</i>	<i>Richmond</i>
<i>Jacobsen</i>	<i>Davis</i>	<i>Rabbitt</i>	<i>Dueck</i>
<i>S. Smith</i>	<i>Couvelier</i>	<i>De Jong</i>	<i>Reid</i>
<i>Ree</i>	<i>B. R. D. Smith</i>	<i>Crandall</i>	<i>Rogers</i>
<i>Serwa</i>	<i>Vander Zalm</i>	<i>Loenen</i>	<i>Savage</i>
<i>Mowat</i>	<i>Strachan</i>	<i>Pelton</i>	<i>Brummet</i>
<i>Chalmers</i>			

The debate resumed on the main motion.

On the motion of Mr. *Miller*, the debate was adjourned to the next sitting of the House.

Mr. *Kempf* rose on a matter of privilege relating to a financial obligation to the Crown.

The Hon. *E. N. Veitch* (Provincial Secretary and Minister of Government Services) made a statement relating to the same matter.

Mr. Speaker stated that the matter required no further action by the Chair.

The Hon. *W. B. Strachan* advised the House that the House would sit on Wednesday next.

And then the House adjourned at 5.53 p.m.

## Tuesday, March 1, 1988

TEN O'CLOCK A.M.

Prayers by Mr. Speaker.

On the motion of the Hon. *W. B. Strachan*, the House proceeded to "Public Bills and Orders and Government Motions on Notice."

Bill (No. 64) intituled *Petroleum and Natural Gas Amendment Act, 1987* was read a second time and *Ordered* to be placed on the Orders of the Day for committal at the next sitting after today.

On the motion for second reading of Bill (No. 66) intituled *Mineral Tenure Act*, a debate arose.

The House divided.

Motion agreed to on the following division:

### YEAS—32

<i>Peterson</i>	<i>Gran</i>	<i>Strachan</i>	<i>Pelton</i>
<i>Davidson</i>	<i>Weisgerber</i>	<i>S. Hagen</i>	<i>Michael</i>
<i>Jacobsen</i>	<i>R. Fraser</i>	<i>Veitch</i>	<i>Parker</i>
<i>S. Smith</i>	<i>Johnston</i>	<i>Mercier</i>	<i>Richmond</i>
<i>Ree</i>	<i>Davis</i>	<i>Rabbitt</i>	<i>Dueck</i>
<i>Serwa</i>	<i>Couvelier</i>	<i>De Jong</i>	<i>Reid</i>
<i>Mowat</i>	<i>B. R. D. Smith</i>	<i>Crandall</i>	<i>Rogers</i>
<i>Chalmers</i>	<i>Vander Zalm</i>	<i>Loenen</i>	<i>Savage</i>

### NAYS—14

<i>Edwards</i>	<i>Lovick</i>	<i>Boone</i>	<i>Rose</i>
<i>Clark</i>	<i>Smallwood</i>	<i>Skelly</i>	<i>Marzari</i>
<i>A. Hagen</i>	<i>Guno</i>	<i>Stupich</i>	<i>Barnes</i>
<i>Sihota</i>	<i>Blencoe</i>		

Bill (No. 66) read a second time and *Ordered* to be placed on the Orders of the Day for committal at the next sitting after today.

On the motion for second reading of Bill (No. 71) intituled *Family Maintenance Enforcement Act*, a debate arose, which was, on the motion of Mr. *Sihota*, adjourned to the next sitting of the House.

And then the House adjourned at 11.59 a.m.

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## Tuesday, March 1, 1988

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TWO O'CLOCK P.M.

Order called for "Oral Questions by Members."

On the motion of the Hon. *W. B. Strachan*, the House proceeded to "Public Bills and Orders and Government Motions on Notice."

The House resumed the adjourned debate on the motion for second reading of Bill (No. 71) intituled *Family Maintenance Enforcement Act*.

The debate continued.

Bill (No. 71) read a second time and *Ordered* to be placed on the Orders of the Day for committal at the next sitting of the House after today.

On the motion for second reading of Bill (No. 72) intituled *Guaranteed Available Income for Need Amendment Act, 1987*, a debate arose, which was, on the motion of Mr. *Cashore*, adjourned to the next sitting of the House.

Mr. Speaker delivered his reserved decision as follows:

*Honourable Members:*

I have concluded my considerations of the submission by the Honourable Member for Esquimalt-Port Renfrew that a breach of privilege, or more accurately, acts of contempt of the House, have been perpetrated by two former Ministers of Transportation and Highways, namely, the Honourable First Member for Cariboo and the Honourable Member for Shuswap-Revelstoke; a former Minister of Finance, Mr. *Hugh A. Curtis*; the present Minister of Finance and Corporate Relations, the First Member for Saanich and the Islands; a former Premier, the Hon. *W. R. Bennett* and the Honourable the Premier.

Notice of the matter was appropriately given on November 24, 1987, but was deferred until February 23, 1988, pending the outcome of the Commission of Inquiry established by the Honourable the Premier on July 31, 1987, to be conducted by Mr. Douglas L. MacKay, an eminent Professional Engineer in this Province.

In the course of his submission, the Honourable Member for Esquimalt-Port Renfrew tabled the following documents and papers which I have examined:

1. The *Report of the Commission of Inquiry into the Coquihalla and Related Highway Projects* (Mr. MacKay).

I will note here, for future reference, that the Commissioner's *Report*, among other things,

- (a) established that the costs of the Coquihalla Highway and related projects grossly exceeded the estimate of cost, both as announced to the public and re-asserted in the House;
- (b) expressed an opinion, based on the Commissioner's, and his consultant's, understanding of the parliamentary process, involving statements made and documents tabled in the House, that the House was misled and that "the financial reporting of the Coquihalla Highway Project" was "tainted with an atmosphere of deceit and prevarication by both politicians and public servants", (It should be noted here, for the reasons that later go to the crux of the Chair's ruling, that this critical finding by the Commissioner, at page 71 of his *Report*, was underpinned by the immediately following statement: "The Financial Statements, the Ministry Brief, and the Auditor General's Report did not reveal the transfer of costs from Vote 74 to Vote 69.")

I continue with the Commissioner's findings:

- (c) that neither the Ministry of Transportation and Highways nor Treasury Board had an adequate system for auditing, controlling and reporting the Coquihalla project;
- (d) that while the published information presented to the Legislature would have allowed anyone interested to have deduced that the final costs would exceed the Ministry's (Transportation and Highways) published estimates, staff within the Ministry knew the amount of work yet to be done, and costs of the up-coming construction season.

I continue with the documents tabled:

- 2. A copy of the *Public Accounts* for the fiscal year 1985-86.
- 3. A copy of the *Financial and Economic Review*, 46th Edition, August 1986.
- 4. A copy of the *Estimates* for the fiscal year ending March 31, 1986.
- 5. A copy of MacKay Commission Exhibit No. 3.

The Honourable Member for Esquimalt-Port Renfrew also referred the Chair to the transcript of proceedings before the MacKay Commission.

As a result of the Chair advising the House that representations would be heard from any Member of the House wishing to bring to his attention anything which would assist a ruling on the matter, the Chair heard from the Government House Leader, the Opposition House Leader, the Leader of the Official Opposition, the Honourable Minister of Finance, the Honourable Attorney General and further representations from the Honourable Member for Esquimalt-Port Renfrew.

In addition, the Chair received from the Office of the Premier, on behalf of the Premier who was then out of the Province, a copy of a letter dated January 22, 1988, from Mr. R. G. Hayward, then Acting Auditor General, to an Honourable Member of the House, and copied to the Honourable the Premier, the Honourable Second Member for Vancouver-Point Grey (Chairman of the Select Standing Committee on Public Accounts), and the Honourable the present Minister of Transportation and Highways.

I wish to thank all Honourable Members for the valuable submissions which were of great assistance to me in this matter, and in determining, *prima facie*, not whether the House was in fact misled but whether or not it was deliberately misled by documents tabled and statements made in the House.

In considering first the facts upon which the Honourable Member for Esquimalt-Port Renfrew relied to establish his case, against the Hon. *W. R. Bennett*, Mr. *Hugh Curtis*, the Honourable Minister of Finance, and the Honourable the Premier, the essence or thread of the allegations largely, if not totally, have the same origins, namely, the Commissioner's *Report*. The Honourable Member's case relies heavily upon opinions expressed by the Commissioner. Those opinions in turn, in the relevant area of alleged deliberate deception of the House, are based upon Mr. MacKay's perception of the evidence then before him, of what obligations and responsibilities in the parliamentary sphere, the *Estimates* and *Public Accounts*, special warrants and surrounding legislation, impose upon Ministers of Finance in the House.

The Honourable Member for Esquimalt-Port Renfrew appears to have adopted, for the purposes of his argument, these perceptions of the Commissioner, or the Honourable Member may have an identical perception of the statutory obligations of Ministers of Finance in relation to *Estimates* and *Public Accounts*, insofar as they relate to the matter under consideration.

Reference to the *Hansard Blues* of February 23, 1988, at pages 6, 7, 8, 9, and 10, will disclose the great extent to which the Honourable Member either relies upon, or adopts, the perceptions and conclusions of the Commissioner to establish the very foundation of his case of deliberate or wilful deception of the House by Mr. *Hugh A. Curtis*, the Hon. *W. R. Bennett*, the Honourable Minister of Finance and the Honourable the Premier. At this point the Chair is directing attention to the alleged misconduct of those individuals in particular.

At page 8, the Honourable Member states, "One of Mr. MacKay's conclusions, and in my view, the most important", was: "The Legislature was misled by the documents presented to it. The true costs were not reported in a forthright way." On the same page, Mr. Hooper of the Commissioner's staff is quoted as saying certain changes "were concealed by transfer of votes relating to a number of projects from Vote 74 to Vote 69, and the non-disclosure of these transfers in the annual *Public Accounts*."

At page 9, the Honourable Member for Esquimalt-Port Renfrew says, "What is truly significant with respect to the case against the Premier is that his *Review* represents, for the first time, that the misleading allocation of Votes 69 and 74 appears in a document of record . . ." (The *Review* referred to is the 46th Edition of the *Financial and Economic Review* of August 1986, issued by the Honourable the Premier.)

At page 10, the Honourable Member for Esquimalt-Port Renfrew says, "It has to go to the establishment of a *prima facie* case, and the issue there, in terms of meeting that test, is demonstrating that the documents, the 46th *Review* and the *Public Accounts* that the Minister of Finance put forward, do not correct the deception."

In addition, in his submission, the Honourable Member puts forward a proposition that each of the Honourable Ministers "knew or ought to have known" certain salient and undisputed facts, and that non-disclosure of those facts in the *Estimates* and/or the *Public Accounts*, and the *Economic Review*, should lead the Chair to the *prima facie* conclusion of a deliberate and wilful deception of the House.

The law of Parliament imposes on the Chair the task of determining whether or not the matter has been raised at the earliest opportunity and if so, determining whether or not a *prima facie* case of deliberate and wilful deception has in fact been established. In this regard the onus upon the Honourable Member for Esquimalt-Port Renfrew in a matter of such gravity is clearly a heavy onus. That onus, to be satisfied, must go beyond establishing *prima facie* that not only was the House misled, but also *prima facie* that

one or more of the Honourable Members, Ministers or former Ministers deliberately mislead the House.

At this point I will observe that all Speakers must take great care, as I have done, not to decide matters which are the sole prerogative of the House, or a Committee of the House. However, the Chair must of necessity consider and take into account all the evidence presented without, of course, deciding those matters of substance which are for the House alone. In particular, the Chair must closely examine the fundamental basis for the conclusions, opinions and inferences which have led the Honourable Member for Esquimalt-Port Renfrew to make his complaint.

The extent to which the Honourable Member for Esquimalt-Port Renfrew has relied upon the Commissioner's *Report* and the evidence publicly given prior to November 24, 1987, before the Commissioner, is abundantly clear upon examination of the Honourable Member's submission.

Throughout the Honourable Member's submission there exists, with few exceptions (to which the Chair will later turn), this heavy, if not a total, reliance upon the conclusions and opinions of the Commissioner, predicated on the Commissioner's understanding of (1) statutory requirements and (2) his perceptions of the parliamentary process, each of which impose obligations on Ministers and, in particular, Ministers of Finance.

I have examined, and now turn to, the letter of the Acting Auditor General (referred to above), and which the Chair will table, which states, in part, at page 6, as follows:

"In his report the Commissioner contends that highway construction costs that were part of the costs of the Coquihalla highway were transferred from Vote 74 where they should have been recorded. He concludes that this transfer was made without proper authority and that the costs are therefore recorded in an inappropriate Vote. If I agreed with the Commissioner's analysis, and was unable to convince the Government to change their financial statements before they were issued, my audit report would have contained a reservation of opinion. However, my view of the situation differs from that of the Commissioner and accordingly my opinion on the statements is expressed without reservation. We will be commenting on this matter in our next Annual Report."

It is clear from an examination of the Commissioner's *Report* that the contention of the Commissioner that costs of the Coquihalla Highway were improperly transferred from Vote 74 (which contention, as the Acting Auditor General's letter shows, is unequivocally rejected by the Acting Auditor General), led the Commissioner and/or Mr. Hooper of the Inquiry staff to additional conclusions based on an incorrect perception of the parliamentary process. The cumulative effect of these additional conclusions, based on an incorrect premise, must have led to the conclusions that the parliamentary conduct under review was tainted with deception. As the Chair has previously observed, the Honourable Member for Esquimalt-Port Renfrew in making his allegations against Mr. *Hugh A. Curtis*, the Hon. *W. R. Bennett*, the Honourable Minister of Finance and the Honourable the Premier, either bases the foundation of his case on the conclusions of the Commissioner's *Report*, or has adopted the same misconception illuminated by the Acting Auditor General.

In fairness to the Commission, it should be noted the Commissioner's counsel, according to the list of witnesses called by the Inquiry to give evidence (as shown in the *Inquiry Report*), did not elect to call upon the Acting Auditor General, the Comptroller General of the Province, nor any witness with expertise in the parliamentary process. Nothing, however, that the Chair has observed with respect to the *Inquiry Report*, or Mr. MacKay's conclusions in the realm of parliamentary procedure or parliamentary conduct, is in any way intended to be by way of criticism or adverse reflection upon the Commissioner. Nor, of course, are the Commissioner's findings of large overruns of

expenditure and patent inadequacies within the Ministry of Transportation and Highways in any way questioned by the Chair.

The *Public Accounts* for 1985–86, tabled by the Honourable Member for Esquimalt-Port Renfrew as part of his submission, disclose, as is customary, that they are submitted by the Comptroller General of the Province to the Minister of Finance, whose statutory duty is then to present the Accounts to the House in the form received from the Comptroller General. The Acting Auditor General was an Officer of this House, obligated by statute to fairly report upon the financial transactions of the Government and, in particular, to report on any case where the Auditor General has observed (1) that accounts have not been faithfully and properly kept, or (2) public money has not been fully accounted for, or (3) that public money has been expended for purposes other than for which it was appropriated by the Legislature.

The Acting Auditor General in his letter of January 22, 1988, says very clearly that if he had “agreed with the Commissioner’s analysis and was unable to convince the Government to change their financial statements before they were issued, my audit report would have contained a reservation of opinion”, and then goes on to say, “my opinion on the statements is expressed without reservation.” He further states, “During our audit we ensure that expenditures are charged to the proper Vote, and that the total expenditures in any Vote do not exceed the funds appropriated for that purpose by the Legislature.”

To look again at the *Financial and Economic Review* of 1986, which forms part of the Honourable Member for Esquimalt-Port Renfrew’s submission, the Honourable Member says that what is “truly significant, with respect to the case against the Premier, is that part which relates to the alleged misleading allocation of Votes 69 and 74.”

This allegation, again based upon the misconceptions surrounding Votes 69 and 74, is totally rejected by the Acting Auditor General and falls within the erroneous perceptions surrounding the nature and content of *Estimates* and *Public Accounts*, and the obligations upon the Minister of Finance relating thereto.

The Chair has earlier observed it is not the function of the Speaker to decide any matters which are clearly the prerogative of the House or a Committee thereof to decide. I have examined the material before me and I have carefully considered all submissions. The Honourable Member for Esquimalt-Port Renfrew’s submission was some hour and twenty minutes in length and if the Chair has not specifically commented on each and every observation or reference of the Honourable Member, I have, nevertheless, considered all aspects of the matter to determine if the Honourable Member has made out, *prima facie*, a case that the House was deliberately misled. The statements of the Acting Auditor General speak for themselves and there has been no evidence presented to the Chair which casts any shadow of doubt upon those statements. As the letter of the Acting Auditor General was not copied to the Honourable Member for Esquimalt-Port Renfrew, the Chair cannot say had he received the letter, whether the Honourable Member would have founded his allegations of deliberately misleading the House in the same manner or would have extended the scope of his allegations to the degree that is before the Chair.

In the result the motion which the Honourable Member for Esquimalt-Port Renfrew indicated he wishes to place before the House cannot, in the absence of a *prima facie* case being established of deliberate intent to mislead the House, refer to the Hon. W. R. Bennett, Mr. Hugh Curtis, the Honourable Minister of Finance and the Honourable the Premier.

With reference to the allegation against the Honourable Member for Shuswap-Revelstoke, there are two specific complaints appearing on page 9 of the *Hansard Blues*



of February 23, 1988. First, that he was the Minister of Transportation and Highways when the Ministry brief "failed to reveal the transfer of funding from Vote 74 to Vote 69." This ground of complaint must fail for the reasons already given in relation to these Votes. The second complaint is that the Honourable Member for Shuswap-Revelstoke attributed the admitted overrun on the Great Bear snowshed to the seasonal nature of the work, whereas an official of his Ministry had testified before the Commission that the lack of site availability was the "main" cause for the overrun.

Ministers, in the course of debate on the Estimates, are asked many questions over a wide range, and often in great detail, all ordinarily without notice. If Ministers are uncertain on any fact, they should defer any answer until they may be fully informed. The witness referred to testified that the "main" cause was site unavailability and the Minister said the cause was the seasonal nature of the work. These different opinions, by no stretch of the imagination, can lead to a conclusion that the Member for Shuswap-Revelstoke deliberately mislead the House.

I cannot find any ground for concluding that the Honourable Member for Shuswap-Revelstoke deliberately mislead the House. Therefore, the motion proposed to be put to the House cannot include the name of the Honourable Member for Shuswap-Revelstoke.

There remains the allegation against the Honourable First Member for Cariboo. These allegations appear on pages 4, 5, 6, 7 and 8 of the *Hansard Blues* of February 23, 1988, in the submission of the Honourable Member for Esquimalt-Port Renfrew. The allegations are based upon submissions (1) that the Honourable Member for Cariboo's repeated assertions, in spite of all available information allegedly being to the contrary, and in spite of the expenditure for Phase I and Phase II of the Coquihalla Highway already made and recorded would make it an impossibility, the Coquihalla Highway would be completed within the original estimate of \$375 million. Reference is made on page 4 of the same *Hansard Blues* to a finding by Mr. MacKay that some nine days after the answer in question was made by the Honourable First Member for Cariboo, in the House, that the expenditures had already reached a total of \$415 million for the Coquihalla and related projects.

Additional allegations are made that while the facts were otherwise, the Honourable First Member for Cariboo during debate on the Schedule to *Supply Act (No. 1), 1986*, denied that any of the monies, namely \$118.8 million referred to in the Schedule, had been spent on the Coquihalla Highway.

It is further alleged that a certain list of projects tabled in the House by the Honourable First Member for Cariboo, according to the testimony before the MacKay Commission by Mr. Price of the Ministry of Transportation and Highways, was "out of context with reality" and the Member alleges that "what was being told to the Members of the House was a world apart from what was being concocted by Members of the previous administration . . ." This, in effect, says that the Honourable First Member for Cariboo tabled in the House a document, the content of which was false.

The Chair should observe here, with regard to the Honourable Member for Esquimalt-Port Renfrew's several assertions to the effect that if an Honourable Member "knew, or ought to have known" certain facts, that non-disclosure thereof would constitute a deliberate deception of the House. Such a proposition involves a quantum leap which is untenable, in the opinion of the Chair.

In any event, the Honourable Member for Esquimalt-Port Renfrew raises, in relation to this series of statements and answers, and documents tabled in the House by the Honourable First Member for Cariboo, allegations which are separate and distinct

and are not encompassed or addressed within the statements of the Acting Auditor General in relation to Votes 69 and 74. On the basis of the additional complaints against the Honourable First Member for Cariboo with respect to statements made in the course of debate and documents tabled in the House, I have concluded that with respect to those matters a *prima facie* case exists.

In so doing, I cannot express too strongly that in doing so, in finding a *prima facie* case, the honour and integrity of the Honourable First Member for Cariboo is in no way to be impugned or brought into question. A *prima facie* finding places no onus upon an Honourable Member. The correct and only meaning of such a finding is that there is a question which ought to be decided by the House. In expressing this opinion, I am fortified that the Mother of Parliaments in the United Kingdom has long been concerned with the negative connotation attached to the term "*prima facie*" case by reason of its association with process of the criminal law. In fact, the term "*prima facie*" has now been abandoned in the House of Commons of the United Kingdom and will not be found, I am informed, in the 20th Edition of Sir Erskine May's Parliamentary Practice.

The Honourable Member for Esquimalt-Port Renfrew will be allowed to make an appropriate motion. In accordance with the usual practice, the Honourable Member will be given adequate time to consult and perfect his motion. I suggest that the Leaders in the House might then arrange between them when the matter may again be brought forward.

In matters pertaining to the law of Parliament, and in particular relating to matters of privilege or contempt and the duty of the Chair with respect thereto, the Chair has relied upon the 16th Edition of Sir Erskine May's Parliamentary Practice, Chapter VIII, commencing at page 109.

J. REYNOLDS, *Speaker*

Mr. Speaker tabled a copy of a letter dated January 22, 1988, from the Acting Auditor General.

The House resumed the adjourned debate on the motion for second reading of Bill (No. 72) intituled *Guaranteed Available Income for Need Amendment Act, 1987*.

On the motion of the Hon. *W. B. Strachan*, on behalf of Mr. *Cashore*, the debate was adjourned to the next sitting of the House.

And then the House adjourned at 5.30 p.m.

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**Wednesday, March 2, 1988**

TWO O'CLOCK P.M.

Prayers by Mr. Speaker.

The Hon. *L. Hanson* (Minister of Labour and Consumer Services) tabled the Insurance Corporation of British Columbia Fifteenth Annual Report for the 12 months ended December 31, 1987.

Order called for "Oral Questions by Members."

The Hon. *D. Parker* (Minister of Forests and Lands) made a ministerial statement relating to an announcement of an initiative by the Aluminum Company of Canada.

Mr. *Miller* made a statement.

On the motion of the Hon. *W. B. Strachan*, the House proceeded to "Public Bills and Orders and Government Motions on Notice."

The House resumed the adjourned debate on the motion for second reading of Bill (No. 72) intituled *Guaranteed Available Income for Need Amendment Act, 1987*.

The debate continued.

Bill (No. 72) read a second time and *Ordered* to be placed on the Orders of the Day for committal at the next sitting after today.

Bill (No. 65) intituled *Cooperative Association Amendment Act, 1987* was committed, reported complete with amendment.

Bill (No. 65) as reported to be considered at the next sitting after today.

The House resumed the adjourned debate on the motion for second reading of Bill (No. 28) intituled *Election Amendment Act, 1987*.

The debate continued.

On the motion of Mr. *Blencoe*, the debate was adjourned to the next sitting of the House.

And then the House adjourned at 5.59 p.m.

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**Thursday, March 3, 1988**

TEN O'CLOCK A.M.

Prayers by Mr. Speaker.

On the motion of Mr. *Davidson*, Bill (No. M 210) intituled *Pension (Elected Municipal Officials) Act* was introduced, read a first time, and *Ordered* to be placed on the Orders of the Day for second reading at the next sitting after today.

On the motion of the Hon. *W. B. Strachan*, the House proceeded to "Public Bills and Orders and Government Motions on Notice."

The House resumed the adjourned debate on the motion for second reading of Bill (No. 28) intituled *Election Amendment Act, 1987*.

The debate continued.

On the motion of Mr. *D'Arcy*, the debate was adjourned to the next sitting of the House.

And then the House adjourned at 11.39 a.m.

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### Thursday, March 3, 1988

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TWO O'CLOCK P.M.

Mr. *Sihota* moved—

That a special committee of privilege be appointed to consider the facts surrounding the *prima facie* evidence that the First Member for Cariboo deliberately mislead the Legislature in the matter of the costs of the Coquihalla Highway; the said committee to comprise nine members to be named by the Special Committee of Selection; the said committee to be empowered:

- to sit and receive evidence during a period in which the Legislative Assembly is adjourned;
- to sit and receive evidence during the recess after prorogation;
- to sit and receive evidence during the subsequent session;
- to adjourn from place to place as may be convenient;
- to report from time to time its findings to the House; and
- to have all of the powers of the Legislative Assembly under the *Legislative Assembly Privileges Act*.

Mr. Speaker stated that he would have some comment on the form of the motion before debate thereon.

Mr. Speaker advised the House that the Honourable First Member for Cariboo had indicated his desire to be present during debate on the motion. With unanimous consent it was agreed that consideration of the motion be deferred until early next week.

Order called for "Oral Questions by Members."

On the motion of the Hon. *W. B. Strachan*, the House proceeded to "Public Bills and Orders and Government Motions on Notice."

The House resumed the adjourned debate on the motion for second reading of Bill (No. 28) intituled *Election Amendment Act, 1987*.

The debate continued.

The House divided.

Motion agreed to on the following division:

YEAS—29

<i>Davidson</i>	<i>Chalmers</i>	<i>Mercier</i>	<i>Michael</i>
<i>Jacobsen</i>	<i>Gran</i>	<i>Dirks</i>	<i>Parker</i>
<i>Ree</i>	<i>Jansen</i>	<i>Rabbitt</i>	<i>Dueck</i>
<i>Bruce</i>	<i>Couvelier</i>	<i>De Jong</i>	<i>L. Hanson</i>
<i>Serwa</i>	<i>Strachan</i>	<i>Crandall</i>	<i>Rogers</i>
<i>Vant</i>	<i>Veitch</i>	<i>Loenen</i>	<i>Savage</i>
<i>Campbell</i>	<i>Long</i>	<i>Pelton</i>	<i>Brunmet</i>
<i>Mowat</i>			

NAYS—17

<i>Clark</i>	<i>Smallwood</i>	<i>Gabelmann</i>	<i>Harcourt</i>
<i>Jones</i>	<i>Guno</i>	<i>D'Arcy</i>	<i>Rose</i>
<i>A. Hagen</i>	<i>Cashore</i>	<i>Boone</i>	<i>Marzari</i>
<i>Sihota</i>	<i>Blencoe</i>	<i>Stupich</i>	<i>Barnes</i>
<i>Williams</i>			

Bill (No. 28) read a second time and *Ordered* to be placed on the Orders of the Day for committal at the next sitting after today.

The House was advised that the House would sit on Wednesday next.

And then the House adjourned at 5.04 p.m.

## Friday, March 4, 1988

TEN O'CLOCK A.M.

Prayers by Mr. Speaker.

Order called for "Private Members' Statements."

By leave, Mr. *Bud Smith* tabled documents referred to during "Private Members' Statements."

By leave, on the motion of the Hon. *W. B. Strachan*, the House proceeded to "Public Bills and Orders and Government Motions on Notice."

Bill (No. 28) intituled *Election Amendment Act, 1987* was committed.

The Committee rose, reported progress, and asked leave to sit again. Report to be considered at the next sitting.

And then the House adjourned at 12.43 p.m.